Where Money Goes

Read a monthly plan, then build a budget.

9-12.EC.23 "Build a monthly budget for an individual or a family given their income, savings goals, taxes, and list of fixed and variable expenses."

NAME _____ DATE _____

1 READ AND MARK

Read it twice

YOUR JOB Circle Sam's income and taxes, underline the savings goal, and box the fixed and variable expense totals. Use your marks to track the money available for spending.

Sam's Monthly Plan

1. Sam plans a monthly budget before accepting extra weekend shifts. Gross pay is money earned before taxes; take-home pay is what remains after taxes. A budget should reserve savings before treating the rest as spending money. Predictable monthly payments differ from costs that can change, such as a café purchase or a repair.

2. Sam expects the amounts shown below. The fixed expenses include rent of $1,250, a transit pass of $150, phone service of $100, and insurance of $300. The variable plan includes groceries of $450, utilities of $180, rideshare trips of $120, and entertainment of $200. Sam estimates these costs rather than assuming every month will match.

SAM'S MONTHLY ESTIMATES

Budget item	Amount
Gross pay	$4,000
Estimated taxes	$600
Savings goal	$400
Fixed expenses	$1,800
Variable expenses	$950

3. Money left after taxes, savings, and expenses is a buffer for unexpected costs. Sam wants this buffer to stay above zero rather than assign every dollar to spending. If utilities rise to $240 in a hot month, Sam can revise a flexible category instead of changing rent or the savings goal.

2 ANSWER WITH EVIDENCE

Use the passage

1. How much of Sam's gross pay remains after taxes?

2. What is the combined total of Sam's fixed and variable expenses?

3. After taxes, savings, and planned expenses, how much remains unspent?

4. If utilities rise to $240, what new entertainment amount keeps Sam's original unspent balance?

3 YOUR TURN

Your own words

Build a monthly budget for someone earning $3,200 before $480 in taxes, with $1,450 in fixed expenses. Save at least $320, budget $350 to $500 for food and at least $100 for another variable expense, and leave at least $100 unspent. Show both variable expenses and your calculation.

BUDGET ITEM	AMOUNT OR CALCULATION

Where Money Goes

PART 1 · READ AND MARK

Circle Sam's income and taxes, underline the savings goal, and box the fixed and variable expense totals. Use your marks to track the money available for spending. Accept any marking that follows this job and points at the right text.

PART 2 · ANSWERS

#	QUESTION	ANSWER
1	How much of Sam's gross pay remains after taxes?	**$4,000 − $600 = $3,400.**
2	What is the combined total of Sam's fixed and variable expenses?	**$1,800 + $950 = $2,750.**
3	After taxes, savings, and planned expenses, how much remains unspent?	**$4,000 − $600 − $400 − $2,750 = $250.**
4	If utilities rise to $240, what new entertainment amount keeps Sam's original unspent balance?	**Utilities rise by $60, so entertainment must fall by $60, from $200 to $140.**

PART 3 · YOUR TURN (SAMPLE ANSWER)

BUDGET ITEM	AMOUNT OR CALCULATION
Gross pay	$3,200
Taxes	$480
Savings	$400
Fixed expenses	$1,450
Variable expenses	Food $400 + transportation $300 = $700
Unspent	$3,200 − $480 − $400 − $1,450 − $700 = $170

Accept any budget that meets every stated minimum and food range, identifies a second variable expense, and calculates at least $100 unspent after taxes, savings, and expenses.