**Budgeting 101 Assignment**

Over the last few weeks, we have been looking over different aspects of budgeting. We understand how much it costs for groceries and car payments. We also understand the basics of how to budget.

Now you will have the opportunity to create a budget for your “future” selves based on the scenario you were given.

You will need to think of the following areas for your budget:

* Source of income – what job will you have? How does this job pay?
* Housing – where will you live?
* Transportation – new car/used car/public transit?
* Food – groceries/eating out?
* Utilities – are utilities included with your rent? If you own a house, it will be a separate cost
* Smartphone – what kind of plan will you have and with which provider?
* Clothing – how much will you need a month?
* Health care/Insurance – MSP costs
* Entertainment – Netflix subscription/concerts/movies
* Recreation – gym fees, lessons for dancing/martial arts etc
* Personal – haircuts, manicures, makeup, shampoo soap
* Other – charity/travel/furniture
* Savings for a rainy day

**Step 1: Find your career and calculate your net pay (take home pay)**

Based on the career that you choose – estimate your monthly take-home pay

Career Choice: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Annual Salary: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Source: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Annual Net Income – Take away 30%

 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Monthly Net income – (divide annual net income by 12)

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Step 2: Where will you live?**

The first choice you will need to make is whether you will rent or buy your place. Let’s look at some of the pros and cons of each option.

|  |  |
| --- | --- |
| Renting | Buying |
| Pros | Cons | Pros | Cons |

Now it is time to find your place. You will have to consider several factors when choosing your place:

* \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
* \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
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* \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Now it is time for you to go searching. Your budget for your place is 30% of your GROSS INCOME.

1. Title of your ad listing: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
2. What site did you find your place? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
3. Where is your place? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
4. Rent price: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
5. What is included with your rent?
* \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
* \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
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* \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Personal Profile** – you will paint a picture of the family you are building your budget for. Ideally, this would be a picture of where you think you would like to be in 15 years time (for when you are roughly 30 years old). This can be written in a paragraph or in point form.

**Description of family situation:** (your partner’s name, age, kids’ names and ages, how long you’ve been together, how long you’ve been a single parent, leisure interests)

**Detailed description of accommodation:** Where will you live? How far do you live from your work? Are there any schools in the area? Restaurants or shops nearby? What is the square footage? Are you renting or do you own a house?

**Detailed description of transportation:** provide details such as type & size of vehicle, whether it is new or used etc. Do you take public transit?

**Detailed description of career:** What is your career and your partner’s career (if you have one). Who is your employer? What is your gross salary? What is your monthly net income (assume that you take 30% off your salary for deductions)?

**Budget:** Using your personal profile and your own personal values to guide you, please complete the monthly budget below by doing your own research. Note – you may want to create your own template!

|  |  |
| --- | --- |
| **Income description**  | Estimated Amount  |
|  |  |
|  |  |
| Total Income  |  |

|  |  |
| --- | --- |
| **Expense description** | Estimated Amount  |
| **Housing** (Rent vs. Mortgage)  |  |
|  |  |
|  |  |
| **Utilities** (electricity, gas, heat)  |  |
|  |  |
| **Transportation** (If you own a car, don’t forget insurance, gas and maintenance costs)  |  |
|  |  |
|  |  |
|  |  |
| **Food** (Eating out & Groceries)  |  |
|  |  |
|  |  |
| **Savings** (what percentage of your income will you save?)  |  |
|  |  |
| **Communication** (Wifi, phone plan)  |  |
|  |  |
|  |  |
| **Recreation and Entertainment** (Gym membership, going for movies/concerts etc.)  |  |
|  |  |
|  |  |
|  |  |
| **Personal care** (hair cuts, personal hygiene products, laundry, clothing)  |  |
|  |  |
|  |  |
|  |  |
| **Total Expenses**  |  |
| **Surplus/Shortage**  |  |

**Budget Marking Scheme**

**Self Assessment:** After you have completed your assignment, please complete the self-assessment below.

|  |  |  |  |
| --- | --- | --- | --- |
|  | Fully Meeting and Exceeding Expectations  | Almost Meeting expectations  | Not Yet Meeting expectations |
| Personal profile | * Is detailed and provides a clear picture of the kind of family and life you will lead
 | * Most details about your personal profile are included but some are unclear
 | * Details are very vague

 /10 |
| Evidence of research /accuracy of budget | * There is clear evidence that research has been done for every budget item (e.g. including a list of cites or referencing companies for phone expenses/utilities)
* Budget items are well thought-out and fit the personal profile
* All necessary budget items have been included
 | * There is some evidence of research
* Some budget items are appropriate, but some are not appropriate for the personal profile provided
* Most necessary budget items have been included
 | * There is no evidence of research
* Budget items do not fit the personal profile at all
* There are many necessary items that have not been included in the budget
 |
| Organization/ Professionalism  | * All information is organized and is presented in clear, legible writing or has been typed up.
* There are no errors in punctuation/grammar/ spelling
 | * There are a few errors in the budget
* The budget is clearly written in pencil
 | * There is no evidence that the budget and/or personal profile was looked over.
* Poor organization, tough to read

 /10  Total /40 |

 /20

**Teacher assessment:**

|  |  |  |  |
| --- | --- | --- | --- |
|  | Fully Meeting and Exceeding Expectations  | Almost Meeting expectations  | Not Yet Meeting expectations |
| Personal profile | * Is detailed and provides a clear picture of the kind of family and life you will lead
 | * Most details about your personal profile are included but some are unclear
 | * Details are very vague

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| Evidence of research /accuracy of budget | * There is clear evidence that research has been done for every budget item (e.g. including a list of cites or referencing companies for phone expenses/utilities)
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 /10  |

 Total /40