

BANKING & FINANCE

(145)

REGIONAL – 2015

Objective Portion (30 @ 2 points each)	_____ (60)
Financial Word Problems (10 @ 3 points each)	_____ (30)
Job 1 – Endorsements (3 @ 5 points each)	_____ (15)
Job 2 – Bank Deposit (12 @ 2 points each)	_____ (24)
Job 3 – Checks	_____ (20)
TOTAL POINTS	_____ (149)

Failure to adhere to any of the following rules will result in disqualification:

- 1. Contestant must hand in this test booklet and all printouts. Failure to do so will result in disqualification.**
- 2. No equipment, supplies, or materials other than those specified for this event are allowed in the testing area. No previous BPA tests and/or sample tests or facsimile (handwritten, photocopied, or keyed) are allowed in the testing area.**
- 3. Electronic devices will be monitored according to ACT standards.**

No more than 60 minutes testing time

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Workplace Skills Assessment Program competition.

MULTIPLE CHOICE

Directions: Choose the best answer for each of the following and record your answer on the Scantron form provided.

1. Your bank balance is \$530.00. You write a check at Best Buy for a new television in the amount of \$569.00. Your bank, when it receives your check, will send it back to Best Buy marked
 - a. stop payment.
 - b. canceled.
 - c. short of funds.
 - d. non-sufficient funds.

2. Which of the following assets is the **most** liquid
 - a. the money in your savings account.
 - b. 100 shares of common stock.
 - c. the money in your pocket.
 - d. a certificate of deposit that comes due in three months.

3. The American Bankers Association (ABA) number on a check is used to
 - a. identify the bank on which the check is written.
 - b. indicate the amount the check was cashed for.
 - c. identify the customer's account number.
 - d. indicate the drawer's check number.

4. _____ is an automatic loan made to you by a financial institution if you write a check or make a debit charge for more money than you have in your account.
 - a. Overdraft protection
 - b. A stop-payment order
 - c. A debit card payment
 - d. A pay back loan

5. A(n) _____ is a report that accounts for the differences between a bank statement and a check book balance.
 - a. annual report
 - b. endorsement
 - c. bank reconciliation
 - d. bank report

6. A computer-based system that moves money from one account to another without writing a check or using cash is
 - a. EFT.
 - b. NSF.
 - c. DD.
 - d. FDIC.

7. The calculation for simple interest is _____ x interest rate x amount of time.
 - a. down payment
 - b. principal
 - c. maturity value
 - d. month

8. A personal check that the bank guarantees to be good is a:
 - a. cashier's check.
 - b. certified check.
 - c. money order.
 - d. certificate order.

9. The federal tax that is deducted from your paycheck each pay period that provides for retirement, disability, and survivor benefits is
 - a. Federal Income Tax.
 - b. Medicare Tax.
 - c. Social Security Tax.
 - d. Worker's Compensation Tax.

10. If a driver receives several traffic tickets, his or her insurance premiums will probably
 - a. increase.
 - b. decrease.
 - c. stay the same.
 - d. increase by \$10 per year for each ticket received.

11. The people who will have the legal right to your assets when you die are your
 - a. guardians.
 - b. executors.
 - c. attorneys.
 - d. heirs.

12. A corporation that does *not* sell its stock to the general public is a
 - a. sole corporation.
 - b. public corporation.
 - c. private corporation.
 - d. partnership.

13. For which product would it be most beneficial to do comparison shopping?
 - a. a book.
 - b. a backpack.
 - c. a pair of socks.
 - d. a new laptop.

14. What court deals with legal disputes that involve dollar amounts below a certain limit, which varies from state-to-state?
 - a. district court
 - b. superior court
 - c. small claims court
 - d. Small Business Administration

15. Holding a variety of investments in order to reduce risk is called
 - a. liquidity.
 - b. dollar-cost-averaging.
 - c. return on investment.
 - d. diversification.

16. The purpose of savings is to
 - a. provide for short-term needs.
 - b. provide for long-term goals.
 - c. provide for intermediate needs.
 - d. make your money grow.

17. The amount of a personal loan that a creditor will approve is based on
 - a. the borrower's existing debts.
 - b. the borrower's income.
 - c. the borrower's credit payment history.
 - d. all of the above would be considered.

