



JA FINANCIAL LITERACY®

Student Guide

UNIT 1: EMPLOYMENT, INCOME, & FINANCIAL DECISION-MAKING

Topic 1: Earning & Spending

NAME: _____

DATE: _____

PRE-QUIZ

Earning & Spending

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. Maria creates a monthly budget using her gross income instead of her net income. Which outcome is most likely to result from this decision?
 - ☐ a. Maria will adjust her payroll deductions to increase her take-home pay.
 - ☐ b. Maria will believe she has more money available to spend or save than she actually does.
 - ☐ c. Maria will accurately predict how much money she can save or spend each month.
 - ☐ d. Maria will underestimate how much income she earns each pay period.
 2. If someone grosses \$1,300 over a two-week period, and their net pay is \$900, how much money was deducted from their paycheck?
 - ☐ a. \$300
 - ☐ b. \$350
 - ☐ c. \$400
 - ☐ d. \$450

3. A full-time salaried job pays the same amount every week and includes health insurance. A contract driving job pays more on average but varies widely week to week and has no benefits. Which person should MOST likely choose the salaried job?
- ☐ a. someone with fixed monthly expenses and high ongoing medical bills
 - ☐ b. someone who prioritizes setting their own schedule and is comfortable with income changes
 - ☐ c. someone who already has health insurance and wants the chance to earn more in busy weeks
 - ☐ d. someone who is mainly focused on increasing their total earnings this year
4. A person wants to save for the future but is currently facing high medical expenses and reduced work hours. They decide to reduce their savings for a few months in order to pay their necessary expenses. What does this decision BEST illustrate about how financial choices are shaped?
- ☐ a. People's circumstances often impact their financial decisions even when their long-term values stay the same.
 - ☐ b. People often abandon their long-term goals when they face challenging temporary circumstances.
 - ☐ c. Saving for long-term expenses is most likely when income is high and expenses are low.
 - ☐ d. High medical expenses often prevent people from saving for the future.

NAME: _____

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CASE STUDY

Five-Year Reunion Kickoff

What + Why: Get acquainted with the case study. Notice, wonder, and make predictions to start connecting your thinking to real-life choices.

What is a Case Study?

Every decision you make, big or small, requires you to look at a situation, figure out what's really going on, and choose a path forward. That's not just a life skill. That's exactly the kind of thinking case studies are designed to build.

Case studies are a way of exploring real situations and connecting what you're learning to the kinds of decisions people face every day. So what exactly is a case study? It's an in-depth look at a real person, group, or situation, used to understand a problem and explore possible solutions. You're not being asked to memorize facts. You're being asked to think.

The case study process generally follows three steps.

1. First, you identify the situation: who is this person, what's their context, and what details stand out?
2. Next, you dig a little deeper to determine the core problem, looking past the surface to understand what's really driving the challenge.
3. Finally, you make an informed recommendation. What would you do, and why? That last part matters most, because your reasoning is more important than your conclusion.

As you work through these cases, keep this in mind: two people can look at the exact same situation and reach different, valid conclusions, as long as both can back up their thinking with evidence. Real decisions depend on goals, values, and circumstances, which is what makes them complex and worth practicing.



As you learn more and hear other perspectives your thinking might shift. That's not a sign you were wrong. That's a sign you're getting better. The best decision-makers stay curious, stay open, and know how to explain their reasoning. That's what you're building in case-based learning.

Five-Year Reunion

Meet your five classmates from high school. You've all come together at the high school reunion to catch up five years after graduation. All of you have started in the same place, but your lives (jobs, money, and independence) look quite different now.

Supporting Materials:

Unit 1 Case Study: Five-Year Reunion (Case Brief)

Topic 1: Introduction (Case Study)

Profiles (Case Study)

Financial Snapshots (Case Study)

Part 1

Instructions:

1. Read the **Unit 1 Case Brief**. Pay close attention to the **Case Question**: What choices help someone make the most of their earnings, from a first paycheck to a future career, so they can spend, save, and plan wisely?
2. Highlight key words and make notes to help you answer:
 - How might this case study help us learn about employment and income?

Part 2

Instructions:

1. Work with your assigned group.
2. Read the **Topic 1: Introduction**, and review your specific case study profile's **Profile** and **Financial Snapshot**. As you read and review, notice important details about their journey.

