

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.