

Financial Wellness Workshop – Week 1

The Money Quiz

Please select one correct answer from the choices offered.

- 1) A regular checking account _____.
 - allows you to write checks
 - allows you to borrow money
 - allows you to earn interest

- 2) In general, how much debt (not including rent or mortgage) should you have?
 - No more than 60 percent of your take-home income
 - No more than 20 percent of your take home income
 - No more than 40 percent of your take-home income
 - No more than 50 percent of your take-home income

- 3) A 401(k) is _____.
 - a loan
 - a school or nonprofit agency retirement plan
 - a company retirement savings plan

- 4) When you rent a place to live, you typically _____.
 - don't have to worry about cleaning up when you leave
 - don't have to deal with a landlord
 - have to sign a rental or lease agreement
 - have to sign a mortgage agreement

- 5) Comparative shopping means _____.
 - never buying generic products
 - always using coupons
 - buying everything on sale
 - checking prices at several institutions

- 6) A monthly mortgage payment consists of _____.
 - taxes, insurance, maintenance, and a down payment
 - principal, interest, taxes, and insurance
 - principal, insurance, and taxes
 - principal, a down payment, and taxes

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- 7) A certificate of deposit (CD) is _____.
- a type of checking account
 - a type of savings account
 - a gift certificate
 - an agency that insures your money
- 8) What is credit?
- A loan you do not have to pay back
 - A contractual agreement that allows you to get a loan
 - A report on your spending habits
 - A reward for a job well done
- 9) What is a good way to get rid of a bad habit related to money?
- Don't use a budget
 - Use credit cards
 - Get a job
 - Replace it with a good habit
- 10) When you lease a car, you typically _____.
- are NOT limited in the number of miles you can put on the vehicle
 - have a higher down payment and higher monthly car payments
 - are limited in the area in which you can drive the vehicle
 - are limited in the number of miles you can put on the vehicle
- 11) Social Security provides support when you _____.
- retire
 - die; it provides benefits to your family
 - become disabled
 - All of the above
- 12) Chapter 7 bankruptcy is for _____.
- people who want an easy way out of debt
 - debtors who can't pay their debts
 - the reorganization of business
 - people who are temporarily unable to pay their debts