

Name _____

**Extend Your
Thinking
10-11**

Decision Making

Nora has just started her first job after graduating from college. She earns \$22,000 per year. She has estimated all her expenses in her budget as percents of her annual salary.

1. Write Nora's budget in dollars.

Rent	21%	_____
Food	12%	_____
Clothing	10%	_____
Transportation	9%	_____
Medical	3%	_____
Recreation	8%	_____
Federal Taxes	11%	_____
State Taxes	5%	_____
Savings	5%	_____
Miscellaneous	16%	_____

2. If Nora gets an apartment by herself, her *yearly* rent would be \$6600. What percent of her salary is that? _____
3. Subtract 21% from your answer to Question 2 to find the percent change in her rent expense in relation to her total budget. _____
4. Some things, like Federal taxes, cannot be changed because they are not under Nora's control. What changes *can* she make so that she can move to her own apartment?

5. Do you think Nora should get her own apartment? Why or why not?

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Nora has just started her first job after graduating from college. She earns \$22,000 per year. She has estimated all her expenses in her budget as percents of her annual salary.

1. Write Nora's budget in dollars.

Rent	21%	<u>\$4620</u>
Food	12%	<u>\$2640</u>
Clothing	10%	<u>\$2200</u>
Transportation	9%	<u>\$1980</u>
Medical	3%	<u>\$660</u>
Recreation	8%	<u>\$1760</u>
Federal Taxes	11%	<u>\$2420</u>
State Taxes	5%	<u>\$1100</u>
Savings	5%	<u>\$1100</u>
Miscellaneous	16%	<u>\$3520</u>

2. If Nora gets an apartment by herself, her *yearly* rent would be \$6600. What percent of her salary is that? 30%
3. Subtract 21% from your answer to Question 2 to find the percent change in her rent expense in relation to her total budget. 9%

4. Some things, like Federal taxes, cannot be changed because they are not under Nora's control. What changes *can* she make so that she can move to her own apartment?

**Possible answer: Decrease the clothing budget by 2%,
miscellaneous budget by 5% and recreation budget by 2%.**

5. Do you think Nora should get her own apartment? Why or why not?

**Possible answer: Yes, so she can have her privacy. It is
worth having less money to spend on other things.**