Student Directions for "Getting Rich?"

Becoming rich is the American dream, but is it possible for everyone? This project will help answer that question. To fulfill the task below, you must create a video explaining the collected information incorporating relative images, data, people, events, and investments. You must show numbers and data. The video must not exceed 10 minutes. You MUST submit the video to me in person via flash/thumb drive.

A. Select an occupation.
B. Write a personal profile that contains answers to the following questions:

1.What kind of work do you do? What education or special training does your job require? Describe a typical workday. Learn more about your occupation by interviewing someone who works in the occupation or read about your occupation in *The Dictionary of Occupational Titles*, or *Working* by Studs Terkel.

3. What is the average salary range for your job? You may refer to the current *Occupational Outlook Handbook* for information.

4. How much money do you earn annually? Assume that you are twenty-eight years old and have been working at this job for between five and eight years. Be sure to identify the source of this information.
This is the creative part of the project. Describe your life-style. How do you spend your spare time (e.g., hobbies, activities, special obligations)?

C. Prepare a personal budget that includes the following information:

1.Now that you know your annual income, you need to talk to your most important and knowledgeable resource-your parents or guardians. Using the categories we've established in class and suggestions from your parents or guardians, prepare an annual budget. Remember to include all taxes-federal, state, and local-in your estimations. Don't forget to calculate deductions for F.I.C.A. Using the standard tax tables, available at your local post office, you can calculate your tax liability.

Define gross pay, net pay, and discretionary income. Visit the website below to determine your net pay; use 6% for the Georgia Tax Rate.

http://www.calculator.net/take-home-pay-calculator.html

2. Compute your discretionary income, i.e., the money you have available to spend or invest after you have deducted your taxes and basic necessities (food, housing, medical costs, etc.).

Research and write the average monthly cost for the following:

Rent/Mortgage (Specify rent or mortgage. The mortgage amount researched will not include taxes and insurance, so add 15% of the mortgage to the monthly payment).	
Car Note/Public Transportation If you choose not to have a car, research the monthly cost for public transportation.	Average American monthly car note is **$479**
Gas for car	
Car maintenance (oil, changes, brakes, air conditioning, tires, etc.)	
Car Insurance	
Electricity	
Natural Gas	
Water	
Cell Phone	
Land line phone	
Internet	
Food	
Clothing (new clothes/washing/cleaners)	
Recreation/Travel/Entertainment (movies, eating out, traveling,	

amusement parks, books, video games, arts & crafts, etc)	
Monthly savings (retirement)	
Savings	
Healthcare (this amount also includes doctor's visits, emergency visits, etc.)	**$250**
Personal items (deodorant, toothpaste, soap, hair, make-up, haircuts, hair do's, etc.)	
Student Loans/Trade school loans	
Credit Cards/Department Store Cards	**$140**
Total	

To calculate your student loans, use the calculator here: http://www.bankrate.com/calculators/college-planning/loan-calculator.aspx. Be sure to total the amount for undergrad, masters, and doctoral degree.

D. Preparing your investment portfolio comes next. How can you use your disposable income to earn money? What are your investment goals? Do you want to buy a house? Prepare for your retirement? Finance a college education? Begin by deciding how you want to use the money you accumulate, then think about how much risk you can tolerate (some investments entail more risk than others). Your investment portfolio may include stocks, bonds, certificates of deposit, mutual funds, real estate, precious metals, or works of art.

1. You need to keep a list of all purchases and explain your reasons behind each investment decision. You must use and cite at least two sources of financial information to help explain your decisions. You may use any two of the following sources: *Standard and Poor's Stock Market Encyclopedia*, *The Wall Street Journal*, *Investors Daily*, *Barrons*, *The New*

York Times Business Section, *Money*, *Fortune*, *Business Week*, "Adam Smith's Money World," and "Wall Street Week." Keep careful records of your investments and transactions: you must note the date of each purchase, the specific item purchased, and the purchase price. Remember to add a 2 percent broker's commission to the cost of your stock purchases. You may change your investment decisions at any time, but you must give an explanation for each decision.

2. Stock and bond prices fluctuate daily and you will need to keep track of price changes by graphing them. The final graph must be submitted with your conclusion. Have current events had an effect on your stocks or bonds? Pay attention to articles in the newspapers. Remember political events can have an economic effect.

3. Your investment portfolio is due at the end of week eight.

E. It's time to see whether you are likely to become "rich."

1. Did you have an opportunity to become "rich"? Will you become "rich" in the near future? Explain your response.

2. How well have your investments performed? Have any external factors contributed to the growth or decline of your investments?

3. How would you evaluate your financial position now? Would you make the same investments again? Why?

4. See the Quia calendar for due date.

References

The Dictionary of Occupational Titles. 4th ed. Lanham, Md.: Bernan Press, 1991.*The Occupational Outlook Handbook*. Washington, D.C.: U.S. Department of Labor, annual. *Standard and Poor's Stock Market Encyclopedia*. New York: Standard and Poor, annual.Terkel, Studs. *Working*. New York: Random House, 1974.

Suggestions: Other than me, you may find the media center, your parents/guardians, and your other instructors to offer great input and direction.