How will I pay for this?

Life is Expensive!
Discovering the real cost of living
ou can’t wait to be free and on your own, can you? Well, the words on your own and free don’t really go together — not when you’re paying the bills. As it says throughout this study guide, Life is expensive!

Make no mistake: Being an adult is cool, and you can keep dreaming about making it in the big world. Just think of this as a reality check.

To learn about life as an adult, let’s take a trip to grown-up land, where you can watch movies all night long (if you can afford the movie channels), eat whatever you want (depending on how many mouths you’re feeding), and travel to strange lands (like the boss’s office, a mortgage company, and the refrigerator repair shop).

As you work through this guide, imagine that you’re 28 years old. You’ll be able to make some choices in Life, but as in the real world, some things are out of your control.

This is not a game to win or lose by making the most money. Students who learn from making realistic choices and playing by the rules will come out ahead in life, if not in this exercise.

Use the worksheet in the center of this guide, but make sure you write in pencil. Things change in Life, you know.

Finally, in this exercise, you’ll use the newspaper as a tool for information and saving money. It’s a good habit to get into for real life.

Have fun growing up — fast!
So, what do you want to be when you grow up? It's a common, but important question. Your choice of careers — and how hard you work — can be the difference between earning $15,000 and $15,000,000 a year. Let's take a look at what goes into choosing a career.

**Abilities:** Many people choose careers according to their abilities, whether they're creative, persuasive, or good with numbers. Most abilities don't point to just one profession, but identifying your skills will allow you to rule out a lot of occupations. (Forget about being a brain surgeon, for example, if you're all thumbs.)

List two abilities — things you're good at — that might shape your career:

________________________________________________________________________
________________________________________________________________________
________________________________________________________________________

**Needs:** Another part of figuring out what you want to be is knowing what you want — and need. If making a lot of money is your top goal — whether you need lots of money to raise a large family or you simply want to be rich — you might consider becoming, say, a neurologist. If what you want most is to make a difference in people's lives, you might consider teaching.

List a top priority in your life:

________________________________________________________________________
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________

**Wants:** What job will make you want to get out of bed every morning and go to work? (“Nothing” is not a choice here.) You might be skilled at a job that pays a high salary, but if it doesn't interest you, you'll be unhappy. Find work that will keep you interested. And while some people can cash in on a hobby (a rock collector who becomes a geologist, for example), others can't.

List two interests that could lead to a career:

________________________________________________________________________
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________

**Grades:** For many careers, you need more than skill and desire; you need to be prepared. And most employers view education — and a diploma, certificate, license, or degree — as proof that you're prepared. You might want to heal animals, but you've got to go to college to be a veterinarian. And colleges can be picky about who they let in; they often look to grades to help decide if a student has the skill and determination to do college work.

So what kind of student are you?

- □ Excellent — I make top grades, and I know how to study.
- □ Good — I make good grades through hard work or by being smart, but not both.
- □ So-so — I'm passing, but I have to work hard at it — or — I'm not working nearly hard enough.
- □ Poor — I'm not passing all my classes — or — I probably will drop out of high school.

Sometimes wants, needs, and abilities can come together and lead a person to a dream job. Let's see — I love clothes, I have a knack for drawing and style, and I make pretty good grades. I'm going to be a fashion designer!

Other people have to make compromises. OK, I'm good at figuring out how things work and I'd like to be a mechanical engineer, but my grades aren't good enough to get into college. I'll be a mechanic instead!

Turn the page to pick a career for Life.

---

Look at the front section of the newspaper and make a list of things you would view differently as a 28-year-old. Discuss in small groups.
Let’s Go to Work

People have always asked you what you’re going to be when you grow up. And now you can tell them!

Listed below are dozens of career choices, grouped by the schooling required for each. While you might change jobs — and even careers — several times in real life, you need to stick with one career for this exercise.

Life is full of choices, but your career options depend on school performance. You’ve probably heard of high school dropouts who became rich and famous, but you’re not one of them — not in this Life, anyway. Check your response on Page 3.

If you said you’re an “excellent” student, you can choose from any job listed here.

If you said “good,” you can pick from any job except for those in the #1 boxes.

If you said “so-so,” you can pick from jobs in the #1 and #2 boxes.

