



BUILD BLACK WEALTH

GOOGLE SHEETS FOR

BUDGETING

STEP-BY-STEP GUIDE



Google Sheets

BUILD206.com/BlackWealth



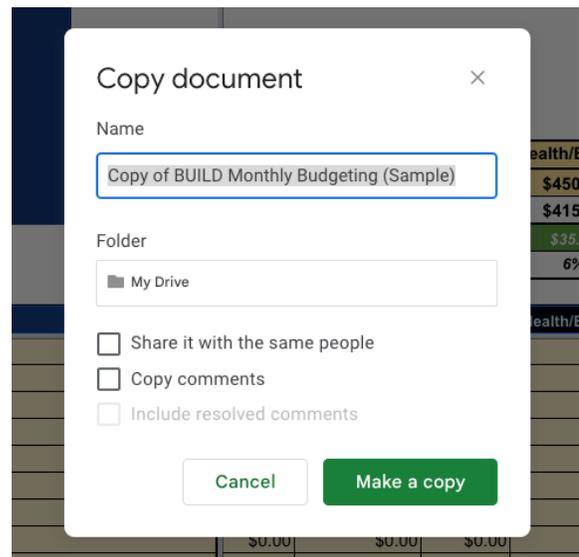
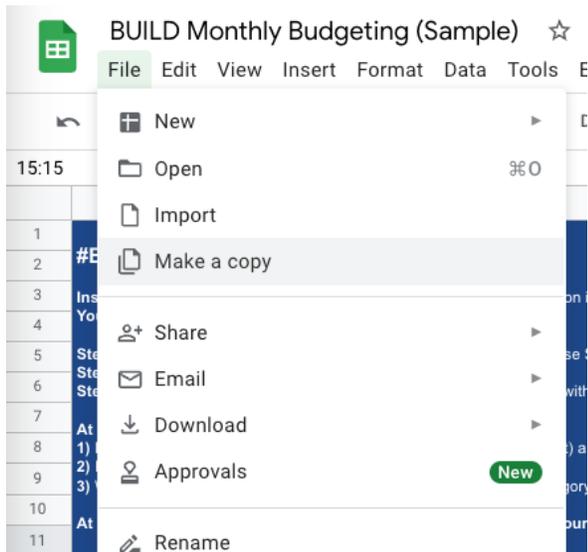
A Guide to Use Google Sheets for Budgeting (Step by Step)

You can create your own free Google Sheet budget template in less than an hour. You'll learn more about your money and how you think about it. There are dozens of tools for budgeting, tracking bank accounts, and creating savings goals. But before you invest in complicated money management tools, it might be better to make a budget in Google Sheets. Use #BUILDBlackWealth Monthly Budgeting Tool to get started OR follow the instructions to create a basic one on your own.

Using the #BUILDBlackWealth Monthly Budgeting Tool – Step by Step

Step 1: Save a Personal Copy of the Tool

- Access the budget tracker from our BUILD Black Wealth Website (www.build206.com/blackwealth) under the Google Sheets for Budgeting Workshop. Click the link titled “#BUILDBlackWealth Monthly Budgeting Tool.”
- This will take you to a View Only version of the budgeting tool.
- In the tool, go to File → Make a Copy
- Google Sheets will ask you to Rename Your Copy
- Name it whatever you want to and click Make a Copy
- This action will create your own file that you can EDIT
- The file will be in your Google Drive for your personal use.



- After you have saved your file, you're ready to start using the tool.



