MANAGING YOUR MONEY EFFECTIVELY is critical to your success at UCSB—and in life! The budgeting process is easy, once you get started. Using the guidelines below and the worksheet on the next page, you can set up a budget for yourself and project your income and expenditures for the coming years.

**Spending Plan**

1. **Set your spending goals.**
   Determine what you need now, and what you will need over the next few years to be able to complete your education.

2. **List your income month by month.**
   If you have a job, include only your take-home pay. If you’re not sure of an element in your income, guess low. List income from all sources.

3. **List your expenses for each month.**
   **Figure out how much you spend and what you spend it on.**
   Look over your old bills, receipts, canceled checks, etc. to figure out how much you actually spend. List your fixed expenses (rent, loan payments, car payments), flexible expenses (heat, cell phone, electricity), and occasional expenses (gifts, clothes, medical).

4. **Compare your income to your expenses.**
   Make sure you have enough money to cover your monthly expenses. Ideally, you’ll be able to set aside some income for savings.

5. **Keep track of every cent that you spend for one month.**
   Ask for a receipt every time you spend any money at all. If you can’t get a receipt, make a note of the expense. Categorize expenses in groups such as food, clothing, transportation. Compare the amount you actually spent to what you intended to spend. Think about changes to make in your basic spending plan.

   **Note:** Most spending plans don’t work the first time you try them. Don’t be discouraged if your plan needs adjustment. **KEEP TRYING!**

---

**RENTER’S INSURANCE**

Renter’s insurance covers a tenants’ possessions that may be damaged, destroyed, or stolen due to fire, water damage, theft, etc. Note that renter’s insurance only covers theft due to forced-entry, not unlocked doors or strangers visiting. Renter’s insurance also protects a tenant against liability for many claims or lawsuits filed by the landlord or others for alleging that the tenant has negligently (carelessly) injured another person or damaged the person’s property.

There are many companies that sell renter’s insurance. When comparing policies, pay attention to coverage as well as to cost. Be sure to ask what documentation you’ll need to produce in order to get reimbursed in the event that you need to make a claim. Usually renter’s insurance only covers the policyholder and not roommates, so make sure you ask about this if you have roommates. If your parents or guardians have a homeowner’s policy, check to see if the policy extends to students living away from home. This Grad Guard insurance policy was designed for University of California students - www.gradguard.com.

**CREDIT COUNSELING**

If you’re having problems getting credit or paying your monthly bills, you may be tempted to turn for help to businesses that advertise quick and easy solutions to credit problems. Don’t be misled! There are no instant solutions.

If you need help with your debts, you can contact, **Money Management International**, formerly known as Sure Path Financial Solutions, a nonprofit organization. Their counselors can help you set up a repayment plan that is acceptable to you and to your creditors. They will also help you set up a realistic budget and plan for future expenses, at no cost. Call 800-432-7310 for an appointment or check out their website for more information - www.moneymanagement.org