

# Using The Budget Planner

To skip the visual instructions and move to a text only set of instructions [click here](#).

## STEP 1:

MONTHLY BUDGET				
01/02		MONTHLY	WEEKLY	
<b>MONTHLY INCOME:</b>		<b>\$5,000.00</b>	<b>\$1,162.79</b>	
Pre-Tax Savings		\$-	\$-	
1. Tithe	10.0%	\$500.00	\$116.28	
Offering		\$-		
2. Taxes	24%	\$1,200.00	\$279.07	
<b>NET SPENDABLE:</b>		<b>\$3,300.00</b>	<b>MONTHLY BALANCE:</b>	<b>\$767.44</b>
<b>EXPENSES:</b>				
3. Savings(see below)	20.0%	\$660.00	\$660.00	\$153.49
4. Housing	37.0%	\$1,221.00	\$1,221.00	\$283.95
5. Food	13.0%	\$429.00	\$429.00	\$99.77
6. Auto	6.0%	\$198.00	\$198.00	\$46.05
7. Clothing	3.0%	\$99.00	\$99.00	\$23.02
8. Med/Health	1.2%	\$39.60	\$39.60	\$9.21
9. Life Ins.	2.5%	\$82.50	\$82.50	\$19.19
10. Personal	11.0%	\$363.00	\$363.00	\$84.42
11. Ent/Rec.	4.0%	\$132.00	\$132.00	\$30.70
12. Debts	0%			
13. Other - School	2.3%	\$75.90	\$75.90	\$17.65
14. Other - Bus/Prof	0.0%	\$-	\$-	\$-
<b>TOTAL EXPENSES</b>		<b>100.0%</b>	<b>\$3,300.00</b>	<b>\$767.44</b>
<b>SURPLUS (DEFICIT)</b>		<b>0.0%</b>	<b>\$-</b>	<b>\$-3,300.00</b>
Budget Required (w/o Saving)		\$2,640.00		
<b>MINIMUM EMERGENCY FUND =</b>		<b>\$7,920.00</b>		
<b>TOTAL SAVINGS</b>		<b>\$660.00</b>	<b>Pre-Tax</b>	<b>AUTO</b>
			<b>VACATION</b>	<b>CHRISTMAS</b>

This is the budget summary page of the Budget Planner. The **BLACK** arrow points to the tabs that allow you to move to the different budget categories and a summary graph of your monthly budgeted expenses. The **GREEN** arrow points to the location where you should enter the upcoming month. The **BLUE** arrow points to where you should enter your projected upcoming combined monthly GROSS income. Next, you need to fill in the Pre-Tax Savings (if applicable), Tithe, Offering, and Taxes. Entries are made in \$ except for Tithe and Offering which are made in %. After you have completed these steps select the DEBT 5 tab as indicated by the **RED** arrow if you have consumer debts such as car payments, credit cards, etc. This will be the place where you will list all of your consumer debts. If you do not have any consumer debts, skip the next step and proceed to STEP 3 ([click here](#)).

**STEP 2:**

**DEBT REPAYMENT**  
(List Debts by Balance, From Lowest to Highest)

	Creditor	Balance	Monthly Payment	Adjusted Payment
1	Dr. Happy Cutt	\$300.00	\$10.00	
2	Visa	\$1,200.00	\$15.00	\$25.00
3	MasterCard	\$1,800.00	\$17.00	\$42.00
4	Student Loan	\$3,000.00	\$150.00	\$192.00
5	GMAC	\$18,000.00	\$350.00	\$542.00
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				

**BUDGET FOR MONTHLY DEBT: \$542.00**

**Remember, 80% of getting out of debt is EMOTIONAL 20% is logical! As each debt is paid off draw a line through that debt and celebrate...STAY FOCUSED!**

**Snowball effect: previous minimum is added to next minimum to yield larger payments on next debt.**

List your debts by balance from the lowest to the highest – **RED** arrow. Use only the minimum required to keep your creditor happy in the monthly payment column – **BLUE** arrow. The adjusted payment amount is the result of a previous debt being paid off. My 5-Step plan (see SAVING MONEY file on this CD or the website SAVING section) will explain how to use your savings to get out of debt, establish a financial foundation and start building a financial future. When you have completed this step return to the Budget Summary page **GREEN** arrow.

