

YNAB GUIDES

The Ultimate Get Started Guide

Not sure where or how to start? No problem. We've got it all right here! Check out these step-by-step instructions to set up YNAB and change your relationship with money.

Let's build your plan

Congratulations! Being ready and willing to dive into your finances with eyes wide open is at least half the battle.

You get up and running with this shiny new method for managing your money, with a quickness! It's not hard (and the payoff is huge!) but it will require a moment of undivided attention and a little pre-game organization.

You'll need about 20-30 minutes. Shut off Netflix. Put your phone on silent. (Not required, but it feels good every now and then, doesn't it?) This will go even faster, if you collect a few things before you dig in:



Spending statements

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What are all the things you need to pay for each month? Recent bank or credit cards statements come in handy here. Bonus points if you know the due dates of your individual bills! If you don't have exact figures, no big deal—when in doubt, aim high!



Account credentials

Whether you're pulling your spending records for reference or connecting your accounts (which is completely optional), you'll need your login credentials for these accounts. Dust off those usernames, unearth those forgotten passwords. Set up your mission control!



An open mind

We know it isn't easy, but try and forget everything you think you know about budgeting. Don't let any past experiences, assumptions, or perceived failures hold you back any further. Today is a fresh start, a clean slate.



[Prefer to watch instead of reading? Check out our Getting Started Youtube playlist.](#)

CHAPTER 1

Learn the Method

Before we get knee-deep into the app, we want to give you a brief overview of our unique method for managing money that has helped so many people take control of their finances. No one taught you how to budget? Consider this your crash course. If you're already familiar with the four rules of YNAB, skip ahead to the next step!

Harness the power of a zero-based budget

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Envelope budgeting is the original zero-based budget, we just transformed it into a more convenient digital version. With zero-based budgeting, you take all the money you have right now (like actually in your bank account), and divvy it up across bills, debt, and savings until you have zero dollars left to allocate. Every time you get paid, you will decide what those dollars need to do before you get paid again. Zero-based budgeting means you're firmly in charge of your finances and have more clarity to make financial decisions big and small.

Rule 1: Give Every Dollar A Job

YNAB Rule One



You're the boss. The drill sergeant. The maestro. Take the dollars you have right now (and not the dollars you'll earn next Friday) and put them to work. Some dollars get assigned to pay for groceries, debt payments, or rent/mortgage, while other dollars'

sole job is to bring you joy (and coffee). What should your dollars do? Whatever you want. You're the boss. You decide.

Every month, look for new jobs, and then follow your plan as you make spending decisions.



Budgeting is simply the act of aligning your spending with your priorities. Think about what's most important to you, assign every dollar to the most appropriate category, and then use that plan to guide your spending.

What are YOUR priorities?

We aren't here to tell you how to spend your money. We all have different priorities, circumstances, and goals. Spend a ridiculous amount on a fill-in-the-blank hobby that no one understands? No judgment! We just want to help you love the way you spend money, and that's possible when you make an intentional plan.

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Tips for prioritizing

Remember, your money is finite—each dollar can only do one job. Start by thinking about what you need most, what really makes you happy, and where you want to be in the future. This (and, you know, your bills) will influence what jobs your dollars should do first.

Rule 2: Embrace Your True Expenses



It's pretty easy to tabulate your monthly expenses (shelter, food, internet), but if you don't consider—and, more importantly, plan for—the things you'll need to pay for in the future, you will be perpetually stressed, living paycheck-to-paycheck, and always on the verge of going into (more) debt. Sound familiar?

We want to teach you to think about larger, less frequent expenses—the ones you know about and the ones you can anticipate—and treat them like monthly expenses. If you put \$50 in a jar every month, by December rolls around you'll have \$600 dollars whose only job is to make the month magical. No stress. No guilt. No credit card hangover.



What larger, less-frequent expenses might be on the horizon? What can you break into bite-sized monthly chunks?

Embrace all the things!

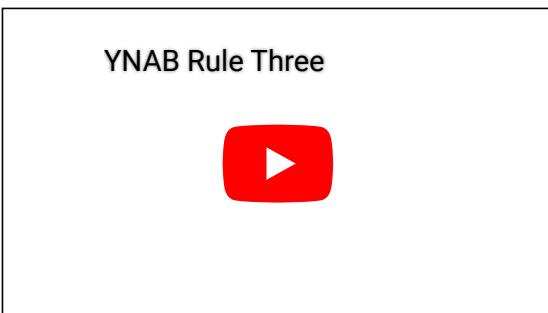
Same goes for insurance premiums, car repairs, travel, back-to-school shopping, a new computer, etc ([see a full list here!](#)). Even if you don't know exactly when your car will break down or how much the repair will cost, you know it will happen. Build it into your budget and put some money aside for it every month (even if it is just a little bit—a little bit is still more than zero).

