

In addition, consider eliminating items that aren't necessities. For example, having a car is convenient but do you really need it when public transportation is readily available? What about using the gym at school instead of paying for a membership? Would a friend or relative allow you to watch your favorite cable TV show at their home instead of having to pay for cable service?

By carefully reviewing your monthly expenditures and determining which items you can save on and eliminate, you can save a bundle of money over the course of a year.

If your monthly money coming in exceeds your monthly money going out, congratulations to you! You are now in a position to plan for short-term and long-term financial goals. Start to put money aside in a high yield saving account every month so you can ultimately achieve your future financial goals.

When you have sufficient money saved up, begin with your short-term goals such as:

- Paying down your credit card debt
- Buying next semester's books
- Purchasing a laptop you need for school
- Going on a long awaited weekend trip with friends

After you have achieved your short-term goals and have sufficient money left over, you're ready to achieve your long-term goals such as:

- Paying off your student loan
- Investing in the stock market
- Putting a down payment on a home

By creating a budget you will begin to make responsible decisions to buy or not to buy things based on your needs and available cash. It will keep you on track financially and help you to realize your future financial goals. You are the only one who can take control of your money. Do not allow money to control you. Take the leap and create a budget today. You will be glad you did.



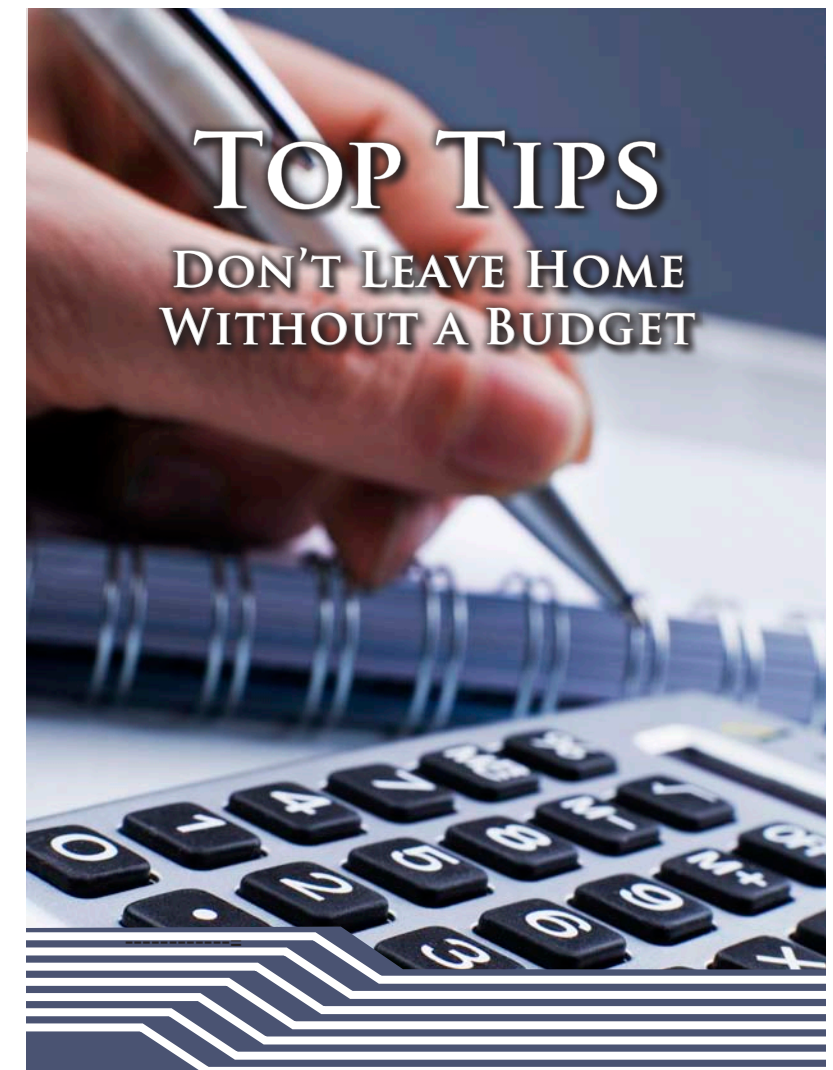
WRITTEN BY PROFESSOR VICKI KASOMENAKIS, ASSISTANT PROFESSOR OF BUSINESS AT QUEENSBOROUGH COMMUNITY COLLEGE. PROFESSOR KASOMENAKIS IS A CPA AND A CERTIFIED FINANCIAL PLANNER WITH A TEACHING SPECIALIZATION IN ACCOUNTING. PROFESSOR KASOMENAKIS IS A GRADUATE OF QUEENSBOROUGH COMMUNITY COLLEGE AND HOLDS HER B.S. FROM QUEENS COLLEGE AND HER M.S. FROM C.W. POST CENTER OF LONG ISLAND UNIVERSITY. SHE SERVES AS THE FACULTY MENTOR TO THE STUDENT CLUB, "THE BUSINESS SOCIETY".

