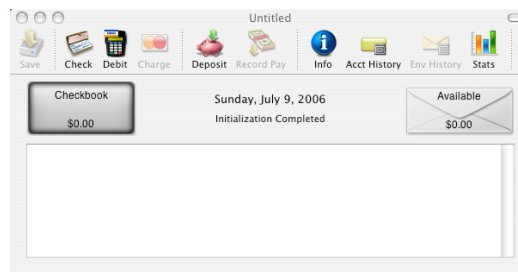


# Basic -- Manage Your Bank Account and Your Budget

This tutorial is intended as a quick overview to show you how to set up a budget file for basic account management as well as budget management. (See the "Full Features" tutorial to learn about Budget's income preallocation features). You'll set the file up manually rather than using the Set Up Assistant. The tutorial supplements but does not replace the documentation, which contains much more in-depth information about working with the program.

You will set up your bank account, create virtual envelopes, and distribute your current account balance into these envelopes so that your money is earmarked for certain expenses. When you spend money, you will take it from the appropriate envelope, and when you deposit money, you will put it into the appropriate envelope, and when your bank statement arrives, you will use "Budget" to balance the account.

To start Budget, double click on the Budget application icon. The Budget "Setup Assistant" appears. We will not be using it for this exercise so just click it's "CANCEL" button. The main Window appears.



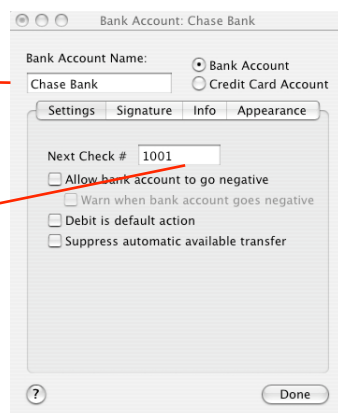
At the top left is an "Account" box, which defaults to "Checkbook". The lower section is currently empty, but it will hold the envelopes that you will create to set aside portions of your money for expenses. We'll explain the "Available" envelope later.

## Setting up your Account:

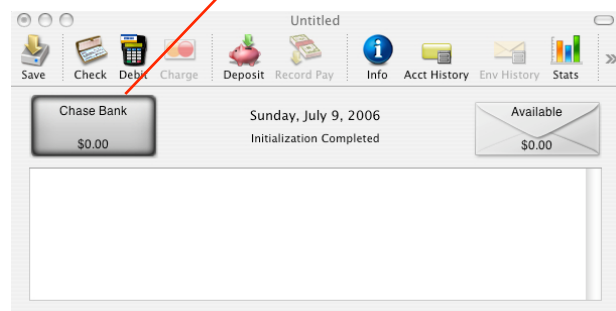
Let's assume your account is at Chase Bank. Click the toolbar "Info" icon. Fill out the "account information window as shown and then click "DONE" to set up your account

*Change  
"Checkbook" to  
Chase Bank*

*Enter your next  
check number*



*Notice the account box  
changed to Chase Bank*



## Creating envelopes:

You can create as many envelopes as you like. For this tutorial, we'll create 5 envelopes: Rent, Utilities, Groceries, Clothes and Entertainment.

To create the first envelope, from the ENVELOPES menu, select "New Envelope." A "New Envelope" information window appears. Change the name of the envelope to "Rent". (Ignore the "Budget" tab info for now)

*Change name to "Rent"*

The screenshot shows the 'Envelope Rent in Untitled' window with the 'Budget' tab selected. The 'Envelope Name' field is set to 'Rent'. The 'Expense amount (Budgeted)' is \$0.00. The 'How often amount is needed' is set to 'Monthly'. The 'Actual amounts allocated' section shows 'Monthly' as 'Monthly', 'Total' as '\$0.00', and 'Percent of total pay' as '0.00%'. There is a 'Pay Details' button at the bottom right.