3. Jot down your first impressions in the KWL Chart:

- What do you *notice* (facts or details you observe)?
- What do you *wonder* (questions or things you're curious about)?

4. Make a prediction using evidence from the chart: Is this case study profile financially stable or challenged?

Focus on analyzing the data, not making judgments.

Person	What I Notice	What I Wonder	Prediction: Financially Stable or Challenged?
EXAMPLE	<i>works part-time & rents an apartment; has car loan & credit card debt</i>	<i>How much does he spend monthly on debt payments?</i>	<i>Challenged—might be struggling with debt</i>
Kiana 			
Rafael 			
Maya 			
Brianna 			
Trey 			

Part 3

Instructions:

1. Introduce your case study profile.
2. Share your prediction.
3. Record classmates' information and predictions about the other case study profiles on the KWL Chart.

NAME: _____

DATE: _____

VIDEO

Gross vs. Net Income

What + Why: Figure out what actually ends up in your pocket—and why it's not your full paycheck.

Hi. I'm Mia. I'm so excited, because I just finished my first two weeks at a local ice cream shop. Let me tell you, scooping is no joke! I received my first paycheck, and I'm a bit confused. The numbers just don't make sense, and I'm getting a lot less than I expected.

In this activity you will help me examine the difference between gross income and net income, investigate how deductions impact my take-home pay, and help explain how to interpret my pay stub.

When my manager hired me for this summer job, she said I would work for 30 hours a week at \$15 an hour. That means \$450 a week! So, when I got my paycheck for two weeks' worth of work, I thought I'd get \$900.



Here's a copy of my pay stub. Can you help me make sense of what I earned?

Mia gets paid every two weeks. The pay stub shows that she worked a total of 60 hours between June 1 and June 15.

Mia earns \$15 for every hour she works at Sundae Funday.

A pay stub shows what you earned in a pay period and what was deducted for taxes, insurance, and other items.

Sundae Funday		PAY STUB	
Recipient: Mia Froyo		TOTAL NET PAY \$820.55	
Pay Rate: \$15 per hour		Pay Date: June 20	
Pay Period: June 1–15		Payment Method: Check	
Hours Worked: 60			
PAYMENTS		DEDUCTIONS	
Regular Pay	\$900.00	Federal Tax	\$34.00
Overtime Pay	\$0.00	State Tax	\$19.00
Bonus	\$0.00	FICA	\$69.00
Reported Tips	\$42.55	Other	\$0.00
TOTAL GROSS PAY		TOTAL DEDUCTIONS	
\$942.55		\$122.00	

Mia's regular pay is \$900.00 (\$15 an hour $\times$ 60 hours). It looks like Mia also received some extra money from tips when customers used a credit card to buy ice cream (\$42.55).

Deductions are money that an employer subtracts from an employee's gross income to pay for taxes, health insurance, and other expenses. It looks like Mia paid federal taxes, state taxes, and FICA (Medicare and Social Security).

Mia's deductions add up to \$122.00. Her employer subtracts this amount from her gross pay.

Gross pay (sometimes called gross income) is the amount of money an employee earns before any taxes or other deductions are subtracted. Mia's gross pay is her regular pay plus reported tips (\$942.55).

Net pay (sometimes called net income or take-home pay) is the amount of money an employee receives after taxes and other deductions are subtracted. Mia's net pay is $\$942.55 - \$122.00 = \$820.55$.

Gross Pay – Deductions = Net Pay

Gross Pay may include:

- Salary or regular pay
- Overtime or holiday pay
- Bonuses
- Commissions
- Tips

Deductions may include:

- Taxes (federal, state, or local)
- FICA (Social Security and Medicare)
- Insurance premiums
- Retirement plans
- Union dues
- Court-ordered payments

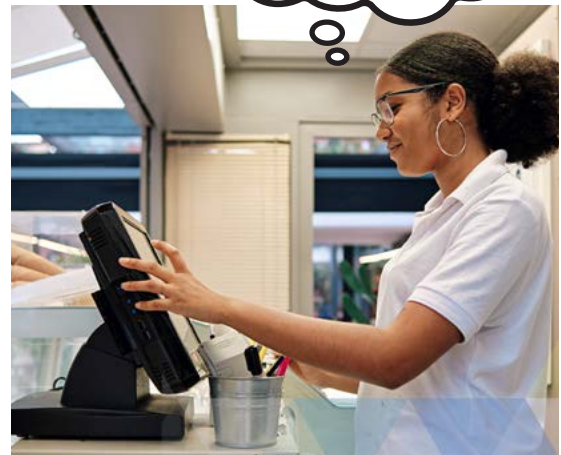
Net Pay can also be called take-home pay.

