

CFM FINANCIAL MANAGEMENT CAPSTONE: FM.1–FM.8

Building a First-Year Independent-Living Financial Plan

Detailed practice, calculation, decision-making, and assessment

GRADES 9-12	TIME 2 x 42 min	GROUPING I / pairs / whole	PRODUCT Revise
YOUR CHALLENGE Build, test, and revise a realistic first-year plan that includes monthly costs, irregular expenses, contracts, insurance, and emergency preparation.			

New York CFM Connections: Integrated Financial Decisions, Career Choices, and Action Planning

Moving toward independence requires more than a monthly rent estimate. A useful plan connects take-home income, fixed and flexible expenses, start-up costs, savings, insurance, contracts, and risks. All figures here are fictional planning assumptions; actual taxes, prices, eligibility, and contract terms must be verified.

Term	Student-friendly meaning
Take-home pay	Income available after payroll deductions.
Fixed expense	A cost that is usually predictable for a period.
Variable expense	A cost that can change with use or choices.
Periodic expense	A cost that occurs occasionally rather than every month.
Sinking fund	Money saved regularly for a known future cost.
Security deposit	Money held under a rental agreement to address stated obligations.
CLASSROOM USE All people, employers, figures, brackets, and documents in this packet are fictional. Never place a real Social Security number, employer ID, bank number, or tax document in classroom work.	

Part 1 - Map Income and Starting Resources

Alex earns \$21 per hour for 40 hours weekly. Use 52 weeks and a fictional estimated take-home pay of \$2,850 monthly.

Measure	Calculation/evidence	Result	Limitation
Weekly gross			
Annual gross			
Monthly gross			
Estimated take-home			
Starting cash			
Income risk			

The take-home figure is supplied; it is not a tax estimate.

Part 2 - Build the Monthly Cash-Flow Plan

Costs: rent share \$1,050; utilities \$140; groceries \$360; transportation \$290; phone \$65; insurance \$170; debt minimum \$110; savings \$250; personal \$180; household \$90.

Category	Fixed/variable	Amount	Need/want	Evidence or revision
Rent				
Utilities				
Groceries				
Transportation				
Phone				
Insurance				
Debt				
Savings				
Personal				
Household				

Calculate total expenses and surplus or deficit.

Part 3 - Plan for Start-Up and Irregular Costs

Deposit \$1,050; moving \$450; work clothing \$300; medical/emergency \$600; annual fees \$120.

Cost	When needed	Amount	Monthly sinking-fund amount	Priority
Deposit				
Moving				
Clothing				
Medical/emergency				
Annual fees				
Total				

Assume all five goals are funded over 12 months for the first test.

Part 4 - Review Contracts and Risks

Evaluate a lease, utility account, phone plan, renter insurance, transportation, and identity protection.

Area	Term/risk to verify	Possible consequence	Protective action
Lease			
Utilities			
Phone			
Renter insurance			
Transportation			
Personal data			

Do not sign or enter real information in this activity.

Part 5 - Create and Defend a Workable 12-Month Plan

Revise the plan so monthly income minus all spending and sinking funds is at least \$0.

Revision	Monthly change	Annual effect	Tradeoff/evidence
1			
2			
3			
4			
5			

Write 175–225 words explaining priorities, risks, and two checkpoints.