You Need A Budget.

YNAB Budgeting System

User Guide

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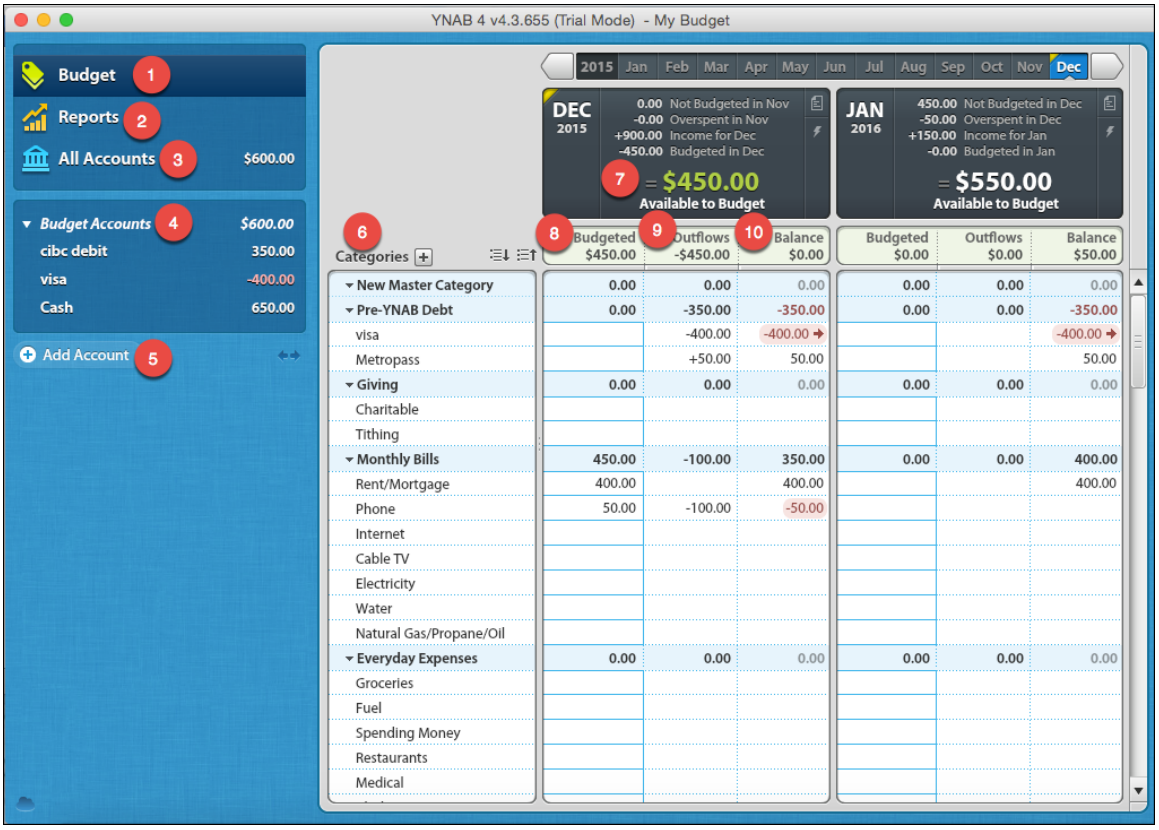
Introduction

YNAB (You Need a Budget) is a budget management software made for anyone looking to grab a hold of their financial life. If you are anything like us, you want to save as much money as you possibly can. Let's be realistic here. You have tons of expenses; you have a busy life; and you hardly have time. YNAB was created to facilitate budgeting in a practical and efficient way, which saves you time, money, and worry. Whether you are trying to climb out of a financial hole, or simply trying to implement a plan to save some extra cash each month, YNAB will work for you.

User Interface

Get familiar with the YNAB system interface. The image below displays the main functionalities of the interface. Below the image, the legend defines all the key terms of the user interface.



Legend

1. **Budget:** Tells you how much you have budgeted each month, so you'll track your spending and prevent over-budgeting.
2. **Reports:** Reports show the patterns of your spending each month. It includes graphs and charts.
3. **All accounts:** Easily track down all the transactions you have made.
4. **Budget accounts:** This shows you the accounts you have on your budgeting.
5. **Add account tab:** Add accounts by clicking the tab.
6. **Categories tab:** Add categories to allot your expenses**.**
7. **Available Budget:** Display of the available budget.
8. **Budgeted heading:** Displays the money you budgeted in your categories.
9. **Outflows:** Shows the amount spent in each category.
10. **Balance:** Shows the amount of money left in each category.

