

Accounts - Pre/Post Test

1. A _____ account you can access your money by writing a check, setting up an automatic transfer or using your debit card.
 - a) Savings
 - b) Bank
 - c) Deposit
 - d) **Checking**
2. Before opening a checking account, shop around. What are some things you should consider when looking for a banking institution to open a new account? (Click on the statement to select)
 - a) **Location of the bank; where and how many bank branches are in other areas**
 - b) Whether or not the bank has designer checks
 - c) **Minimum balance requirements and transaction limitations**
 - d) Special promotional gifts offered to new customers
 - e) **Account fees, penalties and overdraft protection option**
3. For security purposes, these things should _____ be listed on you check: Social Security number, driver's license number, date of birth and telephone number.
 - a) Always
 - b) **Never**
4. An Automatic Teller Machine (ATM) card and a credit card are the same.
 - a) True
 - b) **False**
5. Savings accounts, Money Market Accounts and Certificate of Deposit (CD) can be used for the purpose of accumulating money for short-term goals. Which money saving method is not good to use for emergencies because penalties may be assessed if funds are withdrawn before maturity date.
 - a) **Certificate of Deposit (CD)**
 - b) Money Market Accounts
 - c) Savings Accounts
 - d) Checking Account

Bankruptcy - Pre/Post Test

1. A bankruptcy can stay on your credit report for up to 10 years.

- a) True
- b) False

2. Which are types of bankruptcy filings? (Click on statement to select your answer)

- a) Adjustment of Debts
- b) Consolidation
- c) Liquidation
- d) Collections

3. Match from terms above:

A. Credit B. Creditor C. Debt D. Debtor E. Discharge F. Insolvent

___B___ A person or institution who lends money and to whom funds are owed

___A___ A contractual agreement in which a borrower receives something of value now and agrees to repay the lender at some date in the future.

___D___ An individual or institution that owes an obligation to another party

___C___ Something owed, such as money, goods, or services; an obligation or liability to pay or render something to someone else.

4. Bankruptcy is designed to: (Click on statement to select your answer)

- Stop most calls and bills from creditors.
- Protect much of your property from seizure.
- Prohibit most creditor lawsuits against you.
- Prevent foreclosure of your home.
- Prevent the repayment of debt.
- Stop wage garnishments.
- Block the repossession of your automobile.

Buying - Pre/Post Test

1. When beginning a search for a new home it is important to consider things you **need** in a home compared to things you **want**.

Identify if the item below is a “want” or “need”: W) Want N) Need

 N adequate storage

 N enough bedrooms to accommodate the family size

 W house located on a golf course

 W a fire place in every room

 N close in location to schools, hospitals and grocery stores

2. B is an informal way to see how much you may be able to borrow to purchase a home. A is a lender's actual commitment to lend a certain amount of money to you.
 - a) Pre-approval
 - b) Pre-qualification
3. How much you can afford depends on many factors. The amount of mortgage you can afford includes consideration of personal income, down payment, current lending mortgage rates, and the amortization period you choose.
 - a) **All of the above listed**
 - b) Some of the above listed
 - c) None of the above listed
4. Which statement below is not part of the closing costs? (Click on the statement to select)
 - a) First premium of mortgage Insurance (if applicable)
 - b) Title Insurance (yours and lender's)
 - c) Property taxes (to cover tax period to date)
 - d) First payment to escrow account for future real estate taxes and insurance
 - e) **First month's utility payment**
5. Creating a _____ to save money is part of preparing to buy a home. True or False
 - a) budget, True
 - b) funding plan, False
 - c) expense worksheet, True
 - d) retirement plan, False

Pre/Post Test - Checkbook

1. A check register is basically a booklet that is kept in your checkbook and contains important information about each financial transaction.
 - a) Date
 - b) Description of Transaction
 - c) Payment, Withdrawal or Fee Amount
 - d) Amount of Deposit
 - e) Balance

Match from terms above:

 E the total amount of money in your account after any transaction

 A the date a transaction was made

 D any credits to your account

 B the organization or person to whom you wrote the check

 C the amount of the transaction

2. Which statement is true about checks?
 - a) As long as you have checks in your checkbook you can write a check without considering how much money is actually in your bank account.
 - b) Balancing your checkbook is only important if you are going to make a major purchase.
 - c) **A voided check cannot be used to make a purchase.**
 - d) A check that has cleared the bank has been paid by the bank but not money will be deducted from your account.
3. Which statement below is not part of balancing your checkbook? (Click on the statement to select)
 - a) Determine if there are any checks that haven't cleared the bank yet.
 - b) Make sure each deposit shown on your bank statement is recorded in your check register.
 - c) **Order more checks if you are getting low.**
 - d) Check your bank statement for any ATM withdrawals, debit card purchases, and bank fees and subtract them from your balance on your checkbook register.
 - e) Add in any interest earned on your account to your balance.
4. There are several different ways you can remove money from your checking account: ATM machine, debit card, check writing and automatic withdrawals. Which one of these should be recorded in your checkbook register as soon as possible?
 - a) **All**
 - b) None
5. Overdraft protection protects against overdraft fees and gives you the opportunity to write "hot checks".
 - a) True
 - b) **False**