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Using the #BUILDBlackWealth Monthly Budgeting Tool – Step by Step

Step 2: Read the Instructions

To help you (the user) get the most out of this tool, we've provided simple instructions to prevent any issues or create unnecessary stress while budgeting. The instructions are as follows:

#BUILDBlack Wealth - Monthly Budgeting Tool

Instructions: To use this tool without issue, please enter your information in the areas that are shaded **YELLOW**. You can change the categories in **ROW 9** if you choose

Step 1: Enter your **STARTING BALANCE** from your bank account (or use \$0.00) if none exists in Cell D11
Step 2: Enter your **BUDGET AMOUNTS** by category in Row 10.
Step 3: Enter your daily transactions by Date, Vendor, and Description with the Amounts below (Rows 16 - 300)

At the top of the sheet, you will be able to see:

- 1) Budget (Planned Spending) versus Actuals (What you Actually Spent) and adjust as needed
- 2) If you are **OVER** or **UNDER** budget by category
- 3) What percentage of your Actual Spending is going toward each category

At the end of the month, use your ENDING BALANCE to become your STARTING BALANCE for next month.

- Only Enter Information (Data) in the cells that are shaded YELLOW.
 - You can enter your Budget Categories, Budgeted Amounts, and Your Transactions in the areas that are shaded yellow. The other areas on the sheets that ARE NOT yellow should not be changed. Changes to these other areas may change a formula or condition in the tool, thus rendering it useless.
 - If you are comfortable with Google Sheets (or Microsoft Excel), please feel free to change, edit, and format the tool as you see fit.

START HERE	Category	Housing/Utilities	Transportation	Food	Debt	Entertainment	Shopping	Health/Beauty	Savings/Investment	Total Income	Total Expenses	Ending Balance
Starting Balance	Budget	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,551.66
\$1,551.66	Actuals	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,551.66
	Difference	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
	%age of Expenses	0%	0%	0%	0%	0%	0%	0%	0%	On Track	On Track	

- Enter Your Starting Balance from your Bank Account in CELL D11
 - This cell is identified by START HERE on the sheet
 - Having your starting cash balance helps track your additional income and expenses for the month.
 - If you do not have a starting balance, you can put in \$0.00



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Step 3: Make Informed Decisions Using Your Budget Tool.

After you have entered your budget and begun to track your transactions, your monthly budgeting tool will show some results based on your activity.

START HERE	Category	Housing/Utilities	Transportation	Food	Debt	Entertainment	Shopping	Health/Beauty	Savings/Investment
Starting Balance	Budget	\$1,700.00	\$560.00	\$600.00	\$550.00	\$150.00	\$600.00	\$450.00	\$1,700.00
\$1,812.00	Actuals	\$1,697.32	\$772.00	\$557.08	\$567.00	\$145.00	\$606.94	\$415.00	\$1,700.00
	Difference	\$2.68	-\$212.00	\$42.92	-\$17.00	\$5.00	-\$6.94	\$35.00	\$0.00
	%-age of Expenses	26%	12%	9%	9%	2%	9%	6%	26%

1. How Much You Are Over or Under Budget by Category

- At the top of the tool, based on your transactions entered, the sheet will show you if you are Over (spent more) or Under (spending less) than your budgeted amounts by category.
- The sheet will show Overspending in RED and Underspending in GREEN.
- This information is helpful so that you can work to remain within your budget.
- If needed, you can Adjust Your Budgeted Amounts (Row 10) to add or subtract funds from any category based on your spending trends.

2. How Much You Are Spending in Each Category (as a Percent of Total Spending)

- At the top of the tool, based on your transactions entered, the sheet will show you the percentage of spending for each expense category.
- This is important to see if you are devoting TOO MUCH of your income to one category and make changes based on this.
- As a good rule of thumb, use the following percentages to track your spending:
 - i. Housing = 30% of your income
 - ii. Utilities = 10% or less of your income
 - iii. Transportation = 20% or less of your income
 - iv. Food = 10% or less of your income
 - v. Savings = At least 10% of your income
 - vi. All other categories = 20% or less of your income



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After you have entered your budget and begun to track your transactions, your monthly budgeting tool will show some results based on your activity.

