

## **You've Graduated College..... NOW WHAT?!**

*For this project you are going to be planning out your monthly budget for when you have graduated from college. Remember that all of the following will be for AFTER COLLEGE.*

### **SALARY (post-tax monthly salary)**

- a. Research a job that you plan on going into and find the STARTING SALARY for that job. Use the bureau of labor and statistics website [http://www.bls.gov/oes/current/oes\\_nat.htm#00-0000](http://www.bls.gov/oes/current/oes_nat.htm#00-0000). When you find your job click on the link and use the 10% percentile wage as that will be closest to the national average for a starting position. Note that you cannot pick a job that you do not have the necessary education for. For example you cannot be a doctor with only an undergraduate degree. Determine the monthly income POST-TAX! (assume taxes are 28.8% of your monthly income)

### **COLLEGE LOAN (monthly cost)**

- b. Research the college you are planning on attending. Calculate the tuition for 4 years (include room and board if living on campus) or 2 years for a community college/tech college. A direct subsidized loan is a 10 year payback at 5.05% and the maximum you can take out is 50,000. If 50,000 will not cover it you can take out an additional UNSUBSIDIZED loan which is a 6.6% interest rate (it can be a 10, 15 or 25 year payback). Use the TVM solver to determine the monthly payments. Take out a subsidized loan FIRST because it won't accumulate interest while you are in college ☺

### **CAR LOAN (monthly cost)**

- c. Next, you will have to research getting a car loan. Find an actual car that you want to buy. Research current car loan rates by searching for "auto loan rates." Use the TVM solver on your calculator to determine what your monthly car rates will be. You can choose a payback of 3-5 years and you can choose to make a down payment or not

### **APARTMENT (monthly cost)**

- d. Now, you will research renting an apartment. Find an actual apartment that will match your needs for when you *graduate college*. If you cannot afford the full rent, you can get a roommate to split the rent with.

### **OTHER MONTHLY EXPENSES**

- e. Do some research to determine the monthly cost for the following budget needs. I have given you some information already

	MONTHLY COST	Where/How you determined the monthly cost
Cell Phone		
Internet		
Cable (or Netflix or other streaming services)		
Water	\$25	GIVEN
Electricity/Natural Gas	\$75	GIVEN
Car Insurance	\$100	GIVEN
Renter's Insurance	\$30	GIVEN
Health Insurance	\$125	GIVEN
Gas (for car)		
Food		
Entertainment/Personal		
Savings		

### **WHAT'S LEFT OVER**

- f. You must (no matter how small) have a positive balance at the end of the month. If you do not, then you need to make adjustments to be positive amount