



JA FINANCIAL LITERACY®

Student Guide



UNIT 2: MONEY MANAGEMENT & FINANCIAL INSTITUTIONS

Topic 3: Budgeting & Cash Flow Management

NAME: _____

DATE: _____

PRE-QUIZ

Budgeting & Cash Flow Management

What + Why: A quick, ungraded check on what you already know—your answers help shape the learning ahead. It's okay not to know— just give it your best shot.

Instructions:

1. Answer each question as best you can.
 2. Circle the best answer for each question.
 3. Submit it when you're done.
-
1. Which is an example of a long-term financial goal?
 - ☐ a. buying gym shoes for an upcoming race
 - ☐ b. saving for a concert ticket next month
 - ☐ c. paying for a new phone case
 - ☐ d. saving for retirement
 2. You earn extra income from a part-time job. Which choice best shows balancing short-term needs and long-term goals?
 - ☐ a. spending all of the extra income right away
 - ☐ b. saving all of the extra income and avoiding spending
 - ☐ c. dividing extra income between current needs and future savings
 - ☐ d. waiting to save until your income increases

3. You have an unexpected car repair and your emergency fund doesn't fully cover it. What is the best next step?
- ☐ a. Ignore the expense since it wasn't planned for.
 - ☐ b. Reduce spending in non-essential categories to help cover the cost.
 - ☐ c. Pay for the repair without changing your current spending.
 - ☐ d. Delay paying some regular expenses so you have more funds left over.
4. What is the primary role of a budgeting app or spreadsheet in helping someone manage their finances?
- ☐ a. to estimate future income and plan long-term financial goals
 - ☐ b. to review spending patterns after they have been recorded in order to identify possible savings
 - ☐ c. to track income and expenses in order to manage day-to-day finances
 - ☐ d. to develop a plan for how money should be divided across different spending categories

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CASE STUDY

Jordan's Reality Check

What + Why: Before picking a car, it's time to figure out what question Jordan actually needs answered.

Jordan has compared car options and explored different payment possibilities. But before moving forward, there's still something important to figure out.

Supporting Question 3: How can Jordan use a budget to determine whether each car option is financially realistic, and what trade-offs appear once all costs are included?

Supporting Materials:

Topic 3: Introduction (Case Study)

Jordan's Financial Snapshot (Case Study)

Instructions:

1. Read the **Topic 3: Introduction** and the **Jordan's Financial Snapshot** information in the case study materials and consider:
 - What question is Jordan really trying to answer?
 - What is Jordan's goal?
 - Why isn't comparing car prices enough anymore?

Be prepared to explain which details from the reading influenced your thinking.

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ACTIVITY

Budget Components

What + Why: Learn what information a budget contains so it can actually help you make decisions.

People have a lot of different ideas about what a budget is (and what it isn't). In this activity, you'll sort statements and components based on what you think belongs in a budget and what does not.

Instructions:

1. Work with your partner to sort the budget statements into "What a Budget IS " and "What a Budget Is NOT."
2. Then, sort the budget elements into "What IS in a Budget?" and "What Is NOT in a Budget?"
3. Describe a budget in your own words based on your sorting.

Be ready to explain your choices and share your definition of a budget.



What a Budget IS	What a Budget Is NOT

Budget Statements Bank

A plan for how money will be used

A punishment for spending money

A list of what you wish you spent

A way to tell money where to go
before it's spent

Something that only adults use

Built around real income and real expenses

Something that can change over time

Something that works perfectly the
first time

A guarantee that nothing unexpected
will happen

Used to support priorities and goals

A rule that can never be adjusted

Helpful even when income is limited

Only about cutting out fun or enjoyment

What IS in a Budget	What Is NOT in a Budget

Budget Statements Bank

income	expenses that exceed available funds	financial goals
emotional spending	savings	planned charitable donations
wishful thinking	purchases not assigned to a category	guesswork
fixed expenses	debt repayment	unplanned borrowing
variable expenses		

Describe a budget in your own words based on your sorting.

A budget is:

NAME: _____

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ACTIVITY

Money Moves Matrix

What + Why: Figure out which expenses are locked in and which ones you actually have control over.

Before adding new expenses to a budget, it's important to understand which costs are predictable and consistent (fixed) and which are flexible (variable). In this activity, you'll analyze Jordan's monthly expenses to determine where there is control and where there is less room to make changes.

