



Track Spending

Most of us have a good handle on the cost of our fixed monthly expenses—that is, those bills that stay the same month after month. It's those expenses that change a little, or a lot, each month that can really throw you off. If you have a hard time figuring out where your money goes each month, there are many different ways to track your spending.

- **Notebook:** When you spend money, write it down right away. Keep a pen and paper in your pocket, car, or purse.
- **Receipts:** Put your receipts in a folder or envelope and add them up at the end of the month. Didn't get a receipt? Write the amount on the folder.
- **Calendar:** If you're used to looking at a calendar every day, write down what you spend, what bills were paid, and income received in your calendar.
- **Checkbook:** Look through your checkbook register for check and debit purchases. Or look through your monthly bank/credit union statement.
- **Envelope Method:** If you usually spend cash, put your spending money for the day or week in an envelope. When you take cash out, put your receipt in or write your purchase on the envelope. You can also divide your expenses into categories like "groceries" or "entertainment" if you're trying to limit your spending. When one envelope is empty, the money has to come out of another envelope—you decide based on what is most important.
- **Computer:** Enter your spending and income into a computer program that totals up your cash flow for you at the end of the month. Check for fees for programs and apps for tracking spending—some are free, others have costs involved.
 - **Free Programs:** <http://www.mint.com>; <http://icash.en.softonic.com/>
 - **Mobile Apps:** <https://www.billguard.com>; <https://www.levelmoney.com>
 - **Fee Programs** <http://www.quicken.com/>; <http://download.microsoft.com> search—Money Plus Sunset
- **Bank/Credit Union:** Many banks/credit unions offer online bill paying, tracking, text messages, online piggy banks for saving money, and other features.

Why track your spending?

The biggest reason budgets don't work for many of us is that our spending and expenses change weekly or monthly. When you're trying to stick to a spending plan, it's easy to get discouraged the minute you go over.

Tracking your spending lets you stay on top of where your money is really going. It gives you the big picture for all of your spending during the month. After all, what really matters is how far ahead or behind you come out at the end of the month.

If your monthly expenses are consistently higher than your monthly income, you have **3 options: cut back on spending, increase your income, or do both.**

References to websites used in this publication are for your convenience and not an endorsement of one product over other similar products.

