

Why Budget?

WHAT IS A BUDGET?

It's a **plan** to **manage** your money by monitoring your **income** and tracking your **expenses**.

Determine income



WHERE DOES YOUR MONEY COME FROM?

- Allowance
- Financial gifts
- Interest from financial accounts
- Wages
- Scholarships, grants, and student aid

Identify expenses and track spending

WHERE DOES YOUR MONEY GO?



School expenses



Activities



Bills



Entertainment



Food

Develop the budget plan

Follow the Money

Mapping a budget plan helps you see where you've been and takes you where you want to be.



Income

Allowance	\$100.00
Financial gifts	\$50.00
Total income	\$150.00

Expenses

Savings	\$25.00
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Fixed Expenses (same every month)

School fees	\$12.00
Gym membership	\$15.00
Cell phone bill	\$35.00

Variable Expenses (may change each month)

Movies	\$20.00
Food	\$35.00

Total expenses \$142.00 for the month

Surplus \$8.00

- Pay yourself first "savings"
- Consider your goals
- Cover budget shortfalls
- Know what you owe and when it's due
- Plan for the unexpected

Put your plan into action



1. Implement the budget



2. Review budget at least monthly



3. Make necessary adjustments for your situation

A BUDGET HELPS YOU TO:

- Understand where your money goes
- Find uses for your money that will increase your wealth
- Take control of your money
- Live within your means and meet your goals

