

MY FUTURE PLANS



Adulting Lesson

To help understand budgeting and financial
management.

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PURPOSE:

To understand budgeting and financial management and how it's understanding is important to career planning.

OBJECTIVE:

- Students will be able to calculate a monthly household budget
- Students will understand the correlation between lifestyle choices and one's career

MATERIALS:

My Future Plans Booklet, Career Cards, Dice, Writing Utensils, PowerPoint

INTRODUCTION:

Welcome students and explain that today they will be entering the world of adulthood. They will be given a career, and a salary, and it will be up to them to see if they can put together a budget that they can live off of. They will need to pay taxes, housing, transportation, and bills. They will also need to save for retirement and future expenses. This lesson may take several classes to complete.

ACTIVITY:

1. Begin PowerPoint. Randomly pass out the career cards to each student.
2. Allow students 2-5 minutes to trade cards with classmates, they can persuade classmates to trade, but they may not steal cards or take cards from anyone who does not want to switch.

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ACTIVITY CONTINUED:

3. After the time has passed, ask students to take their seats and pass out the My Future Plans booklets.
 4. Have students complete the first page and add their career and salary to page 2. Use the PowerPoint as a reference for how to do the math computations. A sample has been provided.
 5. Continue with deductions. Use slides of the PowerPoint to show an example of how to determine taxes and how to complete the booklet.
 6. Once students have their taxes and social security deductions, they can calculate out their Net Pay.
 7. Have students pick a health insurance plan. Deduct the cost from their Net Pay.
 8. Discuss Wants versus Needs. Ask students for examples of things that would fall into each category. Use the Wants and Need T chart in the PowerPoint or use the board to write down student answers.
 9. Have students compete Step 3. Ask them to determine their own wants and needs. Describe how this is called a lifestyle. (This may be a good spot to end for multiple day lessons.)
- 10. SESSION 2**– Do a quick review of what has already been covered. Then have students complete Step 4: Housing. Once again, use the PowerPoint for an example. In the example, a Farmhouse has been chosen as the housing option.
11. After students have deducted their housing costs, allow reflection time to complete the questions.

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ACTIVITY CONTINUED:

12. When it seems like students have completed the reflection questions, allow students to share their answers.
13. Have students work in small groups. Continue with Step 5: Paying Bills. Have dice available and have each student roll one die two times and record their expenses. Allow students to share with each other their expenses and the totals to this point.
14. Have students discuss their expenses, and see if any student is out of money. Ask students if anyone is feeling stressed about the amount of money they have. Discuss. This is a good point to end for Session 2.
- 15. SESSION 3.** Continue with PowerPoint for Step 6: Saving for the Future. Talk about what types of things people may save for, and ask why retirement saving is important. Students may discuss in small groups then report back to the entire class.
16. Complete the calculations using the PowerPoint as an example.
17. Step 7: The Verdict. Continue the calculations and have students respond if they could budget their money or if they had problems. Have each students complete the reflections for Step 8 individually. Discuss as a group.

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DISCUSSION:

Ask students:

- Were you surprised that some degrees paid less than jobs that required only a HS diploma? In general, does having a college degree give you more job options?
- Was living within a budget easier or more difficult than you thought? What do you know now, that you will want to remember when you are an adult?
- Did anything surprise you?
- What did you enjoy about our lesson?
- What is one take away that you have?

ASCA STANDARDS:

Category 1: Mindset Standards

4. Understanding that postsecondary education and life-long learning are necessary for long-term career success

Category 2: Behavior Standards

Learning Strategies

1. Demonstrate critical-thinking skills to make informed decisions
7. Identify long- and short-term academic, career and social/emotional goals

Social Skills

5. Demonstrate ethical decision-making and social responsibility

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BAILIFF

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AUTO BODY REPAIRER

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Repairs and refinishes autos. Has a HS diploma and additional training. May have a 1 year certificate or 2-year Associate's degree.

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Welcome to your future life! Over the next few classes, we will be adulting. That means you will be a part of the adult world. You will have a career, make lifestyle choices, and pay bills.

