

Consumer Education



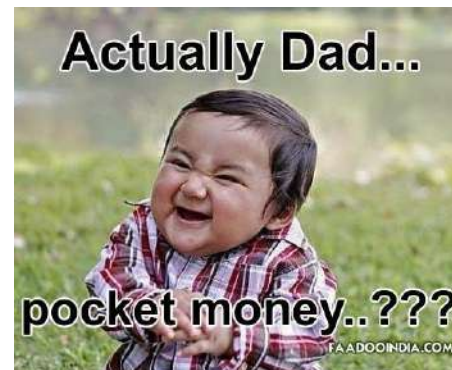
Money Management



What is Money Management?

Money management the process of managing money which includes investment, budgeting, banking and taxes.

It is not asking your
parents for money!



How much money will you be managing?



Entrepreneur/Business Owner – Not a guaranteed income. Your paycheck is not the same all the time.

Working for someone else – How much will you make? That depends on how much the employer is willing to pay you (within the law).

What is the **state law** ([minimum wage](#)) for workers in Illinois?

What is the **federal law** ([minimum wage](#)) for workers in the United States?

Click on minimum wage links to answer the question.

Illinois Minimum Wage Rates

ILLINOIS	Future Effective Date	Basic Minimum Rate (per hour)	Premium Pay After Designated Hours ²	
			Daily	Weekly
(Applicable to employers of 4 or more employees, excluding family members)		\$8.25		40

$$\text{\$8.25} \times 40 = \text{\$330} \text{ (GROSS PAY)}$$

Before Taxes

STATES TO RAISE MINIMUM WAGE

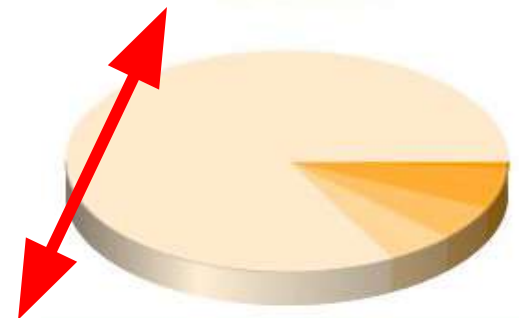


Paycheck

Gross Pay:	330.00
Supplemental Pay:	0.00
- Pretax Retirement Deduction:	0.00
- Cafeteria Plan Deduction:	0.00
- Aftertax Deduction:	0.00
- <u>Medicare</u> Withholding:	4.78
- (Employer Medicare: \$4.78)	
- FICA Withholding:	20.46
- (Employer FICA: \$20.46)	
- Federal Withholding:	17.00
- Illinois Withholding:	16.50
Take Home Pay:	\$271.26

