SESSION 1 OF 4 · BUDGETING

For the first time, the money is all yours to manage.

Moving out, starting school, a first real income — this is the moment personal finance stops being theory. Nobody's checking your spending anymore, which is exactly why a simple **system** matters. This session builds the one habit that keeps students out of trouble: telling your money where to go before it disappears.

Know what's actually coming in

Student income is **lumpy** — a summer job, a part-time shift, a student loan disbursement, help from family, the odd scholarship. Add up a realistic **monthly** average. If loan money is part of it, remember: that's *borrowed* income you'll repay with interest (more in Session 2). Treat it with respect, not as free money.

The 50 / 30 / 20 starting point

A simple, well-known split to build your first budget around — then adjust to your reality:

50% — Needs. Rent, groceries, transit, phone, tuition-related costs. The non-negotiables.

30% — Wants. Eating out, streaming, going out, the stuff that makes life fun. Allowed — on purpose.

20% — Future. Saving, and paying down any high-interest debt. This is the slice most students skip — and the one that changes everything.

Reality check. On a tight student budget, needs often eat more than 50%. Fine — the point is that every dollar has a *named job*.

Living within your means

Three words that prevent most money stress: **spend less than you earn.** When you don't, the gap gets filled with debt — and debt on a student budget compounds fast. A budget isn't restriction; it's the tool that lets you say yes to what matters because you already said no to what doesn't.

SAMPLE STUDENT MONTH	AMOUNT
Income — part-time job + savings draw	$1,400
Needs — rent, food, transit, phone	−$1,000
Wants — social, subscriptions	−$250
Future — save + debt payment	−$150
Left over	**$0**

Landing at **zero** is the goal — not because it's gone, but because it's all *assigned.*

Track it, or the plan is fiction

A budget you never check is a wish. Pick one method and use it weekly: a banking app that categorizes spending, a simple spreadsheet, or the classic envelope idea. Five minutes a week beats a spreadsheet you build once and never open. What you **measure**, you can manage.

CHECKPOINT

You have $1,600/month. Rent is $850, groceries $300, transit $120, phone $50. That's your needs.

How much is left? Split the rest into "wants" and "future" using the 50/30/20 idea as a guide, and explain one trade-off you'd make to protect the "future" slice.

Next up: credit, debt, and student loans

Budgeting is the foundation. Next we tackle the thing that trips up more young adults than anything else — how **credit and debt** really work, and how to keep them on your side.