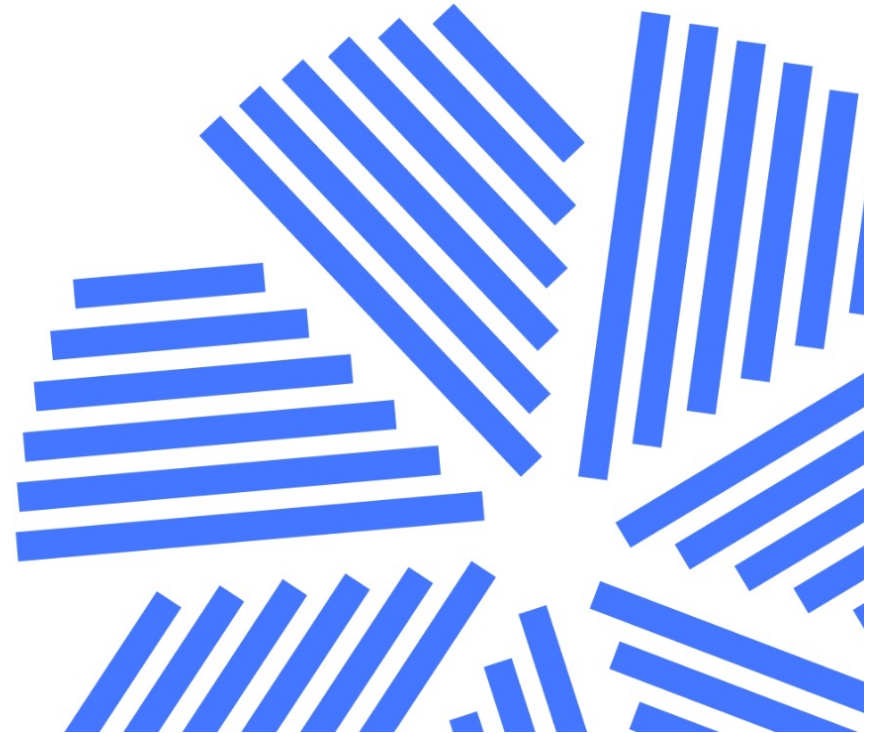




Financial Wellness & Cost of Living After College

Alliance

Date of Offering



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- New England's largest investment professional membership organization
- Founded in 1946, CFA Society Boston is a founding society of CFA Institute.



CFA Institute

- Global association of investment professionals
- Sets the standard for professional excellence and credentials
- Champions ethical behavior in investment markets
- Respected source of knowledge in the global financial community

CFA-
Chartered
Financial Analyst



Speaker Biography



Speaker Biography



Financial Wellness & Cost of Living after College



What's Financial Wellness?

- ✓ **Health is the most important thing...**
 - ✓ **Physical Health**
 - ✓ **Mental Health**
 - ✓ **Financial Health**
- ✓ **Financial Wellness = You can meet current and future financial obligations, feel secure in your financial future and make choices that let you enjoy life!**



Why Should You Make a Budget?

- ✓ Don't spend money that you can't afford
- ✓ Find your bad spending habits
- ✓ Prepare for emergencies
- ✓ Save money for your financial targets
- ✓ Understand the difference between "NEED" and "WANT"
- ✓ **Most importantly, it is the first step to reaching your financial goals!**



What is a Budget?

A budget is a **spending plan** based on income and expenses.

It helps
you to
understand...