Paycheck Distribution

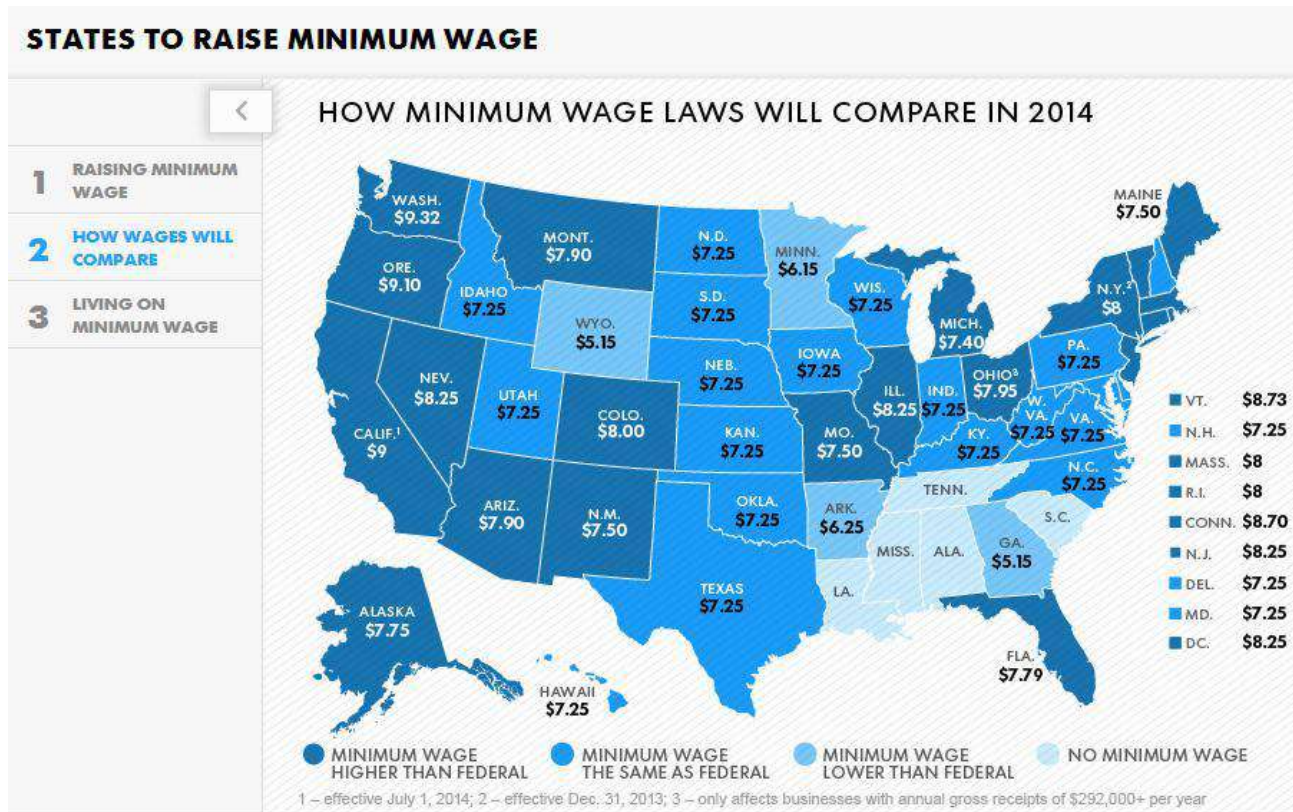
- Medicare (1.45%)
- FICA(6.2%)
- Fed WH(5.15%)
- State WH(5%)
- Takehome(82.2%)



NET PAY

After Taxes (spendable money)

Do you think you could live comfortably with a job that pays minimum wage?



Federal Minimum Wage



RAISE *the* WAGE

It will lift wages for 28 million Americans.

It will give businesses customers with more spending money.