Total Income	Total Expenses	
\$6,200.00	\$6,310.00	Ending Balance
\$6,200.00	\$6,460.34	\$1,551.66
\$0.00	-\$150.34	
On Track	Over Budget	

3. How Much Over or Under Budget You are in Total

- At the top of the tool, based on your transactions entered, the sheet will show you your Total Income, Total Expenses, and Ending Balance.
 - i. Your Total Income = How much money you have brought in for the month.
 - ii. Your Total Expenses = How much money is going out (or being put away) for the month.
 - iii. Ending Balance = How much money remains after all your expenses
- This is important to see if you are OVER BUDGET or UNDER BUDGET.
- If you are OVER BUDGET, you must adjust your spending or budgeted amounts by category.

Planning for Future Expenses

The budgeting tool can help you plan your month out. Some simple and easy actions you can do to plan for the future are:

- **Enter Future Transactions**
 - If you know you have a planned transaction on a specific date, you can enter that transaction into the tool immediately.
 - You can quickly put that transaction in the tool on ANY DATE so that it deducts from your available balance.
 - This way, you have a future glimpse into what you have available and can plan off of that amount.

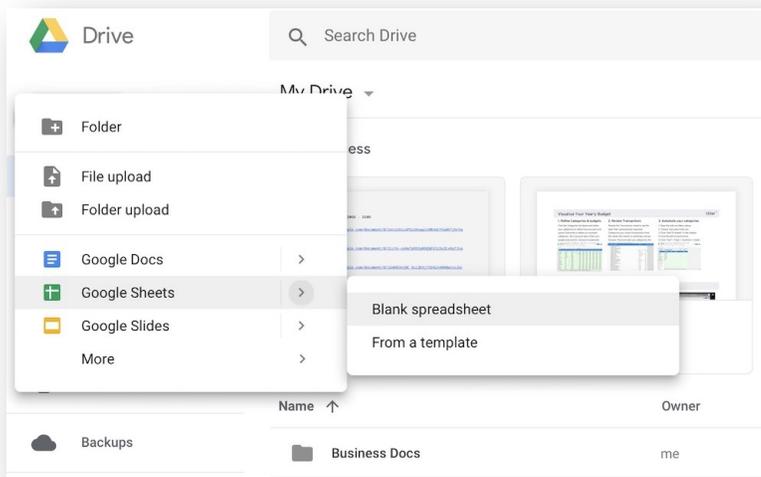


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Creating Your Own Basic Budgeting Tool – Step by Step

You can create your own free Google Sheet budget template in less than an hour. And by building your own budget, you'll learn more about your money and how you think about it.

	A	B	C	D	E	F
1	Category	Transaction				
2	Groceries	\$5.00		Coffees/Bites	12.59 x	
3	Restaurants	\$37.62			=sumif(A2:A11,D2,B2:B11)	
4	Work	\$37.00				
5	Groceries	\$138.23				
6	Coffees/Bites	\$3.55				
7	Coffees/Bites	\$2.55				
8	Restaurants	\$14.95				
9	Restaurants	\$2.13				
10	Coffees/Bites	\$6.49				
11	Work	\$49.00				
12						
13						



Step 1: Open a Google Sheet

Go to your Google Drive account. On the left sidebar, click "New" and "Google Sheet."

If you are new to Google, you will need a Google Email Account to access Google Drive.

To easily access Google Sheets, visit sheets.google.com.

Whatever you create in your Google Drive will automatically be saved and accessible for future use. Your items saved in your Google Drive can be accessed from any laptop, mobile device, or tablet by simply logging into your Google account.



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Step 2: Create Income and Expense Categories

Categories are the backbone of a budget. There isn't a "right" number of categories. However, you want enough categories to encompass all your income and expenses without creating unnecessary complexity.

	A	B	C
3			
4			
5	Income		
6	Paycheck		
7	Side Hustle		
8	Dividends		
9			
10			
11	Expenses		
12	Rent & Utilities		
13	Vehicle		
14	Insurance		
15	Food		
16	Kids		
17	Pets		
18	Entertainment		
19	Shopping		
20	Vehicle		
21	Insurance		
22	Health		
23			

Categories that are recommended for EVERY budget are:

- Income
- Expenses

Adding more specificity helps you maintain better control of your finances; it is recommended that you add subcategories to track specific expenses more closely. This is especially helpful if you're trying to reduce costs in a particular area of your finances.