*Click to add color & icons*

*Click to see color wheel*

*Click arrow down to show icons*

The screenshot shows the 'Envelope Rent in Untitled' window with the 'Appearance' tab selected. The 'Envelope Name' field is set to 'Rent'. The 'Set specific color' checkbox is checked, and a color wheel is visible. Below the color wheel, there is a list of icons: Home, Groceries, Hers, His, Home, and Insurance. The 'Home' icon is selected.

You may want to personalize your envelope by applying color and an icon. (This is optional-- if you don't want to do this, just create the rest of your envelopes and proceed to the next step).

Click on the "Appearance" tab, and on the "Appearance" window, check the box next to "Set specific color" and then click in the rectangle to bring up the color wheel and select a color for that envelope.

In the table at the bottom click the little black arrow next to "Built in Icons (Color)" so that it points down. A list of icons appear that can be placed on the envelope. Scroll down a bit and select "Home." Notice that the "home" icon appears on the envelope on the main window.

Close the "Envelope Information" window by clicking on the red button on the top left.

Repeat this procedure for the remaining envelopes. We used the electricity icon for the "Utilities" envelope, the groceries icon for the "Groceries" envelope, the clothes icon for the "Clothes" envelope, and the entertainment icon for the "Entertainment" envelope.

Now all your personalized envelopes are on the main window just waiting to receive your money.

The screenshot shows the main window with a toolbar at the top containing icons for Save, Check, Debit, Charge, Deposit, Record Pay, Info, Acct History, Env History, and Stats. Below the toolbar, there is a section for 'Chase Bank' with a balance of \$0.00 and a date of 'Sunday, July 9, 2006'. To the right, there is an 'Available' balance of \$0.00. Below these, there is a list of envelopes: Rent (blue), Utilities (orange), Groceries (green), Clothes (purple), and Entertainment (teal). Each envelope has a balance of \$0.00.

## Depositing your current account balance and distributing it to the envelopes:

You'll now deposit your start up money into "Budget" by entering your current account balance. If you don't know your exact balance, you can either use your latest bank statement and then record the transactions that you made after the statement date later, or you can wait till you get your next monthly statement to start using "Budget."

For this tutorial, we'll assume you are starting with \$1,000 in your checking account. Without selecting any envelopes, click the "Deposit" icon on the toolbar. The split deposit window will appear. Fill out the top part of the form as shown below. Next, distribute portions of the \$1,000 to the envelopes that are listed down the left side.

Double click on the amount next to "Rent" and enter \$500. Notice as an amount is entered, a message on the lower part of the window relays the amount remaining to be distributed.

Next, distribute \$150 to "Utilities," \$150 to "Groceries," \$60 to "Clothes" and \$100 to "Entertainment" in the same way. You still have \$40 left to be distributed, but if you don't want to set aside all of your money for expenses, you would put the remaining \$40 into the "Available" envelope. (It won't be set aside for expenses and you can use it as you choose). After all the money has been put into envelopes (including the Available envelope), click "RECORD". (The Record button will stay dimmed until you have distributed the entire amount of \$1,000.)

*Enter your starting information here*

*List of your envelopes*

*Tells you how much is left*

*Amount to place in each envelope*

Envelope	Amount	From	For
Available	\$40.00		
Rent	\$500.00		
Utilities	\$150.00		
Groceries	\$150.00		
Clothes	\$60.00		
Entertainment	\$100.00		

Amount remaining to be distributed \$0.00 (Must be zero)

The main window now shows a total of \$1,000 in Chase Bank, and that amount includes \$960 set aside in expense envelopes, and \$40 that is "available" for other uses.