18. A loan that is used to secure financing for the purchase of a house or other real estate is called a(n)
 - a. unsecured loan.
 - b. cash advance loan.
 - c. mortgage loan.
 - d. personal loan.

19. The amount the insured must pay before an insurance company will begin paying a claim is called a
 - a. deductible.
 - b. co-pay.
 - c. beneficiary.
 - d. premium.

20. Which of the following endorsements limits what can be done with a check?
 - a. qualified endorsement
 - b. full endorsement
 - c. restrictive endorsement
 - d. blank endorsement

21. A form used to record all transaction activity in a checking account is a
 - a. bank reconciliation form.
 - b. journal.
 - c. register.
 - d. checkbook reconciliation form.

22. Which of the following directly transfers money from a person's account to the account of a retailer?
 - a. charge card
 - b. credit card
 - c. debit/credit card
 - d. cash card

23. Ricardo has written a \$150 check to Angelo, but he has only \$100 in his account and it is returned unpaid to Angelo. Ricardo has written a
 - a. floating check.
 - b. cancelled check.
 - c. postdated check.
 - d. bounced check.

24. All of the following are considered installment loans *except*
 - a. automobile loans.
 - b. mortgage loans.
 - c. education loans.
 - d. credit cards.

25. Which of the following is *not* a typical duty of a bank teller?
 - a. manage large sums of money placed in trust with the bank according to clients wishes
 - b. prepare currency and coin for retail customers
 - c. sell savings bonds
 - d. balance the cash drawer daily

26. If you make a mistake when writing a check, you should
 - a. erase the error and correct it.
 - b. write "VOID" across the face of the check and tear it into small pieces and throw it away.
 - c. use correction fluid to cover the error and re-write it correctly.
 - d. write "VOID" across the face of the check and save the check for filing with your monthly statement.

27. A disadvantage of people looking forward to receiving a large government tax refund is
 - a. interest-free loan to the government for a year.
 - b. no disadvantages to the taxpayer,
 - c. receive more money in your paycheck each week.
 - d. smart way to save for the future.

28. Outstanding deposits should be added
- to the checkbook balance.
 - to the checkbook register.
 - to the bank balance on the bank statement.
 - None of the above.
29. The disadvantage of choosing smaller payments when paying back a loan is
- having a short period to pay.
 - paying more in interest.
 - having variable interest rates.
 - paying less in interest.
30. The tax a person pays at the time he or she buys a new vehicle is a(n)
- income tax.
 - excise tax.
 - estate tax.
 - gift tax.

FINANCIAL WORD PROBLEMS

Directions: Compute the answer for each of the finance problems below and place your answer on the line provided.

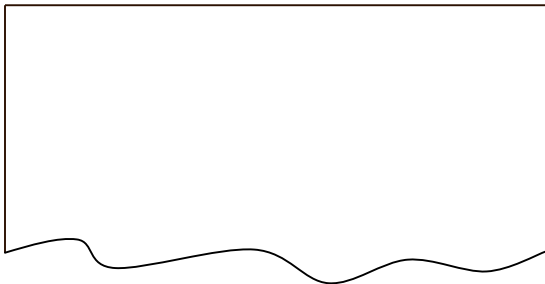
1. Casey is looking to purchase a new 50" flat screen television for \$1,049 in cash or pay \$100 down and the balance in 18 monthly payments of \$62.90.
- (a) What is the installment price for the television? a _____
- (b) By how much will the installment price be greater than the cash price? b _____
2. The Estrella family's total budget is \$104,200. Of their total budget they plan to spend 36.9% on a mortgage payment, 20% on food to feed their family, and 18.5% on utilities.
- (a) How much will they spend for mortgage payments? a _____
- (b) How much will the Estrella family spend on food? b _____
- (c) How much will they spend on utilities? c _____
- (d) How much will the Estrella family have left for discretionary spending? d _____

3. Chi purchased a \$5,000 three-month Certificate of Deposit (CD) that pays a 4.5% simple interest for the term of the deposit.
- (a) How much interest will the CD earn in six months if Chi leaves the CD to renew at the end of the first three months? a _____
- (b) What is the value of the CD upon maturity at the end of six months? b _____
4. The online bank accounts of Antonio Borelli had these balances as of Sunday: checking, \$182.86; savings, \$1,030.00. Antonio expects to have these EFT transactions affecting his checking account over the next six days: online payment of \$132.30 on Tuesday for cable service; direct deposit of a \$498.92 paycheck on Wednesday; online payment of homeowner's insurance of \$342.60 on Friday; ATM withdrawal of \$100 on Saturday. Antonio wants to personally maintain a minimum balance of \$100 in checking at all times, and he will transfer money from savings to checking whenever necessary.
- a. On which day(s) must Antonio transfer money from savings to checking, and in what amount(s)? a _____
- b. What will be the balance of his checking account on Saturday after all transactions are processed? b _____

