

Name: _____ Date: _____ Block: _____

Personal Budget Planning Project

OBJECTIVE

The objective of this project is for you to set up a budget that would allow you to live the type of life you would like, as well as to understand what skills and/or education you need to get there. This will include finding a house, finding a car, developing a budget, and finding a career that would match your income needs. This project does involve doing some calculations and setting up a budget on Excel, but the main purpose is to allow you to have fun dreaming of the future while realizing what these dreams may cost. I also hope you observe certain iron realities about work and what it takes to be a successful adult in the world today. It is not easy. It takes lots of money!

TASKS

Essentially, you will be required to set up a monthly budget based on your chosen career. You will be required to set up your budget on Excel, and then get your information off the internet, noting the sites that you used. The preparing of the budget will include you finding out what type of careers will provide you with the necessary income, and how much education is needed for such a career. This project consists of two steps:

1. You will - within limits and with teacher approval - select your own career, home, and car. No matter what your job might be, you must construct a working budget with costs less than expenses.
2. After you have finished filling out the **Personal Budget Research** worksheet and the **Monthly Expenses** spreadsheet, you will use the information to create a PowerPoint or electronic presentation of your findings.

No matter what job you have you must first deal with your housing. You will need to find a house or apartment that you can afford to rent or buy. Next, you must find a car or other type of transportation that you would like to own, and then set up a budget. You must fill out both the worksheet and spread sheet, print them both out, and discuss it with your partner and teacher.

After completing the preliminary budget, you will exchange your budget with your partner. At this point your partner will review the project, looking for calculation errors, and evaluating how realistic your budget is and suggestions of where you could make changes.

To complete the project, you will need to make revisions to your original budget, explaining your reasons for doing so.

FINDING A CAREER – Answer Questions 1 - 15

Now it's time to find a career. Find a career that you are interested in and that will give you the needed income to afford the lifestyle you want.

As soon as you have found a career, come and talk to Mrs. Moore or Ms. Williams to get your career choice approved. You will only complete **questions 1 - 15 on Personal Budget Research** worksheet after your choice has been approved.

At this point you may want to take your **Gross Yearly Salary** (and put that value into the green box on your **Monthly Expenses** spreadsheet. There are two tabs on the spreadsheet so put it into both tabs (Budget Calculator AND Monthly Budget).

NOTE: Be sure that you have copied the necessary information into your **Personal Budget Worksheet and Monthly Expenses Spreadsheet** and that you listed the websites you used to find your information.

*****You may not choose to be an actress, actor, singer, entertainer or major league sports figure.*****

FINDING A HOUSE – Answer Questions 16 - 24

After you have a career and an income, you need to try and find a house to live in. Almost everyone has an idea of where they would like to live, and what type of house they would like to own. It's your job to search for your dream home. After you find it, make sure you answers **questions 16 – 20 on Personal Budget Research**. Also make sure to copy and paste the URL that you used on Question 19. When you find your dream home, come talk to Ms. Williams or Mrs. Moore and get your bank loan approved for your new home.

Here are some resources to help you in your search:

- Realtor.com
- Trulia.com
- HomeFinder.com
- Zillow.com
- www.apartmentsearch.com/
- <https://www.zillow.com/mortgage-calculator/>

Remember when you are finding out your mortgage payment, you have **5% down payment** for you mortgage. If you are denied your loan go back and look at the “BUDGET CALCULATOR” in the **Monthly Expenses** spreadsheet. Often times we want things we cannot afford, so if you find that you cannot afford your dream home, you will have to reevaluate what you can afford on housing. If it is not feasible for you to by your own home, you have the option to rent.

If you are unable to afford your dream home complete questions 21 – 24 on the **Personal Budget Research** worksheet. Then get approval for your affordable housing.

After your housing has been approved compare it to the “Budget Calculator” and put your monthly payment into the “Monthly Budget” tab in your spreadsheet.

NOTE: Be sure that you have copied the necessary information into your **Personal Budget Worksheet** and your **Monthly Expenses Spreadsheet**.