It will grow the economy for everyone — and we can do it right now.

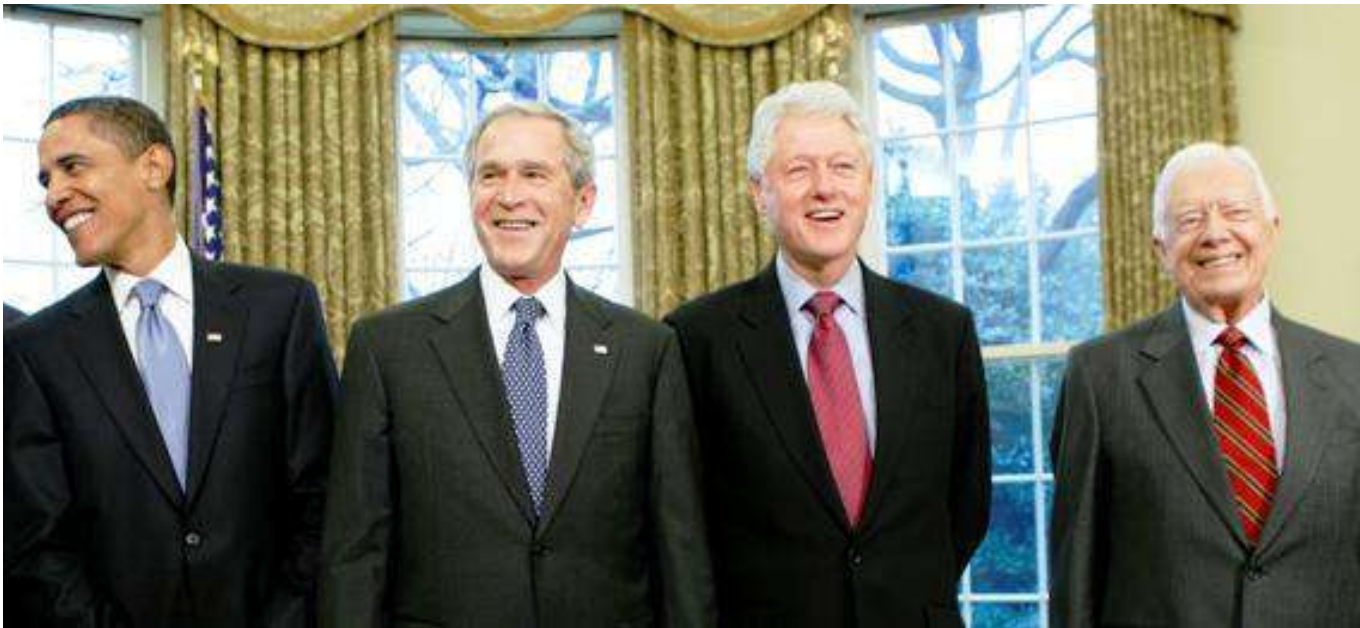
In the State of the Union address, President Obama called on Congress to raise the national minimum wage **from \$7.25 to \$10.10** an hour. He posed a challenge to Congress: try living on \$15,000 or less a year. (For most members, that would be more than a 90 percent pay cut.)

