

Better Money Habits®

Achieving financial independence: The first steps

Saving and spending

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What is money? Why is money important to you?

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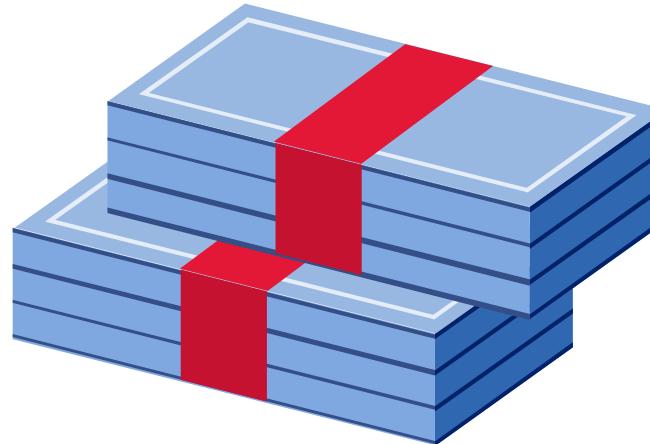


Developing better spending and saving habits

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There are four easy steps you can take to be better at managing your money:

1. Understand your needs and wants
2. Know your savings goals
3. Use a spending plan
4. Spend wisely



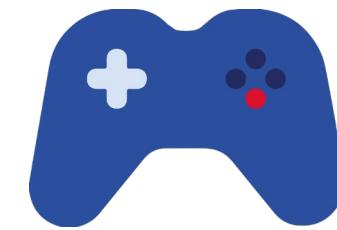
Know the difference between needs and wants

Needs



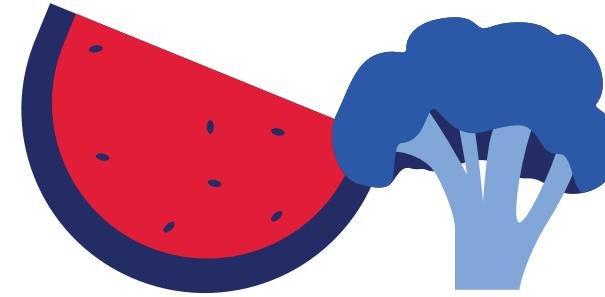
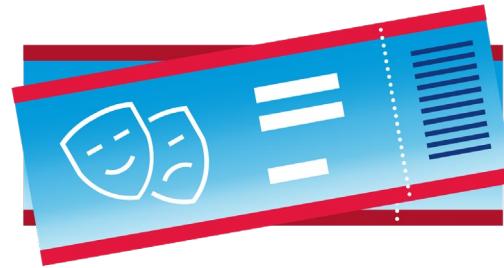
VS

Wants



Which is a need? Which is a want?

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1

Set your
savings goals

2

Make a
spending plan



Steps to Better Money
Management

What is something you'd like to save for?

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Saving more will get you to your savings goals faster.

Savings goals	Cost
1.	\$
2.	\$
3.	\$

Your savings goals might include sporting events, vacations or dining out.



Use a spending plan

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Income

The money you receive



Expenses

What you spend money on



Write down your monthly income and expenses

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Spending Plan Worksheet		
BANK OF AMERICA		
Income		
Your take-home pay	\$	
Additional household take-home pay	\$	
Other	\$	
Total Income (sum of rows above)	\$	
Spending category	Planned spending	Actual spending
Expenses: Home and Utilities		
Mortgage or rent	\$	\$
Groceries	\$	\$
Electricity	\$	\$
Gas	\$	\$
Water	\$	\$
Cable/internet	\$	\$
Mobile phone	\$	\$
Other	\$	\$
Expenses: Insurance and Financial		
Health insurance	\$	\$
Other insurance	\$	\$
Credit cards	\$	\$
Other loans	\$	\$
Savings	\$	\$
Other	\$	\$
Expenses: Personal and Medical		
Medication (not covered by health insurance)	\$	\$
Medical, dental and eye care costs (not covered by health insurance)	\$	\$
Education	\$	\$
Other	\$	\$
Expenses: Entertainment		
Restaurants	\$	\$
Movies and music	\$	\$
Other	\$	\$
Expenses: Transportation and Auto		
Public transportation	\$	\$
Car expenses	\$	\$
Other	\$	\$
Expenses: Other		
	\$	\$
	\$	\$
	\$	\$
	\$	\$
	\$	\$
Total expenses (sum of all expenses)	\$	\$
Net savings or loss (subtract Total expenses from Total income)	\$	\$



