

Name: _____

Date: _____

8th Grade Personal Finance Project

Go to Ms. Foy's website (Personal Finance Project) to choose a career, record the job and the salary.

Job Description _____

Gross Annual Salary _____

Section I. Income

You must determine how much money you will actually get from your job in order to determine your monthly budget.

Gross Income is the amount of money you earn before taxes and other deductions are taken from your paycheck. Write your gross annual income on blank #1.

Gross Annual Income \$ _____ 1

To find your gross monthly income, divide your annual income by _____
Find that amount and write it on blank #2.

Gross Monthly Income \$ _____ 2

To find your gross weekly income, divide your annual income by _____
Find that amount and write it on blank #3.

Gross Weekly Income \$ _____ 3

Net Income is the amount of money you will actually get to spend after the deductions are taken from your paycheck.

Gross Income minus Deductions = Net Income

Determine the amount of taxes the IRS (Internal Revenue Service) will be taking from your paycheck.

Subtract \$3650, for the basic standard deduction, from your gross annual income write that amount here _____ Use this amount to find your tax bracket below.

Tax Year:

Filing Status:

If your taxable income is between...	your tax bracket is:
<input type="text" value="0"/> and <input type="text" value="8,375"/>	<input type="text" value="10"/> %
<input type="text" value="8,375"/> and <input type="text" value="34,000"/>	<input type="text" value="15"/> %
<input type="text" value="34,000"/> and <input type="text" value="82,400"/>	<input type="text" value="25"/> %
<input type="text" value="82,400"/> and <input type="text" value="171,850"/>	<input type="text" value="28"/> %
<input type="text" value="171,850"/> and <input type="text" value="373,650"/>	<input type="text" value="33"/> %
<input type="text" value="373,650"/> and <input type="text" value="above"/>	<input type="text" value="35"/> %

If you earn \$_____, your tax is _____% or decimal form_____

Multiply your Gross Annual Income (minus the \$3650) by your tax rate and find your annual tax.

Write the amount of your annual tax here _____

However there are other deductions. For the purposes of this project you will need to find the following deductions:

FICA Social Security 6.2% up to \$97,500 in gross earnings
 Medicare 1.45% no limit on gross earnings

To find Social Security tax:
 Gross Annual Income _____¹ (Use \$97,500 if your income exceeds this amount)
 x 6.2% = _____

To find Medicare tax:
 Gross Annual Income _____¹
 x 1.45% = _____

Gross NJ State Income Tax

For the 2010 tax year, the gross income tax rates will revert to the rates for tax year 2008.

To find NJ State Tax (Gross – exemption \$1,000 = Taxable wage)

Gross Annual Income	_____ ¹
- \$1,000	
Taxable wage	_____

Go to Ms. Foy’s website (Personal Finance Project) and use the tax table to find the amount you owe based on your taxable wage.

Note: There are two tax tables. Choose the one that applies to your salary.

Write the amount you found on the tax table here: _____

To figure out your Net Annual Income, subtract the deductions below:

Gross Annual Income	_____ ¹
-Annual Tax	_____
-Social Security	_____
- Medicare	_____
-NJ State Tax	_____
= Net Annual Income	_____ ⁴

To find your net monthly income, divide your net annual income by _____ Find that amount and write it on blank #5.

Net Monthly Income \$ _____⁵

To find your net weekly income, divide your net annual income by _____ Find that amount and write it on blank #6.

Net Weekly Income \$ _____⁶

Section II. Expenses

RENT

Net Monthly Income _____⁵

Type of apartment in Voorhees: (Choose one)

- | | | |
|---|-----------|--------|
| <input type="checkbox"/> Studio/1 bath | 570 sq ft | \$ 850 |
| <input type="checkbox"/> 1 Bedroom/1 bath | 720 sq ft | \$ 980 |
| <input type="checkbox"/> 2 Bedroom/1 bath | 920 sq ft | \$1080 |
| <input type="checkbox"/> 2 Bedroom/2 bath | 980 sq ft | \$1200 |

Approximate square footage of your apartment _____

Write the amount for rent on your spreadsheet on page 8.