Salary of retired US Presidents.....	\$450,000 FOR LIFE
Salary of House/Senate members.....	\$174,000 FOR LIFE
Salary of Speaker of the House.....	\$223,500 FOR LIFE
Salary of Majority/Minority Leaders.....	\$194,400 FOR LIFE
Average salary of a soldier DEPLOYED IN AFGHANISTAN.. \$38,000	
Average income for seniors on SOCIAL SECURITY..... \$12,000	

Retired US Presidents

Each retired US President receives **\$450,000 salary** for the rest of their life. This money comes from US Federal Income Taxes/you pay out of your paycheck.

Salary of retired US Presidents.....\$450,000 FOR LIFE



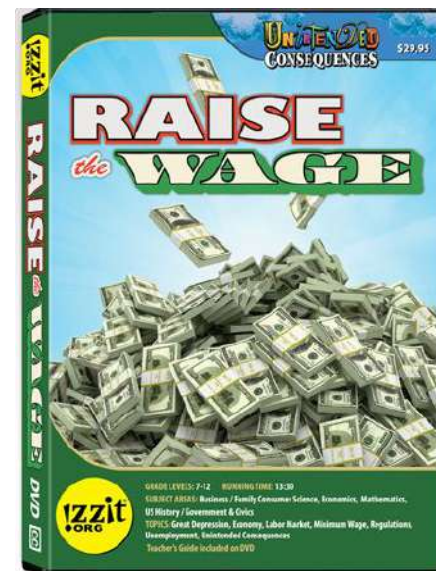
\$1,800,000 TOTAL

Raise the Wage

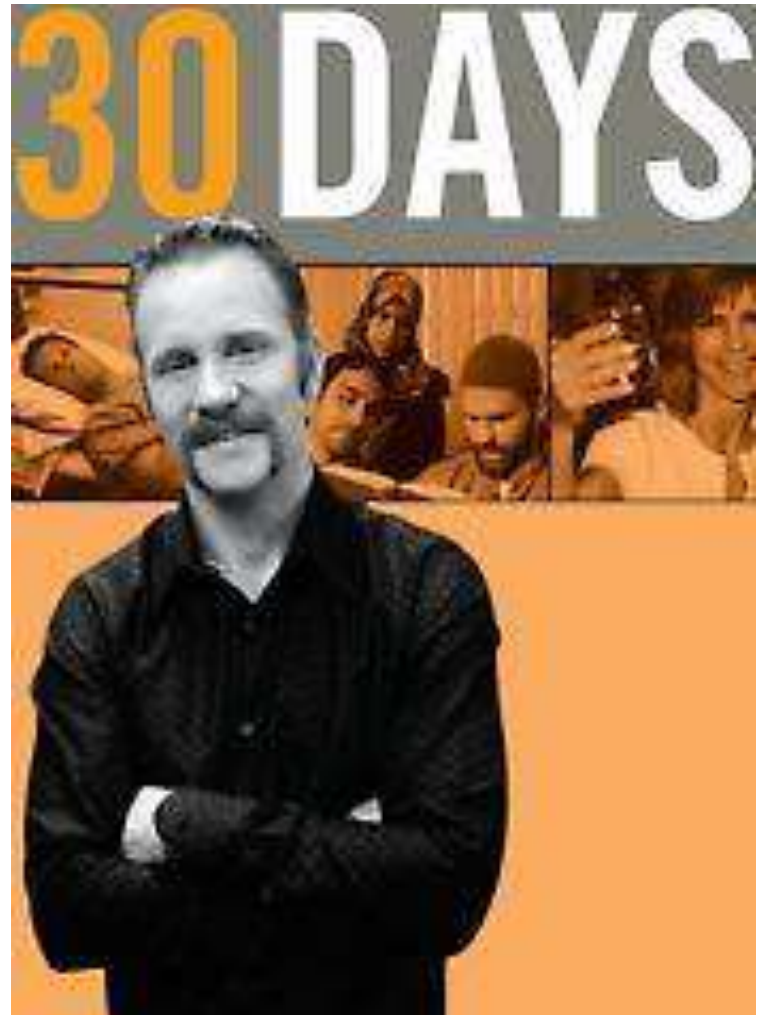
What is everyone made \$50 per hour?



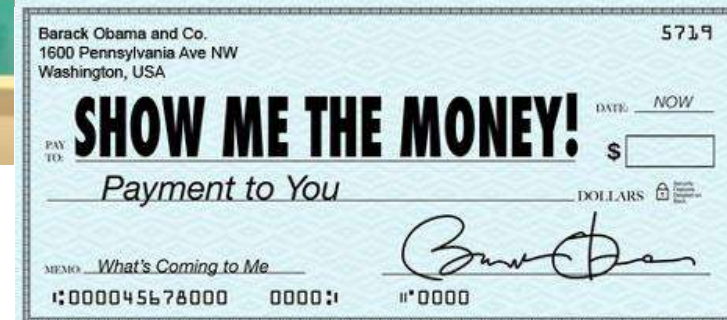
 Watch Video



30 Days on Minimum Wage



What can you do to prepare for a life where you can get a job that pays more than minimum wage?



