**Contestant Number: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Time: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Rank: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**



**FINANCIAL LITERACY**

(900)

**REGIONAL 2022**

**CONCEPT KNOWLEDGE:**

Multiple Choice (25 @ 2 points each) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (50 points)

**PRODUCTION:**

Computations (18 @ 2 points each) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (36 points)

Check (6 points) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (6 points)

Deposit Slip (10 points) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (10 points)

***TOTAL POINTS*** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ***(102 points)***

**Test Time: 60 minutes**

**GENERAL GUIDELINES:**

*Failure to adhere to any of the following rules will result in disqualification:*

1. Member must hand in this test booklet and all printouts if any. Failure to do so will result in disqualification.
2. No equipment, supplies, or materials other than those specified for this event are allowed in the testing area. No previous BPA tests and/or sample tests (handwritten, photocopied, or keyed) are allowed in the testing area.
3. Electronic devices will be monitored according to ACT standards.

**PART 1: MULTIPLE CHOICE**

1. Which is the following is an example of a variable expense?
   1. car payment
   2. student loan payment
   3. gas for your car
   4. insurance
2. When searching for a credit card, comparing the APR allows you to hunt for\_\_\_\_\_\_\_\_\_.
   1. longest grace period
   2. lowest interest rate
   3. lowest annual fee
   4. coolest design
3. 401(k), IRA and Roth IRA are all examples of a \_\_\_\_\_\_\_\_ account.
   1. retirement
   2. college savings
   3. bank
   4. low interest
4. What does CD stand for when talking about investment accounts?
   1. Current Deposit
   2. Central Dollar
   3. Certificate of Deposit
   4. Compact Disc
5. What is the physical form of money, such as paper money or coins?
   1. Budget
   2. Credit
   3. Copay
   4. Cash
6. A bank account that allows quick access to money for everyday expenses is a \_\_\_\_\_\_\_\_.
   1. savings account
   2. mutual fund
   3. checking account
   4. 401(k)
7. A percentage charged when you borrow money and what can also be an amount earned for saving money in a savings account is \_\_\_\_\_\_\_\_.
   1. net pay
   2. interest
   3. transfer
   4. collateral
8. An automatic deposit of net pay to a worker’s bank account instead of receiving a paper check is known as \_\_\_\_\_\_\_\_\_.
   1. gift card
   2. prepaid card
   3. direct deposit
   4. copay
9. TransUnion, Equifax, and Experian are the top three examples of \_\_\_\_\_\_\_\_.
   1. lenders
   2. loan officers
   3. banks
   4. credit reporting agencies
10. If you would like to buy something that is expensive in the future with credit, it is best to \_\_\_\_\_\_\_\_.
    1. don’t worry as they give credit to everyone
    2. ask your friends to loan you money to pay for it
    3. get your credit established with small purchases on a credit card
    4. sign up for as many credit cards as possible
11. \_\_\_\_\_\_\_\_is the original amount of a loan or the original amount of money invested.
    1. Principal
    2. Rebate
    3. Interest
    4. Fixed rate
12. Which budget item will most likely take up the largest percentage of your monthly budget at 25-30%?
    1. Transportation
    2. Saving/Investing
    3. Groceries
    4. Housing
13. Fred can budget 1% of his monthly income to gifts. If he makes $1,295 a month, how much money can he put toward his gift category?
    1. $1.95
    2. $120.95
    3. $1.29
    4. $12.95
14. You should never expect to see your full gross pay on your pay check, as \_\_\_\_\_\_ will reduce it by 20-30%.
    1. goals
    2. interest
    3. debt
    4. taxes
15. It is considered “saving your money” when you invest money into the stock market,
    1. True
    2. False
16. Saving accounts earn you money by just depositing your money for a period of time.
    1. True
    2. False
17. The more you diversify your savings and investments, the lower your risk is of losing money.
    1. True
    2. False
18. Which of the following factors is the largest determining factor of your credit score, at 35%?
    1. Amounts owed
    2. Money in the bank
    3. Length of credit history
    4. Payment history
19. Paying with a check and a debit card are the same because the \_\_\_\_\_\_\_\_.
    1. money is a loan from the bank
    2. money is not real money
    3. money comes from your IRA
    4. money will come directly out of your checking account
20. You bought $450 worth of items for your new apartment on June 1st. If my credit card has a 7% interest rate, how much interest will be added to my bill if I don’t pay the full amount off by July 1st?
    1. $3.15
    2. $31.50
    3. $45.00
    4. $63.00
21. Sara’s car holds 18 gallons of gasoline. If she purchases gas at $2.89 per gallon, how much will it cost her to fill up from empty?
    1. $52.02
    2. $45.73
    3. $55.71
    4. $52.80
22. Megan’s mom gave her $40 to spend on some new clothes for school. If she buys 2 shirts for $7.99 each, a pair of shorts for $14.95, a belt for $8.99 and sneakers for $16.98, would Megan have enough money?
    1. Yes
    2. No
23. An item costs $35 and is sold for $37.10. What is the tax rate charged on the item?
    1. 7%
    2. 6%
    3. 5%
    4. 8%
24. If your credit card has a limit of $5,000 and your current balance is $2021. What is your current available credit?
    1. $3000
    2. $2020
    3. $2979
    4. $5000
25. This type of schedule lists all payments of a loan, and tells a borrower how much of each payment goes to the principle and how much is paid on interest for the loan.
    1. Liquidity
    2. Amortization
    3. Delinquency
    4. Account

