



Extension News Column

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Re: [Pinching Pennies to run Mondays on page A-3](#)
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It has about a month since most of us made our new year's resolutions. How are you doing on your money goals? One minor setback doesn't have to mean that you have to give up on your goals. Success on New Year's resolutions should be considered a marathon not a sprint.

Many people dread making New Year's resolutions because they're afraid they'll fall short. Success can be attained by starting out with small steps.

The key to keeping New Year's Resolutions related to money is to have a support system in place, and to track your results. If you track what you are spending and what you are saving, you have a much better chance at making 2012 the year you get your finances under control.

Most dieters know that the key to success is to monitor every morsel you eat. You can use the same strategy when it comes to money. For one month write down every cent you spend: rent, food, gas, clothes, cable, insurance, 401(k) contributions, entertainment – everything. Keep all those receipts for credit and debit cards and look at your check register or online bank register.

For cash expenditures, use a small notebook or piece of paper to jot down where that cash goes. I like to fold up a piece of paper and place it in my wallet with my money. When I take money out, I write it down. A friend of mine attaches a sticky note to the cash that she writes on as she spends.

Once you know where your money is going now, then you can make adjustments. Categorize the expenditures. Whether it is at a restaurant or the grocery store, label it food. Other expenditures might be transportation, utilities, insurance, or clothing. For most of us, this exercise may hold some surprises. (Did I really spend that much on fabric last month?) Look at what you spent and where, then plan for how you really need to spend your money.

Are you interested in keeping track of your expenses with an app? There are some great apps out there—some free, some not.

Mint is a great app for financial recordkeeping. This free app connects to Mint.com so you can see all of your financial life in the palm of your hand.

You can link your checking, savings and credit card accounts to Mint, and most of them will update automatically so that you always have your current financial outlook with you. The Mint service can be accessed on your iPhone, Android, and iPad.

The built in reporting tools make it easy to see where you are spending money so that you can adjust your spending easily. When you synch up, it will import your past several months of spending and automatically categorize many of your purchases so that you can look for places to cut back on right away.

MoneyStrands is another great personal finance app that works on your phone and online. The MoneyStrands tool allows you to track your expenses and much more. One of the best features is that you can use MoneyStrands to create a budget that works, including 12 months of spending plans. It also lets you collect all of your bills in one place.

The MoneyStrands iPhone app allows you to check your account balances on the go and get push alerts if your accounts get too low, that way you can avoid overdraft fees.

Many banks have apps available that allow you to manage your money as well. Ask them what they have available to help you out.

Most of us simply don't know where our money goes, making it difficult to change how we spend money, or to stop spending leaks. Take steps to get a better handle on your money this year.

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