Well... How did I get here?

A personal finance project about two possible lives.
Part I: A. You will research the career you want to have:

- How much schooling do I need?
- Where will I go to school?
- How long will I be in school?
- How much will that cost?
- What will I owe when I leave?
  - You may award yourself one scholarship that it is reasonable to expect you will receive.
  - Assume that you will pay ALL costs, unless you turn in a signed statement from your parents that your estimates of family contribution are accurate. (See form).
- How much money can I expect to earn when I start working?
B. You will figure out where you will live.

- Think about where you might like to live.
- Research how much the cost of living is in that city.
- Consider that cost based on your projected income.
- Choose a place to live.
C. You will create a monthly budget for three situations:

1. You are single.
2. You are the breadwinner for a family of four, with one child in diapers and daycare.
3. You are the breadwinner for a family of four, with two teenage drivers and one student in college.

These budgets will be based on the place you chose to live in part B. Make sure that your budgets include accurate pricing for the area in which you choose to live.
C. (continued) Your budget will include:

- Food
- Housing
- Transportation
- Insurance
  - Renters/Home Insurance
  - Car Insurance
  - Medical
  - Life
  - Long Term Care
  - Disability
- Loan payments

- Savings
- Giving (charity, tithing, etc.)
- Clothing
- Entertainment (at least 2x/month)
- Gifts

When appropriate:

- Daycare, College, Children’s Activities, etc.
D. You will create a savings plan to meet the following goals:

1. Emergency Fund (at least nine months of expenses)
2. Retirement (see part E)
3. Goals you want to achieve
   a. Vacations/Vacation Home(s)
   b. Home Upgrades
   c. Expensive Toys (boats, RV’s, etc.)
   d. College for your Children
   e. Weddings for your Children
E. Retirement Plan

- How will you save for retirement?
  - 401K
    - Does your company match your contributions?
  - Roth IRA
  - Stocks/Bonds
  - Social Security

- What will your contribution schedule be? (How much will you contribute when?)

- How much will you need to retire?

- When will you retire?

You can assume a 7% rate of return on all investments.

And you are lucky—the market stays stable the entire time you are saving.
Presentation

- You will create a presentation with this information to share with the class.
- Your presentation will be 5-7 minutes.
- You must create a visual aid (physical or digital--slide show, tri-board, brochure for your classmates, etc.) for your presentation.
- You must submit a Works Cited page. This can be a final slide in your presentation or a separate document that you submit. It will be due on the day of your presentation.
Reflection

You will turn in a written reflection about this project.

- Is it worth it to go into debt for your college education? Why or why not?
- For what reasons do you need an emergency fund?
- Why do you need each of those kinds of insurance?
- What’s the advantage of starting to save for retirement early? (Hint: compound interest).
- Is saving at the suggested rate of 10% of your gross salary realistic for you right out of school? Why or why not?
- What new knowledge do you have as a result of participating in this exercise?
- What new knowledge surprised you the most? Why?
- How have your thinking about or plans for the future changed?
- What improvements would you make to this exercise for future classes?
Rubric

You will receive a test grade for each of the following elements. (This project is a big deal!) These test grades will be included in your Personal Finance grade on your transcript (in addition to your Edgenuity grade).

- Thoroughness/Validity of Information/Research and Works Cited
- Presentation Visual Aid
- Presentation Skills/Answering of Questions at Presentation
- Reflection

See the documents on Nerd Birds for the actual rubrics.
Helpful Sources:

http://www.rasmussen.edu/career-center/career-research-hub/salary-by-state/

http://salary.com/


http://smhsnerdbirds.weebly.com/

And, of course, your Edgenuity Personal Finance course....