Invest in Your Future – Good Education



Invest in Your Future



Student Loans

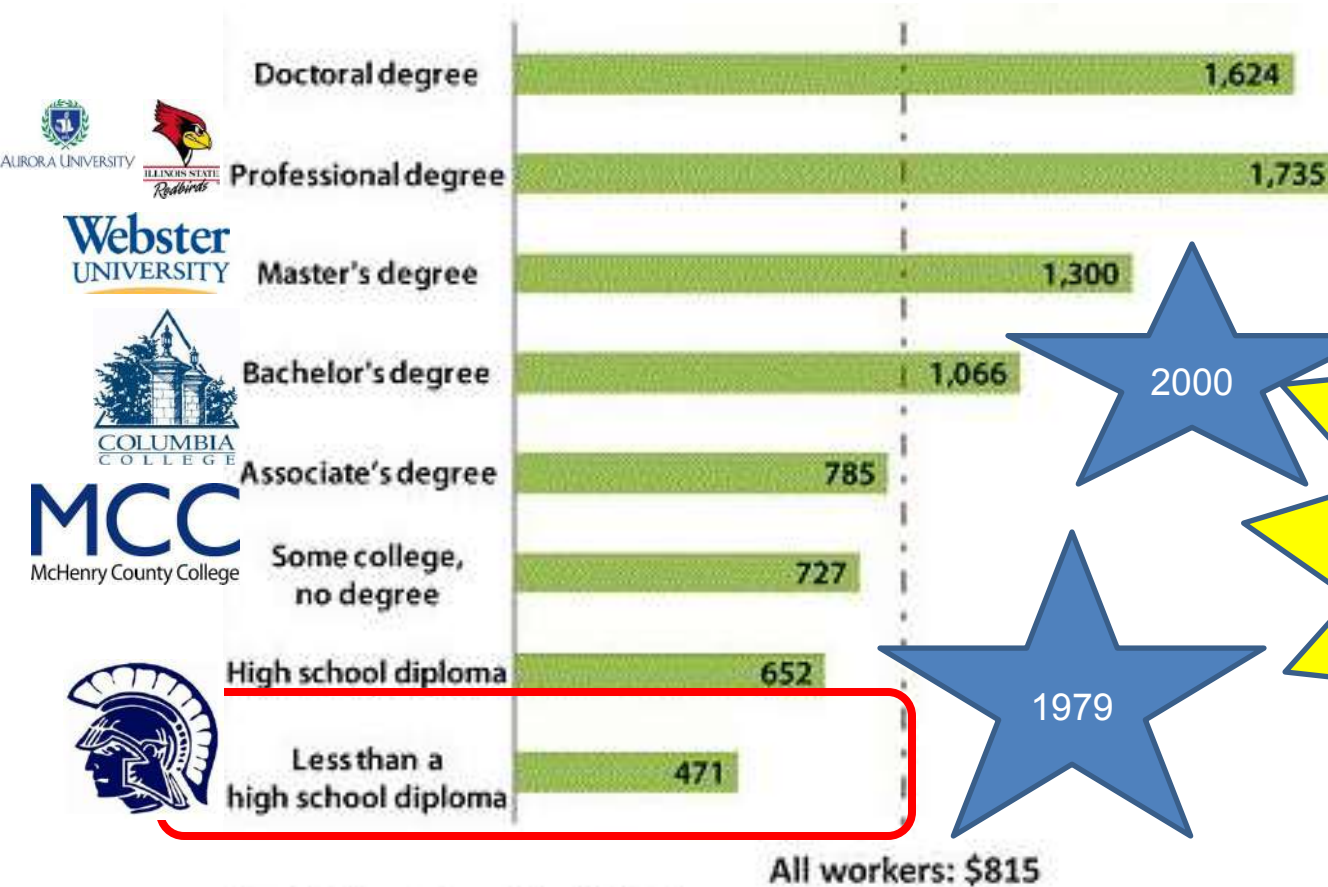
It's OK to go into a **manageable** amount of debt to get a good college education.

The more you know, the more skills you have, the **higher your salary/income** will be in your future.



Education Pays

The more you know, the more skills you have,
the higher your salary.



2000

1979

Mrs. Miller's
Educational
route.

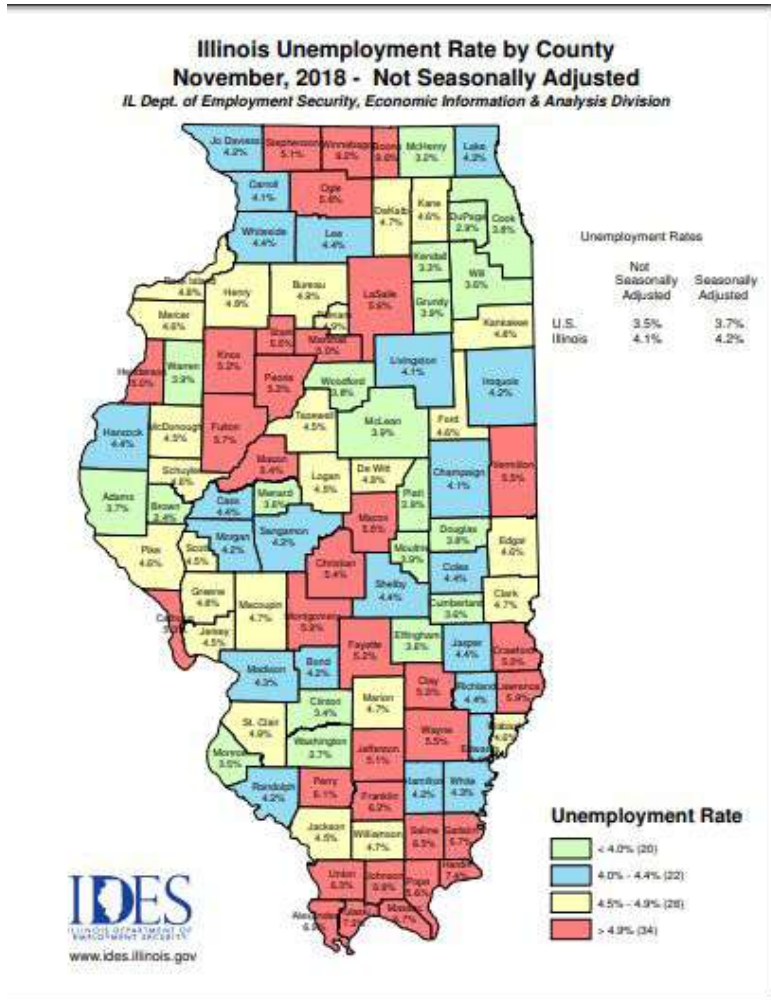
Work – Full
tiime.