How much money you are getting

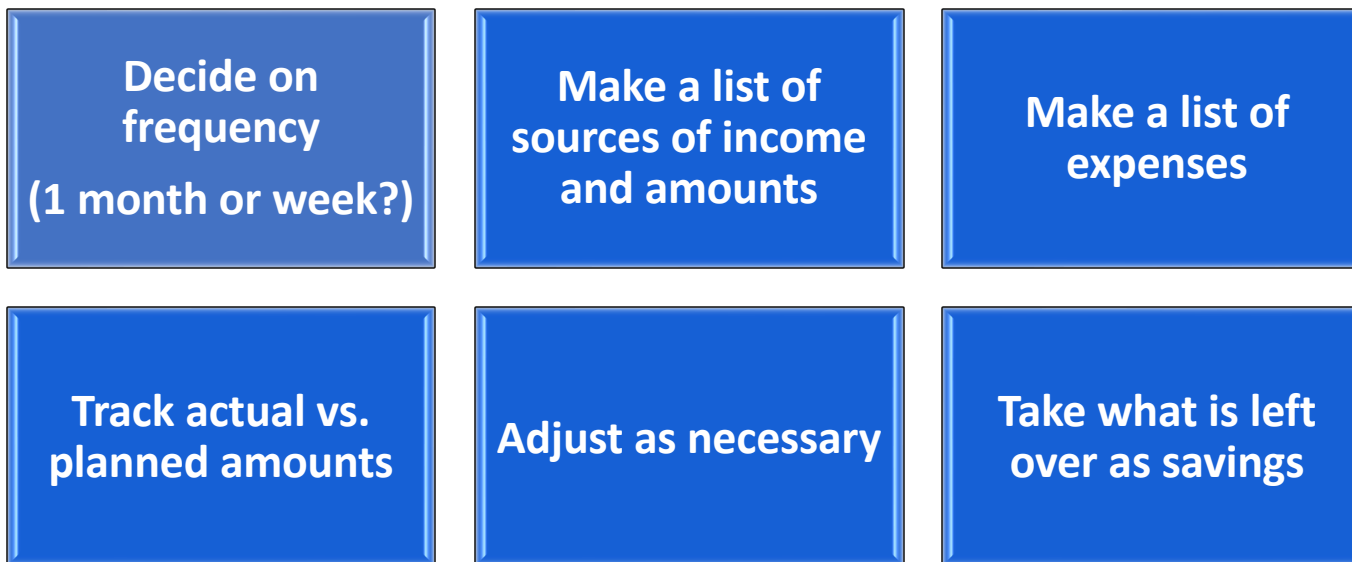


How you are spending your money

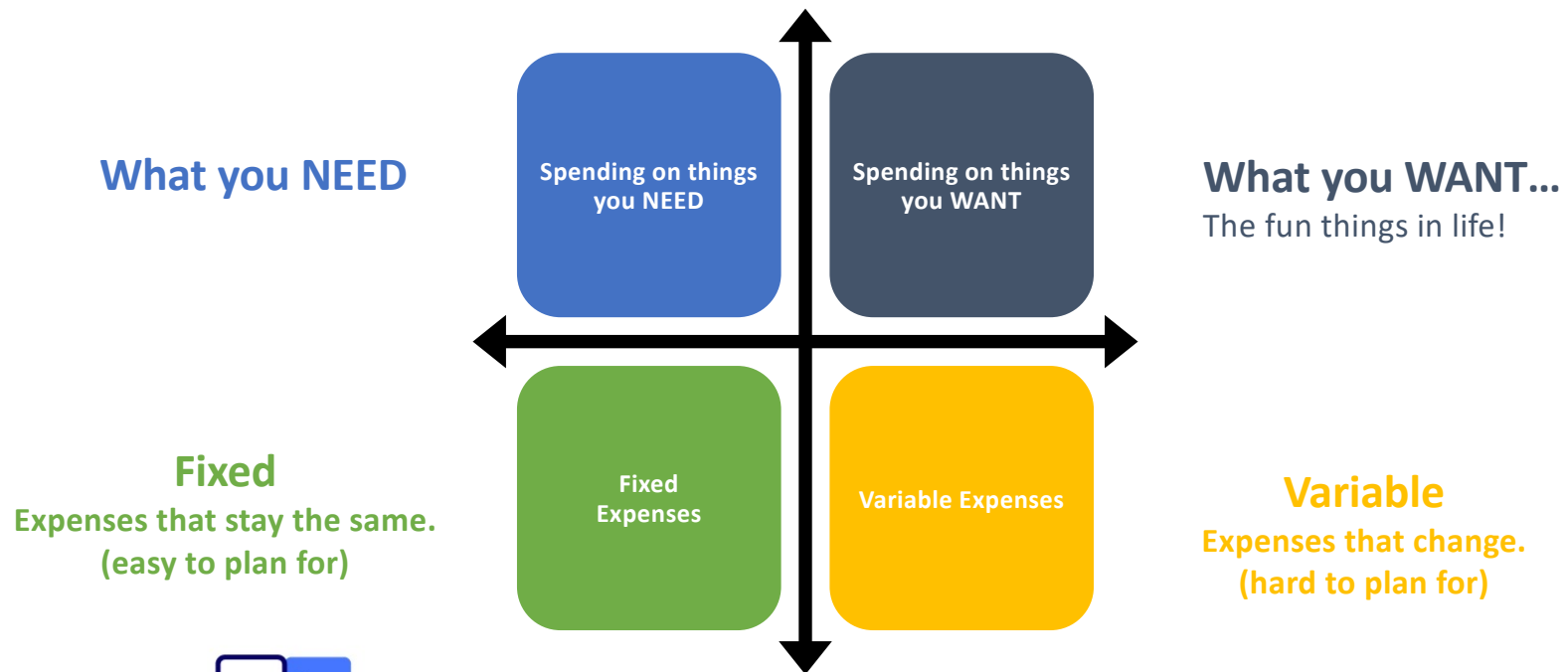


How much you have left over to save

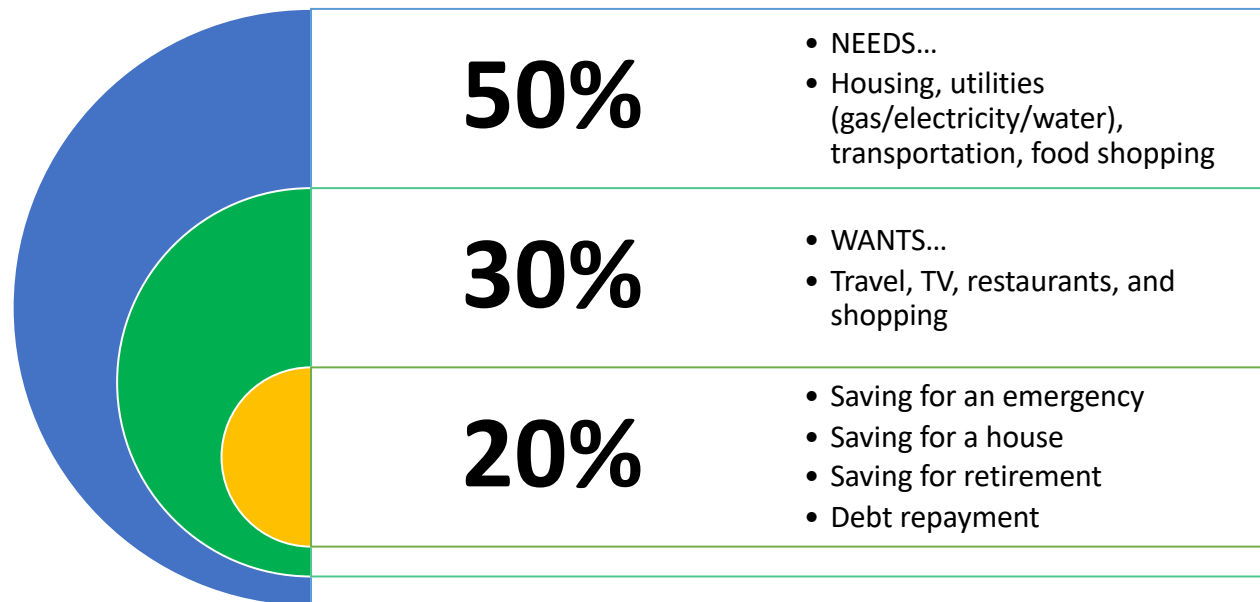
How to Budget



How to think about spending money...



50 / 30 / 20 Rule



What To Do Next...

Watch your budget

- Is my budget realistic?
- Can I cut back anywhere?

Decide how much you can save every week or month

- Then calculate your yearly savings estimate.

Start working on your financial goals

- Emergency Savings, pay off debt, vacation, pay for college, buy a car.

What are the Major Costs after College?

- Where are you living?
- What is the transportation situation?
- Who is paying for the groceries?
- Who is paying for the utilities?
- Who is paying for cable/internet/subscriptions
- What is your entertainment situation? How many nights per week?
- Does your job require you to update your wardrobe?