If you said you’re a “poor” student, your choices are limited to jobs in the #1 box.

Warning: Your first instinct might be to choose a high-paying career just for the money — but wait. People who do that in real life often find themselves well paid, but unsatisfied. Likewise, students who pick a top-salary job hoping to “win” this simulation might have full bank accounts, but they’ll come up empty on learning.

For the best learning experience, be honest with yourself. Pick a career with work that matches your abilities — one you think you’d really enjoy. Don’t select librarian if you’re not big on reading. And don’t be a dentist if you can’t stand working in, uh, moist places.

Another thing: The listed salaries are national averages of monthly earnings. You might know of people making more or less in these jobs, but we’re using average salaries.

The same is true for education requirements. There are paralegals (listed here as a two-year college requirement) with bachelor’s degrees — and those with no degrees at all. The requirements below are guidelines; some are firm (doctors, for example), while others are more flexible.

Place a check beside the career of your choice.

No diploma

- Bus driver $2,023
- Cashier $1,158
- Electrician helper $1,715
- Farm worker $1,283
- Fast food cook $1,083
- Forklift operator $1,992
- Highway maintenance worker $2,156
- Janitor $1,370
- Maid $1,219
- Painter $2,229
- Salesperson (retail) $1,328
- Security guard $1,399
- Taxi driver $1,368
- Waiter/waitress $1,052

High School diploma

- Bank teller $1,491
- Chef $2,059
- Child care worker $1,198
- Construction worker (general) $1,882
- Data entry keyer $1,693
- EMT $1,770
- Firefighter $2,738
- Mail carrier $3,158
- Military (noncommissioned officer) $1,888
- Model $1,452
- Professional athlete $3,080
- Secretary $1,938
- Singer $2,504
- Travel agent $1,949
- Veterinarian assistant $1,318

Activities

How many of these careers can you find in the newspaper’s classified section, or “want ads”? Divide into small groups and go on a newspaper job search. As a class discuss how the ads are organized. Also discuss if the salaries listed here differ from those advertised (you might have to convert hourly or yearly wages to monthly salaries).

Find a job in the newspaper that interests you and write a make-believe letter to the employer, describing your qualifications. As a class, discuss what makes an effective letter of application.
## Vocational degree
- Auto mechanic: $2,361
- Cosmetologist: $1,443
- Electrician: $3,066
- Floral design: $1,501
- Hairstylist: $1,443
- Heavy truck driver: $2,554
- Machinist: $2,478
- Medical assistant: $1,816
- Plumber: $3,018
- Welder: $2,423

## Bachelor’s degree
- Accountant: $3,321
- Architect: $4,103
- Clergy: $2,513
- Computer programmer: $4,255
- Computer engineer: $5,394
- Fine artist: $2,516
- Flight attendant: $3,560
- Graphic designer: $2,765
- Insurance agent: $3,225
- Landscape architect: $3,334
- Marketing manager: $5,578
- Meteorologist: $4,478
- News reporter: $2,318
- Occupational therapist: $4,113
- Park naturalist: $3,752
- Physician assistant: $4,427
- Public relations specialist: $3,056
- Sales representative: $4,530
- Social worker: $2,500
- Writer: $3,401

## Associate degree
- Dental hygienist: $3,933
- Office manager: $2,762
- Paralegal: $2,841
- Real estate agent: $2,297
- Registered nurse: $3,523

## Master’s degree
- Guidance counselor: $3,333
- Elementary teacher: $3,089
- Engineer (civil): $4,478
- Engineer (electrical): $5,053
- Librarian: $3,327
- Secondary teacher: $3,282
- Pharmacist: $5,574
- Physical therapist: $4,693
- Psychologist: $3,944
- Speech pathologist: $3,555

## Professional degree
- College professor: $3,863
- Dentist: $9,223
- Lawyer: $7,420
- Optometrist: $6,431
- Veterinarian: $4,886

## Medical degree
- General practitioner: $9,418
- Specialist: $12,133
- Pediatrician: $10,167
- Psychiatrist: $9,653
The Family Factor

Will you — gulp! — marry me?

One of Life's big choices is whether to get married — and when. At 28, you're past the age when half of the population has married (for the first time). It's OK to wait, though. It's up to you:

▌ Yes, I'm married.
▌ I'm still single.

