

THE ACCOUNTS ISSUE – Answer Key

NAME: _____

PERIOD/ CLASS: _____

DATE: _____

QUIZ SCORE: _____

Based on the knowledge gained from the Accounts Issue, answer the following questions:

1. An ATM is which of the following?
 - a. An Automatic Teller Machine
 - b. An Auto Tax Machine
 - c. An Automated Teller Machine**
 - d. An Automatic Transaction Machine

2. The initials F.D.I.C. stand for what?
 - a. Funds Deposited in Cash
 - b. Financial Deposit Involving Credit
 - c. Federally Deposited Incoming Cash
 - d. Federal Deposit Insurance Corporation**

3. The FDIC insures a bank account against loss (if a bank fails) up to what amount?
 - a. \$100,000 per individual account in the same bank
 - b. \$100,000 per individual**
 - c. \$200,000 per individual
 - d. \$250,000 on joint checking accounts

4. Which of the following is an advantage of a checking account?
 - a. Safety
 - b. Greater control over spending
 - c. Possible Interest income
 - d. All of the above**
 - e. None of the above

5. For security purposes, what information is okay to be printed on your checks?
 - a. Social security number
 - b. Date of birth
 - c. Checking account number**
 - d. Telephone number



THE ACCOUNTS ISSUE – Answer Key

6. When using your checking account, when should you record the transaction in the check register?
- a. **Immediately**
 - b. At the end of the day, then record all for that day
 - c. Only when you use your debit card
 - d. Monthly, when you get your bank statement
7. When is the best or preferred time to balance your checkbook?
- a. Last day of each month
 - b. **Same day you receive your monthly statement**
 - c. Daily; it is very important
 - d. Whenever you feel funds are getting low
8. The purpose of a savings account is to accumulate money for emergencies and what?
- a. **Short-term needs**
 - b. Retirement
 - c. To avoid writing checks
 - d. Recreational activities
9. Why are CDs not a good bank account to use for emergencies?
- a. It is too easy to withdraw money
 - b. They offer a higher interest rate than a savings account
 - c. **The money cannot be used before maturity without a penalty**
 - d. You have to get permission from the bank to use the money
10. What type of savings account might pay slightly higher interest rates?
- a. Premium checking account
 - b. Aggressive checking account
 - c. Money Maker account
 - d. **Money Market account**

SCORE	
Number Correct	
Number Incorrect	



THE BANKRUPTCY ISSUE – Answer Key

NAME: _____

PERIOD/ CLASS: _____

DATE: _____

QUIZ SCORE: _____

Based on the knowledge gained from the Bankruptcy Issue, answer the following questions:

1. How long does a bankruptcy stay on your credit report?
 - a. 3 years
 - b. 5 years
 - c. 7 years
 - d. 10 years**

2. Which of the following is a common mistake when filing for bankruptcy?
 - a. Running up debt through credit cards**
 - b. Taking care of pending lawsuits
 - c. Withholding money owed to friends and family
 - d. Not transferring property out of your name

3. Which of the following is an advantage of filing bankruptcy?
 - a. A fresh financial start
 - b. You may be able to keep some assets
 - c. The stopping of collection efforts
 - d. All of the above**

4. Which of the following debts cannot be discharged?
 - a. Most taxes
 - b. Child support
 - c. Criminal restitution
 - d. Personal Injury caused by a DWI
 - e. All of the above**

5. How often can you receive a Chapter 7 discharge?
 - a. Once every 6 years
 - b. Once every 7 years
 - c. Once every 8 years**
 - d. Once every 10 years



THE BANKRUPTCY ISSUE – Answer Key

6. Which of the following can normally be discharged?
- a. Medical bills
 - b. Credit card debt
 - c. Payday loans
 - d. All of the above**
 - e. None of the above
7. What is the centerpiece of a Chapter 13 bankruptcy?
- a. Discharge of all debts
 - b. Protection for a co-signer
 - c. Student loans are wiped clean
 - d. Repayment plan**
8. If your income exceeds your state's median income, you will not qualify to file Chapter 7 bankruptcy.
- a. True**
 - b. False
9. Who will get notified of a bankruptcy?
- a. Creditors
 - b. Bankruptcy court
 - c. IRS
 - d. All of the above**