Oh. I see. My gross pay is what I'm earning per hour multiplied by the hours I work. It also includes any other income, like tips I receive from credit card payments. But, then deductions (things like taxes and Social Security) are subtracted from my gross pay. That's why I was paid less than I expected. My parents mentioned that they have other deductions taken from their paychecks as well, things like health insurance and retirement savings. I guess I should feel lucky that those don't apply to me (yet!). So, gross pay minus deductions equals my take-home pay (what I can use to spend and save).

Even though I won't be able to work this many hours during the school year, I'm curious what my estimated yearly income would be based on my first paycheck. Let's pretend I continue to work 30 hours a week for the entire year. How much would my deductions be for an entire year?

Okay. So, since I get paid bi-weekly, I'd need to multiply my regular pay times two to get an approximate gross monthly pay. (I'll ignore my tips and other income since I can't really count on that money consistently.) Then, I'll multiply that by 12 since there are 12 months in a year. It looks like if I could work 30 hours a week all year round, I would make approximately \$21,600 of gross annual pay. I'll do the same multiplication for my deductions. It looks like I'll pay almost \$3,000 a year for taxes and FICA. So, to find my take-home (or net pay) for a whole year, I'll just subtract my estimated deductions from my approximate gross pay. It looks like I could bring in approximately \$18,600 a year! Wow!

"What would my deductions be for an entire year?"



I know those are all just estimates, but that really helps me plan out my year. I can help out my parents with some of our household costs, start saving up for a car, and maybe I can afford to go see my favorite group's concert at the end of the summer with my friends after all!

Question 1

What is gross pay?

- ☐ a. A paper or electronic record showing what you earned in a pay period and what was deducted for taxes, insurance, and other items
- ☐ b. The amount of money an employee earns before any taxes or other deductions are subtracted
- ☐ c. Money that an employer takes from an employee's paycheck to pay for taxes, health insurance, and other expenses
- ☐ d. The amount of money an employee receives after taxes and other deductions are subtracted

Answer: b. Gross pay is the amount of money earned before any taxes or other deductions are subtracted.

Question 2

Noor recently started a new salaried job that offers health benefits. On his second paycheck, he notices his net pay is lower than the first one, even though he worked the same number of hours at the same hourly rate.

What is the most likely reason Noor's take-home pay decreased?

- ☐ a. Noor worked fewer hours.
- ☐ b. A new deduction for health insurance was taken out.
- ☐ c. Noor's hourly wage went down.
- ☐ d. The company deducted money Noor owed them from his paycheck.

Answer: b. The health benefit most likely kicked in on Noor's second paycheck, which means a new deduction was taken out for insurance. That's why his net pay went down, even though everything else stayed the same.

Thanks for sticking with me! Now I understand the difference between gross income and net income, how deductions affect what I actually take home, and how to read my pay stub without feeling totally lost.

NAME: _____

DATE: _____

ACTIVITY

Pay Stub Simulation

What + Why: Analyze one case study profile's pay stub and profile details so you can explain what they earn, what is taken out, and what they actually take home.

You've met all five classmates from the case study. Now it's time to look at the numbers behind their stories. A pay stub can reveal a lot about someone's financial life, but understanding what trade-offs they face takes more than one document.

Supporting Materials:

Profiles, Financial Snapshots, and Pay Stubs (Case Study)

Calculator (optional)

Instructions:

1. Review your case study profile's **Profile**, **Financial Snapshot**, and **Pay Stub**.
2. Use the case study materials to complete the row in the Pay Stubs and Profiles chart that applies to your case study profile.
3. Answer the reflection questions to prepare for an upcoming teach-back where you will explain your person's take-home pay and the trade-offs they face in their monthly budget to the rest of the class.

Note: Determine monthly income first. Use the following calculations to help you.

- If the person is paid weekly, multiply the income by 4.
- If the person is paid bi-weekly, multiply the income by 2.