Tips for saving more money

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Spending Plan Worksheet

BANK OF AMERICA

Income	
Your take-home pay	\$
Additional household take-home pay	\$
Other	\$
Total Income (sum of rows above)	\$

Spending category	Planned spending	Actual spending	Check if spent as planned
Expenses: Home and Utilities			
Mortgage or rent	\$	\$	<input type="checkbox"/>
Groceries	\$	\$	<input type="checkbox"/>
Electricity	\$	\$	<input type="checkbox"/>
Gas	\$	\$	<input type="checkbox"/>
Water	\$	\$	<input type="checkbox"/>
Cable/internet	\$	\$	<input type="checkbox"/>
Mobile phone	\$	\$	<input type="checkbox"/>

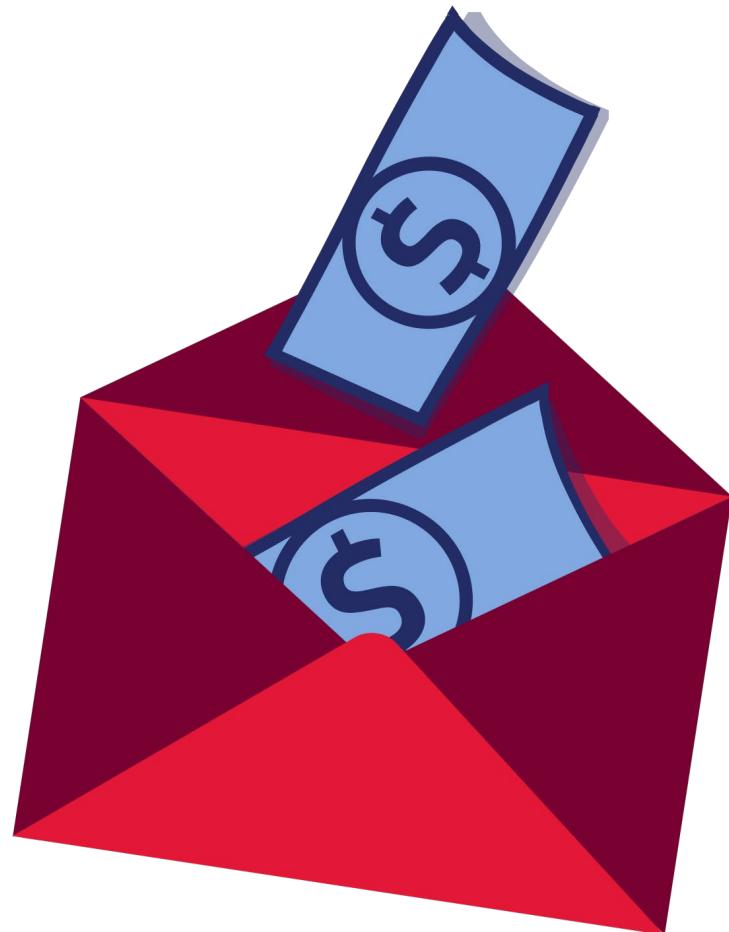
Keep track of your actual spending

- Write down everything you spend money on each day.
- At the end of each week, total it up and see how you did.



Use the envelope method to save for what you want

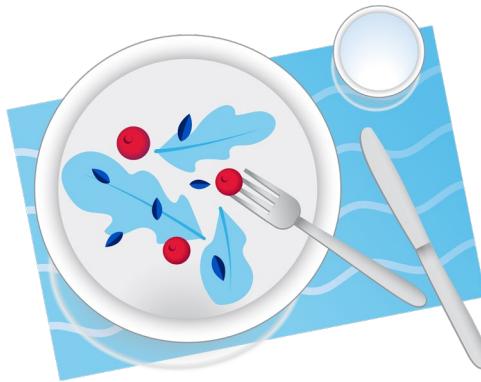
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Options for People Who
Don't Like to Budget