THE BANKRUPTCY ISSUE – Answer Key

10. What are some ways to reduce spending:

Can be any of the following:

- Build up emergency savings to reduce your use of credit cards when the unexpected occurs.
- Limit overall credit card use. Avoid impulse buying. Ask yourself, "Can I do without it?"
- Set priorities, make a plan, and stick to it.
- Pay off all credit card balances at the end of each month.
- Move balances to cards with lower interest rates.
- If credit cards are a serious problem for you, avoid using them altogether; cut them up. If you want a new stereo or TV, put money into savings each payday until you can afford to buy it outright.
- When you get a raise, put 10%, 25%, or 50% of the raise aside for investing or paying off bills.
- Shop around for the best deals and the best prices, especially on major purchases (TV, car, computer, kitchen appliances). Use the internet, and you'll cover a lot of territory in a short amount of time.
- Do not tie up too much money in your mortgage. No more than 28% of your gross monthly income should go to your mortgage payment.
- Keep all debts, mortgage, car payments, credit cards, etc., to less than 36% of your gross monthly income.

SCORE	
Number Correct	
Number Incorrect	



THE BUYING ISSUE – Answer Key

NAME: _____

PERIOD/ CLASS: _____

DATE: _____

QUIZ SCORE: _____

Based on the knowledge gained from the Buying Issue, answer the following questions:

1. The Fair Housing Act and the Equal Credit Opportunity Act were created to protect the rights of
 - a. Homebuyers
 - b. Renters
 - c. Landlords
 - d. Tenants
 - e. **All of the above**

2. What is the primary advantage when it comes to renting versus buying?
 - a. You earn no equity
 - b. Your monthly payments are based on price set by the landlord
 - c. **You have minimal maintenance cost**
 - d. You are limited on the amount of improvement or changes you can make to the property

3. When considering how much you should give for a down payment on a Conventional loan, what is the minimum requirement?
 - a. 0% to 5%
 - b. **5% to 10%**
 - c. 10% to 15%
 - d. 15% to 20%
 - e. 25% to 30%

4. The amount of mortgage you can afford depends on:
 - a. **Your income, down payment, current mortgage rates, and the amortization period**
 - b. Your income, the principal, the rent amount, insurance
 - c. Your income, insurance, current mortgage rates, and the homeowner's dues
 - d. Maintenance fees, insurance, homeowner's dues, utilities

5. True or False. The main disadvantage to buying a home is whether you will be able to sell it in case you decide to relocate.
 - a. **True**
 - b. False



THE BUYING ISSUE – Answer Key

6. Some of the things to consider when debating over whether to buy or rent include:
- a. Your dwelling wants, lifestyle, insurance amount, discretionary costs
 - b. **Your dwelling needs, lifestyle, affordability, associated costs**
 - c. Your dwelling wants, affordability, additional costs
 - d. Your needs, lifestyle, additional costs, discretionary costs
7. Which of the following is the biggest factor in planning to buy a home?
- a. **Your credit**
 - b. Number of children in the household
 - c. Yard space
 - d. Home price
 - e. None of the above
8. All maintenance, repairs, upgrades, taxes and insurance are:
- a. Up to the landlord to fix
 - b. Can be made through the homeowner's insurance
 - c. **The homeowner's responsibility**
 - d. Subject to change based on market conditions
9. The main difference between renting and buying is:
- a. The amount of mortgage you have to pay
 - b. Who takes care of bills and maintenance
 - c. The amount of time spent on maintenance
 - d. **The destination of the payment**
10. When buying a home, buyers should consider that the mortgage payments will include:
- a. **Principal, interest, taxes, and insurance**
 - b. Personal liability, Interest, tax exclusions, and insurance
 - c. Principal, adjustable rate, taxes
 - d. Personal liability, taxes, insurance, interest

SCORE	
Number Correct	
Number Incorrect	



THE CHECKBOOK ISSUE – Answer Key

NAME: _____

PERIOD/ CLASS: _____

DATE: _____

QUIZ SCORE: _____

Using what you have learned, fill out the check register shown on the next page, with the following information. The first one has been done for you.