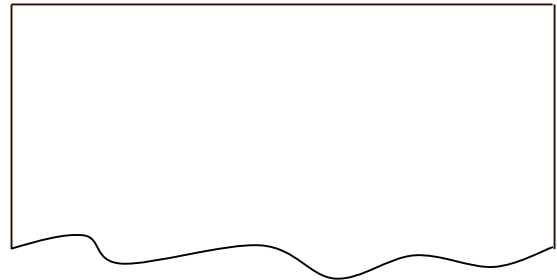
JOB 1—ENDORSEMENTS—(each endorsement is worth 5 points)

Directions: Endorse the back of each check using the endorsement required by the label above the check. The person endorsing the check is Thomas Bradley. His account number is 458497. Thomas will endorse one of the checks over to Chuck Chessman.

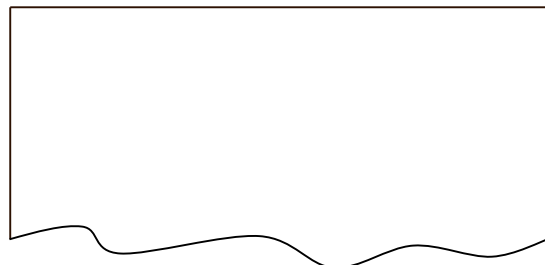
RESTRICTIVE ENDORSEMENT



SPECIAL/REGULAR ENDORSEMENT



BLANK ENDORSEMENT



JOB 2—BANK DEPOSIT

Complete the blank deposit slip for Clara Booth, 102 Birdie Street, Columbus, OH 43214. The account number is 1035-369 and the date is February 1, 2015. Clara is depositing the following:

Currency	18 -- \$20 bills		
	11-- \$10 bills		
	35--\$5 bills		
	24 --\$1 bills		
Coins	38--quarters		
	48--dimes		
	28--nickels		
Checks	\$89.90	ABA #28-3636	
	\$142.87	ABA #28-5744	
	\$368.45	ABA #45-8387	

Clara would also like \$100.00 cash back from this deposit.

DEPOSIT SLIP

Clara Booth
 102 Birdie Street
 Columbus, OH 43214

DATE _____

 Acknowledge receipt of cash returned by signing above.


USA BANK, Columbus, Ohio

1: 1035-369-0:

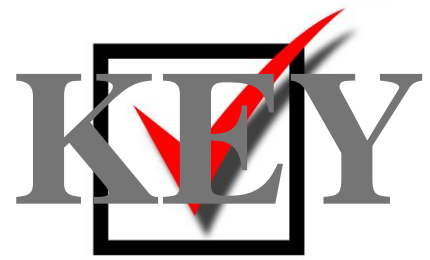
CASH Including Coins		
<i>List checks singly</i>		
TOTAL		
LESS CASH RECEIVED		
NET DEPOSIT		

JOB 3—CHECK WRITING

Complete Check 1810 using today's date. Make it payable to Relax Day Spa for \$120.80 for a massage and pedicure at the spa. Sign the check using Melissa Ortez's name.

Melissa Ortez 40 Bayberry Lane Anaheim, CA 34587	31-667/9787	1810
	_____ 20 _____	
PAY TO THE ORDER OF _____	\$ _____	
		_____ DOLLARS
NON-NEGOTIABLE		
 Destiny Bank		
MEMO _____	_____	
: 316679787 :	987654321	1810

1. Who is the drawee? _____
2. Who is the payee? _____
3. Who is the drawer? _____
4. What is the transit/routing number? _____
5. What was the purpose of writing this check? _____
6. What is the account number for this checking account? _____
7. If there is a minor discrepancy between the written amount and the numerical amount on the check, the bank will cash it for which amount? _____