Recommended Subcategories:

- Rent & Utilities – Rent, Electric, Gas, Water, Telephone
- Vehicle – Car Payment, Gas/Fuel, Maintenance, License/Registration
- Insurance – Home, Car, Health, Rental, Life
- Food – Groceries, Eating Out
- Kids – School, Clothing, Medical
- Pets – Supplies, Food, Medical
- Entertainment – Movies, Events, Travel
- Shopping – Clothing, Home Décor, Beauty
- Beauty & Health – Gym Memberships, Beauty Appointments, etc.
- Savings & Investments

	A	B	C	D
10				
11	Expenses			
12	Rent & Utilities			
13	Rent			
14	Electric			
15	Gas			
16	Water/Sewer			
17	Vehicle			
18	Gas			
19	Maintenance & repairs			
20	License & registration			
21	Insurance			
22	Renter's insurance			
23	Auto insurance			
24	Health insurance			
25	Life insurance			
26	Food			
27	Groceries			
28	Dining Out			
29	Kids			
30	Pets			
31	Pet Supplies			
32	Vet			
33	Entertainment			
34	Shopping			
35	Health			



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Step 3: Decide What Budget Period to Use

You may want to budget daily, weekly, bi-weekly, monthly, or yearly. Which period you use could depend on:

- Pay frequency
- How closely do you want to monitor your finances?
- How much time do you want to spend updating your budget spreadsheet?

You can also use multiple budget periods simultaneously. Most budget apps and software track income and expenses by month. They then extrapolate the budget to a year. Regardless of the budget period, you'll want to create three columns:

- A column for your budgeted income and expenses
- A column for actual income and expenses
- A column showing the difference between the two, so you can see a complete picture of your progress

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S
1		August			September			October			November			December			YEAR		
2		Budget	Actual	Diff.	Budget	Actual	Diff.	Budget	Actual	Diff.	Budget	Actual	Diff.	Budget	Actual	Diff.	Budget	Actual	Diff.
3	Income																		
4	Paycheck																		
5	Side Hustle																		
6	Dividends																		
7	Total Income																		
8																			
9	Expenses																		
10	Rent & Utilities																		
11	Vehicle																		
12	Insurance																		
13	Food																		
14	Kids																		
15	Pets																		
16	Entertainment																		
17	Shopping																		
18	Vehicle																		
19	Insurance																		
20	Health																		
21	Total Expenses																		
22																			



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Step 4: Use simple formulas to minimize your time commitment.

Manually summing cells is time-consuming, but Google Sheets makes it easy with formulas.

You can figure out the difference between your budgeted and actual income and expenses by subtracting the “actual” amount from the “budget” amount.

	A	B	C	D
1		August		
2		Budget	Actual	Diff.
3	Income			
4	Paycheck	2,500	2,500	0
5	Side Hustle	250	72	=C5-B5
6	Dividends			
7	Total Income			
8				

Using the SUM formula, you can also vertically sum all your income and expense categories.

	A	B	C	D
1		August		
2		Budget	Actual	Diff.
3	Income			
4	Paycheck	2,500	2,500	0
5	Side Hustle	250	725	475
6	Dividends	150	125	-25
7	Total Income	=? =SUM(B4:B6)		



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Step 5: Input your budget numbers.

Creating a budget is nothing more than setting financial goals. Your income puts a hard limit on your allowable expenses. However, within the parameters of your income, you can decide how to spend your money.

Your historical financial data is a great jumping-off point for creating your budget. Look through the last few months of bank records to see where your money is going.

This step will take some time and patience. The more focus and time you take on this step, the better setup your budgeting spreadsheet will be.

Step 6: Update your budget.