1. On April 1 you opened your account with a deposit of \$332.00.
2. On April 4 you wrote check #501 to Townhouse Apartments for \$150.00 to cover rent and utilities.
3. On April 6 you received an income tax refund. You make a deposit of \$128.50.
4. On April 12 you wrote check #503 for \$35.00 to Dr Jones for having your teeth cleaned and one cavity filled.
5. On April 13 you made a deposit of \$250.00 from your paycheck.
6. On April 14 you wrote check #504 for \$123.75 to the Corner Market.
7. On April 17 you wrote check #506 to Bell Telephone Company for \$68.93.
8. On April 20 you made a deposit of \$250.00 from your paycheck.
9. On April 21 you wrote check #507 for \$125.00 to Insurance Brokers for your car insurance premium payment.
10. On April 22 you made an ATM withdrawal for \$75.00. (Receipt #3429)
11. On April 27 you made a deposit of \$250.00 from your paycheck.
12. On April 28 you wrote check #509 for \$65.24 to Sam's Fashions for a clothing purchase.
13. On April 29 you made a \$200 Deposit from the sale of your old stereo system.
14. On April 30 your car payment of \$194.70, which is an automatic Authorized Payment, was deducted from your account.
15. On April 30 you made a \$25.00 ATM transfer from your checking account to your savings account. (Receipt #3604)
16. Every month you have a service charge of \$3.00.



THE CHECKBOOK ISSUE – Answer Key

Checkbook Register

Item No.	Date	Description of Transaction	Payment/Debt	□	Code	Deposit/Credit	Balance
1	4/1	Opening account				332.00	332.00
2	4/4	Rent and Utilities #501	150.00				182.00
3	4/6	Income tax refund				\$128.50	310.50
4	4/12	Dentist's office #503	35.00				275.50
5	4/13	Paycheck				250.00	525.50
6	4/14	Corner Market #504	123.75				401.75
7	4/17	Bell Telephone Co. #506	68.93				332.82
8	4/20	Paycheck				250.00	582.82
9	4/21	Car insurance #507	125.00				457.82
10	4/22	ATM #3429	75.00				382.82
11	4/27	Paycheck				250.00	632.82
12	4/28	Sam's Fashions #509	65.24				567.58
13	4/29	Sale- stereo system				200.00	767.58
14	4/30	Car payment	194.70				572.88
15	4/30	ATM transfer #3604	25.00				547.88
16	4/30	Service charge	3.00				544.88

What was your ending balance for the month? \$ 544.88

SCORE	
Number Correct	
Number Incorrect	



THE CREDIT ISSUE – Answer Key

Name: _____


Period/Class: _____

Date: _____

Quiz Score: _____

Scenario:

You have just received a credit card offer in the mail on January 1, 2009, with a \$1000 credit limit. The interest rate is 0% for the first 6 months and after that 20% APR. The minimum payment will be 3% of your purchases. You went ahead and purchased a flat screen TV with your new credit card for \$950.00. You receive your first statement in the mail:

		Jane Doe 123 Main St. Anywhere, USA		
Account Number xxx-xxxx-789	Statement Date 2/15/2009	Payment Due Date 3/01/2009		
Account Status				
Total Credit Line	Available Credit Line	Cash Advance Limit	Available Credit Limit	New Balance
<u>\$1000.00</u>	<u>\$50.00</u>	\$1000	\$1000	<u>\$950.00</u>
Amount over Credit Line	Past Due	Purch/Adv Minimum Due	Minimum Amount Due	
<u>0.00</u>	\$0.00	\$28.50	<u>\$28.50</u>	

Fill in the following information into your statement:

- | | |
|----------------------------|-------------------|
| a. Total Credit Line | =\$1000.00 |
| b. Available Credit Line | =\$50.00 |
| c. New Balance | =\$950.00 |
| d. Amount over Credit Line | =\$0.00 |
| e. Minimum Amount Due | =\$28.50 |

SCORE	
Number Correct	
Number Incorrect	



THE ENTREPRENEUR ISSUE – Answer Key

NAME: _____

PERIOD/ CLASS: _____

DATE: _____

QUIZ SCORE: _____

Based on the knowledge gained from the Entrepreneur Issue, answer the following questions:

1. There are several important personality traits an entrepreneur should possess. List 5 of those traits.

Pick from the following list:

