You are to do the problem at the end of these directions as an Excel spreadsheet. Your work is to be individual. This means I should not receive any worksheets that are clearly the same.

1. Create and use a clearly labeled and easily located data input section containing ALL the variables used to compute any part of the answer.
2. Refer to input variable cells in setting up the working part of the spreadsheet so that it will update automatically when variable values are changed.  Every computed value must update when new input values are used!
3. Your equations and functions should NOT include any hardcoded variable values; just cell references. ***Make sure your entire spreadsheet, including names of items and any notes, will update itself using the data in the input section before you turn in your assignment!***
4. Use Excel functions to compute output answers wherever possible rather than writing your own equations.
5. You must also have a clearly labeled and easily located output area to make it easy for other users to see the results.
6. Do NOT use year-by-year tables this is NOT an amortization problem. Keep the time frame flexible by using variables in the input section.
7. Keep your layout as simple as possible to make it easier for other users to follow. Only include what you need in your final version. Make sure all inputs and outputs are clearly labeled with names that make sense to someone who has not read the problem, nor even taken this course and which will change when the scenario changes. By a scenario change, I mean for example it is you rather than your father who is saving or your father saves for 15 years rather than 10.
8. Format all the cells to a number of decimal places that makes sense for that item and use percent or currency formats where appropriate.
9. I must be able to see your entire spreadsheet in order to grade it. DO NOT hide any cells or data.
10. Use color to enhance readability, but do so sparingly - keeping in mind you need to be able to read the content.  Use borders to outline or highlight sections of the worksheet to enhance readability. Use boldfont to make the more important items easier to find or read.
11. Name the worksheet on the bottom tab with a title that describes what the worksheet does so anyone can see at a glance the purpose of the sheet. Then REMOVE any unused sheets.
12. IF YOU HAVE ANY QUESTIONS ASK ME.

Turn your assignments in 1) a hard copy, and**, also**, 2) email a copy to me.

**I will review and comment upon a draft of your worksheet if you come to the office during office hours and ask for a review.  I do not guarantee that I will spot every error during these reviews; their purpose is to ensure you are on the right track to solve the problem, not to ‘grade in advance’.**

**Give the solution in a professional format. Clearly show the steps that you have taken to solve the problem and any additional aids (time lines).**

**PROBLEM STATEMENT:**

Loren Wenzel wants to save money to meet two objectives. First, he would like to retire 30 years from now and have a retirement income of $65,000 a year for forty years (to start the day he retires). Second, he would like to purchase a cabin on Lake Puula ten years from now at an estimated cost of $70,000. He can afford to save only $8,000 a year for the first 10 years. After reading a study by *Ibbitson and Sinquefield*, Loren expects to earn 9% per year, on average, from his investments over his lifetime. What must be his minimum equal annual savings from year 11 to year 30 to meet his objectives?