Make a Budget: Quiz

1. Your income is $4,500 a month. Your expenses include:
Housing: $1,500
Food and family needs: $1,500
Wants and “fun money”: $700
Savings: $1,000

What can you do to balance your budget?

A) This budget is already balanced.

B) Reduce food and family needs by $200.

C) Reduce “fun money” expenses by $400.

D) Reduce your savings by $300.

2. You need a new pair of shoes unexpectedly and went over your clothing budget for the month by $40. What can you do to adjust?

A) Use your emergency savings to cover the extra amount.

B) Take out a short-term payday loan.

C) Reduce your spending by $40 in another budget category to cover it.

D) There’s nothing you can do once you go over budget.

3. Your income is $4,000 a month. How much should you plan to spend to balance your budget?

A) Less than $4,000 a month.

B) Exactly $4,000 a month.

C) More than $4,000 a month.

4. Eloise earned a performance bonus of $1,200 at work. Money’s been tight, and she could really use some extra cash all year long. How should Eloise budget her bonus?

A) Spread her bonus out by budgeting to spend $100 of it every month.

B) Plan to spend the entire $1,200 the month she receives the bonus.

C) Eloise shouldn’t include the bonus in her budget since it’s variable income.

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5. You make anywhere from $200 to $400 a month from your side business. You budget for $200 a month. What happens if you make more than $200?

A) You should make a plan for how you'll spend any extra money you make.

B) You shouldn't make a plan for extra money since it's not guaranteed.

C) You should always budget for $400 a month instead of $200.

6. You pay $9.99 for a music streaming service every month. Is this a fixed or variable expense?

A) Fixed

B) Variable

7. You typically spend anywhere between $30 and $60 on clothes every month. What should you estimate for your monthly budget?

A) You should use an average of $45 to keep your budget consistent.

B) You should budget $30 every month.

C) You should budget $70 a month to make sure you're always covered.

D) You shouldn't use a budget for clothing since it's a variable expense.

8. Zo's goal is to save and invest money for education expenses. Using online calculators, she decides she wants to have $20,000 saved over the next 5 years (60 months). Which strategy should Zo try?

A) Save $334 every month ($20,000 / 60 months).

B) Don't include this in her budget, but funnel any extra money she receives toward the goal.

C) Aim to save less money now and more money later — she'll probably make more in the future, anyway.

D) Don't include this in her budget since it's a longer-term goal.

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9. What's the ultimate goal of a zero-based budget?

A) For your income minus your expenses to equal zero.

B) For your income minus your expenses to be more than zero.

C) For your income minus your expenses to be less than zero.

10. You bought a hot tea today, but it was only $2.50. Do you need to include it in your budget tracker?

A) Yes! You need to include every expense you have in your budget, even if it's small.

B) Nope! Since it's under $5, you don't need to include it in your budget.