FINDING A CAR – Questions 25 - 33

Most people also have ideas on what type of car they would like to own. Research your dream car, you must find it for sale online through a car dealerships page. After you have found your dream car you must find out your monthly car payment. Use the Auto Loan Calculator website below.

Here are some resources to help you in your search:

- <http://www.bankrate.com/calculators/auto/auto-loan-calculator.aspx>

After you have figured out our monthly car pay add this figure to your “Monthly Budget” tab in your spreadsheet. How does this compare to what you should spend according to the “Budget Calculator”? If your car payment is too high you may need to reconsider what kind of car you drive. After answering questions **25 – 29 on Personal Budget Research** worksheet. After you have found your car you must get approved your auto loan, please see Ms. Williams or Mrs. Moore for approval.

If you are denied for auto loan, go back and research an affordable car that meets your needs. Get your second car loan approved if denied first. Then answer questions **30 – 33** on **Personal Budget Research**.

NOTE: Be sure that you have copied the necessary information into your **Personal Budget Research** worksheet and your **Monthly Expenses** spreadsheet.

SETTING UP YOUR BUDGET

The next step is to set up your budget. This will entail the following steps:

Using your **Gross Pay** (the amount of money you actually earn), find your **Net Pay** (the amount money you actually take home) after **taxes and other deductions** have been deducted. The average percentage of taxes and deductions are typically 30%.

Enter your Gross Yearly Salary into the **Monthly Expenses** spreadsheet.

- Figure out your monthly mortgage payment and your monthly car payment. Assume that you only have a 5% down payment for your mortgage. Mortgage Calculator - <https://www.zillow.com/mortgage-calculator/>
- Some budget experts recommend that a **house payment should be no more than 28% of your gross monthly income**, and that a **car payment/insurance should be no more than 15% of your gross monthly income**. Decide if your net income will make it possible for you to afford your house and car. Car Payment Calculator <http://www.onlineloancalculator.org/>
- Examine your spreadsheet to see how much money you should budget for the remainder of your household expenses. Make sure to double check your calculations.

REVIEWING THE BUDGET

Time for a reality check. At this point, change worksheets with your partner. Once you have your partner's worksheet, you need to do two things:

- Double check the calculations
- Make suggestions/comments about the budget (Is it realistic?)

Type **ONE** complete paragraph about your partners proposed budget.

Make sure you heed Ms. Williams and Mrs. Moore's comments!

POWERPOINT ~ 100 Extra Credit Points

The final step of this project, is to create seven slides using some type of presentation software about your budget and lifestyle. Your presentation should have the following:

Slide 1: Title Slide

- Title the Slide "Personal Budget"
- Name, Date, Period

Slide 2: Title Slide

- Slide should only have the title Income.

Slide 3: You're Career Name

- Brief description of your career.
 - Job Responsibilities.
 - Expected tasks to be completed.
- Graphic

Slide 4: Education

- What education is needed?
- What are training requirements are needed?
- What qualifications are needed? Certifications? Licensures?
- Graphic

Slide 5: Working Conditions

- Work Environment
- Number of Days a Week
- Number of Hours a Week
- Do you work weekends?
- Graphic

Slide 6: Salary

- Average gross yearly salary
- Monthly Gross Pay
- Monthly Net Pay
- Graphic

Slide 7: Title Slide

- Slide should only have the title Expenses.

Slide 8: My Home

- Location of your home
- Home features
 - o Number of bedrooms, bathroom, square footage of the home, size of property, etc.
- Picture of your home

Slide 9: Mortgage

- 5% Down Payment
- Listed Price of your home
- Interest Rate
- Mortgage Total
- Length of your mortgage
- Monthly Mortgage/Rent
- Percent of Monthly Expense
- Graphic

Slide 10: Utilities

- Monthly Utility Cost
- Percent of Monthly Expense
- Graphic

Slide 11: Car

- Year, Make, and Model
- Car Features
- Monthly Car Payment
- Percent of Monthly Expense
- Picture of your car

