

AQR Personal Finance Project



This project must be typewritten. All work must be professional in content and appearance. Please do not put your completed project in a folder or binder; simply staple it together and turn it in. Cite all sources in your tables (not at the end). Round all dollar amounts to the nearest cent.

(5 pts) You must have a title page which includes your name, project title, name of class, class period, and date.

(12 pts) Go to salary.com and find **two** careers you might be interested in pursuing. You **must** choose one which **requires** a degree and one which **does not require** a degree. Choose a city you plan to live in, and find the starting annual salary (lower 25%) for each job **in that city**. Construct a table comparing the two jobs (job title, type of degree required, the city, the annual starting salary, a screenshot of the bell curve showing the job title, salary, and city, and a screenshot of “Requirements and Responsibilities” of the job). Include all information and sources in a table.

(30 pts) Research those two jobs to find the following information and report in table format

- Gross Annual Income
- Current federal tax rate for your income bracket (show process and cite your source)
- Current state tax rate for your income bracket (show process and cite your source)
- Social Security and Medicare withholdings (show process and cite your source)
- Annual after tax take home pay (show process)
- Monthly after tax take home pay (show process)

(9 pts) Write a **brief** but thoughtful paragraph discussing which other factors you might consider before deciding which job to take. State which job you decide to take and why.

(6 pts) Using the percentages below, find the amount of money your **first year’s net annual income** will allow you to spend **monthly** on each category. Display this information in a table.

Housing 30%	Essentials 4%	Transportation 15%
Utilities 5%	Medical 5%	Savings 10%
Food 20%	Clothing 7%	Fun 4%

(10 pts) Choose a competitive investment in which you might invest. Make a table showing the bank/institution, type of investment, interest rate, compounding period, and any restrictions (e.g., minimum deposit). Keep in mind, you will begin this investment at the beginning of your career, so investments which require a large initial deposit will not work. Cite your source and include documentation from the web page that shows interest rate and compounding period.

(24 pts) Using the investment account you have chosen, calculate how much money you would have in thirty years, assuming you invest 10% of your take home pay each year and receive a cost of living raise each year (equal to the current rate of inflation – cite your source). Put this information in a **one page** spreadsheet with the following headings:

Year	Gross Annual Pay	Net Annual Pay	10% of Net Pay to Invest	Total Invested	Total After Interest is Added
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Provide the equations you use to calculate the values in each column. You may include these in your table or list them separately, noting which you used for each column.

(4 pts) Your report must be professionally typewritten. All grammar and spelling must be proofed. To earn the highest grade possible, your work must be complete yet succinct and include everything listed on this assignment. Remember to show **all** processes and cite **all** sources.

100 pts