

# THE NEW WEEK ONE BUDGET

LEARN TO CREATE YOUR MONEY  
MANAGEMENT SYSTEM IN 7  
DAYS OR LESS!



**THE BUDGETNISTA**  
(TIFFANY ALICHE)

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# Contents

Getting Started

(A MUST READ! Especially if you skipped my Intro and Journey)

How to Read this Book

## Day One

Step 1 Create a List of Your Spending Habits: The Money List

Step 2 Show Me the Money

Step 3 Money in the Bank: Beginning Savings

## Day Two

Step 4 Separation Can Be a Good Thing

Step 5 Reduce Your Spending

## Day Three

Step 6 Have More Money: New Savings

Step 7 Revamp Your Money List

Step 8 Define Your Dollars (read only)

## Day Four

Step 8 Define Your Dollars (Implementation Plan)

## Day Five

Step 9 The Budget Grid

## Day Six

Step 10 Separate Your Budget Grid

## Day Seven

Step 11 Prepay Bills

Step 12 Work the System

Bonus Chapter: Debt and Credit, My Story

Appendix

Acknowledgements

# Getting Started

## A MUST READ

(Especially if you skipped my intro and journey)

Hate paying bills? So do I, and that's why I stopped! What if I told you that I haven't paid a bill in almost two years and my credit score is in the high 700's, low 800's? Would you call me a liar or would you want to know how I did it? With the help of *Bella the Budgetnista*, featured in this book, we will teach you what took me years to learn. It's an important financial lesson that we all need to understand. The lesson is: There is a magic about money.

What does that mean? When money is not planned for, tracked and kept record of, it literally disappears, like magic. How many times have you asked yourself, "Where did my money go?" The opposite of this is true as well. When money is well documented and used wisely, it will inexplicably multiply for the skilled handler. This is why it is imperative that you have a physical system in place, if you wish to have a financially stable life. ***The One Week Budget*** will show you how to successfully manage your finances, increase your credit score, lower your debt and spend less than 30 minutes a month doing so. Do I have your attention yet?

# How to Read this Book

I tried to make the steps in this book as easy to implement as possible. There are 12 steps that can be completed over a seven day span. Each step contains: 1) A related antidote featuring one of my clients (names have been changed and I'll never tell) 2) directions about how to complete the step 3) an example of what the step looks like (The examples are the actual budget of a friend of mine, "Bella". I wanted you to be able to progress through my One Week Budget system alongside a real person.) 4) a condensed version of the day's Step(s) called The Easy Action Step(s) (Recap) 5) and a blank template where you can fill in your own information.

You can carry out the steps in one of two ways:

- Do them on a sheet of paper/spreadsheet as you read each step
- Wait until the end of the Day/Chapter and fill in your information in the blank template I've provided.

I've written the book as if you are doing a combination of both options. Do what suits you best.

I have also included a bonus chapter in the back of the book that speaks directly to those of you who need help with your credit and help getting and staying debt free!! To reap the full benefits of this book, I suggest that you first browse through it without taking any action. Then, choose a week on your oh-so-busy calendar where you can dedicate yourself to reading the book and working on the steps each day.



# DAY ONE

- Step 1 Create a List of Your Spending Habits
- Step 2 Show Me the Money
- Step 3 Money in the Bank: Beginning Savings

# Step 1

## Create a List of Your Spending Habits: The Money List

***There are only two mistakes one can make along the road to truth;  
not going all the way, and not starting.***

– Buddha

***I swear to tell the truth, the whole truth,  
and nothing but the truth, so help me God.***

– United States Court System

### *Me, Myself and I*

After 4 years of college, I, like most of my classmates, decided to completely ignore my degree and switch careers. My uneventful internship in a less-than-exciting work environment only cemented my decision to forgo corporate america and teach instead. It's been said that I have quite the bubbly personality, so who was I to waste it in a stiff business setting? Besides, the business world seemed too much like school, minus the fun parts and way more homework! The only downside to teaching and spending my days playing at the park with my kids (I taught pre-school) was the worry over whether I'd make enough money to live the life I wanted. It was then that I first began implementing what would one day become the ***One Week Budget*** system.