Slide 12: Groceries

- Monthly Cost of Groceries
- Percent of Monthly Expense
- Graphics

Slide 13: Entertainment

- Monthly Entertainment Cost
 - o Monthly internet cost, home phone cost, cell phone cost, cost of outings
 - o Cost of Concerts, Movies, Museums, Travel
 - o Cost of iTunes downloads, DVD, Blu-ray, Games, and Movie Rentals etc.
- Percent of Monthly Expense
- Graphic

Slide 14: Debt Repayment

- Monthly Debt
 - o Monthly student debt cost
 - o Monthly credit debt
- Percent of Monthly Expense
- Graphic

Slide 15: Savings

- Monthly Savings Total
- Total Savings for 1 year
- Percent of Monthly Expense

Slide 16: Miscellaneous Expenses

- Monthly clothing cost
- Monthly health and personal care cost
 - o Hair care products/appointments, nail appointments,
 - o Glasses, contacts
 - o Tanning
 - o Deodorant, toothpaste, toothbrush, shampoo & conditioner
- Monthly home need costs
 - o Laundry detergent, dish soap, window cleaner, etc.
 - o Paper towels, toilet paper, etc.
- Percent of Monthly Expense
- Graphic

Slide 17: Title Slide

- Slide should only have the title Personal Budget.

Slide 18: Budget Calculator

- Include suggested budget from "Budget Calculator"
- Include a Pie Chart of the suggested budget

Slide 19: Monthly Expenses

- Include your actual monthly expenses
- Include a pie Chart of the suggested budget

Slide 20: Budget Modification

- What changes did you make and why did you make them?
- Include a GRAPH of the suggested budget and your actual expenses together
- Be able to talk about biggest difference

Slide 21: Title Slide

- Slide should only have the title Conclusion.

Slide 22: What I learned

- What did you learn during this project?
- 1 Paragraph
- Graphic

Slide 23: Sources

- List of your sources used to create the PowerPoint

COMPLETING THE PROJECT

To complete the project, make any changes to your budget **THAT YOU CONSIDER NECESSARY** (not necessarily the changes your partner recommended). Type a summary of the changes you made, and why you made them. Summary should be at least **ONE** paragraph.

The completed project should contain the following:

Points Received

- **Personal Budget Research Worksheet ~30 Points**
 - All questions answered
 - All answers are in complete sentences
- **Monthly Expenses Spread Sheet and Pie Charts ~ 30 Points**
 - Budget Calculator spreadsheet
 - Budget Calculator Pie Chart
 - Monthly Expenses spreadsheet
 - Monthly Expenses spreadsheet
 - Comparison Chart for Budget Calculator and Pie Chart

- Recommendations that you made to your partner ~ **10 Points** _____
 - 1 Paragraph
 - Typed
 - Suggestions were relevant and supported

- Summary of the changes you made to your budget and why. ~ **10 Points** _____
 - 1 Paragraph
 - Typed
 - Changes were supported

- 2 Paragraph Conclusion - Meet the Following Requirements Below ~ **20 Points** _____
 - Include your Career Name and Yearly Salary
 - What did you learn about the career path you selected?
 - What did you learn about making a budget?
 - What did you learn about the actual cost of being an adult?
 - How does the "Budget Calculator and the "Monthly Budget" compare to each other?

Points Earned _____

Grade: _____

Comments:

Extra Credit Points

Points Received

- PowerPoint/Visual Presentation ~ 3 Slide Handout Sheets ~ **100 Points** _____
 - All Required Slides ~ 20 Points
 - All slides have all required information ~ 50 Points
 - Use of correct spelling and grammar ~ 10 Points
 - Easy to Read (Layout, Font, Color Scheme) ~ 10 Points
 - Creativity ~ 5 Points
 - Graphics ~ 5 Points

Points Earned _____

Grade: _____

Comments:

Submit all of your work in a folder given to you by Mrs. Moore.
 Also include this packet in your folder so it can be used for grading.