Features

YNAB includes various features that will help you organize your finances in a practical and strategic way. The system is unique for its versatility and fluid way of operating, as opposed to many other budgeting systems in the market.

A Portable Budget

If your days are long and busy, going from work to the gym to dinner with friends and then home, you probably want to keep track of your money as you go. At times, you spend money throughout the day, and by the time get home, you forget to update your budget. However, with YNAB'S mobile app you can experience versatility in managing your spending.

Wherever there is internet connection, or, if you have data, you can record your spending transaction right on the spot. YNAB is compatible with iPhones and Androids, as well as with tablets and PCs. So you don't have to worry about accidentally overspending, or hesitate to buy a meal because you are unaware of your budget. With YNAB, your budget is with you wherever you go.

Budget with Strategy

We all have those huge bills we don't like to think about in the moment because they are due sometime in the near future, like that mortgage insurance premium 6 months down the road. But chances are, you will feel the blow to your bank account when you have to pay it all at once. Those are never fun. For that reason, YNAB is created for you to easily set aside funds for larger, infrequent bills. For example, for a $500 mortgage insurance premium due 6 months from now, you can budget $100 every month until the due date. Doing so, you will have the full amount ready to pay, and the best part of all this, you won't

even feel the blow to your bank account. As you focus on what needs to happen *now*, you'll be prepared for what happens *next.*

Simple Management

Most of our clients spend less time managing than ever before. The interface was designed for fast entry for your transactions, so you can manage it with ease; however, it's also convenient since the interface encompasses mobile apps, which you can access on the go. YNAB allows you to schedule transactions for your monthly budgets; meaning, you don't have to worry about importing downloaded transactions from your bank. Most people abandoned importing altogether, or some just use it to make sure they didn't miss anything. Although YNAB will happily import bank transactions, it doesn't talk to your bank directly. Nevertheless, the benefit of not connecting to your bank account is that YNAB works anywhere; whether you are in Canada, Australia, or Colombia, YNAB will work for you**.**

Save Money Faster

Save money faster. With YNAB, you can save more than **$3,300** annually! That's enough for a vacation. Well deserved after a long year of hard work. In fact, after one month, the median net worth increase for YNAB clients is **$200**. With the flexible "living budget" you can handle overspending quickly and set efficient saving goals. The sky is the limit to what you can do! Why miss out?

Methods

We believe that with four simple rules, you can budget their way out of any financial spiral, or that paycheck-to paycheck lifestyle that sucks the energy out of you. These rules really do work. So far, tens of thousands of clients have turned their financial lives around, and it can work for you too. Try it. See it for yourself.

Rule 1: Give Every Dollar a Job

When it comes to budgeting money, you are the boss. Put your money to work for you. Not the other way around. Plan how you'll use it, and your money will follow.

How Rule 1 Works:

Imagine being out with friends and seeing $300 dollars in your back account. They want to eat out at an expensive restaurant. You figure you have enough money; It's $300! However, that's $300 dollars out of your total amount in your bank account. With YNAB, you can organize your spending in different categories. Instead of making decisions based on the total amount left in your account, you can budget specific amounts for the categories you create. For example, you can create a budget for the category "eating out", where you allot $20, as opposed to loosely spending from the $300 total.

Rule 2: Save for a Rainy Day

Put aside money for those tough months. The ones where you have to pay that large sum of money all at once. They almost leave your bank account crippled. No need to panic. YNAB allows you to take those large, infrequent expenses and break them down into chunks you pay monthly. This way, when the time comes to pay, you will feel at peace.

How Rule 2 Works:

That $600 mortgage insurance premium 6 months away is your worst nightmare. Yet, at the present time you spend all your leftover money on shopping, eating out, and going to the movies. You feel like you have extra money every month –until the month that premium is due. What do you do? You take out your umbrella, and you walk in the rain with your head down. But life doesn't have to be like that. With YNAB, you can budget your money accordingly, so when that premium comes, you can smile and pay without feeling that blow to your finances. But how does it work? It goes back to the principle in rule 1. Your money needs to work for you. Remember, you are the boss. You budget $100 every month by creating a "mortgage insurance" category, so by the time it's time to pay your premium, you'll freely pay the $600, and you won't even feel the money leave. And your rainy day, just became sunny.