Pay Stubs and Profiles

Person	Income Type	Pay Frequency (weekly, bi-weekly, monthly)	Monthly Gross Pay (total pay before deductions)	Monthly Total Deductions	Monthly Net Pay (Gross Pay – Deductions)	Approx. Yearly Gross Pay (Monthly Gross Pay x 12)	Approx. Yearly Net Pay (Monthly Net Pay x 12)
Kiana	☐ salary ☐ hourly ☐ gig/ contract						
Rafael	☐ salary ☐ hourly ☐ gig/ contract						
Maya	☐ salary ☐ hourly ☐ gig/ contract						
Brianna	☐ salary ☐ hourly ☐ gig/ contract						
Trey	☐ salary ☐ hourly ☐ gig/ contract						

Answer these reflection questions with your group. Be ready to use your answers later when you share-out about your case study profile.

1. Based on your calculations, what does your person actually take home each month, and what does that tell you about how they can spend?
2. What is one deduction or expense that most affects your person's take-home pay, and why does it matter?
3. What is one trade-off your person faces given their income type and take-home pay?

NAME: _____

DATE: _____

REFLECTION

Contribution Connections

What + Why: Reflect on how paycheck deductions can connect personal finances to the well-being of others.

Paycheck deductions may feel personal, but they can also support things people may use now or later, such as healthcare, retirement savings, and public services. Think about how deductions can affect both the person paying them and the broader community.

Reflect

1. Are deductions “losses”?
2. What benefits do individuals and communities gain from deductions?

NAME: _____

DATE: _____

INSTRUCTION

Pay Stub Perspectives

What + Why: Use Mia's paycheck to see how gross pay, deductions, and take-home pay work before comparing case study profiles.

Revisit Mia and her pay stub one more time. This time to walk through the numbers together and make sure the math and the reasoning are clear before you explain your case study profile's situation to your classmates.

Instructions:

1. Follow along and fill out the Mia's Pay Stub Summary chart as your teacher models how Mia's pay stub works.
2. Notice what Mia earned, what was taken out, and what she actually took home.

Remember:

- Gross Pay - Deductions = Net Pay
- Monthly Gross Pay x 12 = Approximate Yearly Gross Pay
- Monthly Net Pay x 12 = Approximate Yearly Net Pay

Sundae Funday		PAY STUB	
Recipient: Mia Froyo		TOTAL NET PAY \$820.55	
Pay Rate: \$15 per hour		Pay Date: June 20	
Pay Period: June 1-15		Payment Method: Check	
Hours Worked: 60			
PAYMENTS		DEDUCTIONS	
Regular Pay	\$900.00	Federal Tax	\$34.00
Overtime Pay	\$0.00	State Tax	\$19.00
Bonus	\$0.00	FICA	\$69.00
Reported Tips	\$42.55	Other	\$0.00
TOTAL GROSS PAY		TOTAL DEDUCTIONS	
\$942.55		\$122.00	

Mia's Paystub Summary

Name	Income Type	Pay Frequency (weekly, biweekly, monthly)	Monthly Gross Pay (total pay before deductions)	Monthly Total Deductions	Monthly Net Pay (Gross Pay – Deductions)	Approx. Yearly Gross Pay (Monthly Gross Pay x 12)	Approx. Yearly Net Pay (Monthly Net Pay x 12)
Mia	☐ salary ☐ hourly ☐ gig/ contract						

Key Terms

- **deductions:** money subtracted from gross pay before a person receives take-home pay
- **gross pay:** the amount of money earned before taxes or other deductions are subtracted
- **income:** money earned or received, including wages, salary, tips, or other payments
- **net pay:** the amount of money received after taxes and other deductions are subtracted; also called take-home pay
- **pay stub:** a record that shows what someone earned during a pay period and what was deducted before they received their pay
- **take-home pay:** the money someone actually receives after deductions and can use for spending, saving, or meeting responsibilities

NAME: _____

DATE: _____

ACTIVITY

Pay Stub Simulation Teach-Back

What + Why: Share pay stub findings so the whole class can compare how take-home pay, deductions, and income type shape the financial trade-offs different people face.

Each newly formed group will now present their findings from the Pay Stub Simulation activity. You will explain your case study profile of focus, and listen to classmates explain the other profiles.

