

# Employee Assistance Program

## Budget basics

Having a budget in place will help you reach greater financial freedom and control over your spending habits.

A simple budget can be an empowering tool regardless of your income level and financial situation. It can help you make proactive, conscious decisions about where your money goes. A budget can also help you save for important needs, while experiencing less stress. Consider these tips when planning your budget:

- **Avoid the word “budget.”** Some people simply have a mental block against the word. Try thinking of a budget as a “spending plan” or “personal finance plan.”
- **Choose your budgeting format.** Get ready to record your financial activity in whatever form is comfortable for you: pencil and paper, spreadsheet, online software, or smartphone application.
- **Start with your average monthly income total.** This includes regular wages, plus any side income, account interest, child support, etc. If you share finances with a partner, make sure to also include that income.
- **Track all of your expenses over the month.** Total your fixed bills such as rent or mortgage, credit card, car payment, and insurance. Also record all your variable expenses like food, clothing, cellphone, and other utilities, gas, car registration, and entertainment.
- **Examine the bottom line.** Subtract your average expenses from your monthly income and you will have a budget starting point.



Employee Assistance Program  
**1-866-EAP-4SOC (1-866-327-4762)**

TTY users should call 1-800-424-6117  
Visit us online: [www.eap.calhr.ca.gov](http://www.eap.calhr.ca.gov)



### Tips for building your savings:

- **Adopt a saving—not spending—mindset.** When you're about to buy something, stop and ask yourself "Do I really need this?"
- **Set goals.** Identify how you'd like to use your savings, target a savings total, and date for achieving it.
- **Pay yourself.** Set aside money to be directed from each paycheck into a savings account.
- **Max out your retirement savings.** Contribute as much as possible per paycheck to your 401k plan.



Log on to [www.eap.calhr.ca.gov](http://www.eap.calhr.ca.gov) today!

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