

QUIZ BOWL #1

1. (6) Which of the following is most likely to appreciate over time: a car, a computer, or a parcel of land?
(parcel of land)
2. (8) To lower your debt, it is usually best to start paying off those loans which have the highest what?
(interest rates)
3. (10) The chance of a monetary loss from some type of event is called what?
(risk)
4. (7) Checking, savings, or money market: which type of account tends to pay the highest interest?
(money market)
5. (9) When reconciling a checking account, how should one account for the value of outstanding checks with respect to the bank's balance statement?
(subtract them)
6. (6) If you have a negative net worth, your liabilities exceed the value of your what?
(assets)
7. (1) If Tom sells ten shares of Google stock to Jerry for \$50 per share, who expects to gain from this exchange?
(both of them)
8. (4) Without any change in income, any increase in expenses for a budgeted item means you would have to do what to keep your budget balanced?
(lower expenses for some other item)
9. (2) If you are paid based on a percentage of the sales you make you are said to be working for what?
(commissions)
10. (5) If you have monthly expenses of \$2000 and wish to keep an emergency fund equal to one quarter's worth of expenses, how large should your fund be?
(\$6000)
11. (10) What type of natural damage is not typically covered by standard homeowner's insurance?
(flood)
12. (3) If your property taxes are \$2000 and you are in the 20% income tax bracket, what is the after-tax cost to you of the property tax? **(\$1600)**

13. (1) Since many buyers and sellers can easily move in and out of the stock market, the market is considered to be highly what?
(competitive)
14. (7) Buying an “odd lot” means buying less than how many shares of a stock?
(100)
15. (6) The three basic investment rules to build wealth are start early, stay invested, and what?
(diversify)
16. (4) How much should you plan to budget each month for a \$2400 annual vacation?
(\$200)
17. (9) Banks pay premiums to what agency to insure their depositors’ accounts?
(FDIC/Federal Deposit Insurance Corporation)
18. (3) Which of the following retirement investments has no tax advantages: IRAs, gold, or 401(k)s?
(gold)
19. (8) Which of the following is an example of non-revolving credit: a VISA credit card, a student loan, or a Kohl’s credit card?
(a student loan)
20. (7) Which of the following never earns a taxable capital gain: a collectible, a car, a money-market account?
(money-market account)
21. (5) If \$1000 is placed in an account paying 10% interest per year compounded semi-annually, how much interest would be earned in one year?
(\$52.50)
22. (3) What percent of their wages are workers paying in 2012 to support Social Security?
(4.2%)
23. (2) Education, healthy-living, training, and practice are investments in what?
(human capital)
24. (8) Suppose you have enough money to buy a car without borrowing. Borrowing might still be the better way to purchase the car if the loan rate is less than what?
(the rate of return your money is earning)
25. (5) A professional estimate of the market value of an asset is called a what?
(appraisal)

QUIZ BOWL #2

1. (8) The length of time you have before you start accumulating interest on your credit card balance is called what?
(grace period)
2. (10) Which of the following benefits you: an insurance deductible, a tax deduction, or a debt?
(a tax deduction)
3. (7) Rank the following assets from most risky to least risky: U.S. Savings bonds, Bbb corporate bonds, commodities.
(commodities, Bbb corporate bonds, U.S. Savings bonds)
4. (8) Which form of bankruptcy allows you to erase most of your debt?
(Chapter 7)
5. (3) What federal tax form tells your employer how much to withhold in income taxes from your gross income?
(W4)
6. (4) If you budget 25% of your monthly take-home pay of \$2000 for food, how much can you spend on food each month? **(\$500)**
7. (8) If Max's March credit card statement says he owes \$320 and he pays the minimum payment of \$20, what will his April statement say he owes if he buys nothing else on credit and the yearly interest rate on his account is 24%?
(\$306)
8. (3) What is another, two-word way to say "take-home pay"?
(net income)
9. (2) Which of the following is an advantage of being an entrepreneur: guaranteed success, being your own boss, or a regular paycheck?
(being your own boss)
10. (10) What is the payment you make for insurance protection called?
(premium)
11. (4) Which of the following would be considered an unexpected expense: mortgage payment, property tax, or appliance repair?
(appliance repair)
12. (1) In the decision-making process on which television to buy price, screen-size, length of warranty, 3D or not, and manufacturer reputation would be examples of what?
(criterion)

