

Name_____

Date_____Period _____

URL_____

Making Ends Meet Student Worksheet



Scenario

You have just received your diploma and are about to enter the real world. You will be given a career with a set income and your task is to create a realistic budget. An even bigger challenge is to live within that budget.

Task

A budget starts with knowing how much money you bring in each month. This is called your income. Expenses are the opposite of income. Money is spent on the things you need or want. Below are some basic categories of expenses. ***Your expenses need to be less than your monthly income. If not you will need to change your spending habits. Also, if your savings is not at least 5% of your income, you will need to adjust your spending habits.*** Checked items are mandatory.

- ☐ student loan payment (depending on career)
- ☒ basic health insurance
- ☒ housing
- ☒ utilities (10% of your rent or mortgage)
- ☒ transportation (car payment, insurance, gas)
- ☒ food
- ☐ phones (home, cell)
- ☐ cable
- ☒ clothing
- ☐ entertainment
- ☒ misc. (2% of your net monthly income)
- ☐ pet and pet supplies (optional)
- ☒ savings (a goal of at least 5% of your net monthly income)

Part One

Occupation

You will be assigned an occupation by luck of the draw. Fill in the sections below using the information on the Making Ends Meet website and the occupation cards given to you by your teacher.

Occupation_____

Annual gross income_____

Gross monthly income (income divided by 12)_____

Net monthly income (gross monthly income multiplied by 0.80)_____

Part Two

Housing

Choose a housing preference using the information on the Making Ends Meet website. Housing should be no more than 30% of your monthly net income. (0.30 multiplied by net monthly income)

How much money can you afford for housing? _____

Which housing option did you choose? _____

What is your housing cost ? _____

What percent is this of your net monthly income? _____

Utilities are 10% of your monthly housing costs. This includes gas, water, electric, and garbage collection. What is your utility cost? _____

Part Three

Transportation

Choose 3 different cars you would consider owning. One choice must be under \$15,000. You will have no money available for a down payment. Use the web sites given to calculate monthly payments.

<http://www.edmunds.com/edweb/loan/calculator.html>

Car	Price	Monthly Payment (5 years at 3.0% APR)

After entering car buying data in the final Excel worksheet, if you find you cannot afford a car, you may pay \$100 per month for use of public transportation.

Part Four

Flexible Estimated Expenses

Research on your own the possible monthly cost of these items. This can be done by using newspaper ads, the internet, or your parents.

Category	Monthly Cost
Food	
Clothing	
Home Phone	
Cell phone	
Cable	
Entertainment (movies, restaurant, events)	
Pet and pet supplies	

Part Five

Data Entry

During class enter the information you have collected into your Excel worksheet. Make adjustments to your spending if necessary in order to meet project goals

- Save 5% of your income
- Don't spend more than you earn

Part Six

Make a circle graph

Use the data from your Excel worksheet marked circle graph information to make a circle graph. Place the circle graph next to the data and print entire spread sheet with graph.