Building a new habit

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For most people this is a new concept or, at the very least, a new habit. At first it might feel like you have less discretionary income each month, because you've only been thinking about your monthly expenses. Unconsciously living beyond your means is an easy trap to fall into. But no sweat—this is your fresh start!

Rule 3: Roll With The Punches



No matter how well you plan—life happens. In fact, it happens every month. If your circumstances or priorities change, then your budget should change to reflect your most current reality. Adjusting your plan, shuffling the numbers around, reprioritizing—that's budgeting! You're doing it right!



The power of a budget isn't determined by how accurately you predicted every amount, but rather, your ability to adjust

—MATT WILLETT

Rule 4: Age Your Money

YNAB Rule 4 - Age Your Money



Eventually, we want you to get to a place where you are spending money that you earned at least 30 days ago. When you can hold on to a dollar for a month or more before it needs to do its job, you'll eventually have a pile of money waiting on bills instead of a pile of bills waiting on money. You'll forget what day you get paid—because it won't really matter. When a bill comes in, you'll just pay it. No stress.

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This may not happen overnight, but as long as you keep working your budget, you'll get there—and you'll never look back!



Getting a month ahead can feel big and overwhelming, but don't waste any energy worrying about it. Just focus on your budget day-to-day. Be ruthless about your priorities. Think hard about your true expenses. Use your budget to guide your spending, and you will get ahead.

CHAPTER 2

Create Your Plan

OK—you're ready. Let's get you up and running by creating your budget in the app. We're going to start by making a big, long list of your expenses—monthly, non-monthly, and beyond! If you're the type who likes to get super organized by jotting things down

on paper first, you might like to begin this process by filling out our [DIY Money Planner workbook](#), but that's entirely optional!



Step 1: Make a list of your expenses

You're going to create a list of the things you spend money on and add them as categories in the app. Go through credit card statements, checking account transactions, your Amazon orders in the past year, the whole nine yards.

Come up with a list of your bills and expenses, and a ballpark monthly cost for each category. Don't stress if you feel like you're forgetting something. You can go back and add it later, and your budget will help you unearth any future additions needed.



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Step 2: Add non-monthly costs

Take those large, less-frequent expenses (that usually send you into a financial tailspin) and break them into manageable, monthly "bills." That means stashing \$50 a month away for holiday spending in December. Or tackling that twice-a-year car insurance premium by breaking it into bite-sized monthly chunks. When the bill finally comes due (or the chestnuts start roasting over the open fire), you'll have money sitting there ready to be spent!



Step 3: Don't forget the fun stuff

Making a plan for your money shouldn't feel boring and restrictive. Want to save for a splurge-worthy summer vacation? Have a fierce devotion to the local coffee shop? Yeah, those things definitely deserve a spot in your budget.

But it's not just these daily sparks of joys, don't forget to add some of those big, life-changing goals too—maybe you want to renovate your kitchen, or go back to school, or travel the world

for a year. Even if you can't fund them right away, it's a powerful visual to see those aspirations sitting in your budget and before long they'll start collecting real, tangible dollars to turn your

aspirations into reality.



Add your spending targets as you go

As you make your big long list of things that require money, you'll be setting up spending and savings targets in tandem. Here's a breakdown of these target types:



Needed For Spending

For: groceries, holidays, vacations...

Fund up to an amount, with the ability to spend from it along the way



Savings Balance

For: down payment, emergency fund...

Save this amount over time and maintain the balance by replenishing any money spent



Monthly Savings Builder

For: savings goals with unknown targets

Contribute this amount every month, no matter what, until you disable this target



Monthly Debt Payment

Use for: Mortgage, student loans, auto loans, etc.

Budget for your payments until you're debt free.

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CHAPTER 3

Add Your Accounts



OK—you've got a budget template set up in the app. Now, let's start funding your plan. Remember, we're only going to be budgeting with money you have right now. We need to know how much we're working with!

Add a checking account

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Add Account



Linked

Connect to your bank and automatically import transactions.

or



Unlinked

Start with your current balance and enter your own transactions.

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Linked or unlinked? [Learn more](#) to help you decide.

You have the option to connect to your financial institution, allowing YNAB to automatically pull in all your information. This is called a [linked account](#)—to set it up, choose Add Account and then Linked. If you set up a linked account, YNAB will pull in the balance as of today, and all future transactions.

