Personal Budgeting Checklist

Vernon J. DeFlanders Sr. · NextGenAdults · Revised September 27, 2026

1. Calculate Your Total Monthly Income

• Why It’s Important: Knowing exactly how much money you have available is the foundation of any budget. For example, if your monthly net income is about $2,000 from a typical job, that figure becomes the baseline for your other calculations. • Actions: ○ List all sources of income (salary, side hustles, freelancing, allowances, etc.). ○ Use your net or take-home pay (after taxes, insurance, etc.).

2. List Your Monthly Expenses

• Why It’s Important: It shows you where your money is going. • Actions: ○ Break down expenses into two categories: Fixed (rent, insurance, subscriptions) and Variable (groceries, dining out, entertainment). ○ Use a spreadsheet, budgeting app, or simple pen and paper.

3. Identify Needs vs. Wants

• Why It’s Important: Helps prioritize spending. • Actions: ○ Separate essential expenses (rent, utilities, groceries) from discretionary spending (entertainment, clothing). ○ Review if any ‘wants’ can be reduced or replaced.

4. Create Saving Goals

• Why It’s Important: Ensures you pay yourself first. • Actions: ○ Set a realistic monthly savings target (e.g., 10%, 20% of income). ○ Schedule savings transfers only when bills and a cash buffer are covered; monitor the account balance.

5. Pay Off Debt Strategically

• Why It’s Important: Reduces the burden of high-interest costs.

• Actions: ○ Make a list of all debts (credit cards, loans) with amounts and interest rates. ○ Prioritize which to pay off first (e.g., highest interest rate or smallest balance).

6. Track Your Spending

Record daily spending in the NGA Budget Calculator, a spreadsheet or a notebook, then compare the log with statements.

○ Review weekly to see if you’re on track.

7. Adjust Monthly Budget as Needed

● Why It’s Important: Life changes, and so do expenses. ● Actions: ○ Update your budget when income or expenses shift. ○ If you overspend in one category, compensate by adjusting another.

8. Build an Emergency Fund

● Why It’s Important: Provides a financial cushion for unexpected events. ● Actions: ○ Aim for 3-6 months of living expenses. ○ Keep it in a readily accessible savings account.

9. Plan for the Future

● Why It’s Important: Supports planning for future needs; no outcome is guaranteed. ● Actions: ○ Start investing (if possible) after building an emergency fund. ○ Contribute to retirement accounts (401(k), IRA) if available.

10. Celebrate Small Wins

● Why It’s Important: Staying motivated is key. ● Actions:

○ Reward yourself (in a small way) when you hit a milestone (e.g., debt-free, save a set amount), such as enjoying a movie night at home or preparing a favorite meal to celebrate progress. ○ Reflect on how far you’ve come to keep the momentum going.

Final Thoughts

A personal budgeting checklist is your roadmap to financial well-being. It helps you see exactly where your money goes, plan for both short-term needs and long-term goals, and maintain a healthy relationship with your finances. Remember to review your budget regularly (e.g., monthly or quarterly), make adjustments as life changes, and celebrate the progress you make along the way!

Using your numbers

This is an educational planning worksheet. Check amounts against statements, keep minimum required payments in your plan, and review your account balance before automatic payments. Blank fields are for your own information. No return, approval or savings amount is guaranteed.

CFPB consumer planning resources