### STEP 3:

MONTHLY BUDGET				
01/02				
		MONTHLY	WEEKLY	
MONTHLY INCOME:		\$5,000.00	\$1,162.79	
Pre-Tax Savings		\$-	\$-	
1. Tithe	10.0%	\$500.00	\$116.28	
Offering		\$-	\$-	
2. Taxes	22%	\$1,100.00	\$255.81	
NET SPENDABLE:		\$3,400.00	MONTHLY	\$790.70
EXPENSES:			BALANCE:	
3. Savings(see below)	10.6%	\$360.40	\$360.40	\$83.81
4. Housing	32.0%	\$1,088.00	\$1,088.00	\$253.02
5. Food	13.0%	\$442.00	\$442.00	\$102.79
6. Auto	5.5%	\$187.00	\$187.00	\$43.49
7. Clothing	3.0%	\$102.00	\$102.00	\$23.72
8. Med/Health	1.5%	\$51.00	\$51.00	\$11.86
9. Life Ins.	2.4%	\$81.60	\$81.60	\$18.98
10. Personal	11.0%	\$374.00	\$374.00	\$86.98
11. Ent/Rec.	3.5%	\$119.00	\$119.00	\$27.67
12. Debts	16.0%	\$542.00	\$542.00	\$126.05
13. Other - School	1.5%	\$51.00	\$51.00	\$11.86
14. Other - Bus/Prof	0.0%	\$-	\$-	\$-
TOTAL EXPENSES		100.0%	\$3,400.00	\$790.70
SURPLUS (DEFICIT)		0.0%	\$-	\$2,856.00
Budget Required (w/o Saving)			\$3,039.60	
MINIMUM EMERGENCY FUND =			\$9,118.80	
TOTAL SAVINGS		Pre-Tax	AUTO	VACATION
		\$360.40	\$-	\$-

The **RED** arrow shows that your total minimum monthly debt payment was forwarded from the DEBT repayment plan (\$542 or 16% of your NSI). Next you will need to input the % amounts for each category that will give the closest \$ amount for what you project for the upcoming month. After making % inputs for each of the 12 categories, I was able to generate 10.6% in SAVINGS - **GREEN** arrow. Notice that the SURPLUS (DEFICIT) amount is “0%” which is what you are looking for – **BLACK** arrow. The 5-Step Plan for savings will instruct you in what to do with the savings. Remember, the main purpose of the budget is to PROTECT your savings. This is how you pay off debt, establish reserves, pay cash for future purchases, and make dreams and goals become a reality.

As you make expenditures for goods and services you will simply make those entries in the appropriate category by selecting the respective tab at the bottom of the page. In the next step I will give you an example of how this is done using the FOOD category. So select the FOOD tab now – **PURPLE** arrow.

## STEP 4:

BUDGET CATEGORY: FOOD					
AMOUNT:	Per Month:	\$442.00	Per Week:	\$102.79	
DATE	TRANSACTION	PMT	DEPOSIT	WITHDRAW	BALANCE
1/2	BEGINNING BALANCE or BALANCE FORWARD =				\$442.00
1/5	Food	CK # 3105		\$100.00	\$342.00
1/12	Food	Cash		\$22.00	\$320.00

In this example you can see that there are two purchases in the FOOD category made on the 5<sup>th</sup> and 12<sup>th</sup>. The payment method for the first purchase was with a check and the second was with cash – **BLUE** arrow. As you make each entry you will notice that the remaining balance for that category decreases to show you the current amount left to spend in that category – **GREEN** arrow. You will use this same procedure for each category except the DEBT and SAVE category. The DEBT category is fixed as a result of your entries on the debt repayment plan DEBT-5 tab. For how I recommend you handle the SAVE category see STEP 5:

**STEP 5:**

**BUDGET CATEGORY: SAVINGS**

<b>AMOUNT:</b>	<b>Per Month:</b>	<b>\$360.40</b>	<b>Per Week:</b>	<b>\$83.81</b>	
DATE	TRANSACTION	PMT	DEPOSIT	WITHDRAW	BALANCE
1/2	<b>BEGINNING BALANCE or BALANCE FORWARD =</b>				<b>\$360.40</b>
1/1	Saving Transfer	CK # 3100		\$360.40	\$-

Navigation bar: Budget | **Save** | House | Food | Auto | Clothing | Med | Pers | E\_R | LifeIns | School | BProf | Debt\_5 | Debt\_Sa | Graph

At the beginning of the month you will make an entry in the SAVE category based on the amount you have budgeted to save for the upcoming month – **BLUE** arrow. The balance will show “\$0” – **RED** arrow. This will be an important step in order to provide you with some key information on the Budget Summary page. Select the **BUDGET** summary tab now and I will explain – **BLACK** arrow.