Ideas for your Budget

Cost of Living
Monthly Rent
Internet
Mobile Phone
Electricity/Gas
Laundry

Health
Health Insurance
Dental Insurance
Haircut/hair appointment
Gym Membership

Food
Groceries
Dining Out/Fast Food

Savings
Emergency Savings
Monthly Retirement

Transportation
Public Transportation
Car Payment
Car Insurance
Car Maintenance
Gas
Parking / Tolls

Other
Gifts
Movies
Concerts
Clothes



Salary Breakdown

- \$50k Gross
- \$9.6k Taxes \$800 a month
- \$2.4k Benefits (Health/Dental/Vision) \$200 a month
- \$1.5k 401(k) Contribution \$125 a month (4% company match)
- \$36.5k Net... which equals approximately \$3k a month



Scenario #1: Assumptions after College

- Graduate in Jan. 2026
- \$50k salary at a job in Waltham, starting 2/1/26
- \$3k of Savings & Graduation Money
- Living at home with parents
- Buying a used car
- Professional job with a need to upgrade wardrobe
- Go out with friends/partner 8 nights a month
- Savings Goal of \$8k+ over the next 12 months



Living with Parents

- Rent \$0
- Utilities & Cable \$0
- Groceries \$100 Star Market/Trader Joe's/Costco
- Takeout/Dining \$400 Pizza/Chipotle/Raising Cane's/Dunkin' Donuts
- Savings \$700 of New Savings a month



Living with Parents- Transportation

- Used Car \$3k down payment
- Registration, Title & Inspection \$175 one time
- Used Car \$350 monthly payment
- Car Insurance \$125 monthly
- Gas \$200 monthly
- Oil Change \$120 quarterly (\$40 monthly)
- Misc. Service \$500 annually (\$40 monthly)



Living with Parents

- Wardrobe Upgrade \$150 (\$1500 on credit card)
- Sneakers & Clothes \$100
- Dry Cleaning \$50-100
- Going out with Friends/Partner \$600 (\$75 x 8)
- Uber/Lyft/Taxi \$100
- Personal Care \$50-100 (Haircuts/Nails/Gym)



Needs = Non-Negotiables \$1550 monthly

- Transportation- Car \$3k down payment
- Transportation \$750 monthly (payment/gas/insurance)
- Dry Cleaning \$50-100 monthly
- Personal Care \$50-100 monthly (Haircuts/Nails/Gym)
- Savings \$700



Wants = Negotiables \$1450

- Rent \$0
- Utilities & Cable \$0
- Groceries \$100 Star Market/Trader Joe's/Costco
- Takeout \$400 Pizza/Chipotle/Dunkin' Donuts
- Sneakers & Clothes \$100
- Going out with Friends/Partner \$600 (\$75 x 8)
- Uber/Lyft/Taxi \$100
- Wardrobe Upgrade \$150 monthly (\$1500 on credit card)

Summary

- Upfront= Used Car \$3k + \$1.5k Credit Card (Wardrobe Upgrade)
- Monthly Needs/Non-Negotiables= \$1550
- Monthly Wants/Negotiables= \$1450
- Annual Savings Goal= \$8400



What are the Major Costs after College?

- Where are you living?
- What is the transportation situation?
- Who is paying for the groceries?
- Who is paying for the utilities?
- Who is paying for cable/internet/subscriptions
- What is your entertainment situation? How many nights per week?
- Does your job require you to update your wardrobe?



Ideas for your Budget

Cost of Living
Monthly Rent
Internet
Mobile Phone
Electricity/Gas
Laundry

Health
Health Insurance
Dental Insurance
Haircut/hair appointment
Gym Membership

Food
Groceries
Dining Out/Fast Food

Savings
Emergency Savings
Monthly Retirement

Transportation
Public Transportation
Car Payment
Car Insurance
Car Maintenance
Gas
Parking / Tolls

Other
Gifts
Movies
Concerts
Clothes



Salary Breakdown

- \$50k Gross
- \$9.6k Taxes \$800 a month
- \$2.4k Benefits (Health/Dental/Vision) \$200 a month
- \$1.5k 401(k) Contribution \$125 a month (4% company match)
- \$36.5k Net... which equals approximately \$3k a month



Scenario #2: Assumptions after College

- Graduate Jan. 2026
- \$50k salary at a job in Boston, starting 2/1/26
- \$3k of Summer Savings & Graduation Money
- Living in an apartment with 2 roommates (3 total)
- Using Public Transportation (Local Bus & T)
- Professional job with a need to upgrade wardrobe
- Go out with friends/partner 6 nights a month
- Savings goal of \$2000 over the next 12 months



Apartment with 2 Roommates (3 total)

