Teacher Answer Key

Case Study

1. She started from her actual income of $400 a month, then listed what she was already spending: $50 transportation, $100 snacks and eating out, $50 personal care, $50 entertainment. That showed her $150 was unspoken for, so she could aim $100 of it at prom instead of letting it disappear.

2. She committed $100 a month to savings, which reaches the $300 prom goal in three months, and she cut $25 out of entertainment so she still had room for anything unexpected.

Multiple Choice

1. D

2. B

3. A

Matching

1-D, 2-A, 3-E, 4-B, 5-C

Fill-in-the-Blank

1) Variable expenses, 2) Savings, 3) Income

Short Answer (Sample Responses)

Q1: Reviewing your budget helps you stay on track and adapt to changes in income or expenses.

Q2: Building an emergency fund and reducing non-essential expenses can prepare you for unexpected costs.

Q3: Prioritizing savings ensures financial stability and allows you to achieve future goals without stress.