School – Part
Time.

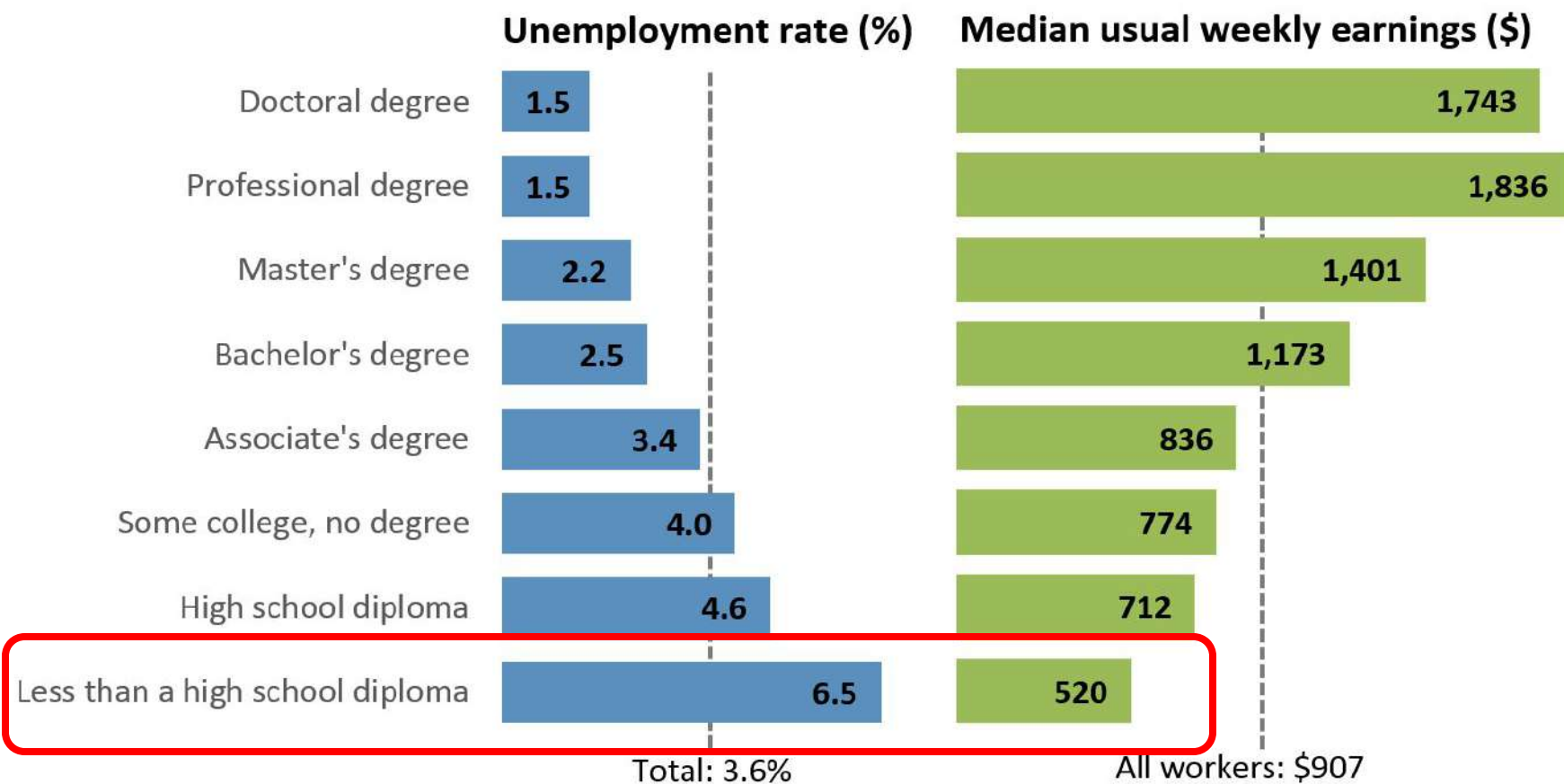
Do you think you can live comfortably (in the same life style you have now) off of
\$471 per week?

