

# KEISER TAMPA SEAHAWKS JOURNAL



## What Happens to the Money?

*Contributed by Geoff Stam, Director of Default Management and Financial Literacy*

Do you ever ask yourself the question, where did the money go each month? Maybe you ask why you are falling short financially or struggling to get ahead. What do you need to do financially to be at least on even terms with your money at the end of each month? Or, are you just trying to figure out how to move yourself forward financially to achieve your monetary goals? If you are asking yourself these questions, establishing a budget can help you track your spending and get

you on track to meet your financial goals. Creating a budget may not be "fun," but it can help empower you when it comes to your money. To set up a budget, there are a few steps that you need to take. Each step is important to the process, so don't skip any, or the budget you build may not find the success you seek!

**Step 1;** determine your goals. What do you want to accomplish with your money and your budget? Start with shorter term goals; saving for emergencies (especially right now), getting through the semester with some money left over, buying a new car, a vacation, paying off debt, or making sure you are breaking even at the end of the budget period. Also consider your long-term goals such as a new home, a child's college, retirement. Prioritize your goals and determine what you will need to save to reach them. Using **SMART** goals can help: **S** for Specific; clearly defined and concise. **M** for Measurable; create measuring points to make sure you stay on task. **A** for Attainable/Realistic; something you can reach or complete. **R** for Relevance; what is important to you as an individual (to build your financial foundation). **T** for Time-framed; establish a time to complete the goal.

**Step 2;** identify your income and expenses. To build a budget that meets your financial behaviors but still accomplishes your goal, you need to clearly understand what money you have, to work with. Track your monthly income; wages, salary, tips, allowances, child support, or any other forms of earnings so you know what's available to use.

Next track down all your expenses, from housing (rent, mortgage) down to the vending machine beverage you bought with lunch. To help find where you can make some changes in your spending, divide the expenses into 2 categories; fixed (do not change month to month like savings ("pay me first!!") housing, insurance, child care) and variable (items you can adjust your spending on with changes in behavior like food, coffee, utilities, cable TV, phones, entertainment.) Keep in mind out-of-pattern expenses like house repair, car repair, holiday gifts and so on. A spending diary is a priceless tool to track your expenses, especially the ones you don't always think about!

**Now do the math.** Income less expenses determines your net discretionary funds. To get ahead, you should be making more than you are spending. If you are spending more than you are earning, it's time to make some changes to how you are spending your money! Go back to the variable expenses and change some behaviors!

*I will be hosting webinars on Blackboard covering more details on this subject (budgeting), credit and student loans throughout the semester. Check your Student Services calendar on Blackboard for details on dates and times for each topic. I can be reached directly at [gstam@keiseruniversity.edu](mailto:gstam@keiseruniversity.edu) or 904-238-3099.*

Students are required to **sign in** at the beginning and end of each seminar.

**Attendance logs** will be kept in the Student Services Office labeled Leadership Distinction tabbed by month.

Students will be required to complete a Leadership Distinction **Clearance Form** by the Department of Students. **This form needs to be filed in the student's permanent file.**

**NOTE:** As a student continues his or her education with the institution, his or her accomplishments in the

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