

Setting Up a Monthly Budget

ACTIVITY 7



You have now set up a checking account and a savings account, and you have received a debit card from your bank. You have money in both accounts, and it is time to think about how you will use that money. Soon, you will begin searching for a job and an apartment. This means you will have money coming in, but you will also have money going out. You will have to follow a budget (a written plan) to keep track of your income and expenses. Think about the expenses you listed on Activity 1. You will have some expenses every month, such as utility bills. You will have other expenses every once in a while, like medical bills. Some expenses will cost the same amount every month; these are fixed expenses. Other expenses may change from month to month; these are variable expenses.

Remember that your income must balance with your expenses. Your income should be more than your expenses so that you can deposit money into your savings account each month in case there is an unexpected expense. Once you get a job, you will have to follow a monthly budget and keep track of where your money goes. Review the monthly budget form and cash on hand form.

Read the list of expenses below. Estimate how much you think each bill would cost every month if you had your own apartment and your own vehicle. Then, determine the total. Keep this amount in mind when you search for a job.

Rent	\$ _____
Gas and Electric Bill	\$ _____
Water Bill	\$ _____
Phone Bill	\$ _____
Groceries	\$ _____
Vehicle Payment	\$ _____
Vehicle Insurance	\$ _____
Vehicle Maintenance and Gas	\$ _____
Entertainment	+ \$ _____
Total Expenses	\$ _____