

**ECONOMICS
HOMEWORK ASSIGNMENTS
DUE FRIDAY, APRIL 3, 2009**

**I. Student's Choice Budgeting Basics Essay –
Due Wednesday, April 1, 2009**

After studying budgeting, its purpose, and its process, your assignment is to produce an essay that addressed a topic of your choice from the following: the importance of budgeting for high school students, goal setting – how to reach future wishes and dreams, budgeting should or should not be a matter for the whole family, or charitable giving should or should not be part of every budget. You must use at least seven economic vocabulary words in your final product.

II. Review Questions

Number a sheet of loose-leaf paper 1-7, and record your answers on it to be turned in before Friday. Use your glossary, notes from class, or the Internet to help you find the CORRECT answers.

1. Something you are working to achieve within a defined period of time is a(an):

A Value	C Ideal
B Goal	D Dream

2. The primary sources of income for most people between the ages of 20 and 35 who are not living on a pension or social security are:

A Profits from business	C Rents
B Dividends and interest	D Salaries, wages, and tips

3. Which statement best describes the relationship between a person's educational level and that person's potential earning power?
 - A Education has no effect on a person's potential earning power
 - B A person with a professional degree is likely to earn at least four times as much per year as a person who did not complete high school
 - C Attaining a higher educational level affects the earning potential only for people over 40 years old
 - D Attaining a higher educational level decreases potential earning power

4. A man budgeted \$200 a month for clothing. This month the man spent \$150 on clothing therefore that budget item is considered to have

A an outflow deficit.	C a budget variance.
B an income overage.	D a budget deficit.

5. The following is usually considered a variable expense:

A mortgage payment	C rent payment
B electric bill payment	D car payment

6. Which of the following is necessary for successful budgeting?

A A copy of credit card report	C The ability to adjust spending to money available
B The location of your banks	D A list of unexpected income

7. A good example of a well-stated financial goal is:

A Buy a \$25,000 car	C Buy a house
B Pay off \$5,000 in credit card debt in two years	D Become financially independent