Supporting Materials:

Jordan's Financial Snapshot (Case Study)

Instructions:

1. With your partner, review Jordan's monthly expenses shown in the **Jordan's Financial Snapshot (Part 2: Jordan's Current Monthly Expenses)** case study chart.
2. Write each expense in the appropriate box of the matrix classifying it as a Fixed Need, Variable Need, Fixed Want or Variable Want.
3. Calculate the totals for each area of the matrix and a grand total for Jordan's monthly expenses.
4. Look at your Fixed Needs total and your Variable Wants total. What do these two numbers tell you about where Jordan has the least and most flexibility in her budget?

Be prepared to share your answers with the whole group.

Needs and Wants Matrix

Fixed Needs		Fixed Wants	
Total Monthly Cost		Total Monthly Cost	
Grand Total of Expenses			
Variable Needs		Variable Wants	
Total Monthly Cost		Total Monthly Cost	

NAME: _____

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ACTIVITY

Jordan's Cash Flow

What + Why: See whether Jordan's income really covers her expenses and what that means for her future choices.

Before deciding whether Jordan can afford a car, it's important to look at what is already happening with her money each month. Examining Jordan's cash flow (the movement of money in and out over time) helps reveal whether there is real flexibility before adding new expenses.

Supporting Materials:

Jordan's Financial Snapshot - Parts 1, 2, and 3 (Case Study)

Instructions:

1. Compare Jordan's total expenses to her monthly income to find if there is money left over.
2. Reference the **Jordan's Financial Snapshot** case study chart for needed evidence.
3. Answer the follow-up questions about Jordan's cash flow and flexibility.

Jordan's Cash Flow

Category	Estimated Monthly Amount
Current Monthly Income	
Current Monthly Expenses	
MONEY LEFT OVER (no car)	
Potential Car-Related Expenses	
MONEY LEFT OVER (after car, no loan)	

Calculate Jordan's income minus her expenses to determine if she has money left over before adding a car, and after she adds in car-related expenses. Use the amounts you calculated above as evidence when answering the questions below.

1. What does the current cash flow reveal about Jordan's financial stability and what does that mean for her ability to take on new expenses?
2. After adding the car-related expenses (without a loan), what changes in Jordan's cash flow, and what does that suggest about affordability?
3. Based on what the cash flow reveals, what would need to be true for any car option to be financially realistic for Jordan?

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ACTIVITY

Budget Tool Checklist

What + Why: Test a budgeting tool to see whether it actually supports smart money decisions.

There are many ways to budget—spreadsheets, templates, apps, and digital tools—but they don’t all work the same way. Some make spending easy to track, while others help people understand trade-offs or plan ahead.

In this activity, you’ll examine a spreadsheet budgeting tool to evaluate how well it supports understanding money and making informed decisions.

Supporting Materials:

JA Sample Budget

Part 1: Review the JA Sample Budget

Instructions:

1. Using the digital format of the spreadsheet, adapt some numbers.
 - Under the Pay-Yourself-First section, increase the savings amount to \$150. Review the new total at the bottom of the form.
 - Test the tool further by adding and removing expenses, and adjusting amounts.
2. Use the Budget Tool Checklist to evaluate how well the tool supports budgeting and financial decision-making.
3. Answer the overall review questions using evidence from the sample budget.

Part 2: Budget Tool Checklist

Instructions:

1. Evaluate the budgeting tool using the questions below.

- Would someone realistically use this tool every week?
☐ Yes ☐ Somewhat ☐ No
- Can you understand where money went and what's left in about 30 seconds?
☐ Yes ☐ Somewhat ☐ No
- Can spending categories be adjusted to match real life?
☐ Yes ☐ Somewhat ☐ No
- Can the tool track progress toward a goal (such as saving or planning for a car)?
☐ Yes ☐ Somewhat ☐ No
- Can the tool handle changing expenses or irregular income?
☐ Yes ☐ Somewhat ☐ No
- Does the tool feel reasonably safe in terms of privacy and data use?
☐ Yes ☐ Somewhat ☐ No

Part 3: Overall Review

1. Based on your evaluation, would you recommend this tool to Jordan as she works through her car decision? Identify one thing it does well and one thing that would limit its usefulness for her specific situation.
2. What would need to be different about this tool, or how would Jordan need to use it differently, to make it more useful for her decision?

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INSTRUCTION

Budgeting With Intention

What + Why: Discover how realistic budgets plan for protection and progress instead of relying on leftover money.

Budgets aren't just about tracking spending, they're about planning on purpose. In this activity, you'll explore how realistic budgeting makes it easier to understand choices, trade-offs, and what money is really meant to do.

