

Attached you will find everything you need to help you complete the Finance Project, which will count as your final exam. **The entire project is due on/before May 16th, 2015. NO EXCUSES!**

If part of the project asks you to write a paragraph, then you should *type* a COMPLETE paragraph comprised of at least 5 sentences. Any responses given in this project must use correct, standard English. Responses may NOT include slang, shorthand, or spelling and grammar that you would use in texting.

This project will entail some research on your behalf, outside of our classroom time. If internet access is not available at home, the library is available. You have plenty of time to seek a computer before this is due.

A rubric is attached at the end of the project. You may review it to become familiar with how you will be graded.

The final project should be in a report folder or hole-punched in a folder with fasteners.

Research Salary-Comparing 3 jobs

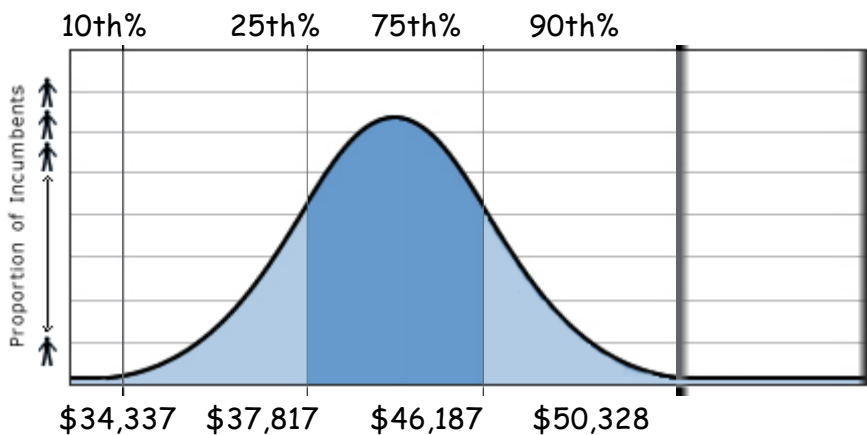
Your task is to complete a table just like the one you did in SAS 1 for Kafi. In this activity, you will choose three different jobs with different pay. Use the other page that gives the requirements for each of the three jobs. Here are a few websites you can use, indeed.com, payscale.com, simplyhired.com, and salary.com. You may use any other sites that you find. You are encouraged to explore the different kinds of careers at the websites that may interest you as you work through this activity sheet. **You must choose salaries that are entry level.** No one with little to no experience starts off at the median salary or average salary for a job.

In the first job (Job 1), you will work 40 hours a week in an hourly wage position (retail, customer service, a daycare, etc...) You select the place where you want to work, and you can choose any hourly wage up to \$12/hr. If you are already making more than \$12/hr in a job, then tell your teacher if you plan to keep it after you graduate from high school. If you plan to work in a restaurant waiting tables, then your salary will depend on the kind of restaurant in which you work.

In the second job (Job 2), you will select a career that requires some work experience and/or some prerequisite training, but **not** a 4-year college degree. There are several options for you to choose from:
 a) If you already have made arrangements for this kind of work through your network of family and friends, then communicate this fact to your teacher. For example, you may have an uncle who owns a towing company, and he may give you a job earning \$15/hour driving a tow truck after some training.
 b) You can attend Chattahoochee Tech and pursue coursework for a specific job. For example, suppose you wanted to work in a medical lab as a technician. You can pursue a 2-year degree at Chattahoochee and then get a job at a hospital. The graph below shows that you would most likely start at \$34,337 a year if you were able to find work. Notice your pay starts at the left end which is entry level.

Medical Laboratory Technician - U.S. National Averages

Base pay only



In the third job (Job 3), you will select an entry-level position in the field of your choosing after earning a 4-year college degree. The April 2012 issue of [NACE's Salary Survey](#) shows the overall median offer to a bachelor's degree graduate is \$44,928. For this reason, **do NOT select a job that pays more than \$50000 a year.**

Please do not think that you will have a 4-year degree and make more than \$50,000. Many professions

require more than 4 years of college, so do not say I am going to be an attorney, doctor, physical therapist, etc because they require more than a 4-year degree. Even if you are not planning on attending college right now, you must complete Job 3. You may decide to attend school at a later time. This is a project to inform you of options and to offer you a glimpse of realistic situations.

Research Salary-Comparing 3 jobs

Salaries ---Use Unit 6 SAS 1 to help you complete the table.

Job 1 Hourly wage

Taxes - Social Security (6.2%), Medicare (1.45%), Federal income tax (15%), state income tax of 2%.