Name _____

Grade _____ Age _____ Year _____

Teacher _____



STEP 1: CHOOSE A CAREER

You will randomly be given a career and a salary. Good luck!

My Career: _____

My Salary _____

Now determine your monthly salary.

(Your salary \div 12 = your monthly salary)

_____ \div 12 = \$ _____

STEP 2: DON'T FORGET YOUR DEDUCTIONS!

You will need to pay your share. Everyone who works pays a portion of their income to taxes. Taxes pay for roads and bridges, police, the court system and schools. To find out how much you will pay, use the equations below. You also need to pay Social Security tax which helps to pay your living expenses when you are older and retired.

Your Federal tax rate is 15%.

(Your monthly salary \times .15 = your tax deduction)

_____ \times .15 = \$ _____

Your Social Security (SS) tax rate is 3%.

(Your monthly salary \times .03 = your tax deduction)

_____ \times .03 = \$ _____

Your take home monthly salary (Net Pay):

(Your monthly salary - (Federal taxes + SS taxes) = Net Pay)

_____ - (_____ + _____) = \$ _____
 Monthly salary Federal Tax. SS Tax. Net Pay

ANOTHER DEDUCTION!

HEALTH INSURANCE

Health insurance is a piece of mind knowing that you have help paying for bills if you get sick. You will need to choose your plan based on what you think you will need. Just make sure you can afford it!

INSURANCE PLAN	COST PER MONTH
Basic Plan-Individual	\$200
Basic Plan + Dental	\$250
Basic Plan + Dental + Vision	\$300
Basic Plan-Family	\$400
Family Plan + Dental	\$475
Family Plan + Dental + Vision	\$550



Your **FINAL** take home monthly salary:
(Your Net Pay - (Insurance)) = Final Take Home Salary)

$$\frac{\text{Net Pay}}{\text{Net Pay}} - \frac{\text{Health Insurance}}{\text{Health Insurance}} = \$ \frac{\text{Final Take Home Salary}}{\text{Final Take Home Salary}}$$

STEP 3: DETERMINE YOUR WANTS VERSUS YOUR NEEDS



There will be things you want: a new car, dinner at a restaurant, new sneakers, a vacation to Disneyland, but these are all things that you **WANT**. You do not need them to survive.

A **NEED** on the other hand, are things you need to survive. We need heat, food, and shelter. We may also need a car or new sneakers, but a need supplies for the most basic, not the fanciest and most expensive.

Overall, when we are planning a budget, there is the rule of percentages. From your Final Take Home Salary, 70% should pay bills, 20% saved for future purchases, and 10% invested for the long run.

MY NEEDS

Think about the types of things you will need in your life. What are the basic things you need to survive, like housing, food, and clothing. Make a list of things you think you must have to live. Be realistic in what you list.

Things I Need



MY WANTS

Think about the types of things you will want in your life. Do you want a car? If so what type? How about cell phones, internet, or designer sneakers? What about vacations or meals at restaurants or a trip to get ice cream? Make a list of things that you don't really need but will want included in your lifestyle..



Things I want





STEP 4: HOUSING/UTILITIES



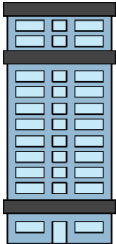





No matter what job you have, you will need some place to live. A general rule of thumb says that you should spend no more than 30% of your monthly salary on housing expenses. Let's figure out how much you have to spend on housing and related costs. Including heat, and electric.

Now determine your housing budget.

(Your monthly salary \times .3 = your housing budget)

_____ \times .3 = \$_____

Once you know your budget pick out your choice of housing.

BROWNSTONE  \$1200 per month	COLONIAL HOME (YOUR OWN HOME)  \$2500 per month	MODERN LUXURY APARTMENTS  \$2400 per month	LOG CABIN  \$650 per month
OLD FARMHOUSE  \$1000 per month	TOWNHOUSE RENTAL  \$850 per month	TRAILER  \$450 per month	LIVE WITH YOUR PARENTS  \$200 per month to help with their expenses

My housing choice _____. Cost \$_____

HOUSING CONTINUED. . .

