

NAME: _____

DATE: _____

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.