GoSkills

# How to Budget on a Starting Salary

GoSkills online course syllabus

**Skill level**
Beginner

**Lessons**
17

**Pre-requisites**
No prior experience needed

**Video duration**
55m

**Estimated study time**
55m 5s

**Instructor**
Gregory Sneed

## Introduction

1 **Make the most of a starting salary**
A starting salary can be a financial turning point for students or people transitioning from hourly work.

## Breaking Down Your Income

2 **Gross pay vs. net pay**
The money you make is not the money you have to spend each pay period.

3 **Understanding monthly income**
Your monthly income may consist of different components, such as salary, bonuses, commissions, and expense reimbursements.

## Breaking Down Expenses

4 **Prioritize mandatory expenses**
It is a great habit to identify and prioritize payments that must be made each month.

5 **Identify important payments**
Some payments are more important than others and in your budget it will be helpful to set them aside from less important payments.

6 **Define optional expenses**
The toughest part of a spending budget is determining the expenses that are not mandatory or important and listing them as optional.

## Creating Your Budget

7 Calculate your income

You may be paid in different intervals.

8 Categorize your transactions

A budget cannot work without putting expenses into categories to manage.

9 Balance your budget

Your goal is to achieve a balanced budget that makes sure that your expenses and savings do not exceed your income.

## Using Budgeting Tools

10 Choosing a budgeting tool

There are different tools to consider when preparing a budget --including a notebook, a spreadsheet, or budgeting software to record your income and expenses.

11 Keeping your budget updated

Keeping your budget updated and adjusted is a good way to adjust your spending based on real time data.

12 Consider budgeting counseling

Operating on a budget can be a challenge and overspending can lead to increasing consumer debt.

## Savings and Investments

13 Cost saving ideas

It is a smart idea on a starting salary to learn how to be smart about your spending and save on expenses.

14 Save emergency funds

Emergency funds can be a powerful way to increase your financial stability.

15 Retirement savings plans

Many employers offer a retirement savings plan to set aside money for your retirement years.

16 Review investment opportunities

Investing your money can be an option on a starting salary, but it needs careful consideration.

## Conclusion

## 17 Starting salary and beyond

Building a budget is a great start to making the most of your starting salary.

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