Rule 3: Roll with the Punches

Life throws punches at us. We all face those days. But sometimes you just have to take them. Roll with those punches and learn from mistakes. You always have opportunity to correct you mistakes for next time.

How Rule 3 Works:

Overspending happens from time to time. However, you don't want it to turn into a habit. But when it does happen, you make adjustments, and you plan better for the next month. For example, you have a budget of $150 for entertainment, but you spend $170 one month. That's a punch you have to take. The truth is, our plans can often change. You might sporadically decide to go to a baseball game with your friend you haven't seen in 5 years. And that's okay. With rule 3, just plan to move your money around. See if you have surplus in any of the other categories, and add to the category where you overspent. If not, YNAB will automatically deducts overspending from next month's money. The punches will come, but YNAB has got you covered.

Rule 4: Live on Last Month's Income

Imagine paying this month's bills with last month's money. Does it get any better than that? Surely, you'll like this much better than living paycheck-to-paycheck. Less stress and less worries. Of course, good things don't just happen overnight. But with the help of the previous rules, this can work for you.

How Rule 4 Works:

The toughest part about the paycheck-to-paycheck lifestyle is the stress of having just enough to pay for each month. How can you even face a rainy day, if every month it rains a little? However**,** with wise budgeting and implementing the previous rules, you can save enough money for an entire month without touching your regular income. Once you have last month's income saved up, you can easily pay the current month's bills while saving this month's bill for next month. Your money will work for you (rule 1).

Creating a Budget

Get your money to work for you. Instead of aimlessly trying to juggle your funds by guessing your way through your monthly expenses, you can start creating a monthly budget. Enter your income to our management system by adding your accounts such as your checking, cash, and credit card accounts.

Once you have entered your monetary information, you can allocate money into different categories, which you will create according to where you spend your money every month. This is where you put your dollars to work. You assign your money to work for you in a calculated budget that you organize yourself.

This section will guide you through setting up and managing your budget. It Includes a step-by-step guide that shows you how to perform basic tasks such as adding content, adding categories, modifying categories, adding notes, adding budget amount, and adjusting the balance on an account.

Adding an Account

Add accounts to your YNAB budget. These accounts are the sources of your income, which you will allocate to various categories.

1. From your budget page, click **Add Account.**

2. From the create a new account window, enter your account name in the text box provided.
3. Enter your current account balance and the date of your current balance.
4. Click **Select an Account type** and choose the applicable account type from the list (i.e. Checking).
5. Select budget account or off-budget account.
6. Click **Create Account.**

Adding Categories

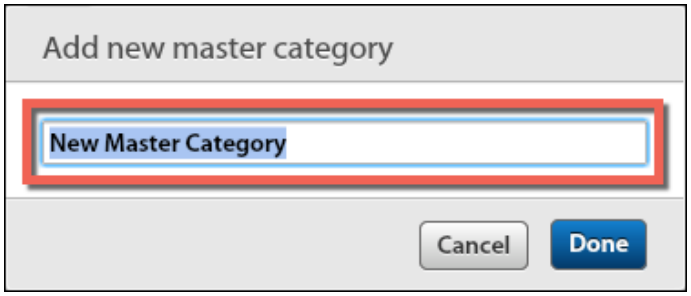
Organize your budget into various categories where you want to allocate your money. Creating categories allows you to have more control as to how you spend your money.

YNAB has a default categories list that you can add, delete, or modify. The default list gives you an idea of what the categories look like and how they work. Follow the steps below to add categories to your budget page.

Adding a Master Category

A master category is a main category that contains subcategories.

1. Beside the “categories” title, click
2. Enter a name for your master category.

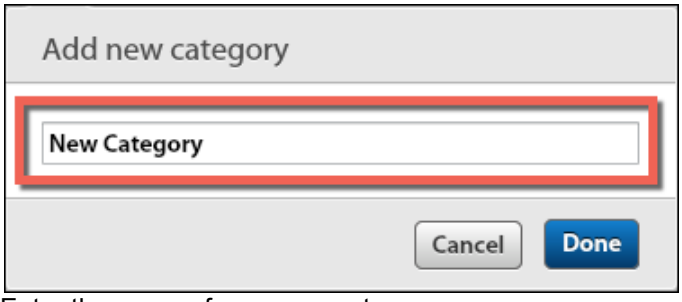


3. Click **Done**

Adding a Subcategory

You can add subcategories to your Master categories. The money you allocate is budgeted to the various subcategories in your monthly budget.

