**Budgeting Project https://jenkinshooch.weebly.com/budgeting-project.html**

**PART 1:**

You are 24 years old and in the 3rd year of your new Career.  You have been living with your parents for free and driving your parent’s car to save money to start your adult life. It is time to move out.

* You saved enough money for first month rent and security deposit for an apartment.
* Your parents are giving you furniture and household items for your apartment.
* You saved $5000 cash for a down payment on a new car.

You need to create a budget to project the monthly expenses associated with the lifestyle that you would like to have during this phase of your life.  Guidelines include:​

* Your project must be completed in a PowerPoint presentation and submitted on teams.
* All research data and information must come from real sources in the Metro Atlanta area.
* You must include real pictures (copied from web sites) of the actual products / services included in your budget.  You may choose an apartment anywhere in the Atlanta Metropolitan Area.
* You may have a roommate, but the only expenses that you are allowed to share are RENT, UTILITIES, RENTERS INSURANCE, and HOUSEHOLD SUPPLIES.
* Your car must be new.
* All expenses must be true to life, illustrated, and sources cited.

**PART 2:**

**Project Monthly Gross/Net Pay Calculator:**

* After setting up your monthly Expense Budget, you should know how much money it will take per month to afford your lifestyle. Now it's time to compare your budget with your estimated Income.
* Inform your teacher of the type of job/profession you hope to have at 25 years old.
* Your teacher will assign an annual salary appropriate for that job.
* Divide the annual income amount by 12 to get your GROSS MONTHLY INCOME, then click the link below to calculate your NET MONTHLY INCOME..
* <https://smartasset.com/taxes/paycheck-calculator#6lvUvXx3Cz>

**Choose the following settings:**

* Input Salary (per year) - top of page

On the left side of page choose the following:

* Marital Status - "Single"
* Pay Frequency - "Monthly"
* Pre-Tax Deductions - Click the + to open
* Medical Insurance - $250
* Dental Coverage - $50
* Vision Insurance - $20
* 401K: 10%-15% of gross pay
* Long term disability - $50
* Life Insurance - $50
* Click "Done"
* Click "Details" under the taxes and deductions listed in the graphic at the center of the page to get the information you need for the Comparison slide.
* Take a screenshot of your paycheck calculations including all deductions, taxes. And take-home pay.

**PART 3:**

* Compare your projected budget with your net monthly take-home pay to determine if you can afford your lifestyle.
* If you have a budget surplus, what would you do with the extra money?
* If you have a budget shortage, what adjustments would you make to be able to afford your lifetstyle?
* Have fun with the project.  Identify a lifestyle that you would truly want at 25 years old.

**Budget Spreadsheet**

|  |  |  |
| --- | --- | --- |
|  |  |  |
| **Slide 1: Housing Expenses** | **Weekly** | **Monthly** |
| Rent Payment (pictures, floor plan, amenities) |  |  |
| Renters Insurance |  |  |
| Electricity (use calculator) |  |  |
| Water (use calculator) |  |  |
| Gas (use calculator) |  |  |
| Cable/Internet |  |  |
|  |  |  |
| **Slide 2: Auto Expenses** | **Weekly** | **Monthly** |
| Auto Loan |  |  |
| Auto Insurance |  |  |
| Gasoline |  |  |
| Maintenance (oil change, wiper blades, air filters, car wash, etc.) |  |  |
|  |  |  |
| **Slide 3: Household Expenses** | **Weekly** | **Monthly** |
| Food |  |  |
| Toiletries |  |  |
| Household misc. |  |  |
|  |  |  |
| **Slide 4: Discretionary Expenses** | **Weekly** | **Monthly** |
| Cell Phone |  |  |
| Entertainment (movies, date night, etc.) |  |  |
| Clothing |  |  |
|  |  |  |
| **Slide 5: Savings** | **Weekly** | **Monthly** |
| Vacation (estimate annual cost and divide by 12 for monthly savings) |  |  |
| Holidays / Gifts (estimate annual cost and divide by 12 for monthly savings) |  |  |
| Medical (routine dental/doctor visits) |  |  |
| Emergency Fund |  |  |
| Savings for big purchase (house, boat, etc.) |  |  |
|  |  |  |
| **Slide 6: Comparison** | **Weekly** | **Monthly** |
| **Total Expenses (Monthly Budget)** |  |  |
| **Total Income (Job and Salary Info)** |  |  |
| **Net Pay vs Expenses** |  |  |
|  |  |  |
| **Slide 7: Analysis** |  |  |
| Adjustments to Lifestyle/Budget |  |  |
| What you learned |  |  |

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| --- | --- | --- |
|  | **Points Possible** | **Points Earned** |
| **Expense: Housing** | **20** |   |
| Rent Payment | 5 |   |
| Renters Insurance | 3 |   |
| Utilities: Water, Gas, Electricity, Internet, Cable/subscriptions | 10 |   |
| Graphics and Evidence | 2 |   |
| **Expense: Automobile** | **10** |   |
| Year, Make Model, Sale Price, Taxes, Fees, Total Price | 2 |   |
| Loan Payment (Length of loan, Interest rate, Principle payment, Interest payment) | 2 |   |
| Auto Insurance – List types of coverages | 2 |   |
| Fuel and Maintenance | 2 |   |
| Graphics and Evidence | 2 |   |
| **Expense: Food** | **5** |   |
| Meal Plan/Grocery List | 2 |   |
| Budget Totals | 2 |   |
| Graphics and Evidence | 1 |   |
| **Expense: Discretionary** | **5** |   |
| Cell Phone | 1 |   |
| Entertainment | 1 |   |
| Misc. Clothing, personal, gifts, etc | 1 |   |
| Graphics and Evidence | 2 |   |
| **Expense: Savings** | **5** |   |
| Annual Vacation | 1 |   |
| Holidays | 1 |   |
| Emergency Fund | 1 |   |
| Big Purchase (House/Boat, etc.) | 1 |   |
| Graphics and Evidence | 1 |   |
| **Income: Gross/Net Pay** | **50** |   |
| Occupation & Salary | 5 |   |
| Gross Monthly Income | 5 |   |
| Federal Income Tax | 5 |   |
| State Income Tax | 5 |   |
| Social Security Tax | 5 |   |
| Medicare Tax | 5 |   |
| Medical Insurance | 5 |   |
| Retirement Account | 5 |   |
| Take Home Salary | 5 |   |
| Graphics and Evidence | 5 |   |
| **Analysis** | **5** |   |
| Adjustments to lifestyle | 3 |   |
|  What you learned  | 2 |   |
| **Total Score:** | **100** |  |