## OTHER FEATURES:

MONTHLY BUDGET				
01/02				
		MONTHLY		WEEKLY
<b>MONTHLY INCOME:</b>		<b>\$5,000.00</b>		<b>\$1,162.79</b>
Pre-Tax Savings		\$-		\$-
1. Tithe	10.0%	\$500.00		\$116.28
Offering	0%	\$-		\$-
2. Taxes	22%	\$1,100.00		\$255.81
<b>NET SPENDABLE:</b>		<b>\$3,400.00</b>	<b>MONTHLY BALANCE:</b>	<b>\$790.70</b>
<b>EXPENSES:</b>				
3. Savings(see below)	10.6%	\$360.40	\$-	\$83.81
4. Housing	32.0%	\$1,088.00	\$1,088.00	\$253.02
5. Food	13.0%	\$442.00	\$320.00	\$102.79
6. Auto	5.5%	\$187.00	\$187.00	\$43.49
7. Clothing	3.0%	\$102.00	\$102.00	\$23.72
8. Med/Health	1.5%	\$51.00	\$51.00	\$11.86
9. Life Ins.	2.4%	\$81.60	\$81.60	\$18.98
10. Personal	11.0%	\$374.00	\$374.00	\$86.98
11. Ent/Rec.	3.5%	\$119.00	\$119.00	\$27.67
12. Debts	16.0%	\$642.00		\$126.05
13. Other - School	1.5%	\$51.00	\$51.00	\$11.86
14. Other - Bus/Prof	0.0%	\$-	\$-	\$-
<b>TOTAL EXPENSES</b>		<b>100.0%</b>	<b>\$3,400.00</b>	<b>\$790.70</b>
<b>SURPLUS (DEFICIT)</b>		<b>0.0%</b>	<b>\$-</b>	<b>\$2,373.60</b>
Budget Required (w/o Saving)		\$3,039.60		
<b>MINIMUM EMERGENCY FUND =</b>		<b>\$9,118.80</b>		
<b>TOTAL SAVINGS</b>				
	Pre-Tax	AUTO	VACATION	CHRISTMAS
	\$360.40	\$-	\$-	\$-

A helpful feature found on the Budget Summary page is the ability to see the balances of all of the categories at once. This is seen in the Monthly Balance column – **BLUE** arrow. For example, if you will remember from STEP 3 there were two spending transactions made in the FOOD category. By looking at the Budget Summary page you will see the remaining balance in the FOOD category to be \$320 – **RED** arrow - while the budgeted amount for the FOOD category was originally \$442 – **BLACK** arrow. You will notice that all of the other categories have an equal amount shown for the budgeted amount and monthly balance. This is because we have not yet made any entries on any of the other category pages. As you make entries on the different category pages, the balances for the respective categories will be reflected on the Budget Summary page.

