

BANKING & FINANCE (08)

Regional– 2009

Objective Portion (30 @ 2 pts. each) _____ (60)

Production Portion

Job 1—Check Register (55 @ 1 pt. each) _____ (55)

Job 2—Check Writing (6 @ 3 pts. each) _____ (18)

Job 3—Bank Deposit (10 @ 2 pts. each) _____ (20)

TOTAL POINTS _____ **(153)**

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.

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

1. Which of the following would be considered the safest (most secure) short-term investment?
 - A. corporate stocks
 - B. corporate bonds
 - C. treasury bills
 - D. mutual funds

2. Credit, debit, or other types of cards that have embedded microchips are called:
 - A. ATM's
 - B. smart cards
 - C. micro card
 - D. none of the above

3. An example of a service is _____.
 - A. car
 - B. college books
 - C. goal
 - D. salon haircut

4. When calculating interest, one must know _____.
 - A. principal, interest rate
 - B. principal, annual interest rate, time
 - C. principal, time
 - D. principal, annual rate

5. The formula for calculating net worth is _____.
 - A. add liabilities to assets
 - B. add liabilities and retained earnings
 - C. subtract liabilities from assets
 - D. subtract assets from equity

6. A legal option for consumers in trying to settle a minor dispute is _____.
 - A. arbitration
 - B. class-action suit
 - C. legal aid society
 - D. small claims court

7. In the financial world, "risk" indicates _____.
 - A. buyers bargain to lose all money
 - B. consumers are positive about outcomes
 - C. one cannot be certain about the outcome of an investment
 - D. stock market participants will increase investments

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8. A company issuing credit with a line of credit states a _____.
 - A. maximum amount of money available
 - B. minimum amount of money acceptable
 - C. partial payment of total amount owed
 - D. variable amount of cash payment

9. Long-term financing usually results in _____.
 - A. larger payments to start with
 - B. less interest, small payments
 - C. smaller payments, increased finance charges
 - D. smaller payments, higher interest

10. The FDIC and SAIF insures deposits up to a limit of _____.
 - A. \$50,000 each account
 - B. \$100,000 per account
 - C. \$150,000 for two accounts
 - D. \$200,000 all accounts

11. A check stub and a check register are used for the same purpose.
 - A. True
 - B. False

12. The major types of banking institutions are
 - A. commercial banks
 - B. credit unions
 - C. savings and loan associations
 - D. all of the above

13. Which of the following is a compelling cause for concern by financial institutions and consumers?
 - A. internet identity theft
 - B. phishing
 - C. on-line financial fraud
 - D. all of the above

14. Commercial paper is a short-term note or draft issued by a corporation or government and is considered:
 - A. an uncommon investment instrument
 - B. a common investment instrument
 - C. a note written for a term in excess of 270 days
 - D. none of the above

15. Consumers who inform themselves about credit costs and use credit wisely may avoid:
 - A. bankruptcy
 - B. ruined credit
 - C. paying high interest rates on loans
 - D. all of the above

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16. On June 30th, Julia Andrews deposited \$452 in a savings account at First Commercial Savings and Loan Association. At the end of December her interest was computed at an annual interest rate of 3.5 percent. How much simple interest did her money earn?
- A. \$7.91
 - B. \$15.82
 - C. \$31.64
 - D. none of the above
17. A personal line of credit allows a customer to write himself a loan by writing a check.
- A. True
 - B. False
18. What is generally maintained in the vault of the bank?
- A. precious metals
 - B. safe files
 - C. safe deposit boxes
 - D. none of the above
19. An agreement which allows a customer to pay a bill to a company without writing a check is called a/an
- A. post-dated check
 - B. non-sufficient funds check
 - C. pre-authorized payment
 - D. letter of intent
20. Which of the following can be used as security for a loan?
- A. accounts receivable
 - B. stock
 - C. real estate
 - D. all of the above
21. A preset amount of loan money available on demand is called:
- A. line of credit
 - B. time deposit
 - C. loan value
 - D. money available
22. Which of the following instruments are negotiable?
- A. bank draft
 - B. cashier's check
 - C. certified check
 - D. all of the above
23. Calculate the yearly interest rate on a credit card that charges $1\frac{3}{4}\%$ monthly interest rate.
- A. 9%
 - B. 12%
 - C. 18%
 - D. 21%

