

## **Managing Your Money**

Money is a limited resource. If you want to get the most for your money, you need to have a **Spending Plan or Budget**.

A spending plan or budget can help you:

- Get more for your money.
- Meet your needs for living expenses.
- Provide future security.
- Stay out of debt.

## Steps in Making a Spending Plan:

- **1. Set your spending goals.** Write down your goals. Figure out how to work towards these goals. Work first on those goals that are most important to your whole family, such as buying a car.
- **2.** List your expected income month by month. Total your income for each month. Write down how much income you think you will have over the next year. List income from all sources.
- **3. List all your expenses for each month.** Look over old bills, receipts or checkbook records to see how you usually spend. Keep track of everything you spend for a month or two. Total your expenses for each month.
- **4. Compare your income to your expenses.** Look at your total income and total expenses.
- **5.** Try it! Put your spending plan to work. Save all the receipts or write down how much you spend. Keep all the receipts in one place. Once a week, record all the receipts under basic spending groups: food, transportation, clothing, etc.

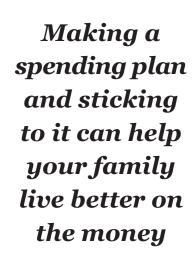
Your spending plan may not work the first time you try it. You may need to make changes to your plan and try again.

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