



# JA Personal Finance<sup>®</sup>

## Answer Key:

1. Of the following steps, which would be the **FIRST** step in financial planning?
  - b. Determine your needs and goals for the future.
2. True or False: The best predictor of how much money you will make in the future is the education you choose.
  - a. True
3. Which of the following should you remember when developing a savings plan?
  - b. Pay yourself first.
4. All of the following are elements of financial planning except one. Which one?
  - c. Never Use Credit
5. Alan has created a new budget. Which of the following should he **NOT** do?
  - c. Use credit for all items not in his budget.
6. Match each term to the correct definition.
  - e \_\_\_ Income
  - a \_\_\_ Expenses
  - d \_\_\_ Fixed expense
  - b \_\_\_ Variable expense
  - c \_\_\_ Opportunity costs
7. Which of the following statements about credit is **FALSE**?
  - c. Credit is something that is bad and should always be avoided.
8. Which of the following statements is **NOT** good advice for risk management?
  - d. Store your list of passwords in your phone.