Before we go any farther, let's calculate how much we have left to spend. You will need to go back to **STEP 2** and find your **FINAL** Take Home Monthly Salary, or the amount that's left after taxes and health insurance.

My Final Take Home Monthly Salary is: \$ _____

Now, deduct your monthly housing costs.

(Your monthly salary - Housing = Amount left over for bills, fun and savings)

_____ - _____ = \$ _____
Take Home Pay Housing Bills, Fun, Savings

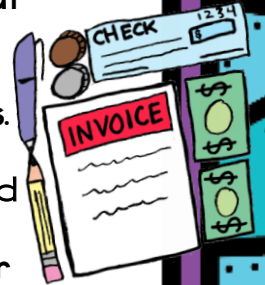
At this point, do you think you are doing OK financially? Why or why not?

Now think about your lifestyle, and your wants and needs. Do you think you will need to make some changes?

STEP 5: PAYING BILLS

- By now, we covered some of the biggest expenses that have to be paid, but there are still more. If you went to college you may have to pay back a student loan,, but there can also be bills for your phone, cable, internet, clothing,, and shoes. The list can keep growing depending upon your wants.

Take a look at some of the bills below. If your salary and occupation card indicated you needed a Bachelor's or an Associate's degree, you must deduct the student loan from your monthly income. Check each box for the additional bills you will be paying, then total up the cost.



	Bill	Cost	My Cost
<input type="checkbox"/>	Associate's degree loan payment	\$300	
<input type="checkbox"/>	Bachelor's Degree loan payment	\$550	
<input type="checkbox"/>	Law Degree or Medical Degree	\$500	
<input type="checkbox"/>	Basic Phone (landline)	\$20	
<input type="checkbox"/>	Cell Phone (Limited internet)	\$30	
<input type="checkbox"/>	Cell Phone (High Speed internet)	\$60	
<input type="checkbox"/>	Basic Cable	\$60	
<input type="checkbox"/>	Cable, and Internet Package	\$110	
<input type="checkbox"/>	Car Payment (Small compact car)	\$250	
<input type="checkbox"/>	Car payment (SUV)	\$350	
<input type="checkbox"/>	Car Payment (Truck)	\$400	
<input type="checkbox"/>	Car/Truck Insurance	\$125	
<input type="checkbox"/>	Transportation money (no car)	\$150	
<input type="checkbox"/>	Food-Basic (Ramen Noodles and Hot Dogs)	\$100	
<input type="checkbox"/>	Food- Good (Home Cooking Menu)	\$150	

My Total Bills

\$

THE UNEXPECTED

No matter how much we try to plan, there is always something that comes up. The car breaks, we are invited to a birthday party, we need to pay a vet bill, or maybe the washing machine broke.

It's time now to pay for the unexpected. Grab dice and see what adventure is coming your way that you need to pay for. **ROLL TWICE!**

IF YOU ROLL A ...	THEN YOU NEED TO PAY FOR ...	
	Hot water furnace breaks.	Repair bill \$375
	Dog got sick.	Vet bill \$280
	Anniversary party.	Need present. \$50
	Need new glasses.	\$300 if uninsured \$100 if insured
	Lost your coat.	Need replacement. New Coat \$100
	No washer & dryer.	Laundromat costs \$60

MY BILLS:

ROLL 1 EXPENSE

ROLL 2 EXPENSE

HOUSEHOLD BILLS FROM PREVIOUS PAGE

MY TOTAL BILLS

+ _____

+ _____

= \$ _____

STEP 6: SAVING FOR MY FUTURE

As you can see, sometimes life hands us some unexpected surprises. Sometimes we just want to take a vacation and relax. One day we will also want to retire and we need to make sure we have enough money saved so we can continue to live a lifestyle we have grown comfortable with. In order to do this, we need to make sure that we have a savings plan and retirement savings.

We need to review the rule of percentages that was mentioned earlier. From your **Final Take Home Salary**, 70% should pay bills and living expenses, 20% saved for future purchases, and 10% invested for the long run.

My Final Take Home Salary = \$ _____

SO LET'S CALCULATE OUT HOW MUCH YOU SHOULD BE SAVING.