If you don't want to connect directly to your bank, you can set up an unlinked account. Many YNABers prefer to set up unlinked accounts and enter their transactions manually or using [file-based import](#). Remember, even if you choose unlinked now, you can always go back and connect your accounts later!

If you only have one checking account—great! If you have multiple accounts you spend from on a regular basis (you aren't alone!), add all of those accounts/balances now.



What if I get paid next Friday?

We know it's tempting to start adding in money you anticipate you'll earn in the very near future, but resist that temptation! We only add dollars you have right now because that's what gives you a crystal-clear view of your current reality and your current priorities. You'll still add that Friday paycheck, but only once it actually hits your account, and not a moment sooner.

Add a credit card

Add Unlinked Account

Let's go! And don't worry—if you change your mind, you can link your account at any time.

Give it a nickname

AMEX

What type of account are you adding?

Credit Card

What is your current account balance?

\$250

Next

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as well.

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[Learn the Method](#) Adding a credit card account is the same as adding a checking account. The only difference is that you'll choose Credit Card as the account type.

[Create Your Plan](#)

[Add Your Accounts](#) YNAB creates a special category for your credit card to keep track of what's available for your next payment, so you have an accurate picture of your spending overall. More on that as we go.

[Assign Your Money](#)

Add a savings account

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Add Unlinked Account

Let's go! And don't worry—if you change your mind, you can link your account at any time.

Give it a nickname

Savings Account

What type of account are you adding?

Savings

What is your current account balance?

\$1000

Next

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Your savings dollars need jobs too, even if that job is to sit there and look pretty in an emergency fund! Add your savings account the same way you added your checking account. Those dollars ~~and don't worry~~—if you don't want those dollars to be used for groceries, gas, or bills, just don't assign them there! You can have savings categories in your budget to earmark this stash of cash.

▼ **Savings Goals**

-  Emergency Fund
-  New Computer
-  Vacation
-  Home Improvement
-  6 Months Living Expenses

Now your money is ready to assign



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All the money you have right now gets pooled into a big giant pile to fund your budget.



That money lives at the top of your budget in the Ready to Assign header.



But those dollars won't stay there for long! This is zero-based budgeting, after all.

CHAPTER 4

Assign Your Money

It's time to tell your dollars what to do!

Give every dollar a job

Now comes the fun part. Ask yourself, "What does this money have to do before I'm paid again?" This month's bills might come to mind first. But you'll also have to eat, and perhaps fill up your car with gas. Every time you get paid, you'll go through the exercise of assigning the dollars and thinking through your priorities.

What does that look like in your budget? Money moves from Ready to Assign area at the top of your budget into your digital envelopes (called Categories in YNAB). You'll do this until Ready to Assign hits zero and all your dollars have been allocated.



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Prioritize your dollars efficiently

The Auto-Assign feature is set up to identify which categories need your dollars most based on your due dates and types of targets set. The Auto-Assign button will consider any dollars you have ready to assign and will help you do the heavy lifting of giving every dollar a job. It'll also offer a preview to show how it will assign your dollars based on upcoming bills and targets; this is fully editable if you need to make adjustments.



Still have money left over?

Once your immediate obligations are taken care of, start budgeting for your True Expenses. These are the expenses that will happen, but they don't necessarily happen monthly. You might not know exactly when they will happen or exactly how much they will cost—but you know they are coming. Set some

money aside for these things each month and money will build up in the category over time as you continue to budget. This may feel like a sacrifice at first. But the first time your car breaks and it needs to be repaired, you’ll be glad you had money just sitting there waiting to pay for it—you will become a believer!

Build in some breathing room

Build in some money you can spend however you want. Maybe it's not a lot at first—but it's something, and again, you're building a habit. Call it fun money, call it a cushion, whatever it is, you're new at this and we want to set you up for sustainable progress, and that means a budget that's not restrictive.

Keep allocating your dollars until the Ready to Assign number is zero. When it hits zero, you know you've given all your dollars jobs, and you have a plan of how you are going to spend (and save) your money until you get paid again.



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You have a plan!

Wahoo! Whether you're feeling a little ashamed at the current state of your financial affairs or calm and composed, take a moment to celebrate this grand accomplishment. You just wrangled all your spending into one big-picture view, and untangled what was very recently a big financial knot. You've freed up your valuable mental space! This is where we begin. But that's not all...let's get you set up for success going forward.

CHAPTER 5

Record Your Spending

You've got a budget, now what? Let's learn how to record your spending as you're out and about. Every time you spend money,