Teacher Answer Key

Case Study

1. Nothing was set aside for it. Jordan spent most of the babysitting money on fast food and video games as it came in, so by the end of the month there was none left for the ticket.

2. Budgeting gave each dollar a purpose before it was spent. Tracking spending in a free app and setting aside 10% for entertainment, 10% for snacks, and 20% for savings meant the concert money accumulated, and within three months Jordan could buy the ticket.

Multiple Choice

1. C

2. A

3. D

Matching

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

Fill-in-the-Blank

1) Compound interest, 2) Budget, 3) Savings

Short Answer (Sample Responses)

Q1: Saving early allows for compound interest to grow wealth over time and provides a financial cushion.

Q2: Credit cards can be used responsibly by paying off balances in full each month and avoiding unnecessary purchases.

Q3: Investing carries the risk of losing money but offers the potential for higher returns compared to savings.