*Your total amount of money*

*\$40 Not set aside*

*\$960 set aside for expenses*

Chase Bank \$1,000.00

Sunday, July 9, 2006  
Split Deposit made to Chase Bank

Available \$40.00

Rent \$500.00 Utilities \$150.00 Groceries \$150.00 Clothes \$60.00

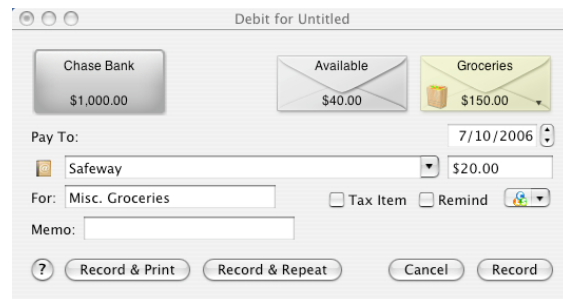
Entertainment \$100.00

## Recording Transactions

When you use "Budget" to track and manage your "real-world" checking account, you must accurately enter and record all transactions in the "Budget" program, just like you would record all the transactions in your checkbook register. Then when you receive your bank statement at the end of the month, you'll be able to easily reconcile your checking account using "Budget's" balance function.

### Withdrawals:

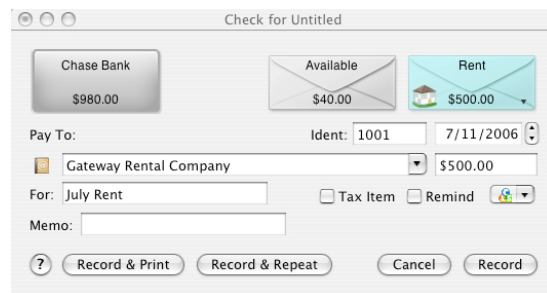
You spend \$20 at the grocery store and use your debit card. FIRST SELECT the "Groceries" envelope. From the TRANSACTION menu, select "debit", fill out the "Debit" window as shown & click "RECORD".



The "Debit for Untitled" window shows the following details:

- Chase Bank:** \$1,000.00
- Available:** \$40.00
- Groceries Envelope:** \$150.00
- Pay To:** Safeway
- Amount:** \$20.00
- Date:** 7/10/2006
- For:** Misc. Groceries
- Buttons:** Record & Print, Record & Repeat, Cancel, Record

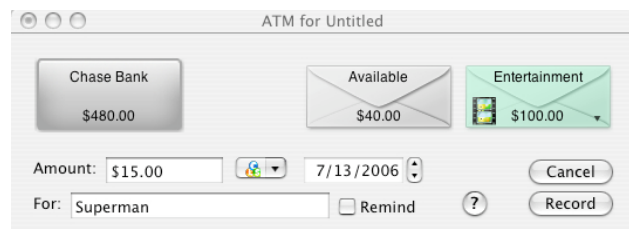
Next, you pay the rent with a check for \$500. FIRST SELECT the "Rent" envelope. From the TRANSACTION menu, select "check". Fill out the "Check" window as shown & click "RECORD" or "RECORD AND PRINT."



The "Check for Untitled" window shows the following details:

- Chase Bank:** \$980.00
- Available:** \$40.00
- Rent Envelope:** \$500.00
- Pay To:** Gateway Rental Company
- Amount:** \$500.00
- Date:** 7/11/2006
- For:** July Rent
- Buttons:** Record & Print, Record & Repeat, Cancel, Record

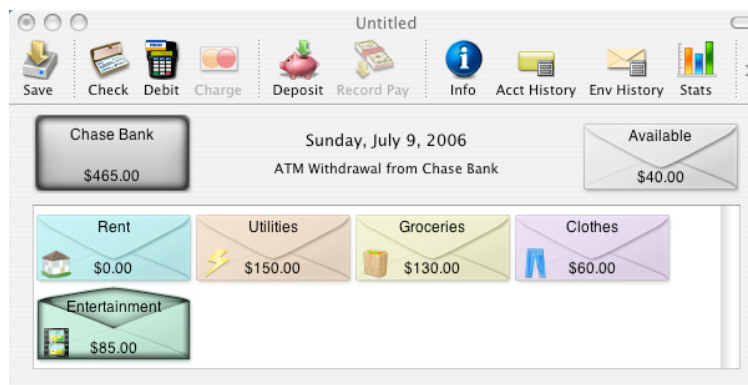
Finally, you go to the ATM machine to take out \$15 to go to a movie. FIRST SELECT the "Entertainment" envelope. From the TRANSACTION menu, select "ATM". Fill out the ATM window as shown & click "RECORD".



