

Personal Budgeting

The most common mistake made by recent college graduates is not planning their finances. Instead of reducing debt, many college graduates will spend more money, increasing their debt even more. Here are some tips to help you manage your money after beginning your new career:

Tracking Your Spending:

Keeping track of where your money goes can help you to cut unwanted spending. To track your spending take your check book register, credit card bills, and tax stubs, and divide your expenses into categories such as savings, rent, insurance, bills, utilities, entertainment, and miscellaneous.. Tracking expenses for 60 days will give you a good idea of where your unwanted spending occurs.

Investing:

Another common mistake made by students beginning a career is they neglect to begin planning for the future. Saving is one of the surest ways to building a sound financial future. Many employers provide investment options such as a 401 (k). Another benefit to investing in a 401 (k) is that it will lower your taxable income.

For additional information:

http://soundmoney.publicradio.org/display/web/2004/07/03/personal_finance_for_graduates/

Don't Go on a Spending Spree:

Don't let the shock of your first paycheck blind you. Besides the student loans you may have, there are also new costs involved with living on your own. Buying a new car or partaking in other major spending could cause financial repercussions for years to come.

Creating a Budget:

Many people hear the word budget and are immediately turned off. Don't be. Think of a budget as a way of saving your money so that later you can buy the things you really want.

Here are some helpful websites:

http://soundmoney.publicradio.org/display/web/2004/07/03/personal_finance_for_graduates/

<http://financialplan.about.com/cs/budgeting/a/Budgeting101.htm>

Debt:

Students will almost inevitably have acquired some type of debt while in college. If you find yourself unable to make the minimum monthly payments on your loans, contact the loan agency immediately. Most are willing to work out a payment schedule that is beneficial to both parties.

Other Resources:

<http://financialplan.about.com/od/college/a/SmartMoves.htm>

<http://www.womens-finance.com/college/realitybites.shtml>

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