Supporting Materials:

Profiles, Financial Snapshots, and Pay Stubs (Case Study)

Pay Stubs and Profiles chart (completed previously)

Pay Stub Perspectives chart (completed previously)

Part 1: Prepare with Your Original Group

Instructions:

1. In your original group, review your work from the **Pay Stub Simulation** activity.
2. Prepare to explain:
 - how your person earns money and how often they are paid
 - what they take home monthly and what that reveals about their financial situation
 - one deduction or expense that most affects their take-home pay
 - one trade-off the person faces given their income type and take-home pay

Part 2: Teach-Back to Others

Instructions:

1. Move into your new group.
2. When it is your turn, share your person's findings clearly and briefly.
3. As others share, fill in the missing rows of your **Pay Stubs and Profiles** chart.

Teach-Back Requirements:

- Use evidence from the **Pay Stubs and Profiles** chart and case study materials.
- Explain the person's take-home pay, not just gross pay.
- Name at least one deduction, expense, or amount taken out that matters.
- Explain what the take-home pay reveals about the person's financial situation and at least one trade-off they face.
- Use clear reasoning. Do not judge the person or assume details that are not in the materials.

Sentence Starters:

- Our person earned . . .
- One deduction or amount taken out was . . .
- Their take-home pay matters because . . .
- What their take-home pay reveals about their financial situation is . . .
- One trade-off my person faces is . . .
- This evidence shows . . .

NAME: _____

DATE: _____

REFLECTION

Before Your First Paycheck

What + Why: Use what you learned about pay stubs and take-home pay to think about what someone would still need to know before making a spending or saving plan.

A pay stub can show what someone earned, what was deducted, and what they actually took home. But it does not show everything about someone's financial situation. Expenses, goals, responsibilities, and priorities can all shape the financial trade-offs someone faces.

Reflect:

What is one thing you would want to understand before using take-home pay to make a spending or saving plan? Why would that matter?

NAME: _____

DATE: _____

CASE STUDY

Case Study Advisory Challenge

What + Why: Use case study evidence to explain how the way your assigned person earns and what they take home in pay influence the financial trade-offs they face.

You have seen the pay stubs and financial snapshots for all five classmates. Now your group will look closely at one person and answer **Supporting Question 1** using evidence.

Supporting Materials:

Profiles, Financial Snapshots, and Pay Stubs (Case Study)

Pay Stubs and Profiles chart (completed previously)

Instructions:

1. Review the **Profile, Financial Snapshot, Pay Stub**, and completed **Pay Stubs and Profiles** chart for your specific case study profile.
2. Answer **Supporting Question 1** for that person.
3. Use evidence when answering **Supporting Question 1** by filling in the Advisory Challenge table provided.
4. Prepare a brief explanation to share with another group.

Advisory Challenge

Our Case Study Profile:

Supporting Question 1: How does the way my person earns and what they take home in pay influence the financial trade-offs they face?

How they earn	
Take-home pay	
Trade-off they face	
Evidence	

Rubric

Criteria	4 – Strong	3 – Proficient	2 – Developing	1 – Beginning
Supporting Question Response	Clearly and precisely explains how the person earns money and their approximate take-home pay, including pay frequency and deduction impact	Clearly explains how the person earns money and their approximate take-home pay	Addresses earning or take-home pay but not both, or does so without clarity	Does not address how the person earns money or what they take home in pay
Trade-Off Explanation	Explains trade-off with nuance, connecting income type, take-home pay, and personal values, goals, or circumstances	Identifies and explains one trade-off connected to income type and take-home pay	Trade-off is named but not connected to how the person earns or what they take home	No trade-off identified, or trade-off is unrelated to income type or take-home pay
Use of Evidence	Uses precise, well-chosen evidence from multiple case study materials that strongly supports the response	Uses specific evidence from at least two case study materials to support the response	Some evidence referenced but not clearly connected to the response	No evidence from case study materials used
Clarity and Reasoning	Response is compelling, well-organized, and demonstrates strong financial reasoning throughout	Response is clear, focused, and uses reasoning rather than assumptions or judgment	Response is partially clear but reasoning is inconsistent or unsupported	Response is unclear, incomplete, or relies on assumptions about the person

NAME: _____

DATE: _____

REFLECTION

What Matters Most?

What + Why: Reflect on how job and income trade-offs connect to your own values and priorities.

In the Advisory Challenge, you analyzed how take-home pay affects the trade-offs the case study profiles face. Now think about how those same kinds of trade-offs might matter in your own future.

Reflect:

Think about the trade-off you found most significant among the case study profiles.

Now think about yourself: What would matter most to you when evaluating a career, and what does that say about your own values and priorities?

