Foundations of Financial Wellness: Ballin’ on a Budget

What is a budget?
Budgeting is the foundation for financial wellness and the first step towards being in control of your finances. A budget is a plan for your money each month. It includes expenses and income, and can exist in your head, on a piece of paper, on an Excel sheet or Word document, or in an app or website.

Expenses
Fixed Expenses: Expenses that don’t vary much from month to month that you must pay first
- Housing
- Tuition
- Car insurance
- Cell phone
- Loan payments
Variable Expenses: Expenses that can vary a lot from month to month that involve more choice
- Gas/transportation
- Food
- Entertainment
- Campus activities (fees and dues)

Income
- Part-time earnings
- Available savings
- Family contributions

How to Budget
1. Track your spending habits for at least one week (up to one month)
2. On a piece of paper, website, or app, put all of your expenses in one column and all your income in another
3. Subtract your expenses from your income
4. If the number is negative, try to adjust your expenses (variable expenses are easier to adjust) to break even
5. If the number is positive, make a plan to put extra income into savings

How to Adjust your Budget
Decrease spending:
- Consider adjusting your meal plan
- Rent, download, or buy used books for school
- In serious situations, consider adding a roommate or looking for less expensive housing
- Spend less during school breaks so you can spend more during the school year (skip that spring break bash)
- TIP: As you look at your spending habits, try to turn variable expenses into fixed expenses by holding yourself accountable
Increase income:
- Look for a part-time job
  - On-campus jobs are tailored to students and give you more time to study
  - Off-campus jobs may provide less time and flexibility, but may pay more
Remember

- **Your budget is a PLAN, not a prison.** It’s okay if you go over budget one month to cover an unexpected need or to treat yourself. The important thing is being honest with yourself about how you will cover those costs in the future.
- **Everybody’s budget is different.** Finances are much more personal than people seem to think. Putting together a budget takes time and vulnerability, and having one shows responsibility and courage. You should never feel ashamed of how your budget compares to another person’s. The best budget is the one that fits your lifestyle.
- **Budgeting is a PROCESS.** Forming a spending plan is important, but following it is just as important. Reference your budget as often as is necessary to stay on track. Your budget is there to reassure you that it’s okay to spend money where you want to as well as to remind you that sometimes you have to say no to things like eating out and going to the movies. It’s all part of the process; try to trust it.

Budgeting Tools

- [Budgeting Worksheet](#)
- [Mint App](#)
- [Budget Simple Website](#)
- [CashCourse Budget Wizard](#)