

Living on a Budget

Directions: Use *Career Outlook* information to estimate a monthly budget based on potential salary, college loans and living expenditures.

The budget estimates listed in the *Career Outlook*, page 63, are the general expenditures that most will need to consider when budgeting their income.

1. **Annual College Cost** (see pg. 63) times **years of college attended** equals the **Total Cost of College**:

$$\frac{\text{Annual College Cost}}{\text{Annual College Cost}} \times \frac{\text{years of college attended}}{\text{years of college attended}} = \frac{\text{Total Cost of College}}{\text{Total Cost of College}}$$

2. Based on the **Total Cost of College** of college, approximately how much money will you need to save or borrow to attend college and complete a degree program?

\$ _____

3. Choose an occupation from pages 28-46.
What is the **Annual Entry-Level Wage**: \$ _____

4. **Multiply** the **Annual Entry Level Wage** by 80% to determine **Net Wages/Take Home Pay**. The other 20% represents taxes and other expenditures taken out of the gross salary.

$$\frac{\text{Annual Entry Level Wage}}{\text{Annual Entry Level Wage}} \times 80\% = \frac{\text{Net Wages/Take Home Pay (Annual)}}{\text{Net Wages/Take Home Pay (Annual)}}$$

5. **Divide** the **Take Home Pay** by 12 months to calculate the **Monthly Available Income**:

$$\frac{\text{Net Wages/Take Home Pay}}{\text{Net Wages/Take Home Pay}} \div 12 = \frac{\text{Monthly Available Income}}{\text{Monthly Available Income}}$$

MONTHLY EXPENDITURES

	Expenses	Monthly Total
Home	Rent/mortgage	\$
	Utilities (electricity, gas, etc.)	\$
	Internet/cable/home phone	\$
	Home repairs and maintenance	\$
	Groceries	\$
	Laundry/dry cleaning	\$
Bills	Student loans	\$
	Credit cards	\$
	Car payments	\$
	Insurance (car, homeowners, etc.)	\$
	Cell Phone	\$
Transportation	Public transportation/taxis	\$
	Gas	\$
	Parking	\$
	Car repairs and maintenance	\$
Health	Prescriptions	\$
	Doctor appointments	\$
	Gym membership	\$
Personal	Entertainment	\$
	Gifts/special occasions	\$
	Travel	\$
	Dining out	\$
	Clothing	\$
Miscellaneous		\$
	Total Monthly Expenses	\$
	Total Monthly Income	\$
	– Total Monthly Expenses	– \$
	= Total Savings	\$

Reflection: What expenses could be reduced if you need more flexibility in your monthly budget?
