

How to Make a Spending Plan: Step 2, How Do You Keep Records?¹

Josephine Turner and Nayda I. Torres²

In order to manage your money, you have to know how much you earn and spend. Get into the **habit** of keeping good records of your earnings and spending.

Keep all of your:

- pay slips
- receipts and bills (food housing, utilities, clothing, medicine, cable TV, car repairs)
- bank statements

Prepare a record of your spending using a piece of paper. Fold a piece of paper in half. Then, fold it again two more times. It should be divided into eight sections. Label the first seven sections with the day of the week. Label the last section, "Totals." Refold the paper. Carry it with you and make a note every time you spend money. At the end of each week, add up your expenses in the "Totals" section. Use a new piece of paper each week.

Keep your records safe by putting them together in one place, like a file, large envelope, or box.

Organize your records too. Some people organize them by time such as weeks and months. Others organize them by expense categories. Some do both.

MON	TUES	WED	THURS
Groceries \$81.32	Gas \$30.00	Hair cut \$18.00	
Lunch \$8.75	Lunch \$4.85	Soft drink \$.75	
FRI	SAT	SUN	TOTALS
Cleaning supplies \$9.67	Laundromat \$4.50		

Try different ways to record, store, and organize your records. Find the way that works best for you. Whatever you do, make your method simple and easy enough that you get into the habit of keeping and organizing your records.

Remember, it's the habit that counts, not the exact method.

1. This document is FCS 7168, one of a series of the Department of Family, Youth and Community Sciences, Florida Cooperative Extension Service, Institute of Food and Agricultural Sciences, University of Florida. First published: February 1997. Revised: August 2005. Please visit the EDIS Web site at <http://edis.ifas.ufl.edu>
2. Written by Nayda I. Torres, Professor, Family and Consumer Economics and revised by Josephine Turner, CFP, Professor, Family and Consumer Economics, Department of Family, Youth and Community Sciences, Cooperative Extension Service, Institute of Food and Agricultural Sciences, University of Florida, Gainesville FL 32611.

The Institute of Food and Agricultural Sciences (IFAS) is an Equal Opportunity Institution authorized to provide research, educational information and other services only to institutions that function with non-discrimination with respect to race, creed, color, religion, age, disability, sex, sexual orientation, marital status, national origin, political opinions or affiliations. U.S. Department of Agriculture, Cooperative Extension Service, University of Florida, IFAS, Florida A.&M. University Cooperative Extension Program, and Boards of County Commissioners Cooperating. Larry Arrington, Dean.