Key Term

- **budget:** a financial plan that summarizes an individual's planned income, spending, saving, and investing over a specific time period

Instructions:

1. Review the savings and goals examples.

Savings Example

Alex sets aside \$50 for savings each week.

- Savings cover unexpected expenses.
(examples: replace a lost phone, pay a medical co-pay, or repair a broken bike)

Goals Example

Tasha sets aside \$50 each week to save for the goal of a new laptop

- Goals target expected expenses.
(examples: class trip, graduation fees, college tuition)

2. Then, compare the two budgets:

Budget 1

Gross Monthly Income: \$1,500

Net Monthly Income: \$1,200

Category	Monthly Amount
Bills (rent, groceries, etc.)	\$900
Extra Spending Money	\$300
Money Left Over	\$0

Budget 2

Gross Monthly Income: \$1,500

Net Monthly Income: \$1,200

Category	Monthly Amount
Bills (rent, groceries, etc.)	\$900
Savings	\$150
Vacation Goal	\$100
Personal Spending	\$50
Money Left Over	\$0

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ACTIVITY

Financially Me: 5-Year Budget

What + Why: Choose a path, set the scene, and start building a budget that fits real life.

Financial plans don't happen overnight. Across this activity, you will plan, build, evaluate, and reflect on a 5-year budget that connects your potential income, expenses, saving goals, and personal values. It will require thinking through fixed and variable costs, priorities, and the trade-offs that come with real-life decisions.

Supporting Materials:

JA Budget Template

JA Budget Sample

Instructions:

Note: This activity is completed in checkpoints across multiple sessions. Only complete the checkpoint your teacher assigns. Each checkpoint builds on the last and connects to what you're learning. Each checkpoint will have a checklist to keep you on track.

1. Choose a career path that feels realistic or interesting to you. You will use the estimated income provided to build your budget.
2. Use what you've learned about budgeting, cash flow, saving strategies, and trade-offs to guide your thinking. You are encouraged to reference the Case Study materials for real-world context.
3. Focus on realistic choices. There are no "right" answers. The goal is thoughtful financial planning that reflects your priorities and goals.
4. Revisit and revise earlier answers as needed. Strong budgets change as new information becomes available.
5. By the end, aim to have built not just a budget, but a plan that explains how your income, saving, spending, and generosity work together to support long-term stability.

CHECKPOINT 1 — Planning

Part 1: Choose one career option.

Option 1: Use the resources provided by your teacher to research a career and an average annual salary.

- Job or career path you selected:
- Estimate the monthly take-home pay by dividing the annual salary by 12 and subtracting 25% for taxes:

Option 2: Choose one of the three general career paths provided:

- Career Path 1: Full-Time Hourly / Entry-Level Work
Example Roles: retail supervisor, warehouse associate, food service manager
Estimated Monthly Take-Home Pay (after taxes): \$2,625
- Career Path 2: Skilled or Technical Worker
Example Roles: electrician, automotive technician, IT support specialist, medical assistant
Estimated Monthly Take-Home Pay (after taxes): \$3,250
- Career Path 3: Early Career Path
Example Roles: recent college graduate, paid intern, early-career professional
Estimated Monthly Take-Home Pay (after taxes): \$3,750

Part 2: Answer the questions based on where you expect to be in five years. These choices will shape your budgeting scenario.

1. Living Situation

- ☐ Living alone
- ☐ Living with roommates
- ☐ Living with family
- ☐ Other: _____

2. Housing Responsibility

- ☐ I pay full housing costs.
- ☐ I contribute part of housing costs.
- ☐ I do not pay for housing.

3. Transportation Situation

- ☐ Own a car
- ☐ Share a car
- ☐ Use public transportation
- ☐ Combination of options

4. Expense Predictability

- ☐ Most expenses are predictable
- ☐ Some expenses change month to month.
- ☐ Many expenses are unpredictable.

5. Goals

- At least one short-term goal (under 1-year) I might have in 5 years is:

- At least one mid-term goal (1-5 years) I might have in 5 years is:

- At least one long-term goal (5+ years) I might have in 5 years is:

6. Savings Plan

Savings serves two purposes: protection from unexpected expenses and progress toward planned goals.

Choose a total monthly savings amount. A common guideline is to save 10–20% of your monthly income. Remember, this amount will be split into different buckets: one for savings, and one for goals.

I plan on saving _____ of my take-home pay.

Part 3: Open the JA Budget Template.

