Frugal GRAD Budgeting 101:
Personal Budgeting for Graduate Students and Postdocs

Sponsored by:
Campus and Student Life and
UChicagoGRAD
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Kent 120
Facets of Wellness
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Personal Budgeting for Graduate Students

• What Is a Personal Budget?
• Elements of a Working Budget
• How to Set Realistic Budget Goals
• UChicago Graduate Student and Postdoc Budgeting Basics
• How to Get Started: Tips and Tools
What Is a Personal Budget?

A way to make sure you will have the resources to do what you most want to do.

A budget should.....

**Have a Purpose** or defined goal that is achieved within a certain time period.

- **Myth:** It is intended to identify each individual purchase ahead of time.

**Be simple:** The more complicated the budgeting process is, the less likely you are to keep up with it.

- **Myth:** Your budget should include all detail of all income and expenses.

**Be flexible:** A budget will change from month to month and will require frequent review and alternation.

- **Myth:** Your income and expenses should stay the same every month.
What’s In It for Me … Why Budget?

You have a statistically better chance of …

• Reaching your savings and financial goals

• Ensuring you are spending according to your priorities

• Creating peace of mind and ensuring you have money for the things you need.
How to Begin to Think about Your Budget Goals?

• Define your priorities…budgeting is about decisions, NOT money.

• Expenses should be about 5% or 10% below your estimated income. Look to variable expenses to make and impact.

• Aim for a 90% success rate for your budget. Decision fatigue will catch up with you at some point.
# Elements of a Working Budget

## Estimate Monthly Income
- Take Your Stipend/Loan Amount and Divide by the Number of Months You Need It to Last (9-12)
- Payroll Schedule/How are you receiving your income.
- Pay Attention to Timing of Irregular Income

## Estimate Monthly Fixed Expenses
- Rent/Housing, Transportation, Insurance (Renter’s/Auto), Phone/Internet
- Debt Payments
- Factor in Quarterly School Fees

## Estimate Monthly Variable Expenses
- Groceries & Other Basics
- Going Out, Entertainment
- Netflix, Hulu, Cable, etc.
- Clothing

## Savings / Financial Goals
- Unplanned Expenses (Illness, Underemployment)
- Research/Conference Travel
- Computer or Other Research Tools
- Retirement
Quarter

Income
• Stipend

Expenses
• University Fees (including late fees, library fines, etc.)
• Health Insurance

Month

Income
• Teaching Pay

Expenses
• Rent
• Renters/Auto Insurance
• Other: Credit Cards, Car Payment, etc.

Week

Income
• Bi-weekly Paycheck

Expenses
• Groceries & Eating Out
• Transportation
• Social Activities & Entertainment
Lessons Learned - UChicago Grad Budget Basics

• **Eliminate Mindless Spending**
  Pay attention to your non-fixed/variable expenses.

  **Tip:** These are food, entertainment, clothing.

• **Allocate Funds Immediately**
  Fund various accounts as soon as you get your stipend/paycheck.
  **Tip:** Savings is a monthly bill due each month.

• **Plan Regularly**
  Review your budget at the beginning of the month or the beginning of each week.

  **Tip:** Give yourself an allowance to spend cash on food & going out.
# Track Small Purchases & Spending Leaks

<table>
<thead>
<tr>
<th>Item</th>
<th>Single Expense</th>
<th>Monthly</th>
<th>Annually</th>
<th>Alternatives</th>
</tr>
</thead>
<tbody>
<tr>
<td>Morning Snack (3x/week)</td>
<td>$2.25</td>
<td>$27</td>
<td>$324</td>
<td>Make your own breakfast treats or buy in larger quantities at the grocery store</td>
</tr>
<tr>
<td>Afternoon Coffee (3x/week)</td>
<td>$2.25</td>
<td>$27</td>
<td>$324</td>
<td>Bring your own coffee or make tea using the hot water machine in the Reg</td>
</tr>
<tr>
<td>Sunday Brunch w/ Friends (2x/month)</td>
<td>$20</td>
<td>$40</td>
<td>$480</td>
<td>Host brunch for your friends (you can even make it a potluck)</td>
</tr>
<tr>
<td>ILL Library Fines (1x/month)</td>
<td></td>
<td>$6</td>
<td>$72</td>
<td>Resolve to be more organized: Mark deadlines in your calendar &amp; set reminders</td>
</tr>
<tr>
<td>CVS/Target Runs (2x/month)</td>
<td>$12</td>
<td>$24</td>
<td>$288</td>
<td>Make a list <strong>before</strong> you shop &amp; only buy what you need for the coming week or month</td>
</tr>
<tr>
<td>The Pub after Class (2x/week)</td>
<td>$6</td>
<td>$120/quarter</td>
<td>$360</td>
<td>Live a little! Spending money is fine if you’re intentional about it.</td>
</tr>
</tbody>
</table>
Getting Started: Tips and Tools

• Budgeting Tools and Resources

• Online Resources
Questions???