

AP US Government/Economics Budget Assignment

Every student is to complete the budget document, yearly and monthly values, **making sure to have at least 10% of disposable income (\$2500/year) in the savings line.**

For any periodic expenses that are not monthly, calculate a prorated monthly amount that will add up to the periodic expense.

Students will find a help wanted advertisement on indeed.com, careerbuilder.com, dice.com, linkedin.com, monster.com or in a newspaper, and either **cut it out or print it to attach to the assignment.** The job must be an unskilled job that earns about \$13.02 per hour (\$25,000 per year, assuming 240 8-hour days). Monthly wage will be calculated based on approximately 20 working days per month.

State income tax will be calculated at 9%, and Social Security/Medicare withholding is 7.65%. There is also a Lane Transit District tax for almost all employees of .0073 (0.73%). Generally, students who are close to \$25,000 in income can use the numbers provided in class (see board).

Students will find an ad for a living arrangement, using the newspaper or online ad sites such as Craigslist. ALL STUDENTS must assume they will pay to live independently, not for free with family or friends or under a bridge. If purchasing a house, identify any co-purchasers and use the posted rates for calculating a house payment. The interest rate is too high on the posted rates, but mortgage insurance is not included, so just use the posted rates. You may divide rent/payment and utilities expenses between roommates, as long as each roommate has their own bedroom. **Cut out or print/copy the ad and attach to the budget document.**

Students will find an ad for a vehicle or pay \$50 per month for bus transportation. Use the posted rates in the room for a car payment, if needed. ALL STUDENTS must assume they will buy a car or take the bus, even if you currently have your own car (Sorry, your transmission just blew up and you have to buy another one). **Print and attach your ad to the budget document.**

Fill out the budget document completely. When you are finished, your total budgeted expenses must be identical to your disposable income. You may adjust miscellaneous expenses to make this come out exactly. You may **not** decrease savings.

This is a two-day assignment.

