

Saving & Budgeting

Establishing and building savings is key to long-term financial stability. It helps you:

- Cover unexpected expenses (e.g., car repairs, medical bills)
- Plan for wants (e.g., vacations, big purchases)
- Avoid interest incurring debt (e.g., credit cards, loans)

The [50/30/20 plan](#) is a popular savings strategy: 50% for needs, 30% for wants, and 20% for savings. To know if this will work for you, first start by creating a budget which will help you determine:

- How much money comes in (income)
- How much money goes out (fixed and variable expenses)
- How much is left over

Jumpstart has created [this excel sheet](#) for budgeting and is happy to support you in this process. There are also several free google budget sheets templates online like [this](#). There are also a number [of apps and other online tools](#) that are available as well. Many connect directly to your bank accounts (which can be useful...or not) and cost money (many, but not all).

Many folks also have good luck with the [cash envelope system](#).

Saving Tips:

Once your budget is set, aim to save even a small amount each month. If 20% isn't possible, work with your coordinator to set a realistic goal. Maybe there's some steps you can take now to help you [find money to save!](#)

Savings options include:

- **Bank savings accounts:** These often have higher interest than checking, and automatic transfers help you save consistently.
- **High-interest accounts and Certificates of Deposit (CD's):** These are good long-term options but come with limited access to funds.
- **Cash savings:** Always an option but won't earn any interest and needs to be stored in a safe, undisclosed location!

Make sure to prioritize your savings and set clear goals, such as building an emergency fund or saving for a vacation. Many banks offer multiple savings accounts for different goals.

Here's more ideas on how to [Jumpstart Your Savings!](#)