I was 21 years old, a recent college graduate and I just secured my first job as a pre-school teacher's aide. I was making \$12 an hour, not exactly raking in the dough. Fortunately, I was still living at home (rent free), but unfortunately, I had no mode of vehicular transportation except the occasional pity ride from my sporadically accommodating older sister. So like most young grads in my position, my first official, adult financial goal was to purchase a car. Setting and accomplishing this goal taught me an uber valuable life lesson: *thou must have clear, written, and measurable financial goals*. So I wrote down my goal, chose a time frame, created a plan, used my money management system, and I saved over \$10,000 that year!

Although I had not yet formalized the One Week Budget system, the steps I used to save money then, are the same steps that I use now. The first thing I did before receiving my first pay check was to make a list of all of my monthly expenses. I will refer to it as "The Money List."

## My Money List (age 21):

Student Loans:	\$173
Entertainment:	\$100
Cell Phone:	\$32
Train Fare	\$105
Toiletries	\$90

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Total                      \$500/month \*sigh\*, those were the days.

Even then, I knew that in order to accomplish my goal of buying a car, I needed a plan. I calculated that at \$12 an hour, my monthly take home pay was going to be about \$1,400. So if I only used \$500 on expenses, this left \$900 for potential savings. Do you see how easy it was getting started?

Planning my finances early insured that I didn't develop bad spending habits. After a year of following my plan, I had \$10,800 in my savings account (\$900 x 12 months). I know that my first major financial accomplishment may seem impossible to some. Most of your lives are more complicated and more fun than that of a new college graduate living at home. I use this early example of myself as a lesson about how a small amount of money can grow into a large sum in a relatively short period of time. But that's only *if* you have a plan.

With my father's advice, I decided to use some of the money I saved to buy a gently used, previously-owned vehicle from an auction. That's a fancy way of saying I bought a used car. I purchased the 2-year-old vehicle for \$5,500 and believe it or not, I still had that car 8yrs later! Not only was I able to pay for my car in full, I was also able to obtain insurance at a super low rate. This was because I had full ownership of the car. Do you see how far into the future \$12 can reach if used and managed wisely?

*Create Your Own Money List*

It's now your turn to create your own Money List (don't worry, it's easy!). In order to avoid having your hard-earned paycheck fall victim to designer coffee outlets and expensive clothing outlets every pay period, you must be conscious of how you spend every dime. This means no more mindless debit/credit card swiping. The little things like a bagel with cream cheese every day can chip away at your financial future. Think about your day from beginning to end. You may get a paper, buy a cup of coffee, lunch or an afternoon snack. These things may seem minuscule, but they can slowly but surely create a dent in your financial well being.

So begin by making a list of everything you spend money on and when I say everything...I mean everything! I'm watching you, so don't cheat! List the obvious things such as rent or mortgage, car note, utilities and then list the not so obvious things. Those items include cigarettes (umm, stop smoking), gum, coffee, snacks, etc. If you're anything like me, chocolate, gummy bears, and licorice will be at the top your list.

Write down everything no matter how small. I cannot stress this enough. This step is important because it will teach you to become more aware of your money. It will make you conscious of what you are spending it on. If you do not learn to respect money in smaller amounts, you will never respect or keep it in larger amounts (once again, *Hammer Time*...need I say more?). Keep this in mind during your money transformation process this week. It is easier to see how much you spend on items when it's down on paper or on your computer screen. Use the following Example Money List as a guide.

## Example Money List

NAME OF EXPENSE	
MORTGAGE	DINNER
RENT	LAUNDRY
CELL PHONE	CLOTHES
CREDIT CARDS	FOOD
CAR NOTE	HAIR
CAR INSURANCE	MAKE-UP
CHARITIES	NAILS
ASSOCIATION FEES	CHILD EXPENSES
OFFERING	TOILETRIES
GAS AND ELECTRIC	HOUSEHOLD ITEMS
CABLE	BABYSITTER
PHONE	DRY CLEANERS
INTERNET	ENTERTAINMENT
LOANS	GAS (CAR)
GYM	EATING OUT
HEAT AND HOT WATER	MEDICAL EXPENSES
SEWAGE	TOLL
GARBAGE DISPOSAL	TRAVEL EXPENSES
LUNCH	INVESTMENTS
BREAKFAST	MEDICINE
POCKET MONEY	VITAMINS
THERAPIST	TRAIN PASS
DR. VISITS	BUS PASS
PARENTS	CANDY
CIGARETTES	EVERYTHING!