To calculate your monthly utilities (gas and electric), use the following guidelines:

If the square footage of your apartment is	0- 600	then use \$75
	601- 750	then use \$90
	751- 950	then use \$100
	951-1100	then use \$125

Write the amount here _____, then enter this amount on your spreadsheet on page 8.

Car payment

You will need to choose a new or a used car.

Go to Ms. Foy's website (Personal Finance Project Expense Links) to find the cost of a new or used car.

- For **USED** cars use 4.6% interest with financing for 3 years or _____ months.

Enter the cost of the used car amount here _____

- For **NEW** cars use 4.1% interest with financing for 4 years or _____ months.

Enter the cost of the new car, MSRP (Manufacturer Suggested Retail Price), amount here _____

Fill in the following information about your car:

Type of car _____ Year _____
(i.e. Ford Mustang) (e.g., 2007)

Enter the MPG (miles per gallon) of your vehicle here _____ (city)

NJ sales tax

[Next, you need to pay NJ sales tax on your car.](#)

To find NJ Sales Tax multiply 7 % times the cost of the car, enter that amount here _____

Add the sales tax amount to the cost of the car and write that amount here _____ This is the new cost of the car.

Subtract \$1,000 (your down payment) from the cost of the car
Write the new total here _____

This is the amount you will finance.

Finance your car

This option gives you the opportunity to buy a car now and repay the cost later or over a period of time.

Take the amount that you will finance and multiply that by the interest rate and the time in years ($I=PRT$). Write the amount of interest here: _____ .

USED cars use 4.6% interest and **NEW** cars use 4.1% interest

Add your finance charge to the cost of the car to get the total cost of the car.

_____ (The amount you will finance)

+ _____ (Interest amount for financing your car)

= _____ *Total cost of the car including sales tax and financing.*

Divide the total cost of the car by _____ months. The result is your monthly car payment. Write that amount here _____

Write your car payment amount into your spreadsheet on page 8.

Car Insurance: To determine your annual premium:

Insurance Rating Group (based on the value of your car). Choose one.

<input type="checkbox"/> 10	< \$5,000
<input type="checkbox"/> 11	\$ 5,001 - 15,000
<input type="checkbox"/> 12	\$15,001 – 35,000
<input type="checkbox"/> 13	\$35,001 – 60,000
<input type="checkbox"/> 14	\$60,001 – 85,000
<input type="checkbox"/> 15	>\$85,000

Age Group You choose Group A.

<input type="checkbox"/> A	17 – 24
<input type="checkbox"/> B	25 – 60
<input type="checkbox"/> C	>60

Annual Liability Premium

The chart shows 25/100, which means a limit of \$25,000 if you are injured and a limit of \$100,000 if anyone else is injured. You must choose one.

Property Damage Limits

Bodily Injury Limits

	25/100	50/100	100/300	300/300
\$25,000	\$339	\$349	\$394	\$436
\$50,000	\$346	\$364	\$403	\$445
\$100,000	\$358	\$377	\$414	\$457

Enter that amount here _____

Collision and Comprehensive Premium

Collision pays for damage to your car caused by a collision with another car or object such as a telephone pole. Comprehensive pays for damages caused by fire, vandalism, theft, and just about any cause other than collision.

Coverage Age Group

Insurance Rating Group

		10	11	12	13	14	15
Collision	A	\$256	\$277	\$299	\$320	\$342	\$363
\$500	B	\$244	\$263	\$284	\$304	\$325	\$345
Deductible	C	\$223	\$242	\$260	\$279	\$297	\$306
Comprehensive	A	\$80	\$86	\$99	\$113	\$127	\$142
\$500	B	\$68	\$82	\$94	\$107	\$121	\$134
Deductible	C	\$62	\$73	\$86	\$97	\$110	\$122

Calculate car insurance here:

Enter Limits _____
 Enter Collision + _____
 Enter Comprehensive + _____
 Total Car Insurance annual premium = _____

Total/12 = monthly payment _____

Write your monthly car insurance amount into your spreadsheet on page 8.

