Budgeting Tips

HARVARD UNIVERSITY EMPLOYEES CREDIT UNION
The Credit Union Difference

As a not-for-profit, HUECU puts members first in the form of better rates on savings and loans, lower & fewer fees, and more free services and perks.
Learn to Live Your Best Money Life

✔ Free Financial Counseling
✔ Blogs and Workshops
✔ Worksheets and Calculators
✔ Short Videos and Online Education Portal

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The DREAM Budget

Money coming in (income) – Money going out (expenses) = a positive number!!!!
Why Don’t We Have a DREAM Budget?
Reaching Your Dream Budget
Money Personalities

Money Avoidance
Ignore their finances.

Money Worship
Believes money will solve problems.

Money Status
Equate net worth to self-worth

Money Vigilance
Frugal and focused on savings.
Define Your Financial Goals.

Write down your financial goals.
Goal Gradient

Breaking down a goal into smaller goals.

<table>
<thead>
<tr>
<th>BUILD AN EMERGENCY FUND GRADUALLY</th>
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<tbody>
<tr>
<td><strong>Total Goal</strong></td>
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<td><strong>Annual Goal</strong></td>
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<td><strong>Monthly Goal</strong></td>
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Budgeting Styles
The 50/30/20 Budget Rule

ESSENTIALS
Needs/Fixed Costs: home, travel, medical expenses, etc.

SAVINGS
Savings/Financial Goals: emergency savings, retirement, etc.

WANTS
Wants/Flexible Spending: entertainment, clothing, dining out, etc.

Sample Budget
Zero Based Budgeting

HOW TO IMPLEMENT

- Track your expenses for one month
- Take your monthly income and subtract your expenses
- Include savings categories
- You leftover money should come to zero
Spend and hope for the best?
What the Heck Effect?

Losing motivation due to prior behavior.

FAILURE IS PART OF SUCCESS
Budgeting Tools

- Envelope/Cash Method
- Online Banking Budget
- Mint & Other Apps
- Excel/Worksheets
Expenses and Income
Know What Your Expenses Are

- Track spending for 2 weeks or go back and check your statements
- What expenses come around once every few months?
- Set alerts for your spending
- Costs of debt
Reducing Your Expenses

Shifting Priorities

Refinancing

Evaluate if you need to make a lifestyle change

Savvy Consumer
Reducing Your Food Expenses

Cook at home
Planning ahead
Compare supermarkets

Before Going Food Shopping

Eat
Make a list (with prices)
Know what you already have
Discounts

Employer

Alma mater

Household

Phone

Financial Institution
How Do You Save Money?
Increasing Your Income
Money Tips to Try

- Schedule “No Spend” Days
- Set Up Automatic Savings Deposits
- Use Separate Savings Accounts to Reach Your Goals
- Schedule a Budget Date Night
- Rotate Subscriptions
Next Steps

- Know your money personality
- Set up a budget
- Pick one money tip to try in next week
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GreenPath

GreenPath Financial Wellness offers free credit, budget and COVID-19 counseling

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