Illinois Unemployment Rate

The more you know, the more skills you have,
the more employable you are.



Unemployment rates and earnings by educational attainment, 2017



Note: Data are for persons age 25 and over. Earnings are for full-time wage and salary workers.

Source: U.S. Bureau of Labor Statistics, Current Population Survey.



Student Loans

What is the amount of manageable debt?

Illinois

[Close Window](#) | [Print This Page](#)

	Public 4-Year Institutions and Private Non-Profit 4-Year Institutions			
	Average Debt **	Rank *	Proportion with Debt **	Rank *
State Average	\$29,271	23	61%	14

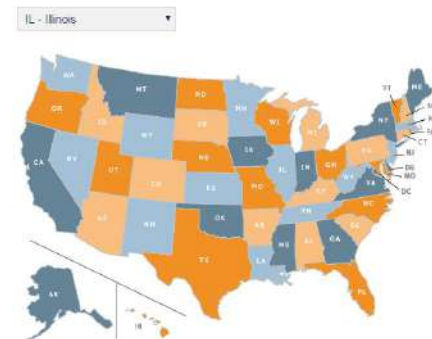
List of Illinois Institutions

Public 4-Year Institutions

Chicago State University	2015-16 Undergraduate enrollment	3,968
	2015-16 In-state tuition and fees	\$9,994
	2015-16 Total cost of attendance	\$24,417
	2015-16 % Pell Grant recipients	67%

How much debt do students graduate with in your state or at a particular college? **Click on link to find out.**

<https://ticas.org/posd/map-state-data#>



Student Loans

In **Unit 5 - College Money**, we will learn more about obtaining student loans and keeping them at a **manageable amount of debt**.

For purposes of this budget project, let's just use the average amount of debt for the college that you are thinking about attending. **Click on link below.**

<https://ticas.org/posd/map-state-data#>

If you don't know the name of that college at this point, use the average amount of student loan debt of **\$29,214** for Illinois.

Illinois

[Close Window](#) | [Print This Page](#)

View or download these data in a [sortable table](#) at  CollegeInSight

	Public 4-Year Institutions and Private Non-Profit 4-Year Institutions			
	Average Debt **	Rank *	Proportion with Debt **	Rank *
State Average	\$29,214	24	61%	12

Student Loans

Click [here](#) for Loan Calculator
Scroll to bottom of page

Total amount of student loans

Loan Calculator

Loan Balance:

Interest Rate: [choose rate](#)

Loan Fees:

Loan Term (Years): [choose extended term](#)

Minimum Payment:

Enrollment Status: ▼

Degree Program: ▼

Total Years in College:

Print payment schedule? ☐ Yes ☒ No

CALCULATE

Loan Balance: \$29,214.00
Adjusted Loan Balance: \$29,214.00
Loan Interest Rate: 6.80%
Loan Fees: 0.00%
Loan Term: 10 years
Minimum Payment: \$50.00

Monthly Loan Payment: \$336.20
Number of Payments: 120

Cumulative Payments: \$40,343.26
Total Interest Paid: \$11,129.26

Your monthly payment is \$336.20 for 10 years.

Student Loan Payment	\$336.24
----------------------	-----------------