Section III EXCEL Spreadsheet

Net monthly income _____⁵

Monthly Expenses	Dollar Amount per month	Percentage of Net Monthly Income
Health Insurance	_____275_____	_____
Rent	_____	_____
Car Payment	_____	_____
Car Insurance	_____	_____
Gas	_____	_____
Utilities (electric, water, gas, sewer)	_____	_____
Food	_____	_____
Clothing/Furnishings	_____	_____
Entertainment	_____	_____
Savings/Emergency Fund	_____	_____
Cell Phone	_____	_____
Cable TV and Internet	_____	_____
Other:	_____	_____
<u>Total</u>	_____	_____
	(Autosum)	(Autosum must = 100%)

Setting Up Your Excel Project

Directions for saving file to your portfolio:

1. Open Microsoft Excel.
2. Click Save as.
3. Make sure you are in the H drive.
4. Click Portfolio.
5. Click Grade 8.
6. Save file as: Personal Finance Project.

Directions for creating spreadsheet & pie chart:

1. Rename Sheet 1 to "Spreadsheet"
2. Rename Sheet 2 to "Pie Chart"
3. Create your spreadsheet using the diagram below. Adjust the column width of the cells accordingly.

	A	B	C	D	E	F	G	H	I	J	K	L	M
1	Net Monthly Income												
2													
3	Monthly Expenses	Dollar Amount Per Month	Percentage of the Monthly Income										
4													
5	Health Insurance												
6	Rent												
7	Car Payment												
8	Car Insurance												
9	Gas												
10	Utilities												
11	Food												
12	Clothing/Furnishings												
13	Entertainment												
14	Savings/Emergency Fund												
15	Cell Phone												
16	Cable TV and Internet												
17	Other												
18	TOTAL												
19													
20													
21													
22													
23													
24													
25													
26													
27													
28													
29													
30													
31													
32													
33													
34													
35													
36													
37													
38													
39													

4. Type your net monthly income in cell B1.
5. Type in your monthly health insurance amount in B5.
6. Select data from cells B5-B18 (highlight). Click AutoSum (right hand corner of the page-Σ). You should see your total appear in cell B18. *This will help you keep track of how much you are spending so you do not exceed your net monthly income.
7. Type the corresponding amounts in cells B6-B17.
8. Go to cell C5. Type $=B5/BS$1$. Drag the box down to cell C17. You should see a list of decimals. Click the percent symbol (%) at the top/middle of the screen.
9. Click AutoSum. Your total should be 100% (in cell C18).

Directions for creating pie chart:

1. Select data from column A and B cells 5-17 (highlight). Click the insert tab at the top of the screen. Choose pie chart and click on the first one. A pie chart should appear on the screen.
2. Make sure you are in the Design tab. Click on chart layouts at the top of the screen. Choose Layout 6.
3. Click Move chart (right hand corner of screen). Choose Pie Chart and click okay.
4. Give your chart a title. (For example: Personal Finance Project)
5. Adjust the size of the pie chart if necessary.
6. SAVE.

Directions for linking spreadsheet to portfolio:

1. Open PowerPoint
2. Open Portfolio
3. Scroll down to 8th Grade Math.
4. Insert textbox.
5. Write a narrative about this project.
6. Create a hyperlink for your project. Type "Click here to see my *Personal Finance Project*." Highlight *Personal Finance Project* and right click. Click hyperlink. Choose your Excel Personal Finance Project file.
7. SAVE.

Personal Finance Project

Name:

Teacher:

Class:

	Content	Possible Points	Self-Score	Score
Section I: Income	Student completed pages 1-3 of the packet. All blanks are filled in and information is correct. One point will be given for each correct response.	28		
Section II: Expenses	Student completed pages 4-7 of the packet. All of the blanks are filled in and information is correct. One point will be given for each correct response.	24		
Section III: Technology	Student recorded net monthly income and dollar amount per month for gas, food, clothing/furnishings, entertainment, savings/emergency fund, cell phone, cable TV and internet, and other on page 8.	9		
	Student converted dollar amounts to percentages on page 8.	13		
	Student's spreadsheet has a title and column headings.	2		
	Student calculated total using AutoSum.	1		
	Student renamed sheet 1 to "Spreadsheet"	1		
	Student renamed sheet 2 to "Pie Chart"	1		
	Student selected data on spreadsheet and created a pie chart.	2		
	Student chose a chart layout and design.	2		
	Student's pie chart includes a title.	1		
	Student's pie chart includes categories.	1		
	Student's pie chart includes percents.	2		
Total:		87		