

Master Post-Assessment

Directions: Instruct students to answer each question responding with a, b, c or d. The correct answer is noted in blue.

1. If you must borrow money to attend college, what is the most you should borrow?
 - a. \$10,000
 - b. No more than your first year's anticipated salary (Correct answer)
 - c. No more than twice your first year's anticipated salary
 - d. None of these answers are correct, you should never borrow money to attend college
2. Your apartment burned to the ground. Select each item your landlord was responsible for insuring.
 - a. Your clothes
 - b. Your laptop
 - c. Your cellular phone
 - d. The apartment building (Correct answer)
3. You do not use checks, only your debit card, and you opted into overdraft protection (covers your transactions when you don't have enough money in your account). You start the day with \$41 in your checking account and spend \$15 at the football game, \$10 for burgers, and \$15 for gas. You attempt to purchase \$120 for new clothes at the mall, but are declined because your checking account has insufficient funds. How much in total fees will be charged to your account by your bank?
 - a. \$0 (Correct answer)
 - b. \$3
 - c. \$12
 - d. \$24
4. If you are assessed fees by the bank, select the process for the bank collecting the fees.
 - a. The bank sends you a bill, only payable with cash or a check
 - b. The bank sends you a bill, which you can pay with a credit card
 - c. The bank takes the money out of your account immediately (Correct answer)
 - d. None of these answers are correct

5. Most payday loans are repaid in full and on time with minimal fees.
- a. True
 - b. False (Correct answer)
6. Sam is 15 and invests \$1,000 from his summer job in a Kiddie IRA. The IRA ends up earning 12% per year. How much will Sam's investment be worth at the age of 21?
- a. There is no way to know for sure
 - b. \$500
 - c. \$1,000
 - d. \$2,000 (Correct answer)
7. You and your friends just signed a month to month lease for an apartment in your name right out of high school. You pay \$600 a month in rent (\$1,800 total). Your friends move out at the end of January. How much of the rent are you responsible for paying for your apartment in May?
- a. \$0 as long as you give 30 days notice (Correct answer)
 - b. \$600, your portion of the rent
 - c. \$1,800 for the month
 - d. The remainder of the rent owed for the calendar year
8. You are contributing to a 401k. Your financial planner charges .5% annually, the index funds you are invested in charge .25% annually, and your employer pays your 401k fee. Your investment returned 7.75%! After accounting for fees, what was your actual return?
- a. A loss of 7%
 - b. 0%
 - c. A gain of 7% (Correct answer)
 - d. A gain of 7.75%
9. Select the strategy you should NOT use prior to making an important financial decision.
- a. Consider the opportunity cost of your choice
 - b. Take your emotional pulse
 - c. Focus on multiple decisions at a time (Correct answer)
 - d. Play "Devil's Advocate" with yourself

10. You have received the financial award letter from your favorite college, which is exhibited below.

Best College Financial Award Letter

Annual Tuition, room, board, and fees: \$45,000

Annual Subsidized loan: \$5,000

Annual Unsubsidized loan: \$5,000

Annual Grant: \$15,000

Annual Scholarship: \$20,000

Total remaining amount due over four years: \$0

How much are you responsible for paying over four years?

- a. \$0
- b. \$5,000
- c. \$10,000
- d. \$40,000 (Correct answer)

11. Select each strategy you should use to safely interact with personal information online. Select all that apply.

- a. Ensure the url begins with: https (Correct answer)
- b. Avoid using public WiFi (Correct answer)
- c. Keep all anti-virus software up to date (Correct answer)
- d. Use a strong password (Correct answer)

12. Banks keep a record of your banking fee history.

- a. True (Correct answer)
- b. False