- Persistence
- Inquisitiveness
- Ambition
- High energy level
- Goal-oriented behavior
- Independence
- Perfectionism
- Self-confidence
- Ability to take calculated risks
- Creativity
- Innovative thinking
- Problem-solving skills
- Reliability
- Ability to consolidate resources
- Strong management and organizational skills
- Tolerance for failure
- Desire to work hard

2. List the 5 primary components in a business plan.

1. **Description of the Business**
2. **Situational Analysis**
3. **Marketing**
4. **Management**
5. **Finances**

3. List two different types of financing and explain the difference.

1. **Debt financing** is the acquisition of funds by borrowing
2. **Equity financing** is the act of raising money by selling common or preferred stock to individual or institutional investors.

4. What are the three things your marketing plan should accomplish?

1. **Define your business**
2. **Define your customers**
3. **Define your plan and budget**

Or take the entrepreneurial quiz:

<http://www.cnn.com/2009/LIVING/worklife/01/07/entrepreneur.quiz/>

SCORE	
Number Correct	
Number Incorrect	



THE GIVING ISSUE

NAME: _____

PERIOD/ CLASS: _____

DATE: _____

QUIZ SCORE: _____

When selecting a charity to help donate time or money to, everyone should do their research. You want to make sure you are making a difference for a worthy cause. Fill in the following information shown below so you can have a great charity that you want to be part of.

1. Organization's Name _____

2. Main Location _____

3. Is this location close to you? Yes No

4. Does this matter to you? Yes No

5. What percentage of the organization's money goes toward funding projects in the community they serve? _____ % or \$ _____

*hint: Find their financial statements and see how expenses are allocated

6. What community do they serve?

7. How do they serve this community?

8. How would you like to contribute to this charity?

Donate Time Donate Money Donate Goods

9. Are there any events or classes that will be taking place in the upcoming months? What are they?

10. Do you think this event will help further their cause to help their target community?

Yes No

SCORE	
Number Correct	
Number Incorrect	



THE INSURANCE ISSUE – Answer Key

NAME: _____

PERIOD/ CLASS: _____

DATE: _____

QUIZ SCORE: _____

Based on the knowledge gained from the Insurance Issue, answer the following questions:

- Which of the following is a type of insurance?
 - Automobile
 - Flood
 - Homeowner's
 - Comprehensive
 - All of the above**
- A contract that is attached to an insurance policy that provides additional insurance or benefits is called what?
 - An indemnification agreement
 - Temporary insurance
 - A rider**
 - A group rider with options
- What are the two types of health care plans available?
 - Indemnity insurance and managed care**
 - HMO and PPR
 - Managed Care and Tri-Care
 - Indemnity insurance and HMO
- Patients seeking medical care under a PPO health plan, whether it is in- or out-of-network, are not allowed to see a dentist.
 - True
 - False**
- What factors affect my auto insurance rates?
 - DWI arrests
 - Where I live
 - The kind of car I drive
 - Your driving record
 - All of the above**



THE INSURANCE ISSUE – Answer Key

6. What are the two types of homeowner's insurance?
- Cash value and flood
 - Replacement and fire
 - Cash value and replacement**
 - Flood and fire
7. How can a person reduce homeowners' insurance premiums?
- Install fire and burglary systems
 - Raise your deductible
 - Shop around for the best rate
 - All of the above**
8. Which of the following would affect your health insurance rates?
- Where you live
 - Driving habits
 - Owning expensive jewelry
 - Smoker or non-smoker**
 - Number of pets in the household
9. True or False. If you name a beneficiary in your will, you do not name a beneficiary on your insurance policies?
- True
 - False**
10. What are some resources to finding a reliable insurance company?
- Can be any of the following:**
- Contact local insurance agencies.
 - Ask for references from friends and family or a trusted financial advisor.
 - Check the insurer's claims payment history by reading company publications.
 - Ask the agent(s) how quickly claims are typically paid.
 - Contact the state Department of Insurance.

