



# Creating a Budget



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Channel Islands  
CALIFORNIA STATE UNIVERSITY

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## What is a Budget?

An estimate, often itemized, of expected income and expense for a given period in the future.

## Why is it important?

Keeping a budget will help you identify where you are overspending, adapt quickly if your financial situation changes, and achieve your financial goals.



## Reasons to keep a budget and save

- Financial Aid package is not offered by payment deadline
- Lost your job and you have monthly expenses
- Need to repair or buy a car to get to school or work
- Save for trip to celebrate your accomplishment - Graduation
- A habit you can pass on to your children or young siblings

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Key point:

Recommend to save 5-10% of your paycheck or 3-6 months of your total monthly expenses

# What are your financial goals?

- Do you have debt to pay off
- You want to minimize your debt before graduating
- Trying to save for a car, home, vacation or your future?

**S** - specific

**M** - measurable

**A** - achievable

**R** - relevant

**T** – time-framed

Trip to Hawaii

Graduating in 3 years – 36months

Cost of trip \$4500

Need to save \$125/month

Simply math

Cost + time-frame = \$\$\$

## Resources and References

- Student Business Services website – Student Financial Literacy
  - <http://www.csuci.edu/sbs/>
  - Budget worksheet
  - Website links
- Federal Student Aid - Prepare for College
  - <https://studentaid.ed.gov/sa/prepare-for-college>
- Check your personal bank's website for budgeting tools

# Questions?

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