- 1.) Savings for future purchases:
(Your final take home salary \times .2 = your Savings)

_____ \times .2 = \$ _____

- 2.) Savings for the long run (your retirement):
(Your final take home salary \times .1 = your Retirement savings)

_____ \times .1 = \$ _____

Total amount needed to save and invest = Savings + Retirement

_____ + _____ = \$ _____

NOW THE QUESTION IS:

**CAN YOU SAVE THAT MUCH AFTER ADDING TOGETHER YOUR
BILLS, YOUR HOUSING, AND THE UNEXPECTED?**

MY FINAL TAKE HOME SALARY

HOUSING

MY TOTAL BILLS

- _____
- _____
- _____

WHAT'S LEFT OVER

= \$ _____

STEP 7: THE VERDICT

Do you have enough money left over to cover the cost of your savings and retirement? Or, are you left short without enough savings?



What's left over - Savings and Retirement = The Verdict

_____ - _____ = \$ _____



SO, WHAT'S THE VERDICT?

- ☐ I have enough money!
- ☐ Nope, I didn't get to save what I needed



STEP 8: MY REFLECTIONS:

Now that you've reached the verdict of how well you did adulting, think about what you learned from this exercise and answer the following questions.

1. How well did your wants and needs fit with your salary?

2. What do you think you might now consider when looking at careers in the future? Why?

3. What did you learn from this lesson?

**THE
FOLLOWING
PAGES ARE
A BLACK
AND WHITE
VERSION**

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Your **FINAL** take home monthly salary:
(Your Net Pay - (Insurance) = Final Take Home Salary)

$$\begin{array}{rcccl} \underline{\hspace{2cm}} & - & \underline{\hspace{2cm}} & = & \$ \\ \text{Net Pay} & & \text{Health Insurance} & & \text{Final Take Home Salary} \end{array}$$

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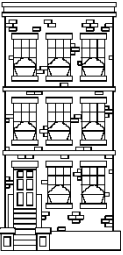

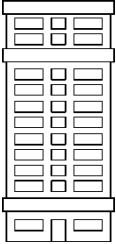





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(Your monthly salary - Housing = Amount left over for bills, fun and savings)

_____ - _____ = \$ _____
Take Home Pay Housing Bills, Fun, Savings

At this point, do you think you are doing OK financially? Why or why not?

Now think about your lifestyle, and your wants and needs. Do you think you will need to make some changes?

STEP 5: PAYING BILLS

By now, we covered some of the biggest expenses that have to be paid, but there are still more. If you went to college you may have to pay back a student loan,, but there can also be bills for your phone, cable, internet, clothing,, and shoes. The list can keep growing depending upon your wants.



Take a look at some of the bills below. If your salary and occupation card indicated you needed a Bachelor's or an Associate's degree, you must deduct the student loan from your monthly income. Check each box for the additional bills you will be paying, then total up the cost.

	Bill	Cost	My Cost
<input type="checkbox"/>	Associate's degree loan payment	\$300	
<input type="checkbox"/>	Bachelor's Degree loan payment	\$550	
<input type="checkbox"/>	Law Degree or Medical Degree	\$500	
<input type="checkbox"/>	Basic Phone (landline)	\$20	
<input type="checkbox"/>	Cell Phone (Limited internet)	\$30	
<input type="checkbox"/>	Cell Phone (High Speed internet)	\$60	
<input type="checkbox"/>	Basic Cable	\$60	
<input type="checkbox"/>	Cable, and Internet Package	\$110	
<input type="checkbox"/>	Car Payment (Small compact car)	\$250	
<input type="checkbox"/>	Car payment (SUV)	\$350	
<input type="checkbox"/>	Car Payment (Truck)	\$400	
<input type="checkbox"/>	Car/Truck Insurance	\$125	
<input type="checkbox"/>	Transportation money (no car)	\$150	
<input type="checkbox"/>	Food-Basic (Ramen Noodles and Hot Dogs)	\$100	
<input type="checkbox"/>	Food- Good (Home Cooking Menu)	\$150	

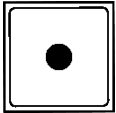
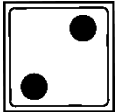


My Total Bills



THE UNEXPECTED

No matter how much we try to plan, there is always something that comes up. The car breaks, we are invited to a birthday party, we need to pay a vet bill, or maybe the washing machine broke.

