

Handout One: Carlos and Sofia's Budget

Name: _____ Date: _____

Directions: Calculate the amount Carlos and Sofia will budget for their savings and expenses using the equation $I \left(\frac{p}{100} \right) = A_B$ where I is monthly income, p is percentage of income allocated to an expense, and A_B is the total amount budgeted to the expense. Circle your answer.

Income:

Annual Household Income: \$62,843.00

Monthly Income (I): _____

Savings & Expenses:

Payroll Taxes: 16%

$I =$

$p =$

$A_B =$

Savings: 10%

$I =$

$p =$

$A_B =$

Housing: 25%

$I =$

$p =$

$A_B =$

Calculating to Create a Budget

Transportation: 15%

$I =$

$p =$

$A_B =$

Insurance: 12%

$I =$

$p =$

$A_B =$

Food: 9%

$I =$

$p =$

$A_B =$

Utilities: 8%

$I =$

$p =$

$A_B =$

Personal Spending: 5%

$I =$

$p =$

$A_B =$

Check Point:

Calculate the sum of savings and each expense. Does the total amount budgeted for savings and expenses equal monthly income?