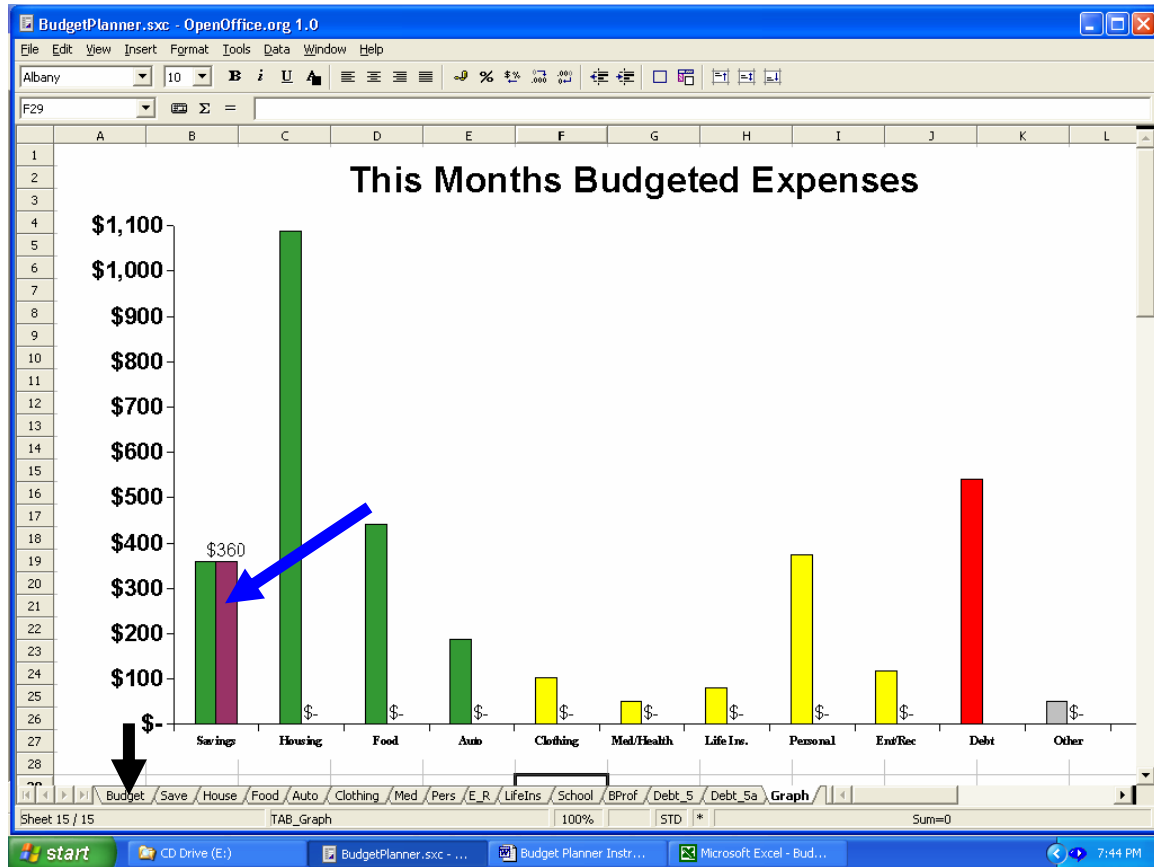
MONTHLY BUDGET					
01/02		MONTHLY	WEEKLY		
MONTHLY INCOME:		\$5,000.00			\$1,162.79
Pre-Tax Savings		\$-			\$-
1. Tithe	10.0%	\$500.00			\$116.28
Offering		0.0%	\$-		
2. Taxes	22.0%	\$1,100.00			\$255.81
NET SPENDABLE:		\$3,400.00	MONTHLY		\$790.70
EXPENSES:			BALANCE:		
3. Savings(see below)	10.6%	\$360.40	\$-		\$83.81
4. Housing	32.0%	\$1,088.00	\$1,088.00		\$253.02
5. Food	13.0%	\$442.00	\$442.00		\$102.79
6. Auto	5.5%	\$187.00	\$187.00		\$43.49
7. Clothing	3.0%	\$102.00	\$102.00		\$23.72
8. Med/Health	1.5%	\$51.00	\$51.00		\$11.86
9. Life Ins.	2.4%	\$81.60	\$81.60		\$18.98
10. Personal	11.0%	\$374.00	\$374.00		\$86.98
11. Ent/Rec.	3.5%	\$119.00	\$119.00		\$27.67
12. Debts	16.0%	\$542.00	\$542.00		\$126.05
13. Other - School	1.5%	\$51.00	\$51.00		\$11.86
14. Other - Bus/Prof	0.0%	\$-	\$-		\$-
TOTAL EXPENSES		100.0%	\$3,400.00		\$790.70
SURPLUS (DEFICIT)		0.0%	\$-	\$3,037.60	
Budget Required (w/o Saving)			\$3,039.60		
MINIMUM EMERGENCY FUND =			\$9,118.80		

Once your budget is complete and ready for the next month, you can know exactly how much money you will need for the entire month by looking at the bottom of the Monthly Balance column – **GREEN** arrow. In the above example, beginning the month with a minimum of \$3,037.60 in your checking account would allow you to have enough money to pay all of your bills the entire month. This number will continue to reduce as the month progresses and entries are made in the different categories. This will give you an up to date cash amount required for the remainder of the month. You can check this number with your check book ledger. This is a great way to eliminate the stress of living paycheck-to-paycheck.