As your chosen budget period progresses, regularly update your budget spreadsheet with all your actual transactions. This way, you can track your progress.

You may need to adjust your budget to account for emergency spending or unplanned income. Budgeting is about making yourself aware of the money coming in and going out of your life.

- Don't worry if your budgeted and actual income and expenses vary.
- The more you use your budget, the more accurate it will be.
- Creating a budget from scratch doesn't have to be complicated.
- You don't need a complicated spreadsheet with advanced formulas to conduct a thorough financial check-in.
- However, if you're comfortable with spreadsheets, you may wish to build in additional features to make your budget spreadsheet more informative and visually appealing.



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Additional Features for your Budget Tracker

Conditional Formatting

Conditional formatting is a great way to visually compare your budget to your actual expenses.

Right-click on the cell you want to format and choose "Conditional Formatting."

Set the condition. Choose what happens with the condition is met.

	August			September			October			November			December		
	Budget	Actual	Diff.	Budget	Actual	Diff.	Budget	Actual	Diff.	Budget	Actual	Diff.	Budget	Actual	Diff.
3	Income														
4	Paycheck	2,500	2,500	0											
5	Side Hustle	250	725	475											
6	Dividends	150	125	-25											
7	Total Income	2,900													
9	Expenses														
10	Rent & Utilities														
11	Vehicle														
12	Insurance														
13	Food														
14	Kids														
15	Pets														
16	Entertainment														
17	Shopping														
18	Vehicle														

Instead of analyzing your budget numbers individually, you can easily see which categories are over or under budget immediately.

Charts and Graphs

You can also add charts and graphs to show trends in your spending.

- In the menu bar, choose "Insert" and "Chart."
- A sidebar will appear on the right of your screen. It allows you to customize the following:
- The data in your chart
- The type of chart or graph
- Various characteristics of the chart or graph



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Free Expense Tracking Applications

You are not alone if you want to track your expenses from your phone. Plenty of FREE options allow you to track your income and expenses from the palm of your hand. Some of the best ones are:

Mint Budget Tracker (<https://mint.intuit.com/>)

As far as the actual budgeting, Mint tracks your expenses and places them in budget categories. You can personalize these unlimited categories. You set limits for these categories, and Mint lets you know if you're approaching those limits. Besides those budgeting features, Mint may help users pay down debt, save more money and track goals. The app also shows users their credit score and net worth. Bonus: Mint provides tons of support for using the app, including a detailed FAQ.

YNAB (You Need a Budget) – Free 34-Day Trial (<https://www.youneedabudget.com/>)

This app is designed so that users plan for their financial decisions rather than track past transactions. YNAB follows the zero-based budgeting system, which has you plan for every dollar you earn. As soon as you get paid, you tell YNAB how much of your income should go toward various categories, including expenses, goals, and savings. The idea is that you become more intentional with your money when you're prompted to decide what to do with it actively.

GoodBudget (<https://goodbudget.com/>)

Goodbudget is more about planning for your finances than tracking previous transactions. This app is based on the envelope budgeting system, in which you portion your monthly income toward specific spending categories (called envelopes). This app doesn't connect your bank accounts. You manually add account balances (that you can pull from your bank's website), cash amounts, debts, and income. Then you assign money to envelopes.

EveryDollar (<https://www.ramseysolutions.com/ramseyplus/everydollar>)

This app offers a zero-based budgeting framework that's simpler (and perhaps easier to manage) than YNAB. Let's start with the straightforward free version of EveryDollar. You don't sync accounts but manually enter incoming and outgoing money throughout the month. You also categorize line items in your budget and set reminders for bill payments.

Personal Capital (www.personalcapital.com)

Personal Capital is primarily an investment tool, but its free app includes features helpful for budgeters looking to track their spending. You can connect and monitor checking, savings, credit card accounts, IRAs, 401(k)s, mortgages, and loans. The app provides a spending snapshot by listing recent transactions by category. You can customize those categories and see the percentage of total monthly spending each category represents.