Spouse's income

If you're married, let's find a job for your spouse. Actually, we'll just find an income by using a totally random formula. Use the following steps to determine your spouse's salary; you'll decide later whether he or she works — and gets paid.

1. Write your monthly salary (from pages 4 and 5) here ________________
2. Multiply it by the number that matches the day of the week you were born on (If you don't know, go to www.wiskit.com/calendar.html.)

<table>
<thead>
<tr>
<th>Day</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sunday</td>
<td>1.0</td>
</tr>
<tr>
<td>Monday</td>
<td>0.8</td>
</tr>
<tr>
<td>Tuesday</td>
<td>0.9</td>
</tr>
<tr>
<td>Wednesday</td>
<td>1.6</td>
</tr>
<tr>
<td>Thursday</td>
<td>1.2</td>
</tr>
<tr>
<td>Friday</td>
<td>1.1</td>
</tr>
<tr>
<td>Saturday</td>
<td>0.4</td>
</tr>
</tbody>
</table>

3. Write spouse's salary here: ________________

Here, kiddie kiddie

Another big decision in Life is whether to have children. A baby is a tiny addition with a huge impact. Kids can be very rewarding, but they cost time and money. Ready to have a family?

▌ Yes, I'm ready to be a parent.
▌ No, I'm not ready.

If you said yes, you'll need to determine how many kids you have. Warning: Sometimes things go as planned, but only sometimes.

Write your full name

_________________________________________________________________________

If your first name has an odd number of letters, you have one child.
If your first name has an even number of letters, you have two children.
If your first name has three letters and begins with a vowel, you have three children.
If your first name has 10 or more letters, you have no children — even though you wanted to start a family. Life is unfair.

How many children do you have? ___________

Stay-at-home mom or dad

If you're married with children, you'll have to decide whether one of you will stay home with the kids or you'll both work. Of course, another salary will help pay for things you need, but some couples decide to give up the second salary. So what'll it be? Will your spouse stay at home with the kids? (By the way, you're working either way.)

▌ My spouse will stay home.
▌ My spouse will work.

The money tree

With a family, you face higher expenses. Costs vary from family to family, but in this Life, you'll use the following figures for one month:

Child care
(only if your spouse works)

<table>
<thead>
<tr>
<th>Number of Children</th>
<th>Cost per Month</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$400</td>
</tr>
<tr>
<td>2 or 3</td>
<td>$700</td>
</tr>
</tbody>
</table>

Your child care cost per month: ___________

If your spouse works, you'll need to determine how many kids you have. Warning: Sometimes things go as planned, but only sometimes.
Rent or own

When you rent, you make monthly payments to the owner. To buy, you usually borrow money (a mortgage) to pay for the house, then make monthly payments to the lender. The question of whether to rent or own involves several factors:

Ownership: You might pay more per month, but the house is yours — all yours.

Taxes: Most homeowners can lower their income tax bill by making mortgage payments. (We won’t get that complicated in Life.)

Down payment: It’s not included in Life, but homebuyers often pay a big chunk of money just to get a loan.

Loan rates: Lenders charge a fee, called interest, to lend you money. When interest rates are low, monthly mortgage payments are also lower.

Let’s go home

Married or single, parent or childless, you’ll need a place of your own as an adult. And once you know about your income and family size, you can make choices about what type of place to call home. Listed below are the monthly costs of rent or mortgage.

Note: You can get a place with more room than you need, say, a three-bedroom house even if you’re single. But if you’ve got one or two kids, you must have at least two bedrooms.

Your clothing cost per month: __________
(adults + children)

Note No.2: Several housing possibilities aren’t listed here because of issues not covered in Life.

Rent
One-bedroom apartment — $512
Two-bedroom apartment — $635

Own
Two-bedroom house — $763
Three-bedroom house — $981
Four-bedroom house — $1,200
Huge, deluxe house — $1,744

Your housing cost per month: __________

Activities

Look in the classified ads for rental and sale prices — you’ll see they vary greatly. Make a list of the factors that influence the price of a home or apartment, and discuss your list with the class.

People use newspaper ads and fliers to save money at the grocery store. Make a list of your favorite foods and find a sale price for each in the newspaper. For every food that you can’t find, write in a substitute that is on sale.

