**CONGRATULATIONS!**



You just graduated from college and are living on your own...finally away from your parents!

This task will show you what the real world is really like when it comes to budgeting. You will get to do the following:

Pick your job

Decide where you will live

Pick out a car

Decide on cellphone, internet, television, and home-phone services.

Create a meal plan and go shopping

Pick activities to do when you're not working

**This is just like real life. Get ready to put yourself 10 years in the future...ready or not!**

**Job:**

Click on <https://www.bls.gov/k12/content/students/careers/career-exploration.htm> to estimate your average salary. Then figure out what your monthly paycheck will be by clicking on: <http://www.paycheckcity.com/calculator/salary/>

1. Choose the state you live in.

2. Type in your salary in the GROSS PAY section, the pay period is ANNUALLY.

3. Pay Frequency is MONTHLY.

4. # of Federal Allowances is **1.**
\*Keep everything else the same, scroll down, then press CALCULATE.
**The NET PAY is your monthly income.**

**Live:**

Decide if you are going to buy or rent a place to live after college. Typically most new grads rent a house or apartment. If you decide to buy a house you need to look at the estimated monthly payment under the price.

<https://www.zillow.com/mortgage-calculator/house-affordability/>

OR

apartments.com

OR

<http://www.rentals.com>

**Utilities:**

You must find an average cost of utilities for your apartment or house. You can search on the internet for this, but you must include average cost for:

1. Water
2. Sewage
3. Power
4. Gas
5. Trash

\*Some of these may be included in your rental fee. Be sure to mark if that is the case. Once you specify the average monthly cost for each utility, total what your utilities will be per month\*

**Car:**

Cars.com – You can afford a payment that is no more than 20% of your monthly income. Using a calculator, take your monthly income and multiply it by .20 to see how much you can afford.

Once you find a reasonable car that gets good gas mileage with minimal monthly payments – figure out your monthly payments [www.cars.com/car-loan-calculator/](http://www.cars.com/car-loan-calculator/)

Type in price of your car

The rest of the slots with dollar signs becomes 0.

The loan term stays at 36 months

The interest rate stays at 3.62%

Now go to <http://then.gasbuddy.com/GB_Price_List.aspx> and price out how much gas will cost you in a month. Figure you have to fill your gas tank once a week (4 weeks in a month). Find your city or state you are living in and find the average cost you are going to spend per month on gas.

**Price out insurance:**

* **Car Insurance:**

Go to <https://www.nerdwallet.com/blog/insurance/estimate-car-insurance/>

1. Put in the state you are living in
2. Mark that you are a good driver with a clean driving record and good credit
3. Your results will come up with a range – take the middle of the two costs they give you. For example the estimate cost per month is $34 to $78, you would figure your car insurance is $56 a month.
* **Renters Insurance:**

Go to <https://www.libertymutual.com/renters-insurance/renters-insurance-coverage>

1. Complete the renter’s insurance calculator to see how much renters insurance you need.

**Grocery list:**

Write your meal plan for a week. Include breakfast, lunch, dinner and any snacks. Include any meals you plan on eating out and where you plan on eating them. Now price everything, whatever your cost is for one week, multiply that by 4 and that is what your total grocery cost will be for the month. When you are writing your list, pretend like you are moving in with no supplies, food, snacks, etc. You need to purchase it all. Don’t forget to include other items you may need: toilet paper, Kleenex, dog food, razors, toothpaste, toothbrush, cleaning products, dish detergent, shampoo, dryer sheets, clothes detergent, etc.

Example (This does not include any snacks I may eat during the day):

Monday:

|  |  |
| --- | --- |
| Breakfast: | Yogurt, granola, coffee |
| Lunch: | Turkey sandwich with mustard and cheese, apple, popchips, poweraid |
| Dinner: | Tacos (tortillas, lettuce, shredded cheese, turkey meat, red onion, cilantro, salsa)Ice cream for desert |

Additional Grocery List:

* Toothpaste
* Toilet paper
* Kleenex
* Dishwasher detergent
* Hand soap
* Razor
* Deodorant
* Makeup
* Candy
* Etc, etc, etc.

Go to <https://www.amazon.com/grocery> and price it out for one week.

**Bills:**

1. Select a cell phone plan. List the carrier and plan and how much it will cost a month

2. Select a Cable TV plan in your area. List the company and price per month.

3. Select an Internet Provider and cost per month.

4. Select a home phone provider and cost per month.

**Paying for College:**

From your Should I charge it sheet, calculate how much you will pay a month in loans per month.

**Entertainment:**

List 4 things you would like to do on the weekend. Example: See a movie, bowling, museum, etc. Once you list the four things, price each out. You are not going to sit at home every weekend and not do anything, so try to be realistic. For example when I go to the movies I also buy medium popcorn, small drink, and box of Junior Mints. Price each activity out with those in mind.

**Clothing:**

You will need to purchase new clothes, including professional attire for your career. Allot yourself a certain amount of money each month for buying new clothes.

**Once you complete pricing everything out complete your personal budget worksheet. You must also complete my future packet with information regarding your budget.**