Credit - Pre/Post Test

1. Credit cards give buyers the freedom to purchase necessary or desirable items or services and pay for them at a later time.
 - a) True
 - b) False

2. Match the question asked to the one of the terms for the 4 C's of credit:

A. Does the individual pay bills on time?	Character
B. What are the current debts the individual has?	Capacity
C. Does the individual have a savings account to cover several months of expense?	Capital
D. Does the individual have a home or car that can be tied to the debt?	Collateral

3. What are the 2 types of interest on a credit card?
 - a) Variable and Fixed
 - b) Installment and Revolving
 - c) Secured and Unsecured
 - d) Fixed and Interest Free
4. Reviewing your credit report annually is important to make sure no fraudulent accounts have been opened in your name or unauthorized charges made to existing accounts.
 - a) True
 - b) False

Entrepreneur - Pre/Post Test

1. 85% of all start-up businesses fail within the first year. While only 70% fail in their second year.

~~1.~~

~~b)a)~~ True

~~e)b)~~ False

2. Which is not a characteristic of an entrepreneur?

a) Hard Worker

b) Persistence

c) Follower

d) Risk Taker

3. Which of these questions are question that should be asked when doing market research?

(Click on the statement to select)

Who are my customers and potential customers?

Can my product be sold worldwide?

Will my product or service be useful in 10 years?

Am I offering kinds of goods or services they want at the best price, time and in the right amounts?

Are my prices consistent with what buyers are willing to pay?

How much money can I make in one month?

How does my business compare to my competitors?

4. Which of the following are parts of a business plan? (Click to place an X next to your answer)

a) Floor plans

b) Description of the business

c) Loan contracts

d) Finance and Marketing

e) Situational analysis

f) Location of the business

g) Personal Saving

h) Asset statement

5. A _____ loan is a type of _____ the most common for small and start up businesses.

a) Small Beginning Association, personal financing

b) Start Up Business Administration, equity financing

c) Small Business Administration, debit financing

d) Start Up Business Association, bank financing

Giving - Pre/Post Test

1. A _____ is an organization that is tax-exempt under section 501(c) of the Internal Revenue Code. To be considered tax-exempt, none of the earnings of the organization may profit any private shareholder or individual.

1.—

- b)a) Charity
- e)b) American Institute of Philanthropy
- d)c) Nonprofit
- e)d) Board

2. The IRS requires taxpayers to show proof of any charitable donations. The proof may be a receipt, a canceled check, or a credit card statement. No tax deduction will be allowed if the taxpayer cannot provide supporting documents as evidence of the donation.

- a) **True**
- b) False

3. Which of these questions are question that should be asked when searching for a charity to make a donation? (Click on the statement to select)

 Does the charity provide free give-a-ways to people to donate?

 Will my donation to this charity be tax-deductible?

 Can the charity provide a list of the board of directors, a mission statement, and the most recent available audited financial statements with accompanying notes?

 How much of your donation goes for general administration and fund-raising expenses and how much is left for the program services you want to support?

 How much money does the charity collect in donations per year?

4. Planned giving includes any gift that is carefully considered by a donor in light of estate or financial plans.

- True
- False

5. **B** _____ charities are not subject to taxation, such as the capital or income of a philanthropic organization. **A** _____ are contributions to a charity that can be deducted on a federal income tax return.

- a) Tax-deductable
- b) Tax -exempt

Insurance - Pre/Post Test

1. Group insurance might offer fewer options on coverage than individual insurance.

- a) True
- b) False

2. Match the type of insurance with the correct definition:

A. Liability Coverage	Daniel has ___ to pay for the damages to the car he hit parked on the side of the road.
B. Collision Coverage	Gus was driving to school when he saw a small dogs in the middle of the street. Gus swerved to avoid hitting the dog but ran in to the side of a parked car. Gus has to use his ___ to cover the cost of repairing his car after an accident
C. Comprehensive Coverage	Sarah's car was caught outside in a hail storm. Sarah has ___ to cover the cost of replacing her windshield and repairing her car.
D. Towing and Labor Coverage	Rebecca is a single lady who drives an older model car. As a safeguard is pays for ___ to cover towing charges when if her car becomes disables and cannot be driven. This coverage also pays charges such as changing a tire, at the place where her car is disabled.

3. Having renters' insurance is cheaper than replacing all of your belongings after a disaster.

- a) True
- b) False

Loans - Pre/Post Test

1. What is included in a Mortgage Loan: (Click all that apply)
 - Principal
 - Taxes
 - Renter's Insurance
 - Down Payment
 - Interest
 - Home Insurance
 - Pool

2. When buying a car, which of the following items are needs?
 - Car color
 - Warranty
 - Mileage
 - Automatic Locks
 - Security System

3. What type of loan can be used to fund a college education?
 - a) Student Loan
 - b) Parent Loan
 - c) Private Education Loan
 - d) All of the above

4. A _____ is designed to take all or most of your current debt and combine it into a single new loan.
 - a) Auto Loan
 - b) Home Equity Loan
 - c) Consolidation Loan
 - d) Student Loan

Retirement - Pre/Post Test

1. One general rule is to save enough in retirement to live off of _____% of your current annual income.
 - a) 60%
 - b) 70%
 - c) 80%
 - d) 90%

2. Match the correct term to person's scenario:

a. Savings Account	Molly wants to save for her trip abroad in three months. She needs enough money to pay for hotel, flight, food, and entertainment. Since Molly is trying to putting aside money for this trip, she decides to open a _____. This will help her be disciplined and make sure she has enough funds for her vacation.
b. Retirement Account	Bill just started his first full-time job and looking to start planning for the future. His employer does not offer a pension plan but employees have the option of signing up for a _____. The company will match employee's contributions up to 3% and when Bill is old enough he will be able to retrieve all the money he saved plus a return on his investment.