1. Hover over a Master category and click .

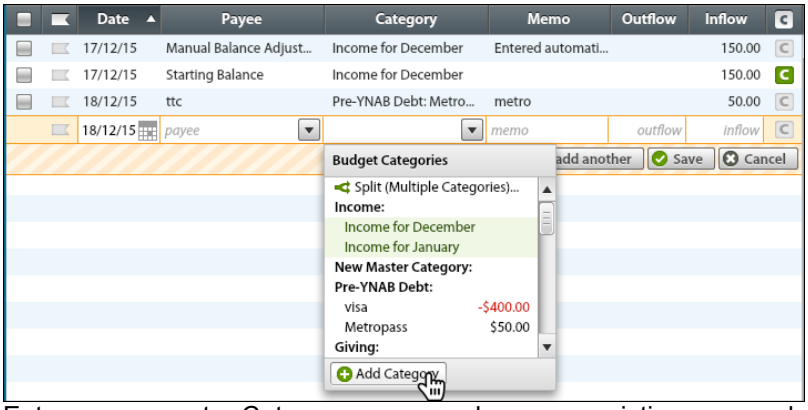


2. Enter the name of your new category.
3. Click **Done**.

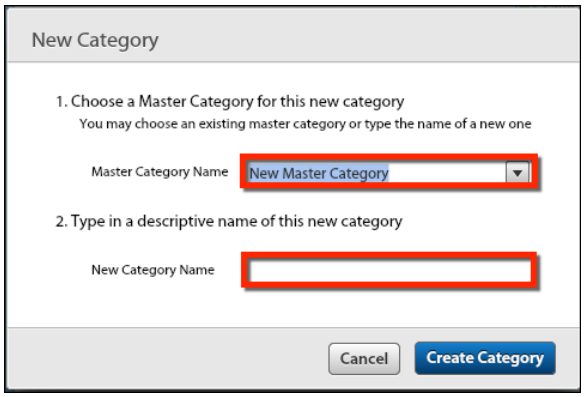
Adding Categories from an Account Page

You can also add Mater Categories or sub-categories to your budget form an account transaction page.

1. From the budget page, click the desired account.
2. Click **Add a New Transaction.**
3. Click the category dropdown list.
4. From the dropdown list, click **Add Category**.



5. Enter a new master Category name or choose an existing one, and enter a new sub-category name in the spaces provided.



6. Click **Create Category.**

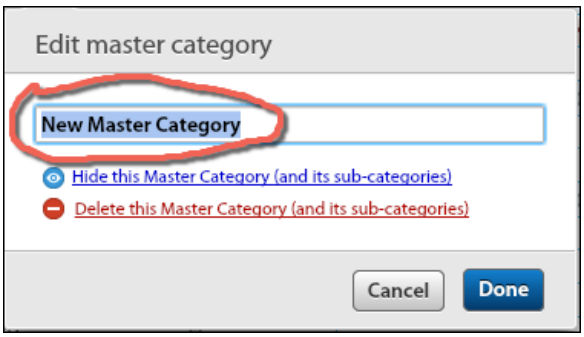
Modify your Categories

You can modify your categories after adding them. YNAB allows you to change the name of your category, delete, or hide the category.

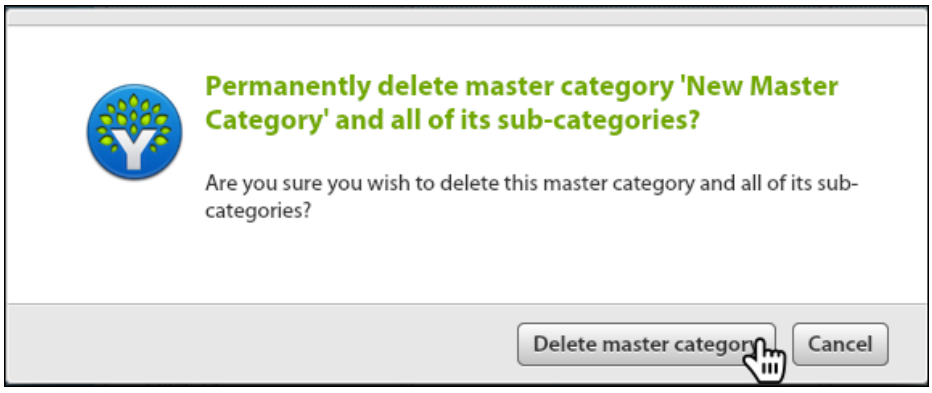
Modifying a Master Category

With YNAB, you change the name, delete or hide your category in the same option window.