## Step 2

# Show Me the Money

***The truth shall set you free.***

–John 8:32 and Ironi Aliche a.k.a. 'Daddy'

***Truth is by nature self-evident. As soon as you remove the cobwebs of ignorance that surround it, it shines clear.***

– Mohandas Gandhi

### *State of Affairs*

Tony was a local politician who was canvassing the area to learn the concerns of the people in his district. During one of his many visits, he made a detour to the school where I taught. He spent the afternoon reading and playing with my students. That day, I shared with him my passion for teaching people how to manage their personal finances. To my surprise and glee, he expressed a strong interest in my services. He needed help putting his financial life in order. Tony ended up being my first *paying* customer!

The first time Tony and I met for our session; we quickly completed Step 1 and created his Money List. Although Tony did not have many expenses, it wasn't until we tackled Step 2 that I saw the problem. After we calculated the monthly dollar amount of each of his expenses, I found that he owed large amounts of money on the few expenses he did have on his list. Most of these expenses were credit cards. It was obvious to me that Tony was used to drinking champagne with beer money. He used his credit cards to make up the difference and the monthly cost was robbing him of his financial goals of investing and starting a business.

Fortunately, Tony had the funds necessary to pay off most of his bad debt in full. Shockingly, the money was earmarked for vacations rather than debt reduction (go figure). Tony was reluctant to use his vacation funds to pay off his debt. He explained that his job was a stressful one and taking vacations was necessary in order to curb the stress. It was not until we delved further into Tony's situation that we realized that most of the stress he was experiencing stemmed from several things. Among them were his poor financial situation and a hectic love life, but I couldn't help him with the latter. With my prodding, he recognized that once he had a strong financial foundation and possibly a new girlfriend, the stress would be minimized. The vacations could resume at a later time. Tony followed my advice and has stayed debt free while continuing to travel, and now classifies himself as "single and ready to mingle" (his terminology, not mine).

Tony is no different from many of us. I know you may be saying, "I would never go on vacation rather than pay off my debt". The truth is that you may have a similar financial pattern as Tony, think about it. Do you buy breakfast/lunch/dinner each day? Spend money on expensive gifts, subscribe to premium cable channels, finance luxuries (televisions, jewelry, furniture sets, etc)? Many of us refuse to reduce our spending (big or small) in the interest of our financial health, we feel like we owe it to ourselves and others to live a certain lifestyle. We do this no matter the state of our finances. I am a big proponent of fabulousity and having the things that you desire, but you must first acquire the *means* then *adequately* fund it. What changes are you willing to make to truly have what you want? You can start with a policy of full disclosure and complete Step 2.

### *Full Disclosure*

Remember, when it comes to your money, it is always better to see things in black and white, even if it may cause a migraine. You cannot change what you do not know. The most important aspect of keeping your money is being aware of how much of it you are spending. Believe me, even Oprah keeps track, even if she pays someone else to do it for her. To begin tracking your spending, we will use The Money List you just created in Step 1 and add realistic monthly amounts next to each expense. You should start with the easiest items first...bills. I know the word alone can put a damper on anyone's spirit, but you know your bills, you know what is due. So, first list how much you pay for rent, car note or cable; any bill that is consistent. Follow up by writing the average amount of your bills that change based upon your usage; gas, electric and credit card bills.



**Tip: A quick and easy way to find the average amount of your usage bills is to take out the last 6-12 months worth of each bill (check online), add them up and divide by how many statements you have.**

Conclude the bills portion by listing the amount of the bills that you do not pay every month. Be aware of the bills that are not due on a monthly basis, they need to be factored in as if they were due monthly. For example, many of you may only be responsible for paying a water bill every three months. If your water bill is \$30 every cycle, then you would input \$10 for your water bill on your Money List ( $\$30 / 3$  months).

Next, write in the amounts for those things you buy daily. For example, if you buy breakfast every day before work at \$5 a day and there are about 23 workdays in a month (excluding weekends), you are easily throwing away \$115 a month on breakfast, that's \$1380 a year! Choose the cheaper option and enjoy breakfast at home or bring it with you, it will save you a few extra dollars in the end. Lastly, estimate the rest of the items on your list: groceries, clothes, grooming and candy (that last one was for me) etc. You know yourself, so be truthful. If you are not sure of the actual amounts, overestimate what you spend. As you begin implementing your budget, you will be able to add concrete numbers to these expenses.



**BREAK TIME!!!! Take a deep breath, stretch, get something to drink and resume energized. You should be excited, you are about to change your financial future forever!**

Welcome Back!