**PART 2: COMPUTATIONS**

1. Compute the weekly gross pay (1 week) for each of the workers below:

Worker 1: Fast Food Worker: $11/hour, 5 days/week, 5 hours/day \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Worker 2: Tutor: $12/hour, 3 days/week, 4 hours/day \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Worker 3: Pool Lifeguard: $17/hour, 4 days/week, 6 hours/day \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

27. If each of these workers wanted to purchase a couch that costs $1100 plus 6% sales tax, how many days of work would it take them to earn enough? Please round up to the nearest full day.

Worker 1: \_\_\_\_\_\_\_\_\_\_\_\_\_\_

Worker 2: \_\_\_\_\_\_\_\_\_\_\_\_\_\_

Worker 3: \_\_\_\_\_\_\_\_\_\_\_\_\_\_

1. Compute the income tax withheld: Gross pay earned $815, Income Tax Rate of 15%

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

1. Fill in the total amounts for the grocery receipt below:

|  |  |
| --- | --- |
| 2 packs of hot dogs @ $2.98 each |  |
| 2 packs of rolls @ $0.98 each |  |
| 1 bottle of Ketchup @ $1.98 |  |
| 3 12 pks of sodas @ $5.96 each |  |
| 2 bags of Potato Chips @ $3.99 each |  |
| Total of Items |  |
| 4% Sales Tax |  |
| Sales Total |  |

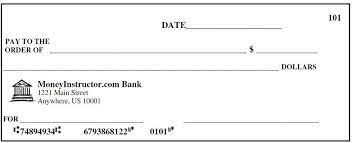
1. Jason purchased a new outfit. He bought a Rock & Roll T-shirt for $16, a pair of jeans for $26, a hat for $12 and a pair of sneakers for $33. Calculate his total purchase with a 5% sales tax.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

If Jason hands the cashier a $100 bill, how much change would he receive?

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

1. Please write the following check out for your last month’s electric bill of $105.25. Your electric provider is American Co-op. Please use the current date and in the memo, be sure to include electric bill. Use your contestant number as the signature.



31. Fill out the deposit slip below. On May 5th, you deposited a $125.00 check from lawn services and a check for $175.00 from your grandma into your checking account, from which you want to keep $60 in cash.  Account number 2020-199470.  Use your contestant number for the name and 567 Second Street, Georgetown, DE 19947 as the address.