You can save a lot of money by buying clothes on sale. In small groups, search the newspaper for clothing sales. Decide which store has the best sale — and why — and report to the class.
How Does Your Income Match Up with Your Expenses?

Income

List your monthly salary (from pages 4 and 5)*: __________

Write spouse's salary here, if he/she works (Page 6): __________

Total income: __________

Expenses

Child care cost (Page 6): __________
Food cost (Page 7): __________
Clothing cost (Page 7): __________
Housing cost (Page 7): __________
Public transportation: $50
Or
Car payment (Page 10): __________
Spouse's car payment (Page 10): __________
Monthly gas cost (Page 10): $50 or $170
Auto insurance cost (Page 11): $65 or $130
Health insurance cost (Page 11): $100
Additional health-related expenses (Page 11): __________
The cost of smoking (Page 11): $150
Home insurance cost (Page 11): __________
TV programming costs (Page 12): $0, $15 or $70
Utilities cost (Page 12): __________
Telephone cost (Page 12): __________
Tax payments (Page 12): __________
Contribution to charities (Page 13): __________
Set-aside for vacation (Page 13): __________
Dining-out cost (Page 13): __________
Savings (Page 14): __________
Student loan payment (Page 14): __________
Wildcard total from Page 15 (include + or -): __________

Total expenses: __________

*If you selected “physician” as a career, there’s something you need to know: At 28, you’re not finished with your education yet — you’re still an intern. Use $1,825 as your monthly salary.**

Also go back to Page 6 and recalculate your spouse’s salary. Don’t worry, though; you’ll be earning the big bucks in a couple of years.

**Don’t panic, doctor. If you chose “physician” as a career, you’re still getting your education and do not have to pay back student loans — yet!
Life Add Up?

Subtract your total expenses from total income.

Total income:_______

Answer these questions for yourself, then discuss them as a class:

• So, how are you doing, moneywise? Are you in the black (with a positive number)? Or in the red (with a negative number)?
• Are you pleased with your financial situation as a 28-year-old?
• Are your finances here a result of chance or choices?
• How much did your grades affect the outcome? How much will grades and education affect your real-life outcome?
• What can you do in real life to avoid financial problems encountered in this exercise?

Activities

Write a letter — or send an e-mail — to a successful person and ask about college: Where did she attend? How did she decide? What advice would she give about college? Use the replies to make a class scrapbook.

Get in small groups and cut out newspaper pictures of five adults (excluding athletes) whose jobs are listed in the paper. Discuss whether each adult needed a college degree to qualify for his or her job.
You've got a home. You've got a job. Now you've got to get from home to work — and back again — every day. You also need transportation to everywhere else: grocery, mall, movies, parties — you get the idea.

You've got two choices: own your own vehicle or use public transportation (bus, subway, etc.). You can save a lot of money by taking the bus or train — but only if it's a realistic choice for you.

- I'm buying some wheels
- No car for me, I'm using public transportation: $50

Let's go cruising

Chances are, you'll want wheels of your own. Life offers several choices of cars, trucks, SUVs, and minivans in two categories, new and used. Listed costs are monthly loan payments based on a five-year loan. Maybe in real life, you'll pay cash or lease a vehicle, but not in this exercise.

### New vehicles

<table>
<thead>
<tr>
<th>Car Model</th>
<th>Monthly Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Honda Accord</td>
<td>$375</td>
</tr>
<tr>
<td>Ford F-150 truck</td>
<td>$331</td>
</tr>
<tr>
<td>Toyota Camry</td>
<td>$375</td>
</tr>
<tr>
<td>Chevy Cavalier</td>
<td>$225</td>
</tr>
<tr>
<td>Ford Explorer</td>
<td>$360</td>
</tr>
<tr>
<td>Dodge Caravan</td>
<td>$490</td>
</tr>
<tr>
<td>Dodge Ram truck</td>
<td>$385</td>
</tr>
<tr>
<td>Jeep Grand Cherokee</td>
<td>$570</td>
</tr>
<tr>
<td>Ford Ranger</td>
<td>$210</td>
</tr>
<tr>
<td>GMC Yukon</td>
<td>$725</td>
</tr>
<tr>
<td>Lexus LS430</td>
<td>$940</td>
</tr>
</tbody>
</table>