Two points to notice in the example above. I removed the two entries I made earlier in the FOOD category so as to reflect an example of a new budget. Also, if you have any debt, due to the way the calculations are made when the debt % is transferred to the Budget Summary page, there might be a slight difference before the month begins in the amount indicated at the bottom of the Monthly Balance column – **GREEN** arrow – and the Budget Required (w/o Saving) amount – **BLACK** arrow. If you do not have any debts, then the numbers will match before the month begins.

Now select the GRAPH tab – **RED** arrow – and I will show you another nice feature.

## GRAPH SUMMARY:



The Graph Summary will give you a snapshot comparison of how your budgeted amounts compare to your current spending in each category. Notice with the SAVING bar – **BLUE** arrow - that the budgeted amount is equal to the actual spent. This is because we allocated the entire saving amount at the beginning of the month according to the 5-Step plan. Now select the **BUDGET** tab – **BLACK** arrow.

**NOTES:**

MONTHLY BUDGET			
01/02			
		MONTHLY	WEEKLY
<b>MONTHLY INCOME:</b>		<b>\$5,000.00</b>	<b>\$1,162.79</b>
Pre-Tax Savings		\$-	\$-
1. Tithe	10.0%	\$500.00	\$116.28
Offering	0.0%	\$-	\$-
2. Taxes		\$1,162.79	\$255.81
<b>NET SPENDABLE:</b>		<b>\$3,837.21</b>	<b>\$790.70</b>
<b>EXPENSES:</b>			
3. Savings(see below)		\$-	\$83.81
4. Housing		\$1,088.00	\$253.02
5. Food		\$442.00	\$102.79
6. Auto		\$187.00	\$43.49
7. Clothing		\$102.00	\$23.72
8. Med/Health		\$51.00	\$11.86
9. Life Ins.	2.4%	\$81.60	\$18.98
10. Personal	11.0%	\$374.00	\$86.98
11. Ent/Rec.	3.5%	\$119.00	\$27.67
12. Debts	16.0%	\$542.00	\$126.05
13. Other - School	1.5%	\$51.00	\$11.86
14. Other - Bus/Prof	0.0%	\$-	\$-
<b>TOTAL EXPENSES</b>	<b>100.0%</b>	<b>\$3,400.00</b>	<b>\$790.70</b>
<b>SURPLUS (DEFICIT)</b>	<b>0.0%</b>	<b>\$-</b>	<b>\$3,037.60</b>
Budget Required (w/o Saving)		<b>\$3,039.60</b>	
<b>MINIMUM EMERGENCY FUND =</b>		<b>\$9,118.80</b>	

I know this is hard to read but I wanted to point out one more feature. When you move your mouse over a cell that has a small red triangle in the upper right corner of the cell, it will provide a note that pertains to that cell. In the example above, the mouse pointer was moved over the cell for SAVING and the note appeared outlining the 5-Step saving plan – [BLUE](#) arrow.

## **Budget Planner Instructions**

- 1. Enter next months DATE, projected combined GROSS monthly income for next month, Pre-Tax Savings, Tithes, Offering and Taxes being withheld.**
- 2. Enter all consumer debts on the debt repayment page by selecting DEBT 5 tab (if applicable). Enter the Creditor, Balance (lowest to highest), and the MINIMUM monthly payment required for each debt. The monthly amount required to pay the minimums on all of your debts will be forwarded to the Budget Summary page in the DEBT row.**
- 3. Enter next months projected amounts for each category in % starting with the BIG THREE (House, Food, Auto). Choose a % that will result in the closest \$ amount to what you project for next month. Percentages are entered in whole or tenths (i.e., 5, 5.3, 5.9, etc.). Amounts less than 1% are entered in thousands which will be displayed in tenths (i.e., .005 will equal .5, etc.). It is suggested that you put “0” in the SAVING % at this point. You will fill the SAVING % in after completing all budget categories.**
- 4. When all budget categories are completed, there will hopefully be a surplus %. Now is the time to enter the SAVING % equal to the SURPLUS %. This will result in the SURPLUS % being “0”.**
- 5. Make a withdrawal entry in the SAVE category equal to the amount budgeted. This money will be put into a savings account or used according to the 5-Step Plan.**
- 6. Record all spending as entries in the appropriate category throughout the month. Monitor your progress and be sure to make all purchases on purpose in accordance with your budget plan.**