

Track'n Your Savings Goals

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This MontGuide illustrates a technique to help you track progress towards achieving your family and personal savings goals.



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WHAT ARE YOU SAVING FOR? NEW FURNITURE?

A car or truck? A house? A family vacation? When will you need the money? Next month? Next summer? Next year? When the kids go to college? At retirement? Building up savings for these types of goals isn't easy – it takes a lot of effort to decide on a savings plan and stick with it. This MontGuide shows you how to use an innovative technique to track progress towards achieving your family and personal savings goals.

Savings register

Many of us have had savings accounts since childhood. But few of us have had separate saving accounts for *each* of our savings goals. The *Track'n Your Savings Goals* register shows you how to track progress towards achieving specific savings goals – all in *one* place. At any point in time you can see the amount you have accumulated towards *each* goal. It's designed for those who want a simple way to track their savings without having to spend a lot of time and hassle doing it.

Special savings registers and this MontGuide are made available at no charge for Montana residents through gifts from the First Interstate BancSystem Foundation and the Montana Credit Unions for Community Development. The charge for out-of-state residents is \$2.00 (Ordering information, page 4).

Advantages of the “Track'n” savings register

The *Track'n Your Savings Goals* register is simple. It's also compact, so you can carry it with you at all times. Since it's small enough to slip into your check register, you can refer to it at any time. It keeps information at your fingertips

about the progress you are making towards your savings goals. And, it provides you with immediate decision-making opportunities:

“Yes, I could spend that \$100 on fancy sneakers or I could buy cheaper ones and put the \$50 difference towards our goal of a family vacation next summer.”

FIGURE 1. Getting started – Decide on your savings goals

You can decide upon savings goals as an individual or as a family. The decision of *what to save for* and *how much to save* is an important part of the personal and family financial planning process. Encourage each family member to have a separate *Track'n Your Savings Goals* register so he/she can track progress towards achieving *individual* savings goals. Then, establish another register for tracking progress towards achieving *family* savings goals.

Your first step is to decide on your savings goals. Don't get carried away listing too many goals, start with three to five. Examples of goals and items included under those goals are shown in Figure 1 and on page 1 of the *Track'n Your Savings Goals* register.

Once you have decided on your financial goals, write them in the appropriate boxes on pages 2 and 5 of your register (Figures 1 and 3).

FIGURE 1. Savings Goals

Fix-It	Get-Away	Vehicle	College	Gifts	Retirement
Car Repair Appliance Repairs Remodeling	Vacation Summer Winter Weekend	Truck Automobile Motorcycle Snowmobile Bicycle	Tuition Books Room/Board Computer Supplies	Birthday Baby Holidays Anniversaries Wedding	Travel Living Expenses

FIGURE 2. Deciding on amount needed

	My Savings Goals				
Write Goals Here →	Fix-it	Vacation	Car	College	Retire
Date Needed	2010	2011	2012	2021	
\$ Needed	\$ 1,000	\$ 1,000	\$ 2,000	\$???	\$???
\$ Already Saved	- 0.00	- 0.00	- 0.00	- 0.00	- 0.00
\$ Still Needed	= 1,000	= 1,000	= 2,000	= ???	= ???

FIGURE 2. Deciding the amount needed

After you decide what you want to save for, the next step is to record the amount of money you will need to accomplish each savings goal.

Goals

- Write your goals at the top of the columns on pages 2 and 5 of the register.

Date Needed

- Write the date when you need the money for each goal – *date needed*.

\$ Needed

- Write the amount needed to achieve your goal on the third line – *\$ needed*.

Amount Already Saved

- Write the amount you have already saved on the fourth line – *\$ already saved*.

Amount Still Needed

- To determine the amount still needed, subtract the amount of \$ already saved from the \$ needed. The result is the amount of *\$ still needed* to achieve each of your savings goals.

FIGURE 3. How to start using the savings register

To begin using the savings register, first record your savings goals in the spaces provided at the top of page 5 in the register.

Savings amount needed

- Write in the amount you need for each goal under the appropriate column on page 5 of your register.
- If you don't know the amount, just leave a blank or write a zero in each column.

- In the far left column, *under total \$ needed*, write the total amount of the savings needed for the goals you have listed.

Savings Balance

- Write in the amount you have in your savings on the Savings Balance column (far right) on p. 5 of the register.
- If you want to start with a zero balance and watch your savings grow, that's fine. This system is flexible to meet your needs.

FIGURE 4. Recording a savings deposit

In cases where you want to devote the entire deposit to one goal, you would follow these steps.

Description/Date

Under *Description/Date*, write a note to remind you of the type of transaction (deposit or withdrawal) and the date the deposit or withdrawal occurred.

- On January 11, an automatic deposit of \$50 was made from the checking account to the savings account.
- On January 29, a deposit of \$75 was made from a paycheck.

Deposit amount under appropriate goal

Write the amount of the deposit under the appropriate goal.

- This saver had automatic deposits of \$50 and \$75 that were recorded in the fix-it savings goal column.

Goal balances

On the gray line, add the deposit to the figure in the goal column to reveal the balance.

- On January 11, \$50 is the balance in the fix-it column because it's the first entry made.
- On January 29, the balance in the fix-it column is \$125 because a \$75 deposit was made (\$75 + \$50 = \$125).