NAME: _____

DATE: _____

ACTIVITY

Financially Me: Values-Based Spending Plan

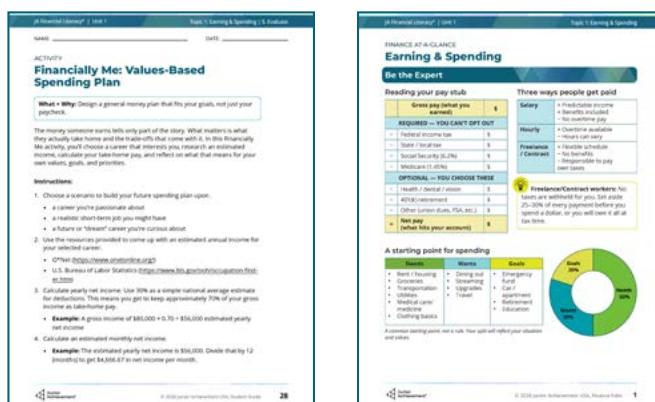
What + Why: Design a general money plan that fits your goals, not just your paycheck.

FinanceFolio Introduction

At some point, sooner than you think, you're going to be on your own financially. Rent, insurance, credit, retirement savings, debt—the decisions pile up fast and that transition to financial independence can be overwhelming. There's no one moment when everything clicks—it's really a series of decisions, big and small, that nobody fully prepares you for.

That's exactly what the FinanceFolio is designed to change.

Throughout this course, you're going to build a personalized financial resource—one concept at a time—that helps you hold onto what you learn, build on it, and actually use it when those decisions start showing up in real life. The FinanceFolio has two parts that work together—a growing collection of personal financial tools and resources and a thorough topic-by-topic reference that together can become a foundation to help shape your financial decision-making.



The first part of the FinanceFolio are the Financially Me activities. Each one produces something tangible—a personal financial plan, framework, or reflection grounded in your own life—that you work through as you learn the content, and add to your FinanceFolio as you go.

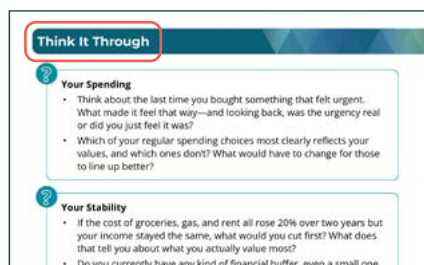
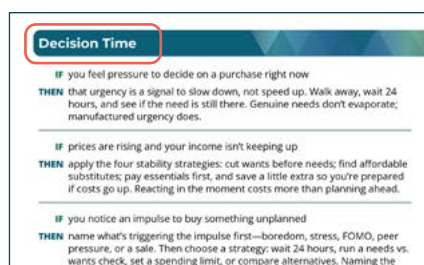
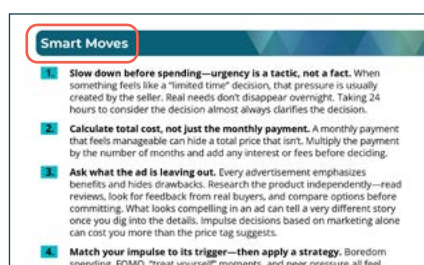
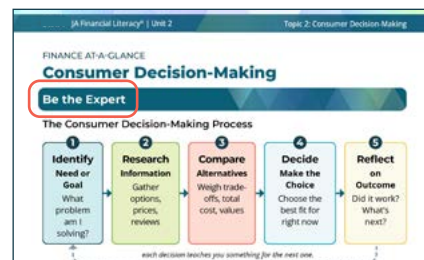
The second part is Finance at-a-Glance. At the end of every topic, your teacher will hand you a detailed reference document that captures the core concepts, strategies, and decision frameworks from that topic. These aren't just notes to stuff in a folder—they're organized around four sections designed to take you from understanding a financial concept or skill to actually being able to apply it.

- **Be the Expert** gives you the knowledge foundation—the concepts, data, and frameworks that separate someone who has heard of something from someone who actually gets it.
- **Smart Moves** translates that knowledge into specific, actionable habits—the strategies worth knowing before you need them. (And you will need them.)
- **Decision Time** gives you clear IF/THEN guidance for real financial situations—so when those moments come up in your life, you already have a framework. No guessing, no panic. Just a plan.
- **Think It Through** are prompts to consider how the financial concepts apply to individual decisions, goals, and priorities. Use these to turn financial knowledge into something that actually applies to life right now and life ahead.