The "ATM for Untitled" window shows the following details:

- Chase Bank:** \$480.00
- Available:** \$40.00
- Entertainment Envelope:** \$100.00
- Amount:** \$15.00
- Date:** 7/13/2006
- For:** Superman
- Buttons:** Cancel, Record

Now look at the main window. Your "Groceries" envelope has decreased \$20, your "Rent" envelope has decreased \$500, and your "Entertainment" envelope has decreased \$15. Your "Chase Bank" account has decreased \$535 --- the total of the 3 transactions. The "Utilities" and "Clothes" envelopes remain the same.

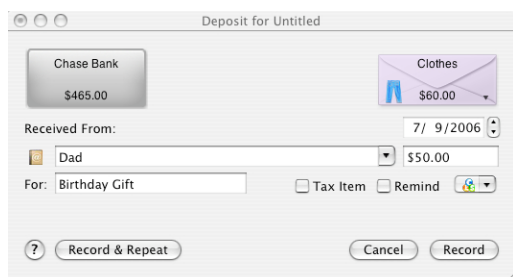


The main Budget window shows the following details:

- Chase Bank:** \$465.00
- Available:** \$40.00
- Transactions:** ATM Withdrawal from Chase Bank
- Date:** Sunday, July 9, 2006
- Envelopes:** Rent (\$0.00), Utilities (\$150.00), Groceries (\$130.00), Clothes (\$60.00), Entertainment (\$85.00)

## Deposits:

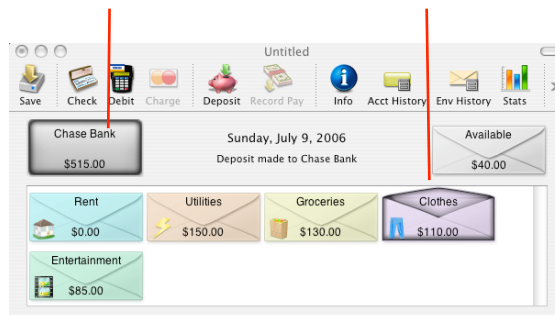
You receive \$50 for your birthday and you want to set it aside for clothes --- First select the "Clothes" envelope and then click the "Deposit" icon on the toolbar. Enter the information in the Deposit window as shown and click RECORD.



The "Deposit for Untitled" window shows a "Chase Bank" account with a balance of \$465.00. The "Clothes" envelope is selected with a balance of \$60.00. The "Received From" field is set to "Dad" for a "Birthday Gift" of \$50.00 on 7/9/2006. The "Record" button is highlighted.

*Total amount  
increases*

*Envelope amount  
increases*



The main window shows the "Chase Bank" account balance increased to \$515.00. The "Clothes" envelope balance is now \$110.00. The "Available" envelope balance is \$40.00. The "Record" button is highlighted.

The changes will be shown on the main window, and both the total of "Chase Bank", and the "Clothes" envelope will be increased by the amount of the deposit.

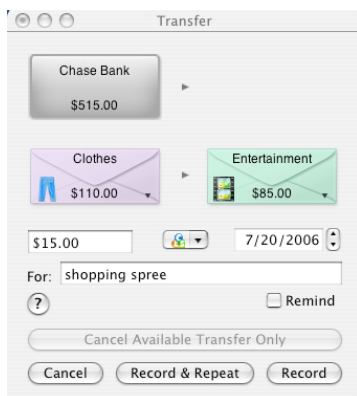
If you want to deposit money but don't want to put it in any specific expense envelope right away, just deposit it to the "Available" envelope -- you can always transfer it to another envelope later. (See the section on Transferring Money).

