



Calculate your income

Your monthly net income—that's your take-home pay after taxes and payroll deductions. Include all consistent monthly income sources. Fill out the tab below.

**Define Your Categories** 

The 50/30/20 budget divides your monthly spending into three categories: Needs, Wants, and Savings. Multiply the percentage in each category by your monthly net income to get your spending "Goal".

Next, take some time to fill out the expenses below in each category chart. Many expenses are a mix of needs and wants, if an expense falls under multiple categories, split its total between them.

After completing and customizing the charts below, you can compare your spending goals per category with the actual amount. Don't worry if they don't match up at first; start shifting your spending habits to align your goals with the 50/30/20 guidelines.

**Track Your Spending** 

Track your spending for at least two months using the method you're most comfortable with— spreadsheet, app or online banking.

Make It Work

If your spending isn't matching up with the 50/30/20 guidelines, you have a few options:

- · Reduce your spending or find cheaper alternatives for your regular monthly expenses
- · Increase your income by getting a part-time job, a side gig, or earn money online
- · Modify your percentages by matching them to your financial goals

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#### My monthly net income:

Source 1	:			
Source 2	:			
Total:				

**NEEDS** 

Needs are your essential expenses-skipping them would lead to serious consequences like illness, job loss or legal trouble. Fill out the chart below to see how close you are to the 50% target.

House/Rent	\$
Groceries	\$
Utilities	\$
Clothing	\$
Transportation	\$
	\$ Total
	\$
<u> </u>	\$



Goal \$

Wants account for a lot of your spending-these are all the non-essential products and services for example:

My Wants	
Streaming	\$ 
Cell/Data	\$
Dining Out	\$
Hobbies	\$
Travel	\$
Subscriptions	\$ Total
Fashion	\$
	\$



My Savings	
Emergency fund \$	
Student Loans \$	
Debt Repayment \$	
Down Payment \$	
Personal Savings \$	
\$	Total
\$	
\$	

## Building a BUDGET

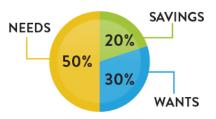
# - IT'S A -MONEY

### **CREATIVE CATEGORIES**

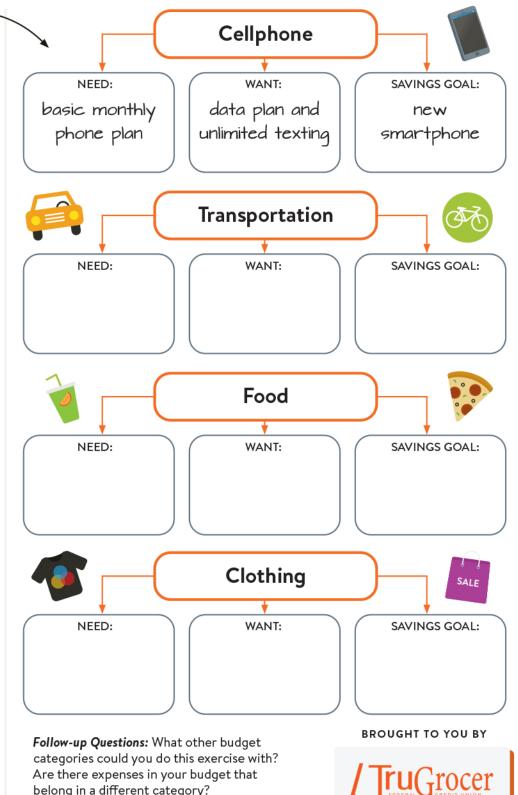
No two budgets are alike. The same expense—whether it's a book, a phone bill or a tank of gas-can mean different things to different people. To explore this concept, take a look at how even the simplest categories can be considered a need, a want and/or a savings goal.

Activity: For each budgeting category, write out an expense that could be considered a need, a want and a savings goal. The first category has already been filled out with an example.

### **BUDGETING WITH** 50/30/20



Start by calculating your after-tax income (what you make each month minus taxes and deductions). Limit your necessary expenses to 50% of that after-tax income. 30% is yours to spend on all the nonessentials. Set aside 20% for your mix of savings and debt repayment goals.



belong in a different category?