

Test 8—Question 5: Problem Solving

- 5** Ms. Warner developed a budget for a project she is working on. Her budget is shown in the first two columns of the table below.

Project Budget

Category	Cost (in thousands of dollars)	Cost After Reduction (in thousands of dollars)
Research	200	
Development	160	
Production	140	
Marketing	100	
TOTAL	600	

Ms. Warner's boss gave her the following directions:

- reduce the total budget by 20%
- do NOT reduce the amount spent on Marketing
- at least two categories must be reduced

Use these directions to complete the table above. Show your work in the box below.