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24. You are hired as a car washer who earns \$6.50 per hour. You work Tuesday-Saturday, 9-6 with one hour for lunch. Find the gross weekly pay for the job, note lunch time is unpaid.
- A. \$208.00
 - B. \$260.00
 - C. \$303.75
 - D. \$312.00
25. A store in Reno, Nevada, advertised a 50" HD Plasma TV for \$1,699.97. What is the sales tax if the combined state and city rate is 6%?
- A. \$102.00
 - B. \$199.82
 - C. \$1,019.82
 - D. none of the above
26. Your company has \$10,000 to invest for a 2-year period. You purchase a 6% CD with interest compounded annually. How much is the CD worth at maturity?
- A. \$10,450.00
 - B. \$10,900.00
 - C. \$11,236.00
 - D. none of the above
27. Collateral is an intangible asset pledged by a borrower as security for repayment of the loan.
- A. True
 - B. False
28. A person who owes payment or other performance under a security agreement is called the:
- A. debtor
 - B. creditor
 - C. secured party
 - D. none of the above
29. This type of check is guaranteed payment by a bank:
- A. cashier
 - B. personal
 - C. traveler
 - D. banker
30. This is a form instructing the bank not to pay a check:
- A. illegal check
 - B. stop-payment order
 - C. voided check
 - D. none of the above

Job 2 – Check Writing

Using the information on the check below, circle the correct answers to questions 31 through 36.

Benjamin O'Hare 42 Ash City, State 12346	No. 772
<u>Jan 12</u> 2009 00-5/740	
PAY TO THE ORDER OF <u>Professional Business Associates</u>	\$72.00
<u>Seventy-two and 00/100</u>	Dollars
USA BANK YOUR CITY, STATE 12345	<u>Benjamin O'Hare</u>
Memo <u>Material</u>	
⑆074000052: 6485. 6000789. 0000007200.⑆	

31. The drawee is:
A. Benjamin O'Hare
B. Professional Business Associates
C. USA Bank
D. none of the above
32. The payee is:
cleared,
A. Benjamin O'Hare
B. Professional Business Associates
C. USA Bank
D. none of the above
33. The drawer is:
A. Benjamin O'Hare
B. Professional Business Associates
C. USA Bank
D. none of the above
34. The routing number is:
A. 6458 6000789
B. 074000052
C. 0000007200
D. none of the above
35. The amount of the check, once
is found on the check:
A. 1 time
B. 2 times
C. 3 times
D. 4 times
36. The purpose for writing the check:
A. needed cash
B. to pay for Benjamin O'Hare
C. to pay for supplies
D. none of the above

Job 3 – Bank Deposit (10 @ 2 points each = 20 points)

Complete the blank deposit slip for Stephanie A. Clark, 457 Main St., Columbus, OH 43214. The account number is 42345-4 and the date is January 10, 2009. You are depositing the following:

Currency	16	\$20 bills	
	14	\$10 bills	
	20	\$ 5 bills	
	44	\$ 1 bills	
Coins	38	quarters	
	16	dimes	
	23	nickels	
Checks	\$93.34	ABA #90-1234	
	\$15.26	ABA #87-3456	
	\$29.40	ABA #88-5678	

<p>DEPOSIT SLIP</p> <p>Stephanie A. Clark 457 Main Street Columbus, OH 43214 PH 503-555-1212</p> <p>DATE _____</p> <p>_____</p> <p>Acknowledge receipt of cash returned by signing above.</p> <p>USA BANK Cleveland, Ohio</p> <p>I:074000052: 6485. 6000789.</p>	CASH Including Coins		
	<i>List checks singly</i>		
TOTAL			
LESS CASH RECEIVED			
NET DEPOSIT			
Checks and other items are received for deposit subject to the provisions of uniform commercial code or any applicable collection agreement.			



BANKING & FINANCE (06)

Regional—2009

KEY

Objective Portion (25 @ 2 points each)	_____	(50)
Production Portion		
Job 1 – Endorsements	_____	(15)
Job 2 – Cashier Activity	_____	(30)
Job 3 – Check Writing	_____	(5)
TOTAL POINTS	_____	(100)

Judges/Graders:

Please double-check and verify all scores!

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Multiple Choice

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



Job 1 – Check Register (55 @ 1 point each = 55 points)

RECORD ALL CHARGES THAT AFFECT YOUR ACCOUNT						
NUMBER	DATE	TRANSACTION DESCRIPTION	PAYMENT/ DEBIT	FEE	DEPOSIT/ CREDIT	BALANCE
						844.04
443	1/3	US Phone Co.	87.57			756.47
444	1/5	Rite Pharmacy	35.89			720.58
445	1/7	Health Fresh Food	34.44			686.14
	1/8	Deposit			605.83	1,291.97
	1/11	Service Fee		5.00		1,286.97
	1/11	Interest			.87	1,287.84
	1/12	ATM	50.00			1,237.84
446	1/13	Statewide Shoes	109.08			1,128.76
447	1/20	Home Gas Co.	75.56			1,053.20
	1/25	Deposit			895.63	1,948.83
	1/26	ATM	75.00			1,873.83
448	1/27	Furniture Open	210.00			1,663.83
(6 points)	(12 pts)	(12 points)	(8 points)	(1 pt)	(3 points)	(13 points)

Using the following information, complete the check register above. Write neatly and clearly. **All entries must be arranged by date.** The beginning balance is \$844.04. Be sure to update the balance after every transaction.