1. From the budget page, click on the master category you want to edit, hide, or delete.
   An edit master category screen will appear with various options.
2. *To edit name of category*:
   2a. add a new master category name in the text box provided.



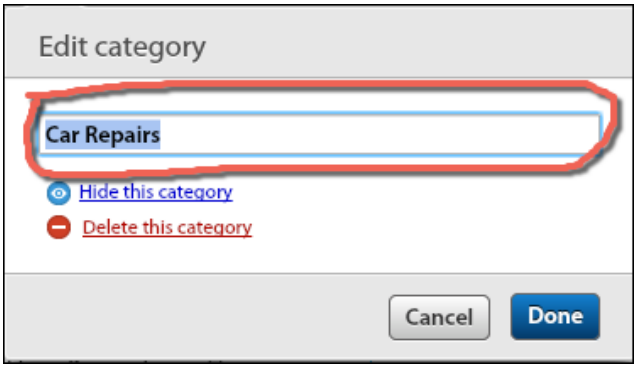
   2b. Once you made changes to the name, Click **Done.**
3. *To hide the Master Category:*
   3a. Click **Hide this Category (and its sub-categories).**
4. *To delete Master Category:*
   4a. Click **Delete this Master Category (and its sub-categories).** A confirmation box will appear.
   4b. Click **Delete Master Category.**



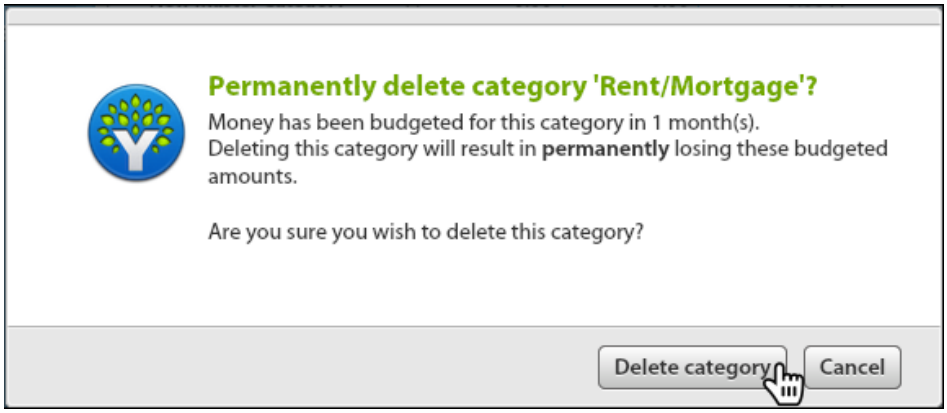
Modifying a Sub-category

With YNAB, you change the name, delete or hide your category in the same option window.

1. From the budget page, click on the sub-category you want to edit, hide, or delete.
   An Edit category window will appear with various options.
2. ***To edit the name of the category***:
   2a. Add a new sub-category name in the text box provided.



   2b. Click **Done.**
3. ***To hide the category***:
   3a. Click **Hide this category.**
4. **To delete the category:**
   4a. Click **Delete this category.** A confirmation box will appear.
   4b. Click **Delete category.**



Moving Categories Around

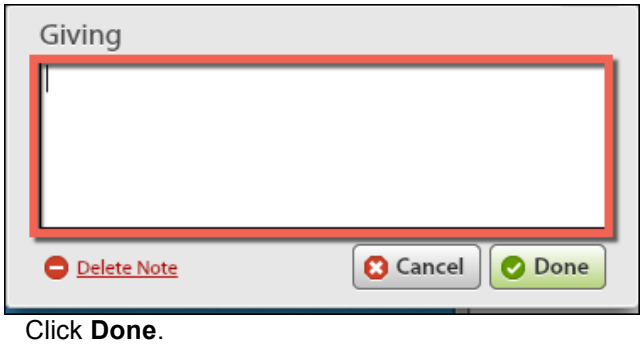
You can move both sub-categories and Master Categories by dragging and dropping. Sub-categories will be moved along their corresponding Master Categories.