FIGURE 3. Savings register example

Total \$ Needed	Fix-it	Vacation	Car	College	Retirement	Savings Balance
\$4,000	\$ 1,000	\$ 1,000	\$ 2,000	\$ 0	\$ 0	\$ 0
Description/Date						

FIGURE 4. Recording a savings deposit

Total \$ Needed	Fix-it	Vacation	Car	College	Retirement	Savings Balance
\$3,900	\$ 1,000 00	\$ 900 00	\$ 2,000 00	\$ 0 00	\$ 0 00	\$ 0 00
Description/Date						
Auto Dep 1/11	+ 50 00	00 00	00 00			+ 50 00
Balance	50 00					50 00
Paycheck 1/29	+ 75 00					+ 75 00
Balance	125 00					125 00

Savings Balance

Write the deposit in the *Savings Balance* column, and then add it to the previous balance to keep a running total in the savings account.

- On January 11, the savings account balance is \$50 because this amount was the first deposit.
- On January 29, the savings account balance increases to \$125 because of the \$75 deposit ($\$75 + \$50 = \$125$).

FIGURE 5. Splitting a deposit between savings goals

You can use the savings register to split one deposit between two or more goals.

Description/Date

Write a note to remind you of the type of deposit and the date it occurred.

- On January 29, a deposit from a paycheck was made for \$150.

Deposit amounts under appropriate goals

A deposit can be split and recorded in more than one goal column. Write the amount deposited under each goal.

- This saver decided to split a \$150 deposit among three goals: \$75 for *fix-it*, \$55 for *vacation*, and \$20 for a down payment on a new *car*.

Goal balances

Write the balances under each goal after adding the most recent deposit to the prior balances.

- This saver now has the following amounts in her savings goals: \$125 in *fix-it* ($\$50 + \75), \$55 in *vacation*, and \$20 in *car*.

FIGURE 5. Recording a deposit that is split among goals

Total \$ Needed		Fix-it	vacation	Car	College	Retirement	Savings Balance
\$3,900		\$ 1,000 00	\$ 900 00	\$ 2,000 00	\$ 0 00	\$ 0 00	\$ 0 00
Description/Date							
Auto Dep	1/11	+ 50 00	00 00	00 00			+50 00
Balance		50 00					50 00
Paycheck	1/29	+ 75 00	+55 00	+20 00			+150 00
Balance		125 00	55 00	20 00			200 00

FIGURE 6. Recording a savings withdrawal

Total \$ Needed		Fix-it	vacation	Car	College	Retirement	Savings Balance
\$3,900		\$ 1,000 00	\$ 900 00	\$ 2,000 00	\$ 0 00	\$ 0 00	\$ 0 00
Description/Date							
Auto Dep	1/11	+ 50 00	00 00	00 00			+50 00
Balance		50 00					50 00
Paycheck	1/29	+ 75 00	+55 00	+20 00			+150 00
Balance		125 00	55 00	20 00			200 00
Withdrawal	2/25	-80 00					-80 00
Balance		45 00					120 00

Saving balance

Add the most recent deposit to the previous balance.

- This saver added \$150 to the previous balance of \$50, which raised her total savings balance to \$200.

FIGURE 6. Recording a savings withdrawal

When you make a withdrawal, update the goal columns according to how the money will be spent.

Description and date of withdrawal

Write a note to remind you of the withdrawal from your savings account.

- On February 25, a withdrawal of \$80 was made for car repair.

Goal withdrawal

Record the amount withdrawn under the appropriate goal.

- This saver withdrew \$80 from her *fix-it* goal to repair a window.

Goal balances

On the gray shaded line, the balance is recorded after the withdrawal is made.

- After the \$80 withdrawal, \$45 remains in the *fix-it* savings column ($\$125 - \$80 = \$45$).

Savings balance

On the far right, the withdrawal is subtracted from the previous savings balance to show the new savings account balance.

- \$80 is subtracted from the savings balance of \$200. The new savings account balance is \$120 ($\$200 - \$80 = \120).

Check Register Tracking System

A companion tracking method, *Using a Check Register to Track Your Expenses* (MT198703HR), can help you evaluate your spending habits so you can find more money for achieving your savings goals.

While the check register was initially developed for those who write checks, many Montanans have adapted it to track their cash, credit card and debit card expenses.

Once individuals and families know where their money is going they can use the information to make decisions about their spending habits. They can discover areas where expenses can be adjusted so they will have more money to reach their savings goals.

The cost per check register is \$1.00 for Montana residents and \$2.00 for out-of-state residents. One register will last most people from two to three months, depending on how many checks you write.

To receive a Check Register, send a check payable to MSU Extension or to your County or Reservation Extension Office or to the address listed under Order From.

Credit Card Tracker

Discovering how much you are spending for credit purchases is another way to discover money for saving. A Credit Card Tracker/Holder is available from MSU Extension. Wrap one around your credit card. When you use your credit card use the side Record of Credit Card to track your expenses. List the date, description of charge and the amount charged.

This will provide you with a "running total" or your credit expenses and enable you to become aware of the amount to expect on your monthly credit card bill. If you don't have a credit card, use the tracker to keep track of your total cash or debit card expenses. To order go to www.msuextension.org/store.

Goal Setting for Youth

This savings register could easily be adapted for youth. Give a register to each of your pre-teen and teens and let them set their own savings goals.

Summary

For many Montana families, financial security means they have money in the bank. With savings to fall back on, they know they can handle unexpected expenses. The *Track'n Your Savings Goals* savings register is designed to help you track progress towards achieving your goals and start on the road to financial security in later life.

Acknowledgement

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Ordering Savings and Check Registers

- *Track'n Your Savings Goals*
Montana Residents: Free
Out of State Residents: \$2.00*
- *MSU Check Register Tracking System*
Montana Residents: \$1.00*
Out of State Residents: \$2.00*

*Cost includes shipping and handling. Make check payable to MSU Extension.

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