

Name Key Period _____ Date _____

Personal Financial Literacy Review

balance a check register	deposit	scholarships
borrower	grants	student loans
check register	interest	transaction
checking account	lender	transfer
credit card	lifetime income	withdrawal
credit history	salary	work-study

Fill in the blanks with the correct word(s) from the word bank above.

1. A(n) Withdrawal is made when you take money from an account.
2. The transfer occurs when money is moved between two accounts.
3. Payment for work is called a(n) salary.
4. A program providing financial aid in return for student labor is called Work-study.
5. To balance a check register is to keep an account of all transactions and find the final balance in the account.
6. A charge for the use of credit or borrowed money, if the balance is not paid off in a set amount of time is called interest.
7. A(n) deposit is made when you add money to and account.
8. A monetary award for good performance is called a(n) scholarship.
9. The total amount a worker is paid during his working career is a(n) lifetime income.

Find the ending balance after the transaction listed.

10. opening balance: \$2,311.75

(-) withdrawal: \$984.72

$$\begin{array}{r} 1 \quad 12 \quad 10 \quad 11 \\ 2311.75 \\ - 984.72 \\ \hline \$1,327.03 \end{array}$$

11. opening balance: \$1,024.65

(+) deposit: \$1,000.92

$$\begin{array}{r} 1024.65 \\ + 1000.92 \\ \hline \$2025.57 \end{array}$$

12. Willis had a balance of \$546.24 in his checking account. He wrote a check for \$100.35. What is his new balance?

$$\begin{array}{r}
 546.24 \\
 - 100.35 \\
 \hline
 \$445.89
 \end{array}$$

Withdrawal

Tell whether each represents a *deposit* or a *withdrawal* from a checking account.

13. paying an online subscription bill Withdrawal

14. receiving a check for a graduation present deposit

Tell whether the feature is for a *debit card* or a *credit card*.

15. Has an assigned spending limit. Credit card

16. Allows you to buy something now and pay for it in the future. Credit card

Solve the problem.

17. Lauren has a balance of \$140.15 in her checking account. She uses her debit card to pay \$85.75 for a concert ticket. What is the balance in her checking account now?

$$\begin{array}{r}
 140.15 \\
 - 85.75 \\
 \hline
 \$54.40
 \end{array}$$

18. Glen has a balance of \$589.35 in his checking account. He uses a credit card to pay \$140.35 for a pair of running shoes. What is the balance in his checking account now?

It's still \$589.35. A credit card is NOT attached to your checking account.

19. Lakisha wants to attend a four year university with an annual tuition of \$12,500. Lakisha will be part of a work study that pays \$8,000 per year. She has \$4,500 in savings. How much more does she need to pay for the tuition for four years?

$$\begin{array}{r}
 8000 \text{ -work study} \\
 \times 4 \\
 \hline
 32000
 \end{array}
 \quad
 \begin{array}{r}
 32000 \\
 + 4500 \text{ -savings} \\
 \hline
 36500
 \end{array}
 \quad
 \begin{array}{r}
 12500 \\
 \times 4 \\
 \hline
 50000 \text{ tuition} \\
 - 36500 \\
 \hline
 13500
 \end{array}$$

She needs \$13,500 more.

20. Identify the two borrowers least likely to be offered a loan, if the decision were solely based on their credit scores. Justify your response.

Jay and Baker because they have the lowest credit scores.

Name	Credit Score	Name	Credit Score
C. Chen	840	K. Jay	700
T. Woods	810	E. Baker	690

Calculate the person's lifetime income based on the information below.

21. Salary: \$75,852
Starting age: 20
Ending age: 65

$$\begin{array}{r}
 75852 \\
 \times \quad 45 \\
 \hline
 \end{array}$$

65-20 = 45 years \$3,413,340

Explain the effect of the action on the person's credit score. Does it go up or down?

22. Ms. Jin makes all of her car loan payments on time.

goes up

23. Mr. Williams pays his credit card bill late four times during the year.

goes down

Determine the balance for the checking account below.

4. opening balance: \$108.72

Check No.	Date	Transaction	(-) Withdrawal	(+) Deposit	Balance
		Opening Balance			108.72
650	1/4	tennis lesson	\$30.00		78.72
651	1/7	groceries	\$41.22		37.50
	1/10	rebate check		\$50.00	87.50
	1/15	paycheck		\$215.00	302.50
652	1/21	car payment	\$176.52		125.98
	1/30	paycheck		\$215.00	340.98