SCORE	
Number Correct	
Number Incorrect	



THE LOANS ISSUE – Answer Key

NAME: _____

PERIOD/ CLASS: _____

DATE: _____

QUIZ SCORE: _____

Based on the knowledge gained from the Loans Issue, answer the following questions:

1. What is the key to getting loans approved?
 - a. Having large amounts of cash available
 - b. Good credit score**
 - c. Good credit references
 - d. Willingness to pay higher interest rates
2. What is an advantage of a fixed rate, 30-year mortgage?
 - a. Monthly payments are lower than a 15-year mortgage**
 - b. Less budget dollars are available for investments
 - c. Equity is built in the home very quickly
 - d. Interest rate will fluctuate over the life of the loan
3. In the event the borrower does not make the required payment on a home mortgage loan, the lender can exercise which of the following options?
 - a. The Take Back provision
 - b. Monthly Default Option (MDO)
 - c. Repossession by Blue Law
 - d. Foreclosure**
4. Which of the following statements is true about Interest-only loans?
 - a. Can be a 30-year fixed rate or ARM
 - b. Are interest only for half of the loan
 - c. You don't build any equity in your home**
 - d. Only borrowers with an excellent credit score can qualify
5. Mortgage payments can include PITI, which stands for:
 - a. Payment, Interest, Taxes, and Indemnity
 - b. Principal, Interest, Taxes, and Insurance**
 - c. Principal, Indemnity, and Tax Interest
 - d. Payment, Insurance, and Tax Interest



THE LOANS ISSUE – Answer Key

6. The term ARM is an abbreviation for:
- a. Advance Rate Mortgage
 - b. Amount Remaining Monthly
 - c. Adjustable Rate Mortgage**
 - d. Adjusted Realtors Means
7. What is one of the most important components of a car deal?
- a. Financing**
 - b. Horsepower
 - c. Low mileage
 - d. Gas mileage and condition
8. Being “upside down” with respect to a vehicle means:
- a. Being in an accident and rolling the vehicle
 - b. Owning more on the vehicle than its value**
 - c. Value of vehicle exceeds amount owed
 - d. Needing to make expensive repairs immediately after the purchase
9. All students are eligible for a subsidized Stafford Loan.
- a. True
 - b. False**
10. Private Education Loans are also known as:
- a. Alternative Education Loans**
 - b. Parent Loans
 - c. Perkins Loan
 - d. Secondary Education Loans

SCORE	
Number Correct	
Number Incorrect	



THE RETIREMENT ISSUE

NAME: _____

PERIOD/ CLASS: _____

DATE: _____

QUIZ SCORE: _____

Scenario:

You just got out of college and are about start your first job. NOW is the time to start thinking about retirement, especially since your employer offers a matching 401K plan. You just have to contribute 4% of your income into the plan. Based on your current budget, could you afford to pay that amount into your retirement or can you contribute more? Doing some real world research, find out the following numbers and see if 4% is feasible.

Your Monthly Budget:

Monthly Income	\$ 3000.00
Taxes = 15% of your pay	\$ _____
Insurance Premium	\$ 75.00
Average monthly grocery bill	\$ _____
Phone bill (cell phone or home phone or both)	\$ _____
Electricity	\$ 100.00
Rent (pick a city and average rent for a specific neighborhood)	\$ _____
Entertainment (eating out, going to the movies, etc.)	\$ _____
Water and Garbage Pickup	\$ 25.00
Miscellaneous (any other expenses you need to consider e.g. car payment, insurance, etc.)	\$ _____
Total amount after expenses	\$ _____
What percentage of your income is the number above?	_____ %

What amount are you going to contribute to your retirement? \$ _____

Can you contribute more than this amount? Yes No

What can you do to cut down spending so you can retire earlier?

SCORE	
Number Correct	
Number Incorrect	



THE RIGHTS AND RESPONSIBILITIES ISSUE – Answer Key

NAME: _____

PERIOD/ CLASS: _____

DATE: _____

QUIZ SCORE: _____

Based on the knowledge gained from the Rights & Responsibilities Issue, answer the following questions:

1. A contract allowing the occupancy or use of a property for a specified period in exchange for an agreed rent is called a:
 - a. Disclosure
 - b. Lease**
 - c. Renter's contract
 - d. License
 - e. None of these

2. In buildings and facilities specifically designed for older persons, it is legal to discriminate against families who have children under 18.
 - a. True**
 - b. False

3. When applying for a lease, what is the main thing landlords look at?
 - a. Your insurance coverage
 - b. Your education
 - c. Your credit**
 - d. None of the above

