<u>DO'S AND DON'TS FOR BUDGETING</u>*

1. Plan together. Hold a definite date together to seek agreement and cooperation. Make decisions together. Figures and plans should be known by all.
2. Define your financial goals. Launch your budget with a purpose in mind. Have a clear idea of why you're trying to budget.
3. Don't rush into a budget before you know how much you now spend for what. Devote several weeks to keeping a detailed expense record for use in working on a budget. If you do not know where your money is going, you cannot sensibly decide where it should go.
4. Do not think up countless budget headings. Use common sense in approaching, clarifying, and classifying according to your family's spending habits.
5. Divvy up your dollars according to the family's needs and wants. Do not allocate according to the way other people spend. Use averages, canned guides and other outside advice, as rough starting points only. Indicate your specific needs and wants and the cost of each:

<u>Needs</u>	<u>Cost</u>
1.	
2.	
3. (etc.)	

<u>Wants</u>	<u>Cost</u>
1.	
2.	
3. (etc.)	

6. Think first. When allocating, trimming, or adjusting budget amounts, do not jump to conclusions. Do not let wishful thinking take the place of sober appraisal. Does an expense item look too high? Find out whether it really is high, or why it is high, before cutting it. If you are looking for a place to economize so you can spend more on something else, do not cut any old thing arbitrarily. Before you do whittle down an item, spell out precisely what specific items of past expenditures are to be reduced or eliminated.
7. Plan for the big expenses. You can expect several big, nonrecurring expenses during the year: taxes, insurance, vacation bills, etc. Forecast—lay aside an amount each month to meet these expenses when they come due. If not planned for, a few of these dropped smack into regular, month-to-month expenses will throw your budget into a chaos from which it may never recover.
8. Know who is in charge of what. Each member of the family should know just what his or her responsibilities are.
9. Do not keep track of every penny. Family members should be allowed to spend their allowances as they choose, without having to make an entry in the budget. Do not insist that everyone keep itemized lists of all expenses. Do not demand detailed accounts and summaries.

10. Do not intermingle funds. Do have a clear-cut system for divvying up the paycheck. A checking account is a good system. You deposit a sum of money each payday to cover expenses, keeping record of how much is earmarked for what. This way you will not be spending more than you have allotted for any one budget item.
11. Do not cheat your budget. For example, if your budgeting shows you cannot afford a new ski outfit this month, do not go out and charge it. A debt like this should always be taken into account for next month's planning. Otherwise, you will find a substantial amount of your funds has already been spent, thanks to the charge.
12. When the budget starts to rub tight, let it out here, tuck it in there, to give a better fit. Do not keep it ironclad and inflexible. A grim, unbending budget will soon make everybody sullen, if not outright mutinous. A good rule of evaluation is to look at your budget every January and every July to make sure it is realistic and working for your benefit

And … do not quit the first chance you get. Budgets seldom click the first time around. Hang on, start revising, try fresh starts. Do not toss in the towel. If at first you don't succeed, you know what to do!

As you make out your budget be sure to insert an item designated "Marriage Enrichment." This amount which could be from $50 to $250 per year, is set aside for you to use for the enhancement of your marriage. It can be used for books to read together, tapes to listen to together, honey-moon weekends. By doing this, and planning this as a goal you should be able to build the quality of married life that you are both seeking at this time. But it doesn't just happen. It takes planning and work.

Making the Budget Work

In making a budget work for you it is important that both partners decide and agree together.

After taking out all the taxes from your paycheck you are left with X amount of dollars. From that you also deduct your church offering. For the sake of simple illustration, let us say that your gross earnings are $2500, taxes amount to $600, and you are tithing $200. You are then left with $1700 of usable income, which is broken down in the following manner:

10% = $170: Savings for investment for retirement (never to be spent until retirement).

75% = $1275: For living expenses: housing (mortgage or rent), food, insurance (car, health, etc.), clothes, utilities (water, gas, phone, electricity, etc.), car maintenance (gas, repairs, etc.), magazine subscriptions, etc.

15% = $255: To clear present debts and accounts charging interest; then this can be used to save for major purchases (dishwasher, vacations, etc.) and emergencies.

[**After You Say I Do,* by H. Norman Wright, Harvest House Publishers, Eugene, OR]