## Depositing money to multiple envelopes:

To make a deposit to more than one envelope at the same time, such as when you get paid and distribute it to your envelopes, use the same method as described in the previous section, "Distributing Starting Money to Envelopes." In that case, you'd enter your paycheck info in the "Received From" field, and then manually distribute amounts to each envelope. (Note: Read the "Full Features" tutorial if you want to preallocate pay amounts to your envelopes).

## Transferring money:

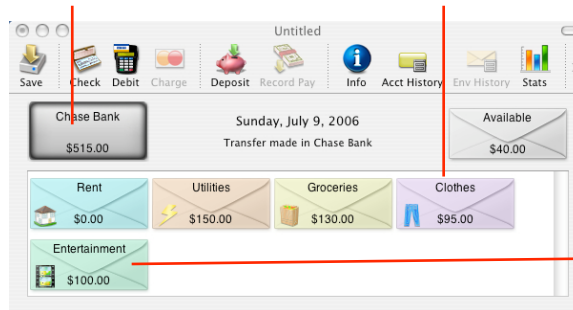
Money can be transferred between any two envelopes (including the "Available" envelope). For example, to transfer \$15 from "Clothes" to "Entertainment" -- Place the mouse over the "Clothes" envelope and while holding the mouse down, move it to the "Entertainment" envelope and release. Fill in the Transfer window as shown and click RECORD.



The "Transfer" window shows a transfer of \$15.00 from the "Clothes" envelope (\$110.00) to the "Entertainment" envelope (\$85.00) on 7/20/2006. The "Record" button is highlighted.

*Total amount  
stays the same*

*Clothes amount  
decreases*



The main window shows the "Chase Bank" account balance at \$515.00. The "Clothes" envelope balance is now \$95.00, and the "Entertainment" envelope balance is \$100.00. The "Record" button is highlighted.

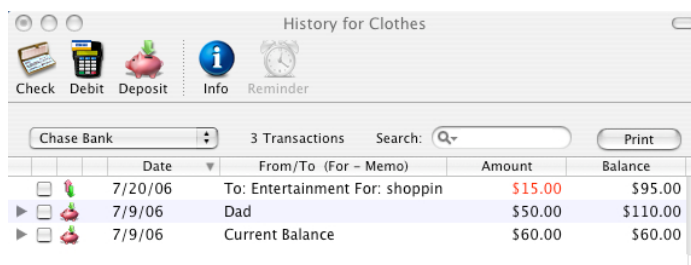
*Entertainment  
amount  
increases*

## Seeing your transactions

Up until now, you have learned how to record deposits and debits from your envelopes and you've seen how things change on the main window. Your envelopes always show the latest balance. But what about the transactions themselves, where are they, how can you see what you have done?

### Envelope History:

On the main window, select the "Clothes" envelope. Click the "Env. History" toolbar button.



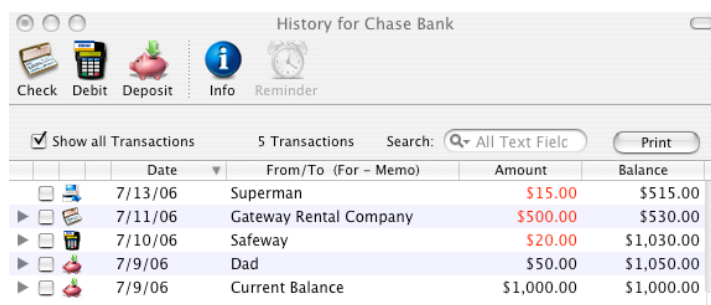
	Date	From/To (For - Memo)	Amount	Balance
<input type="checkbox"/>	7/20/06	To: Entertainment For: shoppin	\$15.00	\$95.00
<input checked="" type="checkbox"/>	7/9/06	Dad	\$50.00	\$110.00
<input checked="" type="checkbox"/>	7/9/06	Current Balance	\$60.00	\$60.00

You can now see all the transactions that you have entered into the "Clothes" envelope. Not much at this point, but as you enter more transactions, they will all be listed.

