

Name: _____

Date: _____

MANAGING MONEY TEST REVIEW

1. Explain each of the following financial institutions:

- i) **Banks**
- ii) **Credit Unions**
- iii) **Loan Companies**
- iv) **Investment Companies**
- v) **Trust Companies**

**pay special attention to the services provided by each, and the differences between them.*

2. Explain the following types of bank accounts:

- i) **Chequing**
- ii) **Savings**
- iii) **Tax-Free Savings**

3. Explain each of the following concepts:

- i) **Debit Cards**
- ii) **Service Charges**
- iii) **Online Banking (advantages/disadvantages)**
- iv) **Password Protection**
- v) **Identity Theft**
- vi) **Fixed and Recurring Expenses**
- vii) **Prioritizing**

4. Use the following chart to answer the next few questions.

Account Information	Low-Fee Account	Value Account	Unlimited Account	Student Account
monthly fee	\$3.50	\$7.50	\$11.50	free
no fee with minimum balance of...	\$1000	\$2000	\$3000	-
number of transactions included per month	5	10	no limit	no limit
additional transaction fee	\$0.50	\$0.50	-	-

Kelsy is the manager of a rubber chicken factory (buck buck buck). Kelsy keeps a balance of at least \$1500. She usually makes 9 debit transactions, 6 teller transactions, and 11 ATM transactions in one month.

- a. How many transactions is she making in one month?
- b. How much will the Low-Fee Account cost?
- c. How much will the Value Account cost?
- d. How much will the Unlimited Account cost?

Name: _____

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5. Some smaller retailers charge a fee for using a debit card, when the purchase is less than \$5.00. Tim uses his debit card daily to buy these items at the cafeteria:
- morning snack \$2.60
 - lunch \$1.03
 - afternoon drink \$3.36 (*all prices including taxes*)

If the store charges \$0.45 for each debit transaction:

- a) How much does Tim spend in the cafeteria each day (without the additional fee)?
 - b) How much does he pay in total (with the transaction fee)?
6. Some independent retailers charge a fee for using a debit card, regardless of purchase amount. Jane makes 19 of these purchases over the month. The debit fee is \$1.50 per transaction.
- a) How much does Jane spend in debit fees?
 - b) How can she avoid this?

7. John earns an annual salary of \$95 650.

- a) What is his monthly salary?
 - b) Assuming he is a responsible individual and places 10% of his earnings into savings, calculate his monthly savings contribution?
 - c) If he saves the same amount for one year, how much will he have in his savings account?
8. Jazzmin is an astronaut. She tracked her expenses and income for a month. She has started a monthly budget (on next page).
- a) What is her monthly income?
 - b) What are her monthly expenses?
 - c) What is her final budget? Is it a surplus or deficit?

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Complete the following chart:

Monthly Income			
annual take-home pay is \$126 460.50			
monthly income =			
Monthly Expenses			
Fixed/Recurring		Variable	
savings (10%)		school supplies	\$0.40
rent	\$819.37	gas	\$89.95
insurance (car)	\$144.70	clothing	\$526.60
utilities	\$60.65	personal care	\$154.39
cell phone	\$62.50	food	\$178.00
insurance (house)	\$220.00	leisure	\$75.88
		miscellaneous	\$67.23
total expenses =			
final budget =			

9

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9