4. A person who occupies a property temporarily while paying rent is referred to as a:
 - a. Landlord
 - b. Homesteader
 - c. Tenant**
 - d. Migrant
 - e. None of these

5. A renter should:
 - a. Maintain a signed copy of the rental agreement
 - b. Pay rent on time without being reminded
 - c. Give ample notice before moving out
 - d. Not remodel the den to suit a personal home theater system
 - e. All of the above**



THE RIGHTS AND RESPONSIBILITIES ISSUE – Answer Key

6. True or False. When renting property, all maintenance and upkeep of the property is in the hands of the landlord.
- a. **True**
 - b. False
7. Landlords may not take the following action(s) on the basis of race, color, religion, or national origin:
- a. Refuse to rent housing
 - b. Refuse to negotiate for housing
 - c. Set different terms, conditions, or privileges for rental of a dwelling
 - d. Falsely deny that housing is available for inspection or rental
 - e. **All of the above**
8. Which of the following information should be on the lease?
- a. Name, address, telephone number of property owner
 - b. Telephone number of owner's legal agent
 - c. Terms of Agreement
 - d. Rent
 - e. **All of the above**
9. True or False. If security devices are installed in accordance with local regulations, and a burglar breaks in and steals a renter's property, the landlord is at fault.
- a. True
 - b. **False**
10. Landlords may give out personal information about a tenant in which of the following situations:
- a. If requested by credit agencies
 - b. If requested by local businesses
 - c. To add the tenant to his cousin's business mailing list
 - d. **If requested by law enforcement agencies**

SCORE	
Number Correct	
Number Incorrect	



THE STOCKS AND INVESTMENT ISSUE – Answer Key

NAME: _____

PERIOD/ CLASS: _____

DATE: _____

QUIZ SCORE: _____

Based on the knowledge gained from the Stocks and Investment Issue, answer the following questions:

1. An investor seeking to own shares in companies would be interested in investing in:
 - a. Bonds
 - b. Treasury Notes
 - c. Stocks**
 - d. Commodities
2. When an investor lends money to a corporation or the government, he/she purchases:
 - a. Futures
 - b. Gold shares
 - c. Options
 - d. Stocks
 - e. Bonds**
3. True or False. Investment in stocks has the potential for greater returns in exchange for assuming greater risk.
 - a. True**
 - b. False
4. To minimize the risk of stock investing, an investor may choose to own a portfolio consisting of shares of stock from various companies in different industries. This practice is known as:
 - a. Options trading.
 - b. Trading at a discount
 - c. Diversification**
 - d. Tax sheltering



THE STOCKS AND INVESTMENT ISSUE – Answer Key

5. Which one of the following investment vehicles is the most volatile?
- a. **Stocks**
 - b. Bonds
 - c. Money Market Accounts
 - d. Savings Accounts
6. Investment by a large number of individual investors in a company which can invest their money more efficiently than the individual investors could do on their own is called investment in a:
- a. Stock
 - b. Gold Share
 - c. **Mutual Fund**
 - d. Commodity Exchange
7. Which of the following statements is true about the advantage of buying mutual funds?
- a. They contain a large portion of cash in their portfolio
 - b. Mutual funds are guaranteed against loss
 - c. They are complicated to purchase, so day traders avoid them
 - d. **They provide immediate diversification and asset allocation to the investor**



THE STOCKS AND INVESTMENT ISSUE – Answer Key

8- 12. Using the generic stock table shown below, identify the following items what they are for the Company XYZ.

Generic Stock Table									
Wednesday April 8, 2009									
1	2	3	4	5	6	7	8	9	
52 Weeks	HI - LO	SYM	DIV	VOL	YLD	PE	HI- LO	CLOSE	NET CHG
45-35	XYZ	3.50	1200	3	8	56-65	59 1/8	+2.1	

8. What was the highest price company XYZ sold for on April 8th?
\$56 per share
9. How much did the closing price of XYZ stock change from the previous day to April 8th?
\$2.10
10. How many shares were traded on this day?
\$120,000
11. Did XYZ pay out any dividends? What was the price per share?
Yes, \$3.50 per share
12. What was the last price at which XYZ was traded during that day?
\$59.125 or \$59 1/8

SCORE	
Number Correct	
Number Incorrect	