1. Enter your monthly take-home pay in the **My Monthly Income** section.
2. In the **Pay Yourself First** section, enter your savings amounts:
 - Savings for unexpected costs
 - Savings for your specific short-term, mid-term and long-term financial goals
3. List your short-term and mid-term goal(s) in the **Sample Financial Goals** section.



This is the end of Checkpoint 1. Wait to begin Checkpoint 2 until directed by your teacher.

CHECKPOINT 2 — Building

Instructions:

1. Using the information from Checkpoint 1, complete the remaining parts of the **JA Budget Template** you started in Checkpoint 1.
2. Use the monthly budget guidelines given in the table below for suggested percentage ranges and examples for each expense category, and allocate realistic monthly expense amounts for each.
3. Helpful tips:
 - If needed, review the **JA Budget Sample** to see how categories and totals are organized.
 - For the remaining areas of the My Monthly Expenses area, adjust the monthly amounts as needed to reflect your specific situation. The percentage ranges given in the Monthly Budget Guidelines table are a guide, not a rule.
 - Complete each expense category in the template using the percentage ranges provided as a guide. Choose realistic amounts that reflect your five-year scenario.
 - Include only the specific expenses that apply to you. You do not need to use every example listed.

- If you plan to live with roommates or share expenses, clearly indicate this and enter only your projected portion of the cost.
- Add additional rows if needed to reflect your specific expenses.
- Calculate your total expenses.
- Budgets should always equal \$0! Adjust your spending or savings until your remaining balance equals \$0. This means that every dollar of income has a purpose (you're either spending it, saving it for unexpected expenses, or saving it for a specific goal).

Monthly Budget Guidelines

Categories	Examples
Savings (about 10–20% of your monthly income)	• Savings (unexpected expenses) • Savings for your selected financial goal
Housing (about 25–30% of your monthly income. Typically your largest expense.)	• Rent or mortgage payment • HOA fees (if applicable)
Utilities (about 5–10% of your monthly income)	• Electricity • Water • Gas • Internet • Trash service
Transportation (about 10–15% of your monthly income)	• Car payment • Car insurance • Gas • Maintenance and repairs • Public transportation pass
Food (about 10–15% of your monthly income)	• Groceries • Dining out
Personal / Miscellaneous (about 5–10% of your monthly income)	• Clothing • Entertainment (event tickets, hobbies, outings with friends, etc.) • Streaming subscriptions • Phone bill • Gym membership • Personal care



This is the end of Checkpoint 2. Wait to begin Checkpoint 3 until directed by your teacher.

CHECKPOINT 3 — Evaluating

A budget is only useful if it works in real life. Income changes, spending shifts, and unexpected costs happen. Now that you have built your five-year budget, take time to evaluate it. Consider what your numbers reveal about your priorities, where trade-offs were necessary, and how you would respond if something disrupted your plan. Strong financial planning requires more than creating a budget. It requires explaining your choices and adjusting with purpose. Use the prompts below to explain and evaluate your financial plan.

Justifying a Trade-Off

Explain at least one budgeting decision using reasoning.

"I chose to spend less on _____ so I can save more for _____ because _____."

Maintaining Your Budget

Budgets require ongoing adjustments.

"If I overspent in _____, I would adjust by _____ to keep my budget balanced."

Responding to a Financial Curveball

Unexpected expenses or income changes can affect any budget.

"If I experienced a financial curveball, I would protect _____ and reduce _____."

"I might adjust my savings by _____."

Explain your reasoning:

Reflection

What does your completed budget reveal about your financial priorities?

Submission:

Turn in your entire Financially Me: 5-Year Budget to your teacher once you have finalized your work in Checkpoints 1, 2, and 3.

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ACTIVITY

Jordan's Loan Options

What + Why: Find out what really happens to Jordan's money each month when different car payments hit the budget.

Choosing a loan affects more than just the car—it changes the entire monthly budget. In this activity, you will calculate how each loan option impacts Jordan's cash flow and explain what the results reveal about her flexibility and risk.

Key Term

- **cash flow:** the total amount of money coming in minus the total amount of money going out over a period of time

Supporting Materials:

Jordan's Financial Snapshot - Part 4: Estimated Monthly Loan Payments (Case Study)

Jordan's Cash Flow (previously completed)

Instructions

1. With your group, review the information contained in the **Estimated Monthly Loan Payments** case study chart.
2. Calculate how each loan option changes Jordan's monthly cash flow and answer the reflection questions.