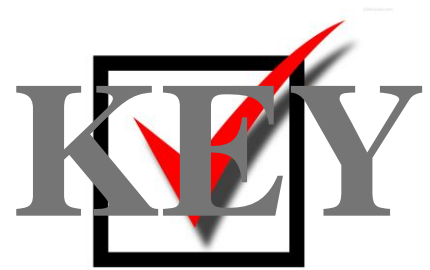
BANKING & FINANCE (145)

REGIONAL – 2015

Objective Portion (30 @ 2 points each)	_____	(60 points)
Financial Word Problems (10 @ 3 points each)	_____	(30 points)
Job 1 – Endorsements (3 @ 5 points each)	_____	(15 points)
Job 2 – Bank Deposit (12 @ 2 points each)	_____	(24 points)
Job 3 - Checks	_____	(20 points)
TOTAL POINTS	_____	(149 points)

Judge/Graders: Please double check and verify all scores and answer keys!

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MULTIPLE CHOICE (Each question is worth 2 points, total of 60 points)

- | | |
|-------|-------|
| 1. D | 16. A |
| 2. C | 17. D |
| 3. A | 18. C |
| 4. A | 19. A |
| 5. C | 20. C |
| 6. A | 21. C |
| 7. B | 22. C |
| 8. B | 23. D |
| 9. C | 24. D |
| 10. A | 25. A |
| 11. D | 26. D |
| 12. C | 27. A |
| 13. D | 28. C |
| 14. C | 29. B |
| 15. D | 30. B |

FINANCIAL WORD PROBLEMS (Each answer is worth 3 points, 10 @ 3 = 30 points)

- | | |
|-------------------|------------------------|
| 1. a. \$1,232.20 | 3. a. \$112.50 |
| b. \$183.20 | b. \$5,112.50 |
| 2. a. \$38,449.80 | 4. a. Tuesday, \$49.44 |
| b. \$20,840.00 | b. \$156.32 |
| c. \$19,277.00 | |
| d. \$25,633.20 | |

JOB 1 –ENDORSEMENTS—(each endorsement is worth 5 points, Total points of 15)

Directions: Endorse the back of each check using the endorsement required by the label above the check. The person endorsing the check is Thomas Bradley. His account number is 458497. Thomas will endorse one of the checks over to Chuck Chessman.

RESTRICTIVE ENDORSEMENT

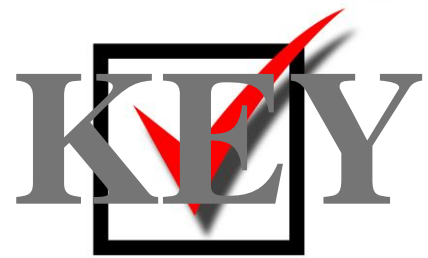
For deposit only to
account number 458497
Thomas Bradley

SPECIAL/REGULAR ENDORSEMENT

Pay to the order of
Chuck Chessman.
Thomas Bradley

BLANK ENDORSEMENT

Thomas Bradley



DEPOSIT SLIP Clara Booth 102 Birdie Street Columbus, OH 43214 DATE <u>2/1/15</u> <u>Clara Booth</u> Acknowledge receipt of cash returned by signing above. USA BANK, Columbus, Ohio 1: 1035-369-0:	CASH		
	Including Coins	684	70
	<i>List checks singly</i>		
	28-3636	89	90
	28-5744	142	87
	45-8387	368	45
	TOTAL	1,285	92
	LESS CASH RECEIVED	100	00
	NET DEPOSIT		
	1,185	92	

Job 2 – Bank Deposit (2 points for each item on the deposit slip, total of 24 points)

JOB 3 – CHECK WRITING (Each item on the check is worth 1 point, each question is worth 2 points, total points 20)


Melissa Ortez 31-667/9787 1810
 40 Bayberry Lane
 Anaheim, CA 34587

Current date 2014/15

PAY TO THE ORDER OF Relax Day Spa \$120.80

One hundred twenty 80/100----- DOLLARS

NON-NEGOTIABLE

 Destiny Bank
 Massge & Pedicure

MEMO Massge & Pedicure Melissa Ortez

| : 316679787 | : 987654321 1810

- | | |
|-------------------------|---------------------------------|
| 1. Destiny Bank | 5. Massge & Pedicure |
| 2. Relax Day Spa | 6. 987654321 |
| 3. Melissa Ortez | 7. Written amount |
| 4. 316679787 | |