As I mentioned in the "How To Read This Book" section, which I'm sure you read thoroughly, the examples are the actual budget of a friend of mine, "Bella". I want you to be able to progress through my One Week Budget system alongside a real person as she works through the same steps as you. Use Bella's Step 2 example on the next page as a guideline. Also, take the time now to add your *Monthly Take Home Pay* (monthly income after taxes and deductions) to your Money List (your blank Money List template can be found at the end of Day 1).

Leave the *Monthly Spending*, *Beginning/New Savings*, and *Total* blank for now. We will address them later.

Bella's Step 2 example: Show Me the Money

MONTHLY TAKE HOME	\$3,700.00
<b>NAME OF EXPENSE</b>	<b>WHAT YOU SPEND NOW</b>
RENT	\$750.00
CELL PHONE	\$55.00
CREDIT CARDS	\$200.00
CAR NOTE	\$450.00
CAR INSURANCE	\$275.00
OFFERING/CHARITY	\$30.00
GAS AND ELECTRIC	\$100.00
CABLE	\$70.00
PHONE	\$30.00
INTERNET	\$30.00
LOANS	\$200.00
BREAKFAST	\$115.00
LAUNDRY	\$40.00
CLOTHES	\$100.00
FOOD/GROCERIES	\$400.00
GROOMING	\$150.00
CHILD EXPENSES	\$300.00
TOLIETRIES	\$100.00
LUNCH	\$115.00
ENTERTAINMENT	\$100.00
GAS (CAR)	\$200.00
MONTHLY SPENDING	LEAVE BLANK
BEGINNING/NEW SAVINGS	LEAVE BLANK
TOTAL (spending + saving)	LEAVE BLANK

I didn't forget about you! Remember, your blank template is at the end of Day 1. You can begin now or continue reading and fill it in later.

# Step 3

## Money in the Bank: Beginning Savings

***If you'd be wealthy, think of saving, more than of getting.***

– Benjamin Franklin

### *A New Patient*

I could tell that Tina had been crying before I came to see her that day. This was our first session so I didn't mention the redness in her eyes as we sat down. Instead, I asked a question that I already knew the answer to. "Did you do the Steps"? Visibly upset she replied, "yes" and showed me the paper on which she completed Step 1 through Step 3. Tina was a new doctor, she was making a lot of money, but spending even more of it. Unfortunately, this is a very common habit for the YBF (young, broke and fabulous). Tina was referred to me through a mutual friend who was concerned about her spending habits. I agreed to meet with her and requested (as I do of all my clients) that she complete Step 1 through Step 3 of the One Week Budget system. Yes, I gave her homework, remember, I am a teacher first.

Tina just completed the steps moments before I arrived. She was shocked and dismayed when she realized how much money she was spending. Tina, like many of us, did not realize the full scope of her financial situation, until she put it on paper. The process of documenting her spending and comparing it to her income was both eye opening and overwhelming. After completing Step 3 (subtracting what you spend from what you make), Tina found out that she was spending almost 2 ½ times more than what she made each month! This meant that her *Beginning Savings* (the amount she was currently saving) was a negative number. She did not realize this until she completed Step 3, because she managed to stay ahead of her expenses by only focusing on the immediate bills due. Sound familiar? This system of robbing Peter to pay Paul was finally catching up to her. Many of us do not recognize that we are having trouble managing our money. It is not until we see our financial picture in physical form that we can fully appreciate our fiscal situation, good or bad. I know that there are those who avoid budgets for this very reason. Are you one of those people?

The truth can be frightening at times, but once the initial shock wears off and you put a strong financial plan into place you'll realize that there is a way out. There is always a way to rebuild your financial future and it begins with full disclosure of your current fiscal status. Look on the bright side, this step will be quick, easy, and simple....three things I love, outside of chocolate, gummy worms and naps, of course. As stated previously, being aware of your finances is imperative. This step will show you how to calculate your *Beginning Savings*. The reason I refer to this step as *Beginning Savings* is because the amount you are *currently* saving is just the beginning. Get it? In the steps that follow,

I will show you how to save more! For now, you need to know if you are saving anything, saving nothing or spending more than you make. The latter is easily achievable.

### *Calculate Beginning Savings*

Take out your Money List and add up your *What You Spend Now* column. Write that amount next to *Monthly Spending* at the bottom of your Money List. Next, compare your *Monthly Spending* to your *Monthly Take Home Pay*. To do this, subtract the difference (*Monthly Take Home Pay* - *Monthly Spending*). This resulting number reflects what you are presently saving or your *Beginning Savings*. So put that number next to *Beginning/New Savings* (we'll get to *NEW SAVINGS* later). Low and behold, you may find that you are saving nothing or that you are spending lavishly like your last name is Hilton. At first it may hurt to see your spending habits exposed, but in order to progress, it is important to see your finances stripped down bare with reality.