Checks written:

Check #443 (beginning check number) was written for \$87.57 to US Phone Co. on 1/03/09 for telephone expense.

Check #444 was written for \$35.89 to Rite Pharmacy on 1/05/09 for prescription expense.

Check #445 was written for \$34.44 to Health Fresh Food on 1/07/09 for groceries.

Check # 446 was written for \$109.08 to Statewide Shoes on 1/13/09 for shoes.

Check # 447 was written for \$75.56 to Home Gas Company on 1/20/09 for the heating bill.

Check # 448 was written for \$210.00 to Furniture First on 1/27/09 for office furniture.

Other transactions:

There were two ATM withdrawals, one on 1/12/09 for \$50.00; the other was on 1/26/09 for \$75.00.



There were two checks deposited, one on 1/8/09 in the amount of \$605.83, the other was on 1/25/09 in the amount of \$895.63.
A checking account service fee of \$5.00 was automatically deducted on 1/11/09 and an interest income of \$0.87 was added.



Job 2 – Check Writing (6 @ 3 points each = 18 points)

Using the information on the check below, circle the correct answers to questions 31 through 36.

Benjamin O'Hare 42 Ash City, State 12346	No. 772
_____ <u>Jan 12</u> _____ 2009 00-5/740	
PAY TO THE ORDER OF _____ <i>Professional Business Associates</i>	\$72.00
_____ <u>Seventy-two and 00/100</u> _____ Dollars	
USA BANK YOUR CITY, STATE 12345	_____ <u>Benjamin O'Hare</u> _____
Memo <u>Material</u>	
I: 074000052 : 6485 . 6000789 . 0000007200 . 772	

31. The drawee is: **(C)**
A. Benjamin O'Hare
B. Professional Business Associates
C. **USA Bank**
D. none of the above
32. The payee is: **(B)**
cleared,
A. Benjamin O'Hare
B. **Professional Business Associates**
C. USA Bank
D. none of the above
33. The drawer is: **(A)**
A. **Benjamin O'Hare**
B. Professional Business Associates
C. USA Bank
D. none of the above
34. The routing number is: **(B)**
A. 6458 6000789
B. **074000052**
C. 0000007200
D. none of the above
35. The amount of the check, once
is found on the check: **(C)**
A. 1 time
B. 2 times
C. **3 times**
D. 4 times
36. The purpose for writing the check: **(D)**
A. needed cash
B. to pay for Benjamin O'Hare
C. to pay for supplies
D. **none of the above**



Job 3 – Bank Deposit (10 @ 2 points each = 20 points)

Complete the blank deposit slip for Stephanie A. Clark, 457 Main St., Columbus, OH 43214. The account number is 42345-4 and the date is January 10, 2009. You are depositing the following:

Currency 16 \$20 bills
 14 \$10 bills
 20 \$ 5 bills
 44 \$ 1 bills

Coins 38 quarters
 16 dimes
 23 nickels

Checks \$93.34 ABA #90-1234
 \$15.26 ABA #87-3456
 \$29.40 ABA #88-5678

<p>DEPOSIT SLIP</p> <p>Stephanie A. Clark 457 Main Street Columbus, OH 43214 PH 503-555-1212</p> <p>DATE <u> Current Date Listed </u></p> <p>_____ Acknowledge receipt of cash returned by signing above.</p> <p>USA BANK Cleveland, Ohio</p> <p>I:074000052: 6485. 6000789.</p>	CASH Including Coins	616	25
	<i>List checks singly</i>		
	90-1234	93	34
	87-3456	15	26
	88-5678	29	40
	TOTAL	754	25
	LESS CASH RECEIVED	0	00
NET DEPOSIT	\$754	25	
<p>Checks and other items are received for deposit subject to the provisions of uniform commercial code or any applicable collection agreement.</p>			

Award points as follows:

Current date = 1 @ 2 points

ABA individual listings = 3 @ 2 points

Correct cash, check amounts, and total = 6 @ 2 points (do not deduct points if student did not list 0.00 in “less cash received” entry.