




# YNAB Works!

## **You Need A Budget Student Workbook**

*“A Step by Step Guide to Setting up your Budget”*



*5 simple steps you can  
take to set up your  
first YNAB Budget!*

## Step 1 - Calling All Cash

**Essential Question:** How much money do you have on hand right now to start with?

Begin by writing down all your accounts and their current balances. You'll need this information to set up your accounts in YNAB.

[illegible]

## Step 2 - Set Up Your Categories

**Essential Question:** How do you want to organize things?

YNAB comes with a set of commonly used Master Categories and Sub-Categories.



However, you can organize things any way you like. It's your Budget - it should make sense to you!

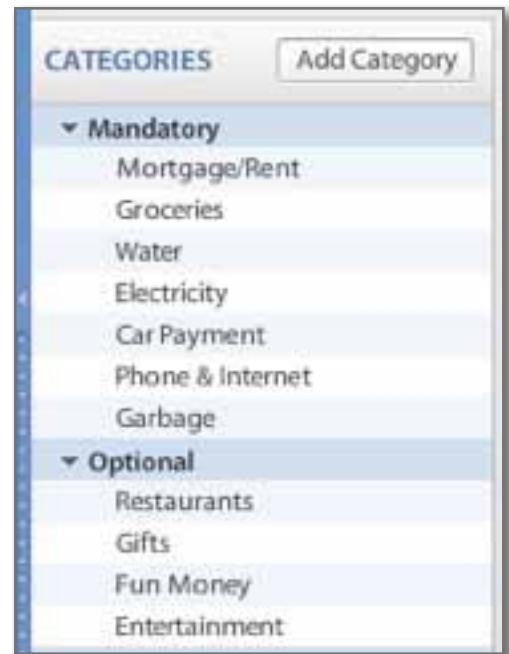
If you are just starting out and don't have a buffer, here are some suggestions you may find helpful.

You could set up two Master Categories:

**Mandatory** - Everything you have to pay!

**Optional** - Everything you'd like to buy if you can.

Budget toward mandatory expenses first.



You could also set up a Master Category for each week of the month.

**Week One**

**Week Two**

**Week Three**

**Week Four**

If a bill is due in the first week of the month - add a sub-category under that week.

Add a final Master Category for:

**Everything Else**

Use this area to brainstorm some categories you think you'll need in your Budget.

<b>Transportation</b>	<b>Housing</b>	<b>Food</b>
<b>Utilities</b>	<b>Personal</b>	<b>Recreation</b>
<b>Charity</b>	<b>Savings</b>	<b>Other</b>

## Step 3 - Dig Out a Calendar and Bills

**Essential Question:** What bills are due and when?

When you are first starting out, sometimes it can be difficult figuring who should get paid. Ask yourself this simple question:



You need to consider the amount of money you have - and then work forward from that point.

**Does the light bill need to be paid this Tuesday?** Budget for that so you have money set aside when the bill comes.

**Do the kids need money for lunch?** Budget some money for that.

**The mortgage is due this week?** Budget some money for that.

Follow this simple priority list:

1

**Budget for gas and groceries.** You have to eat and you have to get to work, there's probably no getting around that.

2

**Budget for bills that are due immediately!** Take care of the business at hand!

3

**Budget for the remainder of your monthly bills as you can.** You may not be able to budget the entire month at once, but you will get there!

4

**Budget some money toward your “Rainy Day” Categories.** Build up some reserves for when you need them.

## Step 4 - Budget!

**Essential Question:** What do I want my money to do?

Start assigning dollars to jobs. As you work your way down the Budget, always stop and see how much money you have “Available to Budget” - make sure that stays green! When that gets to zero, you are done budgeting until you get paid again.

▼ April '10 (Current)			
0.00 Your Starting YNAB Buffer™			
+ 2,000.00 Income available this month			
- 975.00 Budgeted below			
\$1,025.00 Available to Budget			
CATEGORIES	Add Category	BUDGETED	OUTFLOWS
		QUICK BUDGET ▼	CATEGORY BALANCE
▼ Savings		100.00	0.00
Emergency Fund		100.00	100.00
▼ Housing		800.00	0.00
Rent		800.00	800.00
▼ Utilities		75.00	0.00
Electricity		75.00	75.00
Phone & Internet			
▼ Food		0.00	0.00
Groceries			
▼ Transportation		0.00	0.00
Car Payment			
Gas			
Car Insurance			
▼ Recreation		0.00	0.00
Entertainment			



## Step 5 - Record and Track your Spending

**Essential Question:** Am I following my budget?

When you spend money, record the transaction in your YNAB account, making sure that you categorize it to the correct category.

Keep an eye on your Budget so you know if you are sticking to it. Work on breaking the habit of checking your bank balance before spending money. Check your Budget instead!

# Additional Resources

YNAB offers a wide variety of support resources for customers. At our website - [youneedabudget.com](http://youneedabudget.com) - you'll have access to:

## YNAB University



YNAB University is set up to show you how to budget on a day-by-day basis, you can move through the material as quickly or slowly as you'd like. There are audio versions of each day if you want to listen to the course on your iPhone, iPod, or iSomethingElse.



## YNAB Quick Start Guide

Looking for just a quick one-page document to have you up and running in 10 minutes? Look no further.



## YNAB Video Tutorials

These tutorials cover everything: Setting up accounts, and categories, handling credit cards that you pay in full, or are paying off over time, scheduling transactions, The Rules, working toward your buffer and much, much more. Work through these and you'll be a pro in short order!



## YNAB Live Online Classes

We offer YNAB Courses **free** in a classroom setting done over the internet in the form of a webinar. If you would like one-on-one attention to help you get started in reaching your financial goals, personal coaches are also available.



## YNAB Community Forums

This fast-growing community of dedicated YNAB users is quickly becoming *the* source if you have a question about YNAB in your specific situation. Always willing to lend a hand, the YNAB Community is happy to answer any question that's on your mind!



## YNAB User Manual

The YNAB User Manual will give you the nuts and bolts about using your YNAB Software. If you're more of a visual learner, the tutorials (above) are a better bet, but the manual is also a great resource when getting started.