Jordan's Loan Options

Car Option	Money Remaining After Expenses	Monthly Loan Payment	New Monthly Cash Flow	Surplus or Deficit?
Option A	\$25			
Option B	\$25			
Option C	\$25			

1. How does each loan option change Jordan's monthly cash flow, and what does that mean for her financial flexibility?
2. What do these results suggest Jordan must consider before choosing a loan?

NAME: _____

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ACTIVITY

Budget Curveball

What + Why: When life throws a financial curveball, smart budgeters adjust the plan instead of abandoning it.

Life does not always follow a plan. Sometimes income changes. Sometimes expenses appear unexpectedly. Strong money managers do not panic when this happens—they adjust.

In this activity, Jordan is about to experience a financial curveball. (Luckily Jordan hasn't purchased a car quite yet!) Your job is to help Jordan analyze the situation, adjust her budget, and make thoughtful decisions that keep her expenses from exceeding her income. The goal is not to make the budget perfect—it is to make it work.

Supporting Materials:

Jordan's Financial Snapshot (Case Study)

Instructions:

1. Review your group's scenario.
2. Discuss and make adjustments to the budget table provided.
3. Remember the rules:
 - No borrowing or going into debt.
 - Jordan's expenses cannot exceed her income.
 - The full amount described in the scenario must be paid this month.
 - Existing categories may be adjusted if it is realistic to do so.
 - There is no single correct answer. Your adjustments must be realistic and every decision must be one you can defend.
4. Answer the three reflection questions as a group.

Be prepared to explain your decisions by completing this statement:

"We chose to reduce _____ so we could protect Jordan's _____."

Our Group's Scenario: _____

Before making any adjustments, decide which expenses you are willing to reduce and which you will protect. Then adjust the budget in the chart to reflect those priorities.

Jordan's Monthly Budget

Income	Original Amount	Adjusted Amount	Difference
Monthly Income	\$900		
Expense	Original Amount	Adjusted Amount	Difference
Phone Plan (portion of family plan)	\$45		
Fast Food, Snacks, and Food Delivery	\$115		
Netclicks (video streaming service)	\$25		
All Systems Pro (gaming subscription service)	\$20		
PulsePlay (music streaming service)	\$10		
Helping at Home (assisting parents with groceries, rent, or utilities)	\$75		
Personal Spending (clothes, gifts, etc.)	\$100		
Gas Money for Rides	\$40		
TOTAL CURRENT MONTHLY EXPENSES	\$430		
MONEY LEFT OVER	\$470		

What expense did you cut first, and why?

Which expenses did you protect, and why?

What does this scenario reveal about Jordan's budget?

Scenario 1

Due to slower business, Jordan's scheduled work hours have been temporarily reduced. Instead of earning \$900, Jordan will earn only \$350 this month.

Scenario 2

Three months ago, Jordan borrowed the family car and received a parking ticket. The ticket went unpaid. With late fees and penalties, the total amount now due is \$675.

Scenario 3

Jordan's phone stops working and must be replaced immediately. The replacement cost is \$650.

Scenario 4

Jordan forgot that the final payment for a required school trip is due this month. The remaining balance is \$750, and it must be paid immediately in order to participate.

NAME: _____

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CASE STUDY

Determining Jordan's Options

What + Why: When money gets tight, priorities get real.

Each loan option currently results in a deficit. Your task is to adjust Jordan's budget to eliminate the deficit and create a positive monthly balance.

Supporting Materials:

Determining Jordan's Options Rubric

Jordan's Financial Snapshot (Case Study)

Instructions:

1. Review your group's assigned car loan option.
2. Answer **Supporting Question 3**: How can Jordan use a budget to determine whether each car option is financially realistic, and what trade-offs appear once all costs are included?
 - Identify Jordan's monthly cash flow deficit after adding the loan payment.
 - Only adjust Jordan's variable expenses. (Those in a shaded box must remain the same.)
 - Revise the budget until Jordan moves from a deficit to a surplus.
 - Write a clear trade-off statement and affordability statement using evidence from your adjusted budget and the case study materials.

Be prepared to explain how your adjustments eliminated the deficit and created positive cash flow.

