

Budgeting:

The Word “Budget” may mean different things to different people. You might think of budgeting as living below a certain standard or not being able to afford the things you want. Or to someone else it may just mean a tool that you use to prioritize your spending, and to help determine and reach your financial goals.

A Budget is a plan for your money. By tracking your income and expenses you can create a plan for your spending. Creating a budget means learning to choose where your money is going, rather than wondering where it all went. The main purpose of your budget is to live within your means. You want to earn more money than your spend.

The Importance of a budget.

It will help you limit spending and ensure there is enough money to do things you enjoy doing.

Categorize your spending (books, rent, personal expenses, bills etc.)

Track your expenses

Determine your needs vs. wants

Review your monthly budget for any changes

Determine How Much Disposable Income You Have

Set income aside and put into a savings account

Put limits on how much you spend on non-essential items

Consider what you spend on coffee, eating out at restaurants, and weekend fun

What Now

Track your spending daily. Use budgeting apps that will link to your banking account

Set financial goals for yourself

*Helpful tool budget sheet from [Balance Pro](#)

**To learn more about budgeting visit studentaid.gov/budget

Remember your budget is never stagnant it is constantly changing based on your life situations. Your budget can help you adjust around life happening. Just don't make any major changes or decisions without first thinking about your budget.