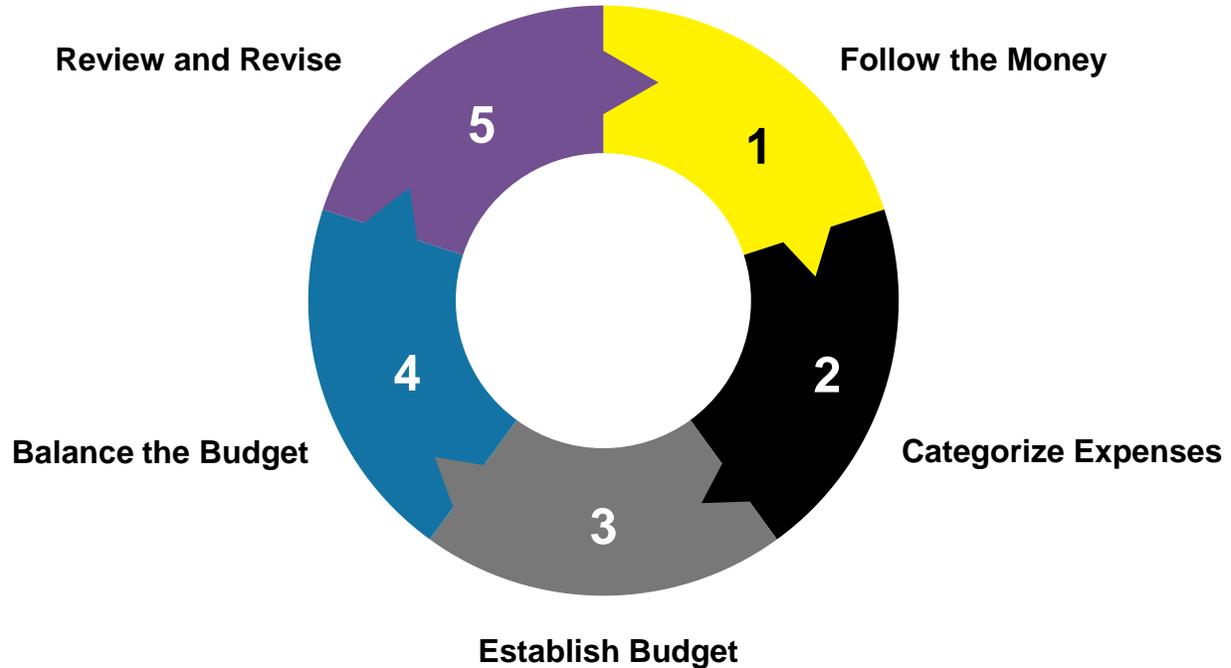


# Budgeting Worksheet

## Overview

Budgeting is all about effectively tracking where your money is being spent so you can properly plan for how and when to spend it. This workshop will walk you through the five key steps and use a scenario to help you learn the process. To complete this worksheet, you should have access to your transactions over the last month or two.

## Five steps to creating a budget



## Resources

There are several ways you can accomplish following the money and categorizing your expenses. The simplest approach is to use a journal or notebook and simply record everything by hand. Of course, technology has made things much easier in recent times. There are now programs that will track and categorize your expenses automatically. If you prefer the benefit of technology but the flexibility of the notebook approach, then you may consider using computer software or a spreadsheet program. Below are a few resources you may find helpful<sup>1</sup>.



### Mobile Apps and Websites

- You Need A Budget (YNAB)
- MyMoney.gov



### Computer Software

- Microsoft Excel
- Quicken
- Numbers



### Traditional Entry

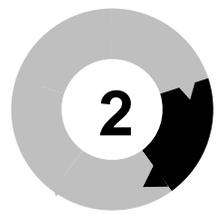
- Journal
- Notebook
- Pen and paper

<sup>1</sup>References to third parties are for informational purposes only.

Information provided is not to be considered advice. Please consult your financial advisor or tax advisor to see what is most suitable for your situation. Information here is provided solely to supplement the "Budgeting for Success" presentation. This information should not be considered advice, and your information may warrant consideration of other alternatives. Please speak with your financial advisor and/or tax advisor.



# Categorize



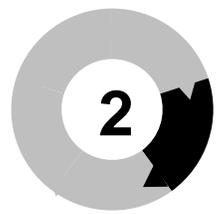
Categorize each expense item and determine if it is a need or want.

Category: <input type="text"/>	Cost	Need or Want?
Total:		

Category: <input type="text"/>	Cost	Need or Want?
Total:		

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# Categorize



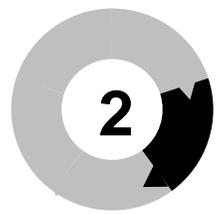
Categorize each expense item and determine if it is a need or want.

Category: <input type="text"/>	Cost	Need or Want?
Total:		

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# Categorize



Categorize each expense item and determine if it is a need or want.

Category: <input type="text"/>	Cost	Need or Want?
Total:		

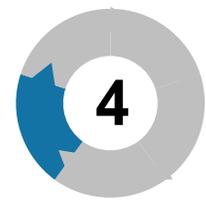
Category: <input type="text"/>	Cost	Need or Want?

Category: <input type="text"/>	Cost	Need or Want?
Total:		

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# Balance the Budget



## Instructions:

With the budget now set, it's time to balance it! Throughout the month as you spend money, track your spending against what you have budgeted. Think of each category like a separate bank account with a beginning balance, deposits and withdrawals. As you spend money, money will come out of the "account" similar to a withdrawal, and when you reset your budget each month, money will go into the account, similar to a deposit.

## At the end of each month

At the end of each month, you may have money left over in some of your categories. A budgeting best practice is to save this money toward your goals such as emergency funds, retirement savings, college savings, etc. See the example below.

### Entertainment

Item	Amount
Initial Budget	\$450
Movies	(\$50)
Hair Care	(\$50)
Concert tickets	(\$100)
End of month balance	\$250



Savings

## Using the "Flex" category

If you happen to spend more than you have budgeted in a given category, you can use money in your "flex" category. A flex category provides flexibility to your budget by having a back-up plan if you overspend in a category. See the example below.

### Transportation Budget

Item	Amount
Initial Budget	\$500
Overage	(\$20)
Transfer from Flex	\$20
End of month balance	\$0

### Flex

Item	Amount
Initial Budget	\$100
Transfer to Transportation	(\$20)
End of month balance	\$80



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# Review and Revise



## Instructions:

It is important to consistently review your budget to make improvements. Keeping your budget flexible will also help with sticking to it, as your circumstances can change. Don't be afraid to adjust amounts up or down as time goes on.

Your budget can be improved from two angles.

1. Look for ways to increase your income or decrease your expenses. For example, you can look for promotional opportunities, take a second job, and even work overtime if your employer allows it.
2. You can decrease your expenses by using coupons, carpooling to work, and making your own lunches.

These are just a few ideas that can help improve your budget.



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