

Common Cents

ROUND 1

1. **Who controls the monetary policy in the United States?**
 1. Congress
 2. **The Federal Reserve**
 3. The President and the U.S. Treasury
 4. The governors of the 50 states

2. **Who are most likely to be victims of identity theft?**
 1. Older women
 2. Older men
 3. **Young adults**
 4. Middle-aged adults

3. **How many days after you receive your bank statement, either by mail or electronically, do you have to file a dispute about a false DEBIT card transaction?**
 1. 7 days
 2. **60 days**
 3. 30 days
 4. 45 days

4. **Over time, which will cause you to spend more on clothing?**
 1. Planning ahead for purchases
 2. Shopping at discount stores
 3. **Buying the latest trends**
 4. Buying quality clothing

5. **At a minimum, how high must your FICO score be for you to qualify for the best interest rate for borrowing -- loans, credit cards, mortgages, etc?**
 1. 650
 2. 700
 3. **750**
 4. 800

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ROUND 2

6. What is revolving credit?

1. Credit that revolves around how much income you make.
2. **Credit that is automatically renewed as debts are paid off.**
3. Debt that comes with no interest charges.
4. Credit that includes interest rates set by you.

7. Which is true about credit cards?

1. They are a convenient way to make purchases
2. Credit cards promote impulse spending
3. They are a type of credit called revolving credit
4. **All of the above**

8. A credit report is:

1. **A loan and bill payment history**
2. Your credit line with your financial institution
3. A list of your financial assets and liabilities
4. Your monthly credit card statement

9. What happens if you do not pay your credit card bill by the due date?

1. Your creditor will automatically shut down your card in the first month
2. Nothing, you can double the payment next time.
3. **You pay late fees and your credit score/history is negatively impacted.**
4. You are suspended from your job.

10. To decrease the national debt, consumers need to live within their means.

1. True
2. **False**

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ROUND 3

11. One of the main differences between savings and investing is said to be connected to the liquidity of an asset. What is liquidity?

1. The amount of money your savings account after you pay your bills
2. The amount of money needed to pay for “your needs and wants” each month
3. **How quickly and how easily an asset can be turned into cash**
4. Getting soaked by a bad deal

12. What is a mutual fund:

1. An investment program operated by a mutual bank.
2. **An investment program funded by shareholders that trades in diversified holdings and is professionally managed.**

13. What do you do if you discover that you have been a victim of fraud?

1. File a report with the local police
2. Place a fraud alert on your credit reports
3. Change all of your passwords on all accounts
4. **All of the above**

14. The formula used to calculate your net pay is: Gross Pay + Deductions = Net Pay.

1. True
2. **False**

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ROUND 4

15. Which of the following is true for college student loans?

1. Your interest rate is fixed and does not fluctuate
2. You can adjust the amount that you must pay back
3. You may qualify for a loan forgiveness program after 10 years
4. **All of the above**

16. Which is true of Direct Subsidized Student Loans?

1. You will never be charged or have to repay interest on the loan
2. The interest rate is fixed for the first year
3. **Direct Subsidized Loans are only available to undergraduate students who have financial need.**
4. All of the above

17. Which is true of Direct Unsubsidized Student Loans?

1. Direct Unsubsidized loans are only to graduate students
2. **You are responsible for paying the interest on the loan even while you are in school**
3. Direct Unsubsidized Loans are only for students attending state colleges
4. All of the above

18. If you default on a federal student loan, the federal government can:

1. Garnish your wages
2. Take legal action against you
3. Withhold any federal or state income tax refund
4. **All of the above**

19. Financial Planning experts advise that you save enough money in an emergency fund to cover your bills for how long?

1. One month
2. Three months
3. **Six months**
4. Twelve months

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20. What is NOT an example of a way to manage a large amount of debt?

1. Credit counseling
2. Refinancing
3. Cutting up your credit cards
4. **Don't pay your bills.**

TIE-BREAKER QUESTIONS

21. Olivia's credit card is co-signed by her stepfather. If she does not pay the bill:

1. Olivia's credit record will not be affected
2. Her stepfather's credit will not be affected
3. **Both of their credit records will be affected**
4. Both credit reports will not be affected

22. In which of the following situations would you be LEAST likely to be asked you for your Social Security number?

1. When you apply for a job
2. **When you purchase a car without a loan and pay cash**
3. When you apply for a credit card
4. When you rent an apartment

23. Which of the following may have the MOST impact on your credit score?

1. **Your minimum payment has not been paid for 90 days**
2. You opened a new credit card account
3. You were late paying your mortgage
4. You requested a copy of your credit report

24. Being on a budget means:

1. You pay bills every month on time
2. **You made a plan of your expenses to be less than or equal to your income**
3. You are earning enough money to be able to live well
4. You spend money on Patriot tickets rather than pay your phone bill this month

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25. Susie works part time at Salty Sam's. Who pays the FICA (Social Security) contributions on Susie's wages?

1. Susie
2. The federal government
3. **Susie and her employer**
4. Susie's employer

26. Negative information (excluding bankruptcy) can stay on your credit report for:

1. 2 years
2. 5 years
3. **7 years**
4. 10 years

27. In 2010, the U.S. Congress established The Consumer Financial Protection Bureau (CFPB). The purpose of this organization is to:

1. **Protect consumers against abusive credit practices, promote financial education, and research financial behavior.**
2. Set annual interest rates to prevent inflation, regulate banks nationally, and protect against identity theft.
3. Insure stocks against loss, investigate investor complaints, and certify stockbrokers.
4. Enforce bank regulations, advocate loans for the poor, and audit bank records.

28. In addition to a Social Security number or taxpayer ID, which of the following documents will a bank require to open a new account?

1. Driver's license and a copy of a recent credit report
2. Proof of citizenship and a recent medical examination
3. **Photo identification and proof of address.**
4. Name of employer and a character reference

29. An indicator that you have been a victim of ID Theft could be:

1. Receiving a prank call
2. Your bank adding additional security to their website
3. **Denial for credit for no apparent reason**
4. You meet someone with the same name as you

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30. Which of the following will NOT damage your credit score?

1. Defaulting on a student loan
2. Home foreclosure
3. **Checking your credit score**
4. Carrying a credit card balance equal to your spending limit

31. Which of the following is NOT good advice when purchasing a car?

1. Treating a trade-in as a separate transaction
2. Consider fuel economy and maintenance fees when budgeting
3. **Always arrange financing through the dealer**
4. Checking your credit report prior to making the purchase

32. It is recommended that a person put at least _____% of their income into a savings account.

1. 30-35%
2. 20-24%
3. **10-12%**
4. Less than 5%

33. Which of the following is NOT an example of a payroll deduction?

1. Social Security
2. Federal Tax
3. **Corporate Tax**
4. State Tax

Congratulations on completing the Common Cents Quiz!