You will take vacation - 5 days per year. Job 1 does not provide paid vacation days.

You average 3 sick days per year. Job 1 does not provide paid sick days.

You will get health insurance. Health Insurance - \$80 per month

You will get life insurance. Life Insurance - \$25 per month

You want to contribute to your retirement plan. Retirement plan -\$50 per month

Job 2 Experience/Training

Taxes - Social Security (6.2%), Medicare (1.45%), Federal income tax (15%), state income tax of 3%.

You will take vacation - 10 days per year. Job 2 does provide paid leave for one week (5 days).

You average 3 sick days per year. Job 2 does provide paid sick leave.

You will get health insurance. Health Insurance - \$80 per month.

You will get life insurance. Life Insurance - \$25 per month

You want to contribute to your retirement plan. Retirement plan -\$100 per month

Job 3 4 year degree

Taxes - Social Security (6.2%), Medicare (1.45%), Federal income tax (15%), state income tax of 3%.

Vacation - 10 days per year. Job 3 does provide paid leave for 2 weeks.

You average 3 sick days per year. Job 3 does provide paid sick leave.

You will get health insurance. Health Insurance - \$80 per month.

You will get life Insurance - Job 3 provides paid life insurance.

You want to contribute to your retirement plan. Retirement plan -\$100 per month

Research Salary-Comparing 3 jobs

Row NO.	Job	Job 1 hourly wage	Job 2 Experience/Training	Job 3 College Degree
1	Title of Job			
2	Income Information			
3	Process			
4	Gross annual income			
5	Process			
6	Gross monthly income			
7	Process			
8	After-tax monthly income			
9	Process: Vacation			
10	Process: Sick leave			
11	Process: Health insurance			
12	Process: Life Insurance			
13	Process: Retirement Plan			
14	Monthly take-			

	home income			
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Reality Check

1. Go to www.texasrealitycheck.com
2. Select option: Click 1 Reality Check
3. Choose Austin (comparable to metro Atlanta) as the city to live.
4. Choose a housing option (**do not click on living at home**) and then click on NEXT at the bottom of the page.
5. Choose EVERY utility option except home phone on the utilities page and then click on NEXT
6. Choose one of the food options that best describes your spending habits and lifestyle and then click on NEXT
7. Choose a transportation option (**do not choose human power**) and then click on NEXT
8. Choose one of the clothes time options that best describes your spending habits and lifestyle and then click on NEXT at the bottom of the page.
9. Choose one of the "health insurance" options and the dental option.
10. Choose the personal upkeep option(s) that best describes your spending habits and lifestyle (you may pick more than one) and then click on NEXT at the bottom of the page.
11. Choose the entertainment option(s) that best describes your spending habits and lifestyle (you may pick more than one) and then click on NEXT at the bottom of the page.
12. Choose the miscellaneous option that best describes your spending habits and lifestyle and then click on NEXT at the bottom of the page.
13. Choose one of the savings options to help with unexpected expenses and then click on NEXT at the bottom of the page.
14. Choose the student loan option that best describes what you will do after high school and then click on the type of college/university.
15. A total expenses budget will then come up. You will copy this page to a word document (highlight the whole page - Ctrl A and then copy it into Word - Ctrl V). Save this or e-mail this to yourself.
16. **Print this budget along with a one paragraph summary of your findings of salaries from 3 jobs and reality check.** In this paragraph you should compare and contrast your three salaries with this initial budget that you generated from reality check. Your summary should be on the same page as your reality check budget.

One-time Investment

You receive \$1500 from friends and family for graduation. You decide to be smart with your money and invest it in a CD (Certificate of Deposit), an MMA (Money Market Account) or a savings account.

1. You can go to bankrate.com and click on Retirement then go to center of page to look at CD, MMA, or savings account or you can go to a different website to obtain the information.
2. Choose an institution with whom you would like to invest.
3. Fill in the table. (You choose how long you want to invest your money - as long as it is **AT LEAST 5 years** to make your investment worthwhile).
4. Type a paragraph including how much money you will have at the end of your investment. Also, explain why you would or would not choose this investment again and what might give you a better return on your investment. Don't forget to list sources.

