

Florida Financial Literacy Initiative
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Pre-Financial Literacy Assessment

Read each question below and fill in the correct answer letter on the Answer Sheet. Each question only has one correct answer. Do not write your answers on this test.

1. **On your answer sheet**, fill out a check to buy a box of Girl Scout cookies from Troop 527. A box costs \$6.50. Use today's date on the check.

205
100-00800

Date _____

PAY TO THE ORDER OF _____

Use Answer Sheet

_____ DOLLARS

Blue Heron Bank

Memo _____

012345678910 012345678910

2. Marlo is going to Georgia for the weekend and needs some cash. She can either go to the ATM or walk into her bank to _____ some money from her savings account.
 - A. Waive
 - B. Withdraw
 - C. Gross Income
 - D. Deposit
 - E. Net income
3. Many banks _____ their monthly maintenance fee for checking accounts if you set up your paychecks as direct deposit.
 - A. Waive
 - B. Withdraw
 - C. Gross Income
 - D. Deposit
 - E. Net income

4. Aubrey's _____ is the pay she receives after taxes and insurance have been subtracted.
 - A. Waive
 - B. Withdraw
 - C. Gross Income
 - D. Deposit
 - E. Net income

5. When you use a debit card, you give your bank permission to immediately remove money from your bank account.
 - A. True
 - B. False

6. You need to pay a fee when you cash a check at a bank where you have an account.
 - A. True
 - B. False

7. Which strategy is a good idea to keep yourself financially safe?
 - A. Keep credit card offers you receive in the mail for one year or until they expire.
 - B. Don't send personal information such as credit card numbers through email.
 - C. Keep copies of your social security card and drivers license close to the phone.

8. What is an APR (Annual Percentage Rate)?
 - A. A way to find the interest rate you need in order to double your money on an investment.
 - B. A type of credit that is repaid to the lender in equal amounts, over a fixed period of time.
 - C. A measurement used to compare different loans, that takes into account the interest rate, term, and fees to show the total cost of the loan.

9. You have searched everywhere for your debit card. You think it may have been stolen. What is the best thing to do?
 - A. Wait 30 days to report the card as missing or stolen in case you find the card.
 - B. File a report with the Federal Trade Commission.
 - C. Close your bank account.
 - D. Notify the company that issued your card.

10. What is identity theft?
 - A. When you open a checking account at the bank.
 - B. When another person pretends to be you.
 - C. When you are cheated by an investment scam.

11. Which of the following items is NOT found on your credit report?
- Credit Card Balances Owed
 - Credit Card Interest Rate
 - Companies that Requested your Credit report
 - Medical debt
12. Companies that keep track of everyone's credit history are called _____.
- Collection agencies
 - Credit bureaus
 - Credit unions
 - Big Brother
13. Which of these may help you establish good credit?
- Do not get a credit card until you are a homeowner
 - Use cash advanced from one credit card to pay balance on another credit card
 - Get one or two store credit cards and pay your bills on time
 - All of the above

Use the information below to answer questions 14 and 15.

Jenny's Budget	
NET PAY	\$1800
Rent or Mortgage	\$600
Gas, electric, water	\$150
Car	\$250
Food	\$350
Other expenses	\$150

14. After Jenny pays all of her expenses, how much money does Jenny have left each month?
- \$0
 - \$300
 - \$600
 - \$1,800
 - \$2,400
15. Jenny wants to go on vacation in Texas in 5 months. If the trip costs \$1000, how much should she save each month?
- \$5
 - \$50
 - \$100
 - \$200
 - \$1,000

Use the information below to answer questions 16 and 17.

Samuel and Miranda decide that they will need to spend about \$10,000 to get the car they want. They have three loan options: A,B,C.

Alligator Credit Union

Loan #	Purchase Price	Down Payment	Amount Financed	Length of Loan (in Months)	Interest Rate	Monthly Payment	Total Interest to be Paid	Total Cost (Down payment + principal + interest)
A	\$10,000	\$2,000	\$8,000	36	7.5%	\$249	\$959	\$10,959
B	\$10,000	\$2,000	\$8,000	48	8.45%	\$196	\$1420	\$11,420
C	\$10,000	\$2,000	\$8,000	60	8.25%	\$163	\$1790	\$11,790

16. Which loan has the lowest monthly payment?

- A. Loan A
- B. Loan B
- C. Loan C

17. Which loan has the lowest total cost?

- A. Loan A
- B. Loan B
- C. Loan C

Choose the correct answer for the following questions.

18. Imagine that the interest rate on your savings account was 1% per year and inflation was 2% per year. After 1 year, would you be able to buy:

- A. More than today with the money in this account;
- B. Exactly the same as
- C. Less than today

19. You have \$100 in a savings account, and the interest rate is 2% per year. After 5 years, how much do you think you would have in the account if you left the money to grow?

- A. More than \$102
- B. Exactly \$102
- C. Less than \$102

20. Do you think the following statement is true or false? Buying a single company stock usually provides a safer return than a stock from a mutual fund.
- A. True
 - B. False

21. The government money you receive when you retire is called _____.
- A. Mutual Fund
 - B. Social Security
 - C. Stock
 - D. Savings Bond
 - E. Wall Street

Use Jane's pay stub below to answer questions 22 and 23.

Jacksonville Printing Co. Payroll Account			Employee: Jane Brown SSN: 123-45-6789 Pay Period: 03/01/2015-03/15/2015 Pay Date: 03/16/2015 Check No.: 060456 Net Pay: \$644.41				
EARNINGS			TAXES WITHHELD			OTHER DEDUCTIONS	
Description	Hrs.	Amount	Tax	Current	YTD	Description	Amount
Regular	80	800.00	Fed Income Tax	102.40	307.20	401(K)	35.00
Overtime	5	75.00	Social Security	54.25	130.20		
Current		875.00	Medicare	12.69	30.45		
YTD		21000.00	State Income Tax	26.25	63.00		

22. Calculate Jane's regular hourly pay.
- A. \$8.75
 - B. \$14.50
 - C. \$10.00
 - D. \$11.00
23. How much money has been withheld from Jane's paycheck to pay the Federal Income Tax since January 2015?
- A. \$102.40
 - B. \$35.00
 - C. \$63.00
 - D. \$307.20