

Steps to Success – Summary Test

Part 1: Multiple Choice (2 points each)

1. What does it mean to understand your money?

- A. Spending money only on fun things
- B. Knowing how much money you earn and spend
- C. Having a savings account
- D. Using a credit card

2. Why are financial goals important?

- A. They make money disappear faster
- B. They help you impress others
- C. They give your money direction and purpose
- D. They replace the need for budgeting

3. What is a budget?

- A. A list of everything you want to buy
- B. A plan for how you will use your money
- C. A type of savings account
- D. A credit score

4. Which action helps improve your credit score?

- A. Ignoring bills
- B. Spending as much as possible
- C. Paying bills on time
- D. Never using money

5. Why is saving money important?

- A. To avoid planning
- B. To prepare for emergencies and future goals
- C. To spend more later
- D. To avoid earning money

Part 2: Short Answer (2 points each)

6. Name one way a student can track their spending.

7. Give one example of a short-term financial goal.

8. Why does budgeting give you more freedom instead of less?

9. What is credit, in your own words?

10. Why is it a good idea to start saving money early?