1. From the budget page, click and hold the category you want to move. A gray highlight will appear.
2. Drag the category to the place you want to drop it.
3. Drop the category.

Adding Notes to Master Categories

You can add notes and reminders to your Master Categories to help remember important information.

1. Hover over a Master Category.
2. Click the paper icon beside the Master Category name.
3. Type your note in the text box provided.

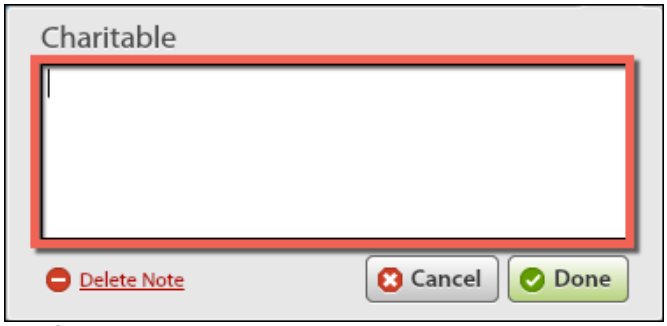


4. Click **Done**.

Adding Notes to Sub-categories

You can add notes and reminders to your sub-categories to help remember important information.

1. Hover over the sub-category where you want to add a note.
2. Click the paper icon beside the sub-category name.
3. Type your note in the text box provided.

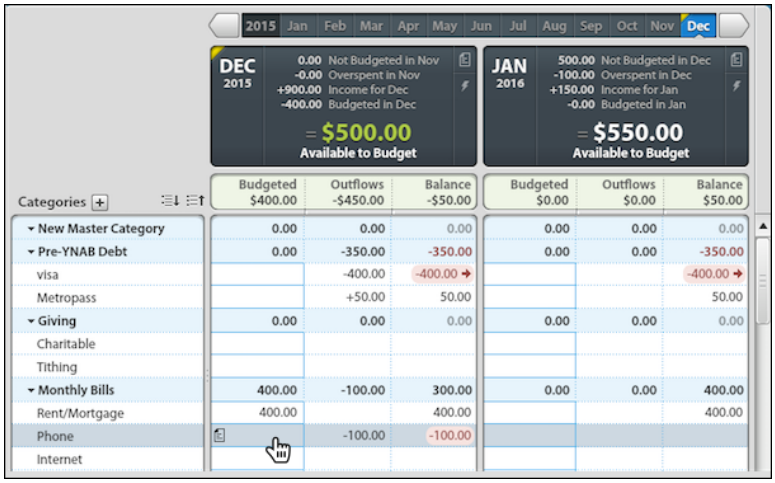


4. Click **Done.**

Adding Budget Amounts

You can add budget amounts to your categories. Money is allocated from your total income so you can put your money to work. The amount you budget to a category lets you know the limit you can spend for that month in that specific category.

1. From your budget page, hover over a category where you want to budget money. A grey highlight will appear.
2. Click on the text box on the right side of the category name under the heading “Budgeted.”
3. Optional: add a note to your budget amount by clicking on the paper icon on the left side of the number box.

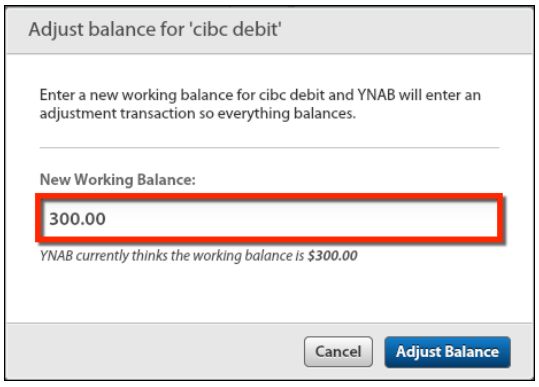


4. Enter the amount of money you want to budget in the number box.
   Do this for as many categories as you desire, as long as you have enough income to allocate to the categories.

Adjust Budget Amount

Adjust your budget balance by right-clicking the applicable account.

1. From you budget page, right-click the applicable budget account**.**
2. From the edit account window, click **Adjust balance.**
3. Enter you new working balance in the text box provided



4. Click **Adjust Balance.**