### Used vehicles

<table>
<thead>
<tr>
<th>Car Model</th>
<th>Monthly Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>98 Chevy S-10 truck</td>
<td>$175</td>
</tr>
<tr>
<td>01 Chevy Corvette convertible</td>
<td>$920</td>
</tr>
<tr>
<td>99 Toyota 4Runner</td>
<td>$450</td>
</tr>
<tr>
<td>97 Ford Expedition</td>
<td>$370</td>
</tr>
<tr>
<td>93 Ford F-150 4x4 truck</td>
<td>$150</td>
</tr>
<tr>
<td>96 Toyota Camry</td>
<td>$210</td>
</tr>
<tr>
<td>93 Lexus ES300</td>
<td>$255</td>
</tr>
</tbody>
</table>

Your monthly car payment: __________

Does your spouse need a car? If so, enter your second car's monthly payment: __________

Don't forget the fuel

Gas prices are another transportation expense. Prices change, and some people drive more than others, but let's say you'll spend $50 a month for gas. If your spouse has a car, you two will ride together some of the time, so budget $35 for the second vehicle.

Your monthly gas cost: __________

Can you beat these deals? The prices on this page for cars and trucks are based on 60 monthly payments with no down payment. As a class, discuss how to compare prices and terms, then in small groups, look in the newspaper to see if you can find better deals.

Eager for some extras? Use newspaper ads, the Internet, and other sources to learn how sound systems, wheels, and special packages affect the price of a vehicle.
People buy insurance to protect themselves in case of an accident, theft, or illness. Insurance doesn’t prevent these and other misfortunes from happening, but it does pay most of the cost when they do occur. For this protection, you pay the insurance company a set amount each month.

**Accidents happen**

If you have a wreck, auto insurance can cover the cost of fixing your car and the people in your car — plus the other person’s car and people, which can total thousands of dollars.

The cost of insurance depends on how much the policy covers, the type of vehicle you drive, and where you live. If you have a wreck or get a traffic ticket, your insurance rates usually go up. For this exercise, let’s go with the national average: $65.

That’s $65 per month — per vehicle. If you don’t own a car, you don’t need this insurance. If your spouse owns a car, that’s another $65.

Your monthly auto insurance cost: _________

**To your health!**

Staying healthy can be cheap: eat right, exercise, and don’t smoke. But if you do get sick — or injured — health care can be very expensive. Health insurance can help even out those costs, and many employers pay for at least some of their employees’ insurance. Let’s say you’ve got health insurance through work and you pay for part of it along with other health expenses.

- Your monthly health insurance cost: $100
- Additional health-related expenses, monthly: $65
- Do you smoke? It’ll cost you: Add $150 per month for cigarettes

Total monthly health insurance cost:_________

**Fires and earthquakes and thieves — oh, my!**

You’ll need to insure your home and your stuff (if you buy a house) or just your stuff (if you rent) against damage or theft. Here’s how much you’ll need to spend each month for insurance:

- Own: $40
- Rent: $14

Your monthly home insurance cost: ___________

**Activities**

Auto insurance is one of many types of insurance. Look in the business section of the newspaper and find an article or a brief about a company. What types of insurance do you think that company needs? As a class, list as many types as you can.

Find news stories about people who are in car wrecks or floods or are victims of crime. Write down their loss, along with the type of insurance that would compensate for their loss.
Hook up for TV

Most American households have at least one television. How you get your TV programming depends on where you live and what you want, and choices include cable, satellite dish, and built-in antenna. How many channels you choose for Life is up to you.

- Very basic cable (local channels only): $15/month
- Deluxe package (loads of pay channels and movies): $70/month
- Antenna (counting on good reception): $0/month

Your monthly TV programming cost: __________

Utility costs: They’re electrifying!

Turn off that light!
Close the refrigerator!
Don’t waste so much water!

All this time, you thought your parents were bugging you about saving energy and water because they’re picky. Hey, they’re just trying to save money! Now that you’re paying the electricity, gas, and water bills, see why:

One-bedroom apartment — $80
Two-bedroom apartment — $100
Two-bedroom house — $130
Three-bedroom house — $150
Four-bedroom house — $180
Huge, deluxe house — $240

Your monthly utilities cost: __________

Hang up!