3. Which of the following is a type of retirement account:
 - a) Traditional Individual Retirement Account (IRA)
 - b) Roth IRA
 - c) Simplified Employee Pension (SEP)
 - d) Savings Incentive Match Plans for Employees (SIMPLE)
 - e) 401(k)
 - f) All of the above
4. The growth on a Roth IRA is tax-free and withdrawals from a Roth IRA are tax-free as long as certain criteria are met.
 - a) True
 - b) False

Rights & Responsibilities - Pre/Post Test

1. The Fair Housing Act prohibits discrimination in all stages of the home buying process on the basis of: (Select all that apply)
 - Race and color
 - National origin
 - Income
 - Religion
 - Gender
 - Other Loans
 - Familial status
 - Handicap
 - Credit Score
2. Which statements are true about a lease? A lease is: _____
(Click all the statements that apply)
 - a) Signed by both the renter and the landlord is a binding contract.
 - b) The lease allows the landlord to enter the rental property at anytime.
 - c) A contract granting use or occupation of property during a specified period in exchange for a specified payment.
 - d) Provides detailed information about what is expected from each party.
 - e) Changes in the terms of a lease can take effect even if the landlord and tenant do not consent in writing.
3. Key responsibilities of a renter are to pay rent on time, follow the terms of the lease, give proper notice before moving, and keep the property in good condition.
 - a) True
 - b) False
4. Key responsibilities of a landlord are to make repairs to keep the property in the same condition as when the tenant moved in, control infestations be insects, rodents and other pests and contact the tenant to remind them to pay their rent timely.
 - a) True
 - b) False
5. A _____ is money paid by the tenant to the landlord that protects the landlord if the tenant vacates without making required payments or damages the unit.
 - a) Certificate of Deposit
 - b) Application Fee
 - c) Security Deposit
 - d) Down Payment

Stocks & Investments - Pre/Post Test

1. The stock market is a market linking _____ and _____.

- a) **buyers and sellers**
- b) brokers and investors
- c) stocks and bonds
- d) companies and shareholders

2. **Fill in the blanks of Michael's story with the correct terms:**

- A. **Securities and Exchange Commission (SEC)** - Created by Congress to regulate the securities market and protect investors, the SEC is the primary overseer and regulator of the U.S. securities market.
- B. **Dividend** - Share of company's earnings/profit which is received by stock owners.
- C. **Market Value** -The current quoted price at which investors buy or sell a share of stock or bond at any given time.
- D. **Preferred Stock** - A separate and/or secondary class of stock issued by some corporations. Preferred stock typically has limited or no voting rights, but its holders are paid dividends or receive repayment priority in the event the corporation is liquidated.
- E. **Risk** - Risk in the marketplace means that the value of an investment, over time, may decrease rather than increase and could be worth less when sold than the original amount invested.
- F. **Shareholder** - Any person or institution that owns shares (stock) in a company; also called stockholder.
- G. **Yield** -The interest paid by a company on its securities. For a bond, this may be expressed as a percentage of the face value (called "nominal yield" or "coupon rate") or as a percentage of the actual price the investor paid for the bond.

Michael received a \$500 birthday gift from his grandfather with an exchanged promise to invest the money.

Michael's grandfather advised him if invested in high _____ **E** _____ stock that the value of an investment, over time, may decrease rather than increase and could be worth less when sold than the original amount invested. This was a chance Michael was

willing to take to make his money to grow quickly. Keeping his promise to his grandfather Michael purchased stock with a _____ **C** _____ of \$25.00 per share in XYZ Corporation. Michael is now a proud _____ **F** _____ who owns shares (stock) in XYZ Corporation.

Six months after his investment Michael received a _____ **B** _____ check for \$825.00 in the mail from XYZ Corporation's quarterly earnings. Inside the envelope with the check was a notice to all shareholders stating because of new _____ **A** _____ regulations XYZ Corporation is being liquidated and all stock will give a 3% _____ **G** _____ to active investors. Because Michael owns _____ **D** _____ in the company he will receive priority repayment on his dividends.

3. It is important that, before you purchase stock, you thoroughly research the company in which you intend to invest. There are several ways to determine whether the company is financially strong, can withstand changes in its industry or in competitive demands, and whether or not its stock has the potential to increase in value.

Which below are resources to help you with your research?

- Internet
- Business magazines
- Company prospectus and/or annual report
- Broker
- Investment research services