- Rent Initial \$3k (\$1k First/\$1k Last/\$1k Deposit)
- Rent \$1k each (\$3k total)
- Utilities \$150 each (\$450 total) Gas/Electricity/Water
- Groceries \$400 Star Market/Trader Joe's/Costco
- Takeout \$200 Pizza/Chipotle/Raising Cane's/Dunkin' Donuts
- Savings \$200 Emergency Fund



Apartment with 2 Roommates (3 total)

- Transportation \$135 (Monthly T \$90 & Bus \$45)
- Wardrobe Upgrade \$150 (\$1500 on credit card)
- Sneakers & Clothes \$100
- Dry Cleaning \$50-100
- Going out with Friends/Partner \$450 (\$75 x 6)
- Uber/Lyft/Taxi \$100
- Personal Care \$50-100 (Haircuts/Nails/Gym)



Needs = Non-Negotiables: \$1600 monthly

- Rent \$1k each (\$3k total)
- Utilities \$150 each (\$450 total) Gas/Electricity/Water
- Transportation \$135 (Monthly T Pass \$90 & Bus \$45)
- Dry Cleaning \$50-100
- Personal Care \$50-100 (Haircuts/Nails/Gym)
- Savings \$215

Wants = Negotiables: \$1400

- Groceries \$400
- Takeout \$200
- Sneakers & Clothes \$100
- Going out with Friends/Partner \$450 (\$75 x 6)
- Uber/Lyft/Taxi \$100
- Wardrobe Upgrade \$150 (\$1500 on credit card)

Summary

- Upfront= Rent \$3k + \$1.5k on Credit Card (Wardrobe Upgrade)
- Monthly Needs/Non-Negotiables= \$1600
- Monthly Wants/Negotiables= \$1400
- Savings Goal= \$2580



Budgeting Tips

- Know your “take home” income.
- Understand the difference between “need” and “want.”
- Always keep some money for emergencies.
- Wait before you buy — 24-Hour or 30-Day Rule.
- Track your Money – all of it.



- List the most important expenses first.
- Check your progress often.
- Decide if you must adjust your budget.

Get an App to Help








-  **PocketGuard F & P**
-  **Wally F & P**
-  **EveryDollar F & P**
-  **GoodBudget F & P**
-  **Clarity Money **Free****

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Financial Literacy Quiz

1. Suppose you have \$100 in a savings account earning 2 percent interest a year. After five years, how much would you have?

- More than \$102
- Exactly \$102
- Less than \$102
- Don't Know



Financial Literacy Quiz

2. Imagine that the interest rate on your savings account is 1 percent a year and inflation is 2 percent a year. After one year, would the money in the account buy more than it does today, exactly the same or less than today?

- More
- Same
- Less
- Don't Know



Financial Literacy Quiz

3. If interest rates rise, what will typically happen to bond prices? Rise, fall, stay the same, or is there no relationship?

- Rise
- Fall
- Stay the Same
- No Relationship
- Don't Know

Financial Literacy Quiz

4. True or false: A 15-year mortgage typically requires higher monthly payments than a 30-year mortgage but the total interest over the life of the loan will be less.

- True
- False
- Don't Know



Financial Literacy Quiz

5. True or false: Buying a single company's stock usually provides a safer return than a stock mutual fund.

- True
- False
- Don't Know



Financial Literacy Quiz

6. Suppose you owe \$1,000 on a loan and the interest rate you are charged is 20% per year compounded annually. If you didn't pay anything off, at this interest rate, how many years would it take for the amount you owe to double?

- Less than 2 years
- 2 to 4 years
- 5 to 9 years
- 10 or more years
- Don't Know



Financial Literacy Quiz

7. Which of the following indicates the highest probability of getting a particular disease?

- There is a one-in-twenty chance of getting the disease
- 2% of the population will get the disease
- 25 out of every 1,000 people will get the disease
- Don't Know



Financial Literacy Quiz

	<u>Correct</u>	<u>Incorrect</u>	<u>Don't Know</u>
Your Results	?	?	?
National Average	3.3	1.5	2.2
Massachusetts	3.4	1.4	2.2



Source: https://www.finra.org/financial_knowledge_quiz/confirmation?token=IO5rvt0zQc7-XCPLuLmCfbVA0IHRbo60PChOc1UURFY as of 10/29/25

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