QUEENSBOROUGH
COMMUNITY COLLEGE



222-05 56TH AVENUE, BAYSIDE, NY 11364-1497
WWW.QCC.CUNY.EDU

TOP TIPS DON'T LEAVE HOME WITHOUT A BUDGET



by Vicki Kasomenakis
Assistant Professor of Business

QUEENSBOROUGH
COMMUNITY COLLEGE



In today's fast paced society we are always in a hurry to get things done. It seems like there aren't enough hours in a day to finish all the tasks we have set out to do. We budget our time to go to work, attend classes, study for exams, complete homework assignments, etc. Most of us can mentally keep track of the time needed to successfully complete a particular task without having the need to write it down on paper. However, when it comes to budgeting our income and expenses, many of us fall short on tracking where the money is coming in and how it is being spent. As a result, we can find ourselves either running out of cash quickly or even ending up having no cash. It can be quite disheartening to find out that at the end of the month you have no money to take the bus to school, buy lunch, or go to the movies with a friend. The question is what to do. Should you ask your family members for money? Should you borrow money from a friend? Both may be short-term solutions to obtain money but they don't offer any long-term solutions to help you to manage your money responsibly. When you're constantly finding yourself in this dilemma it is time to take a hard look at your spending habits. You need to make some serious changes in order to prevent such situations from happening again.

An important first step to take in order to help you gain control of your money is to create a budget. A budget is a detailed written plan to ensure your income can cover your expenses and to help you find ways to save money on a regular basis. A budget will list all of your money coming in and all of your money going out. It will provide a key element to assist you to live within your means and to better manage your cash flow.

The essential steps in creating a budget include the following:

1. IDENTIFY AND WRITE DOWN ALL OF THE MONEY COMING IN FOR THE MONTH SUCH AS:

- Take home pay from a job
- Allowance received from your parents or other family members
- Interest earned from a bank account
- Cash gifts
- Scholarship money
- Money received from a grant

2. IDENTIFY AND WRITE DOWN ALL OF THE MONEY GOING OUT TO PAY FOR MONTHLY FIXED EXPENSES.

Fixed expenses do not vary from month to month. Some examples of these types of expenses include:

- Rent
- Car payments
- Car insurance

3. IDENTIFY AND WRITE DOWN ALL OF THE MONEY GOING OUT FOR MONTHLY VARIABLE EXPENSES.

Variable expenses change from month to month and include money spent on wants and needs. Some examples of these types of expenses include:

- Personal expenses such as toiletries, haircuts and manicures
- Transportation such as bus fare, cab fare, parking, etc.
- Telephone bill
- Money for entertainment
- Food

4. IDENTIFY AND LIST MONEY GOING OUT FOR UNEXPECTED EXPENSES.

You may have extra unanticipated expenses such as:

- A car repair bill
- Cost to replace a lost cell phone
- Copayment for a doctor's visit

Such expenses end up cutting into your budget. If you don't budget for unexpected expenses you can be thrown into a financial loop. By including these types of expenses into your budget, you can be prepared financially and avoid worrying about where to get the money to pay for them.

Once you have gathered all of the financial data noted above, compare the total amount of money coming in and the total amount of money going out. If you find that you don't have enough funds to pay for all of your expenditures, you need to carefully think about some of the ways to increase your cash inflows and to develop strategies to help you cut back or eliminate some of your expenditures.

The first option to consider is boosting your income. Perhaps you can take on a second job if it's feasible or ask your employer to increase your hours. Consider making an adjustment to the amount of income taxes withheld from your paycheck this can help to increase your take home pay. Perhaps you have unwanted goods that you can sell by holding a yard sale or auctioning them online. If you have a hobby, consider turning it into a business.

Some of the strategies you can use to save money include:

- Using coupons to buy goods and services
- Purchasing generic products instead of name brand products
- Preparing meals at home instead of eating out
- Brewing your own coffee at home instead of buying it ready made
- Lowering the heat by a couple degrees in the winter to save money on your utility bill