Will somebody please get that phone ... bill?
Oh, yeah, you will!
Telephone expenses differ widely, depending on location and cellular plans. When figuring your costs, you might think you can save money by getting a cell phone for you but not your spouse.

Obviously, you haven’t been married. If you get a cell, so does your spouse.

- Home telephone: $35
- Cellular phone: $40
- Spouse’s cell phone: $40

Your monthly telephone cost: __________

Time for taxes

People hate to pay taxes, but taxes pay for roads, police and fire protection, and thousands of programs that benefit citizens. It doesn’t matter.

People still hate to pay taxes.

You’re about to pay taxes, too. The following table is not the real tax table, and it ignores hundreds of details that add or subtract from a real-life tax bill. But it’ll give you a good idea of the bite that taxes take out of your monthly income.

Write your monthly income: ______________

Multiply the first $800 times 10%: ______________

Multiply the amount over $800, up to $2,500, times 15%: ______________

Multiply the amount over $2,500 times 25%: ______________

Total monthly tax payments: ______________

Example: If you’re a meteorologist and earn $4,478 a month, here’s what your tax payment would be:

Multiply the first $800 times 10%: $80
Multiply the amount over $800, but not over $2,500, times 15%: $255
Multiply the amount over $2,500 times 25%: $495
Total monthly tax payments: $830

Look for news stories that describe government programs funded by taxpayers. In small groups, discuss the benefits of each program and decide if taxpayers are getting their money’s worth.

In small groups, cut out all the ads for cellular phone service and compare the cost of the plans. Be sure to include the price of purchasing a cell phone. Give your group’s recommendation to the class.
Give and Take

Where’s the love?
When charities come knocking on your door (as well as call you on the phone, send you letters, and greet you as you enter the grocery store), how will you respond when they ask for donations? Can you say no to the American Cancer Society, the YMCA, your college, and the kid down the street?

Most Americans donate to charities, and the annual amount varies from pocket change to $3.3 billion (from Microsoft CEO Bill Gates). The average family gives about 2 percent of its income to charities. Calculate 2 percent of your monthly earnings:

Your income _____ + spouse’s income _____ = total _______

x 0.02 = _______

Now, you decide if you will give that amount, more, or less.
Your monthly contribution to charities: _______

See the world
You deserve a vacation this year — if you can afford it, that is. Choose from one of the following vacation packages and then set aside money each month to pay for it. The prices include travel and food; take half off if you’re single.

One week at Disney World .................$1,980
One week in San Francisco (or another faraway city) .................$1,320
One week in Europe ................................$3,480
One week in Hawaii ................................$2,880
4-day Caribbean cruise ................................$1,620
2-week Mediterranean cruise.........................$9,000
4-day Hawaii cruise ................................$1,180
3-day Bahamas cruise ................................$960
3-day Alaska cruise ................................$1,080
3-day Bahamas cruise ................................$1,180
3-day Caribbean cruise .........................$1,620
3-day Hawaiian cruise .........................$1,980
3-day Mediterranean cruise .................$9,000

Your monthly set-aside for vacation (divide the above amount by 12): _______

Out to lunch
If you want to eat out — and who doesn’t — it’ll cost you. Use this chart to get your family’s cost of eating out, then decide how many times you’ll eat out each month.

<table>
<thead>
<tr>
<th></th>
<th>Fast Food</th>
<th>Nicer Restaurant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single</td>
<td>$5</td>
<td>$15</td>
</tr>
<tr>
<td>You and spouse (or date)</td>
<td>$10</td>
<td>$30</td>
</tr>
<tr>
<td>Married + one child</td>
<td>$13</td>
<td>$35</td>
</tr>
<tr>
<td>Married + two children</td>
<td>$16</td>
<td>$40</td>
</tr>
</tbody>
</table>

Monthly total
Number of visits per month to a fast food restaurant ______ x cost __________ = _______
Number of visits per month to a nicer restaurant ______ x cost __________ = _______

Total dining-out cost for the month: _______

Activities
Look in the paper for a news story about a service organization that relies on donations to perform its mission. Based on the story, write a make-believe fund-raising letter, encouraging people in your area to contribute to the organization.

