Consumer Math

## Study Guide for Chapter 4 Quizzes and Test

On the quizzes, you will have some problems similar to #3 – 7 of the review exercise, but the annual figure given is already *disposable* income rather than *gross* income.

Know the following for both:

* the definition of *budget* (p. 116)
* how to define *disposable income* or and/or describe how to find it from gross income (p. 117)
* how to figure disposable income if given take-home pay and gross pay (like #25 on p. 137)
* what percent is recommended that savings should be of your gross income (pie chart)
* how to use Table 4.1 (provided but a little different because it’s for a family of four), ***including having gross or disposable income that is not exactly like the table (Example 2 and 3, pp. 119-120)***
* how to figure monthly budget from given annual (misc. is difference of monthly disposable income and sum of the rest)
* how to develop an annual budget with actual projected expenses (section 4.2)
* how to take the annual budget to a shorter budget period (section 4.3)
* how to figure annual gross income from the pay of each pay period
* how to figure annual and then monthly or weekly tithe amount
* how to figure a monthly budgeted amount for utilities based on a year’s actual expenses with a % increase (similar to Example 3 on p. 130)
* (from memory) what the six categories are that can be cut (eliminated) or reduced to meet an emergency
* how to figure months needed to pay off an emergency
  + remember to round ***down*** for the amount available to apply to an emergency if the clothing and/or miscellaneous category is an odd number of dollars
  + remember to round to the next higher whole number of months