At the end of each topic, you'll put your Financially Me activities together with your Finance at-a-Glance pages that your teacher gives you. Over the duration of the course, that collection becomes your complete FinanceFolio, one you'll put to work in the final Case Challenge. You become the focus of your final case study as you examine the personal financial work you've produced during the course to create a multi-year financial plan.

The financial decisions ahead of you are real. The FinanceFolio won't have all the answers, but it's a starting point to make sure you're never walking into those decisions empty-handed.

Put real thought into it as you go—this isn't busywork, it's a resource you're building for yourself.



Financially Me: Values-Based Spending Plan

The money someone earns tells only part of the story. What matters is what they actually take home and the trade-offs that come with it. In this Financially Me activity, you'll choose a career that interests you, research an estimated income, calculate your take-home pay, and reflect on what that means for your own values, goals, and priorities.

Instructions:

1. Choose a scenario to build your future spending plan upon.
 - a career you're passionate about
 - a realistic short-term job you might have
 - a future or "dream" career you're curious about
2. Use the resources provided to come up with an estimated annual income for your selected career.
 - O*Net (<https://www.onetonline.org/>)
 - U.S. Bureau of Labor Statistics (<https://www.bls.gov/ooh/occupation-finder.htm>)
3. Calculate yearly net income. Use 30% as a simple national average estimate for deductions. This means you get to keep approximately 70% of your gross income as take-home pay.
 - **Example:** A gross income of $\$80,000 \times 0.70 = \$56,000$ estimated yearly net income
4. Calculate an estimated monthly net income.
 - **Example:** The estimated yearly net income is \$56,000. Divide that by 12 (months) to get \$4,666.67 in net income per month.

(1) Potential Future Career:
(2) Estimated Annual Income:
(3) Calculated Yearly Net Income (average annual/gross income $\times$ 0.70 = estimated net income):
(4) Calculated Monthly Net Income (estimated net income $\div$ 12):

Next, think about what your calculated net income reveals about the financial trade-offs you might face in this career.

5. What income type does this career use (hourly, salary, or gig/contract), and what does that mean for how predictable your take-home pay would be month to month?

6. What is one trade-off you would face with this income type? (Consider stability vs. flexibility, predictable deductions vs. variable income, or the difference between the gross income and net income.)

7. What does this tell you about whether this career fits your values, goals, and priorities? Use your calculated net income as evidence in your response.

Submission:

Turn in your completed work as directed by your teacher.

NAME: _____

DATE: _____

POST-QUIZ

Earning & Spending

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. Maria creates a monthly budget using her gross income instead of her net income. Which outcome is most likely to result from this decision?
 - ☐ a. Maria will adjust her payroll deductions to increase her take-home pay.
 - ☐ b. Maria will believe she has more money available to spend or save than she actually does.
 - ☐ c. Maria will accurately predict how much money she can save or spend each month.
 - ☐ d. Maria will underestimate how much income she earns each pay period.
 2. If someone grosses \$1,300 over a two-week period, and their net pay is \$900, how much money was deducted from their paycheck?
 - ☐ a. \$300
 - ☐ b. \$350
 - ☐ c. \$400
 - ☐ d. \$450

3. A full-time salaried job pays the same amount every week and includes health insurance. A contract driving job pays more on average but varies widely week to week and has no benefits. Which person should MOST likely choose the salaried job?
- ☐ a. someone with fixed monthly expenses and high ongoing medical bills
 - ☐ b. someone who prioritizes setting their own schedule and is comfortable with income changes
 - ☐ c. someone who already has health insurance and wants the chance to earn more in busy weeks
 - ☐ d. someone who is mainly focused on increasing their total earnings this year
4. A person wants to save for the future but is currently facing high medical expenses and reduced work hours. They decide to reduce their savings for a few months in order to pay their necessary expenses. What does this decision BEST illustrate about how financial choices are shaped?
- ☐ a. People's circumstances often impact their financial decisions even when their long-term values stay the same.
 - ☐ b. People often abandon their long-term goals when they face challenging temporary circumstances.
 - ☐ c. Saving for long-term expenses is most likely when income is high and expenses are low.
 - ☐ d. High medical expenses often prevent people from saving for the future.