You can also print out all the transactions in the envelope by clicking on the "Print" button. Clicking in the header of any column will sort the transactions by that column.

### Account History (Checkbook Register):

You can also view all transactions in your Chase Bank account -- this is similar to a checkbook register. On the toolbar, click the "Acct. History" icon, and make sure the "Show All Transactions" checkbox is checked.



	Date	From/To (For - Memo)	Amount	Balance
<input type="checkbox"/>	7/13/06	Superman	\$15.00	\$515.00
<input checked="" type="checkbox"/>	7/11/06	Gateway Rental Company	\$500.00	\$530.00
<input checked="" type="checkbox"/>	7/10/06	Safeway	\$20.00	\$1,030.00
<input checked="" type="checkbox"/>	7/9/06	Dad	\$50.00	\$1,050.00
<input checked="" type="checkbox"/>	7/9/06	Current Balance	\$1,000.00	\$1,000.00

## Balancing your Account

You should balance your Checkbook account when you receive each bank statement to insure that there have not been any mistakes or omissions by either you or the bank. This process is called "reconciling your account," and it's a lot easier when you use "Budget" to do it. On the Main window, click the "Balance" toolbar icon. The "balance window" will appear.

Balance Untitled

Chase Bank  
\$515.00

\$0.00  
Balance

Statement  
Date: 7/31/2006  
Balance: \$515.00

Withdrawals:  ☒ \$535.00 \$0.00

<input type="checkbox"/>	Ident	Date	Amount
<input checked="" type="checkbox"/>	Debit	7/10/06	\$20.00
<input checked="" type="checkbox"/>	1001	7/11/06	\$500.00
<input checked="" type="checkbox"/>	ATM	7/13/06	\$15.00

Deposits:  ☒ \$1,050.00 \$0.00

<input type="checkbox"/>	Date	Amount
<input checked="" type="checkbox"/>	7/9/06	\$50.00
<input checked="" type="checkbox"/>	7/9/06	\$1,000.00

Selected Item Details:

From/To: Current Balance

For: Start up

Memo:

Envelope: Chase Bank

☒ Split  
☐ Check ☒ Deposit  
☐ Debit ☐ Pay  
☐ ATM ☐ Charge

From the information on your bank statement, enter the statement date and ending balance in the box at the top right of the "Balance" window.

Check off each expense that is shown on the statement in the table on the left. Check off each deposit that is shown on the statement in the table on the right.

If both you and the bank have made no mistakes, then the "balance" icon should be level, the amount shown below it will be \$0.00 and the "Balance" button will be enabled. If that is the case, click the "Balance" button under the "balance" icon.

"Budget" will remove the balanced items from this window, mark all of the balanced transactions in your history windows with a "balanced" icon, place the log message in the account's history, and close the window.

But what if the "balance" icon is not level? Check each amount in the tables with each amount shown in your bank statement, are they all correct? If you made an error double click the transaction in the table to bring up the transaction editor to correct the amount. Are there any transactions shown on the bank statement that are not shown in the tables?

## Summary:

Now that you have an idea of how to create a basic budget file to manage your account and track expenses, you can set up your own budget file. (Read the "Getting Started Manually" section of the documentation for more details). Be sure to save your file after you create it. If you create a file or make changes and try to quit, Budget will warn you and ask if you want to save your changes. Click the "Save Changes" button, give the file a name, and save it to an appropriate place or the Desktop.

**Note:** 'If you want to learn how to define your expenses and preallocate income to your envelopes so you don't have to manually distribute it each time you get paid, read the "Full Features" tutorial.