The dateline identifies where a news story originated. (It’s usually at the beginning of the story in capital letters.) Find 10 datelines and rank them in order of familiarity. The cities you know the most about should go at the top of your list. Next, learn as much as you can about the last city on your list, and report your findings to your class. (Use books, the Internet, or information in the news story.)
no matter what you earn, you can take steps toward financial security by creating and sticking to a budget and a savings plan.

Budgeting is making choices that match your spending goals with your income. The center spread of Life guides you through the process for this exercise.

In real life, your first step to making a budget will be to track all your expenses — every dollar you spend. When you keep a record of your spending, you might be shocked to find out how much you spend on things such as DVDs and cheese puffs.

Saving is holding on to some of your money so you can use it in the future. Many people set aside money in an account that grows tax-free until it's withdrawn years later. Company-sponsored plans are called 401(k) plans; you can also start an Individual Retirement Account on your own.

How much will you save? The more you set aside — and the sooner you start doing it — the more you'll have to enjoy when you retire.

Your monthly savings: ________

One more thing to budget

College was great, wasn't it? Well, you're still paying for it. Not everyone borrows money to pay for higher education, but let's say you did. Check on pages 4 and 5 to remind yourself how much schooling you needed for your career. The table below shows typical monthly payments for student loans:

- Vocational school: .................. $54
- Associate degree: .................. $60
- Bachelor's degree: .................. $184
- Master's degree: .................. $220
- College professor: .................. $280
- Professional degree
  (except college professor): ........ $530
- Physician: .......................... $840

Your monthly student loan payment: ________

Activities

As a class, find bank ads in the newspaper. Write down and discuss all features described in the ads, such as “no minimum balance” or “free personalized checks.” Then invite a bank officer to speak to your class about checking accounts for students and young adults.

Your toughest decision about saving money is how to invest your savings. Divide into four groups, each researching a type of investment that can be tracked in the newspaper: CDs (certificates of deposit), bonds, stocks, and mutual funds. Take turns reporting your findings to the rest of the class.
ow that you've established your monthly income and expenses, see what can happen when unexpected expenses (or income) come your way — Life's wildcards. Several possible events are numbered and listed below, and three will happen to you. Hey, that's Life.

You'll need two dice for this part. Let the number you roll with the first die be the first of two digits; the second roll yields your second digit. Using dice, the lowest possible number is 11, and the highest is 66. Write the monetary results of your three wildcard rolls in the blanks below.

11 - Teen-agers break out your windshield (only if you have a car. Roll again if you use public transportation). Rather than risk your insurance premiums going up, you pay $250 to replace it.
12 - The toilet won't flush. You pay $82 for a visit from the plumber. If you rent, pay nothing.
13 - Find a lost dog and collect the reward. You get $20.
14 - You've got a cold. Insurance covers most of your visit to the doctor's office; you pay $10.
15 - If you have kids, one has a broken arm. Even with insurance, medical care and time off work add up — you pay $75. No kids, no pay.
16 - You can't wait to see the new Hollywood blockbuster movie. For two tickets and popcorn, you pay $19.
21 - You overpaid last year's taxes — who knew? You get $112.
22 - Happy birthday to your nephew. For a present, you pay $17.
23 - Not the TV! You need a new one and can make monthly payments. You pay $38.
25 - Clean out the attic and clean up at a yard sale. You get $178.
26 - You're caught speeding. You pay $82.
31 - As Employee of the Month, you get $50.
32 - Pitch in for a Boss's Day gift. You pay $5.
33 - Time for an oil change. You pay $24 if you drive, double if your spouse has a car, too.
34 - Your friends won't let you miss a concert. You pay $45.
36 - You get a puppy from the pound. You pay $80 for shots and a license.
"First wildcard: _______ (include + or -)"
41 - You talked too much on the phone this month. You pay $22.
43 - Your vacation photo wins a contest. You get $50.
44 - A cousin dies and you're in her will. You get $200 a month from a trust fund.
45 - You run over a neighbor's newly planted tree. You pay $85 to replace it.
46 - You need new shoes to be in a wedding. You pay $65.
How will I pay for this?

Life is Expensive!
Discovering the real cost of living