This will be the first and only time I will say this...but, it is OK if you are currently saving nothing or spending like Paris. It is OK because the steps to follow will show you how to put more money in the bank and fatten your pockets!

Your last task for today is to add your *Monthly Spending* and *Beginning Savings* amounts (even if it's a negative amount, which let's be honest, it probably is). Then, write the amount at the bottom of your Money List by *Total* (savings + spending). Your *Total* should equal your *Monthly Take Home Pay*. If it does not, you've made a mistake, take your time and redo Step 3 and check your math.

Use Bella's Step 3 example to help you. Don't be too hard on yourself if you find out you are spending more than you make. As you will see, Bella wasn't exactly getting an "A" in money management either.

*Bella's Step 3 example: Money in the Bank- Beginning Savings*

MONTHLY TAKE HOME	\$3,700.00
MONTHLY SPENDING	\$3,810.00
	Subtract
BEGINNING/NEW SAVINGS AMT.	-\$110.00 (Step 3)
<b>NAME OF EXPENSE (Step 1)</b>	<b>WHAT YOU SPEND NOW (Step 2)</b>
RENT	\$750.00
CELL PHONE	\$55.00
CREDIT CARDS	\$200.00
CAR NOTE	\$450.00
CAR INSURANCE	\$275.00
OFFERING/CHARITY	\$30.00
GAS AND ELECTRIC	\$100.00
CABLE	\$70.00
PHONE	\$30.00
INTERNET	\$30.00
LOANS	\$200.00
BREAKFAST	\$115.00
LAUNDRY	\$40.00
CLOTHES	\$100.00
FOOD/GROCERIES	\$400.00
HAIR	\$150.00
CHILD EXPENSES	\$300.00
TOLIETRIES	\$100.00
LUNCH	\$115.00
ENTERTAINMENT	\$100.00
GAS (CAR)	\$200.00
<b>MONTHLY SPENDING</b>	<b>\$3,810.00</b>
<b>BEGINNING/NEW SAVINGS</b>	<b>-\$110.00</b>
<b>TOTAL (spending + saving)</b>	<b>\$3,700.00</b>

## Day 1

# Easy Action Steps (Recap)

**Step 1 Create a List of your Spending Habits: Money List**  
Create a Money List by writing down all of your expenses

**Step 2 Show me the money**  
Write the *monthly* cost of each expense on your Money List. Put your *Monthly Take Home Pay* on the top of your Money List.

**Step 3 Money in the Bank: Beginning Savings**  
Calculate your *Beginning Savings* by adding up your *Monthly Spending* and subtracting it from your *Monthly Take Home Pay*. Remember your TOTAL must equal your *Monthly Take Home Pay*! Fill in the amounts for *Monthly Spending*, *Beginning Savings* and *Total*.

Now, it's your turn. I have provided a blank template for Steps 1-3 for your convenience.



NOTES:



Tiffany 'The Budgetnista' Aliche, a New Jersey native earned her Bachelor's Degree in Business Administration from Montclair State University, she forwent a career in corporate America to teach underserved youth in Newark, NJ. She went on to continue her graduate studies at Seton Hall University in New Jersey.

Tiffany is a passionate teacher of financial empowerment. She has her own financial consulting company called CLD Financial Life LLC. CLD was created around the belief that the purpose of life is to live a life of service. Tiffany centers her service on helping others master their money. She began her journey to help empower communities through financial literacy by helping family and friends first and then extending her services to churches, schools, companies and various organizations. CLD Financial Life is the manifestation of her altruistic efforts to help others empower themselves financially.

In keeping with the mission of CLD, Tiffany wrote The One Week Budget. She can be reached via email at [thebudgetnista@gmail.com](mailto:thebudgetnista@gmail.com) and her blog, [thebudgetnista.biz](http://thebudgetnista.biz).

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With the help of *Bella the Budgetnista*, featured in this book, we will teach you what took me years to learn. The *One Week Budget* is for anyone that wants to manage their day-to-day money without the day-to-day hassle. Does this sound like you? What are you waiting for? Read the book already!

*the \$ Budgetnista*

Tiffany Aliche