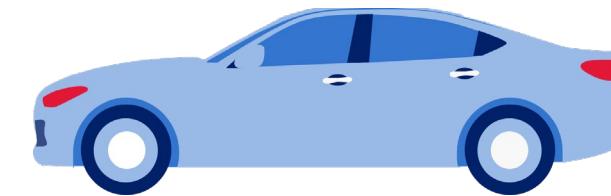
Tips for saving more money



VS



VS



1

Understand your
needs and wants

2

Know your
savings goals

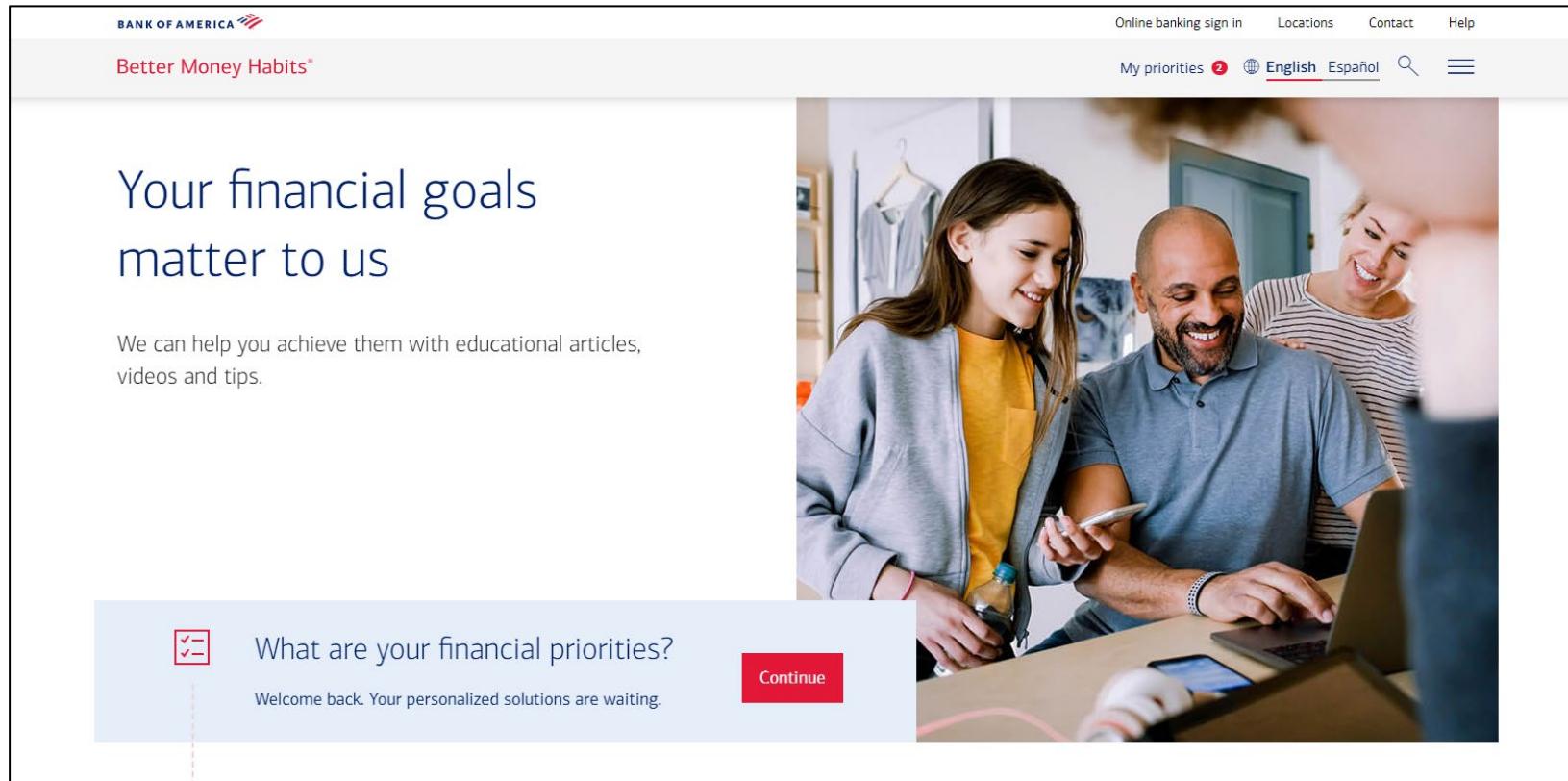
3

Use a spending plan

4

Spend wisely





The screenshot shows the homepage of the Bank of America Better Money Habits website. The top navigation bar includes links for "Online banking sign in", "Locations", "Contact", and "Help", along with language options for "English" and "Español". The main headline reads "Your financial goals matter to us" with a subtext: "We can help you achieve them with educational articles, videos and tips." A call-to-action button says "What are your financial priorities?" with a "Continue" button. A photograph of a family (a man, a woman, and a young girl) looking at a laptop together is displayed on the right. A welcome message at the bottom left says "Welcome back. Your personalized solutions are waiting."

[BetterMoneyHabits.com](https://www.bettermoneyhabits.com)



Thank you

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16