Jordan's Monthly Budget

Current Expenses	Original Amount	Adjusted Amount
Phone Plan (portion of family plan)	\$45	\$45
Fast Food and Snacks	\$115	
Netclicks (video streaming service)	\$25	
All Systems Pro (gaming subscription service)	\$20	
PulsePlay (music streaming service)	\$10	
Helping at Home (assisting parents with groceries, rent, or utilities)	\$75	\$75
Personal Spending (clothes, gifts, etc.)	\$100	
Gas for rides	\$40	\$40
TOTAL	\$430	

Monthly Car Costs (no loan)	Original Amount	Adjusted Amount
Insurance	\$240	\$240
Gas*	\$70	\$70
Maintenance & Repair (put into savings account)	\$60	
Registration Renewal and Property Tax (put into savings account)	\$50	\$50
Parking/Tolls	\$25	\$25
TOTAL	\$445	

*The budgeted gas amount includes \$40 that was previously allotted for "Gas for Rides" since Jordan will no longer need rides from family and friends.

Category	Original Amount	Adjusted Amount
Monthly Income	\$900	\$900
Current Expenses	-\$430	
Car Costs (no loan)	-\$445	
MONEY LEFT OVER	\$25	

Car Option	Monthly Loan Payment	New Monthly Cash Flow
Option _____ (enter your assigned option)		(must be a positive number)

Trade-Off Statement

If Jordan chooses _____ ,
 then Jordan will have to reduce/give up _____
 _____ .

Affordability Statement

Based on your group's analysis, is this option financially realistic for Jordan given her current budget? Explain why or why not using evidence from the budget you created and the case study materials.

Determining Jordan's Options Rubric:

Criteria	4 – Strong	3 – Proficient	2 – Developing	1 – Beginning
Deficit Calculation & Accuracy	Accurately calculates the new monthly deficit after adding the loan payment. All totals are correct and clearly shown.	Correctly calculates the deficit with minor errors that do not affect the final balance.	Calculation contains noticeable errors or inconsistencies in totals.	Deficit is incorrect, incomplete, or not calculated.
Budget Adjustments	Adjusts only variable expenses. Revisions are realistic and successfully move the budget from deficit to surplus.	Adjusts appropriate categories and reaches surplus, though adjustments may lack precision or realism.	Adjustments include restricted categories or do not fully eliminate the deficit.	Adjustments are incomplete, unrealistic, or do not attempt to reach surplus.
Trade-Off Statement	Clearly states what Jordan gives up and directly connects the reduction to the selected loan option using specific examples.	Identifies what is reduced and connects it to the loan option, but lacks specificity.	Trade-Off statement is vague or loosely connected to the budget changes.	Trade-Off statement is missing or does not reflect the adjustments made.
Financial Reasoning	Demonstrates clear understanding that affordability requires prioritization and intentional adjustment of spending.	Shows general understanding that trade-offs are necessary to afford the loan.	Shows limited or surface-level understanding of how adjustments affect affordability.	Shows little or no understanding of how budget adjustments relate to financial stability.
Affordability Statement	Clearly states whether the option is financially realistic for Jordan and defends that position with specific evidence from both the adjusted budget and case study materials.	States a position on affordability and supports it with some evidence from the budget or case study.	States a position but explanation is vague or not clearly supported by evidence.	Does not state a clear position or provides no supporting evidence.

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POST-QUIZ

Budgeting & Cashflow Management

What + Why: You made it to the end of the topic! This quick, ungraded quiz shows how your thinking has grown since the pre-quiz.

Instructions:

1. Answer each question as best you can.
2. Circle the best answer for each question.
3. Submit it when you're done.

1. Which is an example of a long-term financial goal?
 - ☐ a. buying gym shoes for an upcoming race
 - ☐ b. saving for a concert ticket next month
 - ☐ c. paying for a new phone case
 - ☐ d. saving for retirement
2. You earn extra income from a part-time job. Which choice best shows balancing short-term needs and long-term goals?
 - ☐ a. spending all of the extra income right away
 - ☐ b. saving all of the extra income and avoiding spending
 - ☐ c. dividing extra income between current needs and future savings
 - ☐ d. waiting to save until your income increases

3. You have an unexpected car repair and your emergency fund doesn't fully cover it. What is the best next step?
- ☐ a. Ignore the expense since it wasn't planned for.
 - ☐ b. Reduce spending in non-essential categories to help cover the cost.
 - ☐ c. Pay for the repair without changing your current spending.
 - ☐ d. Delay paying some regular expenses so you have more funds left over.
4. What is the primary role of a budgeting app or spreadsheet in helping someone manage their finances?
- ☐ a. to estimate future income and plan long-term financial goals
 - ☐ b. to review spending patterns after they have been recorded in order to identify possible savings
 - ☐ c. to track income and expenses in order to manage day-to-day finances
 - ☐ d. to develop a plan for how money should be divided across different spending categories