13. (6) If the mortgage balance on a home purchased for \$150,000 is \$60,000 and the house has a current market value of \$180,000, what is the amount the owner's equity?
(\$120,000)
14. (6) What is the numerical name of the most popular form of voluntary, employer-sponsored retirement savings plans?
(401(k))
15. (1) What is the most-commonly used measure for cost-of-living changes?
(Consumer Price Index)
16. (5) Saving now is a choice to spend your income on what?
(goods and services in the future)
17. (2) Give an example of a fringe benefit provided by an employer.
(health insurance, sick pay, vacation days, pension/401(k) plan, parking space, etc.)
18. (6) Most financial planners advise relatively young people as opposed to older people to keep which of the following type of investments: growth, income, or risk-free?
(growth)
19. (3) What is the current general sales tax rate in Minnesota?
(6.875%)
20. (7) Rank the following from least to most liquid: gold stocks, gold coins, and cash.
(gold coins, gold stocks, cash)
21. (10) Home, auto, or life--for which type of insurance is liability not a consideration?
(life)
22. (4) What are the two basic ways one can respond to an unanticipated expense in order to "stay within one's budget"?
(reduce some other expense/increase income)
23. (9) A share draft account at a credit union is similar to what kind of account at a bank?
(checking account)
24. (5) Quarterly, monthly, or daily: which type of compounding would give you the lowest effective yield given the same annual interest rate?
(quarterly)
25. (9) What do the letters "PIN" stand for?
(personal identification number)

QUIZ BOWL #3

1. (10) Which type of auto insurance coverage protects you when a tree falls on your car?
(comprehensive)
2. (8) What would be the monthly finance charge on a credit card balance of \$400 if the annual rate is 24%?
(\$8)
3. (6) What is the main advantage of delaying the start of your Social Security benefits?
(higher monthly payments later)
4. (1) An economy moving from the trough of a business cycle to a peak is likely experiencing what?
(an expansion/economic growth)
5. (4) If your expenses are one-half of your income and inflation is driving them up by 4%, by what percent does your income need to rise for you to maintain the same absolute amount of saving?
(2%)
6. (1) Rising stock prices tend to do what to consumption spending and unemployment in the economy?
(increase spending and lower unemployment)
7. (9) What government agency is responsible for maintaining the integrity of stock and bond markets?
(SEC/Securities and Exchange Commission)
8. (3) Give an example of a government security.
(U.S. Savings bonds/U.S. Treasury bond, note, or bill)
9. (6) There are basically two types of IRA's, traditional and what?
(Roth)
10. (6) Give an example of a personal liability.
(mortgage, auto loan, credit card balance, etc.)
11. (10) Lowering which of the following could help lower your medical insurance premium: your deductible, your workouts at a gym, or your coverage maximum?
(your coverage maximum)
12. (8) How many free credit reports can you get in a year?
(3)

13. (4) Technically speaking, all of one's budget is allocated to spending, because saving is actually just spending on what?
(future goods and services)
14. (3) What is the number assigned to the federal personal income tax form?
(1040)
15. (8) What is the main difference between a bond and a note?
(the time to maturity—a bond's is more years)
16. (10) In deciding whether an insurance premium is worth paying you should compare it to what?
(your expected loss)
17. (9) Give one difference between a bank and a credit union.
(credit union is non-profit and member-owned)
18. (8) If you feel a debt collector is using excessive or illegal methods, what federal agency should you call?
(Federal Trade Commission)
19. (7) Since stocks represent ownership of a corporation, they are referred to as what?
(equities)
20. (3) Which of the following is not typically paid for with state taxes: fire protection, highways, or welfare?
(fire protection)
21. (7) The price of a stock divided by its earnings per share is called what?
(the PE ratio of the stock)
22. (5) Delaying the start of saving to meet a financial goal means you will have to devote more of your budget in the future to what?
(saving)
23. (2) According to the Small Business Administration, what fraction of new businesses fail in the first two years?
(one-third)
24. (7) How often are dividends typically paid on stocks?
(quarterly)
25. (6) What largely uninsurable life event leads to the greatest loss of personal net worth and bankruptcies?
(divorce)