	Definition of Variable	Value
N	Number of compounding periods per year	
I%	Annual Interest Rate	
PV	Present Value	
PMT	Amount of each regular payment	
FV	Future Value	
P/Y	Payments per Year	
C/Y	Compounding periods	

Vacation

By the end of this activity, you will have done the following:

1. Researched a dream vacation that you would like to take.
 - a. destination
 - b. duration
 - c. total cost
 - i. plane fair
 - ii. cost of gas
 - iii. hotel
 - iv. tips
 - v. entertainment
 - vi. meals
 - vii. etc
2. Go to bankrate.com and click on Retirement, then go to center of page to look at CD, MMA, or savings account. (You can choose to use a different website.)
3. Choose an investment with whom you would like to invest that is **compounded monthly**.
4. Fill in two different TVM solver tables for the two scenarios listed below.
 - a. First one: You want to take your vacation in five years. How much will you have to put into your account each month to take the vacation when you want to?
 - b. Second one: You know you can put \$75 into your investment each month. How long will you have to wait to go on your vacation?

Write a paragraph comparing the two scenarios. Don't forget to list sources AND provide proof of vacation (may want to cut and paste ads or different sources).

Scenario 1

	Definition of Variable	Value
N	Number of compounding periods per year	
I%	Annual Interest Rate	
PV	Present Value	
PMT	Amount of each regular payment	
FV	Future Value	
P/Y	Payments per Year	
C/Y	Compounding periods	

Scenario 2

	Definition of Variable	Value
N	Number of compounding periods per year	
I%	Annual Interest Rate	
PV	Present Value	
PMT	Amount of each regular payment	
FV	Future Value	

P/Y	Payments per Year	
C/Y	Compounding periods	

Car Purchase

1. Find a vehicle that you would like to purchase and copy/print the proof of the sticker price.
2. a. Go to bankrate.com or another website.
If you use bankrate.com, then follow steps b through d.
 - b. Find the box to the right called "Overnight averages" and click on auto. Type in your zip code to search for an auto loan.
 - c. In the Product box on the right of the page that comes up, check the boxes for 48 month new car loan and 60 month new car loan and click on update.
 - d. Select a bank that offers both kinds of loans and record the interest rate for each loan. Choose a loan that has no fees.

The interest rate must be the same as well as the compounding periods. Assume that the compounding period is monthly if it is not given.

60 months

48 months

	Definition of Variable	Value
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C/Y	Compounding periods	

	Definition of Variable	Value
N	Number of compounding periods per year	
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- a. How much money did you actually pay the bank for each loan?
- b. How much more money did you pay the bank when you took out the loan for the extra year?
- c. How much money could you have saved for each option, if you just paid for the car in cash?

Present Value (one lump sum)

1. Choose an amount of money that you would like to have when you retire (at least 6 figures).
2. Go to bankrate.com or another website and find an investment that you will invest in (an IRA, 401K, annuity, mutual fund, etc)
3. On this document below the chart, type the amount you want to have at retirement, the name of the institution, type of investment, the interest rate, and the compounding periods. Use the TVM solver on your calculator to complete the table below.
4. PROFESSIONALLY complete the given table regarding your investment.
5. Put your table of values into the calculator and find the regression equation and **give your regression equation.**
6. Include a graph of your regression equation.
7. Include a paragraph explaining what your table and graph mean.

Years money is invested	Present Value needed for your investment
0	
20	
25	
30	
35	
40	

Regression Equation:

Graph:

What does the table and graph mean?

Annuities, waiting to invest (Future Value)

1. Choose an amount of money from \$50 to \$100 per month.
2. You will invest in an annuity/mutual fund/IRA/401k of your choice (from bankrate.com or another website) that is compounded annually, quarterly or monthly.
3. Type the information about your annuity on this page (amount invested per month, name, interest rate, compounding period, etc). Give a source. Type this below the chart.
4. Complete the given table regarding your investment.
5. Include a paragraph about what you calculated and realized about this investment. Write the paragraph below this chart.

Person's age	Years a person invests	Future Value
18	50	
28	40	
38	30	
48	20	
58	10	

Credit Card Payoff

Major Credit Card Purchase and Payoff

- Find a credit card offer online or one that has already been sent to you.
- Give the credit card company and the APR (interest rate) Do not give an introductory rate of 0% or any intro rate. Give the rate for after the introductory rate ends (may require reading the fine print).
- Research a major purchase (any purchase greater than \$1000) and provide proof (cut paste advertisement into word document)
The major purchase cannot be a car, housing, etc.
- Assume that you can only pay 5% of the purchase price each month. Calculate the monthly payment.
- Create an amortization table from using some of the information found from above. Print the table.

Answer these questions on the word document with the credit card information and proof of your purchase.

1. How long will it take you to pay off the credit card?
2. How much did you actually pay for the purchase?