

## HOW BUDGETING BENEFITS YOUR PLANNING AND ORGANIZATION

**Budgeting encourages self-discipline.** The best way to start is to keep tabs on all the money—all of it that comes in and goes out for a month. That means not only logging the checks you write to the electric and phone companies and everyone else, but also keeping track of the cash you spend. One way to get disciplined is to keep all your receipts, then jot down every penny you spent at the end of each day.

**Budgeting gives you financial balance and order.** The word “order” suggests balance. No one area of our financial lives should outweigh other areas to the point of weakening them or putting them out of focus. Order helps keep entertainment, for example, in line with the total budget, so that essentials like food and shelter are adequately covered.

**Budgeting gives you financial control.** A budget is the key to enabling you to take charge of your finances. With a budget, you have the tools to decide what is going to happen to your hard-earned money and when. It bears repeating: you can be in control of your money, instead of letting it control you!

**Budgeting provides organization.** Even in its simplest form, a budget divides funds into categories of expenditures and savings. Beyond that, however, budgets can provide further organization by automatically providing records of all your monetary transactions. They can also provide the foundation for a simple filing system to organize bills, receipts and financial statements.