It's time now to pay for the unexpected. Grab dice and see what adventure is coming your way that you need to pay for. **ROLL TWICE!**

IF YOU ROLL A ...	THEN YOU NEED TO PAY FOR ...	
	Hot water furnace breaks.	Repair bill \$375
	Dog got sick.	Vet bill \$280
	Anniversary party.	Need present. \$50
	Need new glasses.	\$300 if uninsured \$100 if insured
	Lost your coat.	Need replacement. New Coat \$100
	No washer & dryer.	Laundromat costs \$60

MY BILLS:

ROLL 1 EXPENSE

ROLL 2 EXPENSE

HOUSEHOLD BILLS FROM PREVIOUS PAGE

MY TOTAL BILLS

 + _____
 + _____
 = \$ _____

STEP 6: SAVING FOR MY FUTURE

As you can see, sometimes life hands us some unexpected surprises. Sometimes we just want to take a vacation and relax. One day we will also want to retire and we need to make sure we have enough money saved so we can continue to live a lifestyle we have grown comfortable with. In order to do this, we need to make sure that we have a savings plan and retirement savings.

We need to review the rule of percentages that was mentioned earlier. From your **Final Take Home Salary**, 70% should pay bills and living expenses, 20% saved for future purchases, and 10% invested for the long run.

My Final Take Home Salary = \$ _____

SO LET'S CALCULATE OUT HOW MUCH YOU SHOULD BE SAVING.

- 1.) Savings for future purchases:
(Your final take home salary \times .2 = your Savings)

_____ \times .2 = \$ _____

- 2.) Savings for the long run (your retirement):
(Your final take home salary \times .1 = your Retirement savings)

_____ \times .1 = \$ _____

Total amount needed to save and invest = Savings + Retirement

_____ + _____ = \$ _____

NOW THE QUESTION IS:

**CAN YOU SAVE THAT MUCH AFTER ADDING TOGETHER YOUR
BILLS, YOUR HOUSING, AND THE UNEXPECTED?**

MY FINAL TAKE HOME SALARY

HOUSING

MY TOTAL BILLS

- _____
- _____

WHAT'S LEFT OVER

= \$ _____

STEP 7: THE VERDICT

Do you have enough money left over to cover the cost of your savings and retirement? Or, are you left short without enough savings?



What's left over - Savings and Retirement = The Verdict

_____ - _____ = \$ _____



SO, WHAT'S THE VERDICT?

- ☐ I have enough money!
- ☐ Nope, I didn't get to save what I needed



STEP 8: MY REFLECTIONS:

Now that you've reached the verdict of how well you did adulting, think about what you learned from this exercise and answer the following questions.

1. How well did your wants and needs fit with your salary?

2. What do you think you might now consider when looking at careers in the future? Why?

3. What did you learn from this lesson?



Carol Miller

COUNSELING ESSENTIALS

Hi, I'm Carol!

I am a school counselor in NY. I have over 25 years experience as a counselor in all 3 levels, middle school, high school and currently, elementary. I was awarded the NY School Counselor of the Year Award in 2014 and was the NY Representative for the American School Counselor of the Year Award at the White House in January of 2016. School Counseling is my passion.

I am a strong proponent for school counseling programs, and I am always looking for ways to help my fellow colleagues, to share my knowledge and learn from them. I co-sponsor the School Counselor | Community Scholarship and find great joy in helping counselors attend top notch professional development by sending them to the ASCA conference each year. In addition, I have held various board positions with the New York State School Counselor Association.

My lessons are designed using the ASCA National Model and lesson plans align with the corresponding Mindsets and Behaviors. My goal is to help students find personal, academic, career, and social/emotional success and help school counselors move their program from striving to thriving.

Making the Good Better.

Let's Connect!

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