

BANKING & FINANCE (06)

Regional—2006

Objective Portion (30 @ 2 pts. each)	_____	(60)
Production Portion		
Job 1—Deposit Ticket (10 @ 2 pts. each)	_____	(20)
Job 2—Check Writing (12 @ 1 pt. each)	_____	(12)
Job 3—Endorsements (6 @ 2 pts. each)	_____	(12)
Job 4—Check Register (44 @ 1 pt. each)	_____	(44)
TOTAL POINTS	_____	(148)

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

Do **NOT** open test booklet until instructed to do so.

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 Workplace Skills Assessment Program national competition.

BANKING & FINANCE
REGIONAL 2006
PAGE 2 OF 8

Multiple Choice: Select the **best** answer for each of the following and record answer on the Scantron. (30 @ 2 pts. each)

1. A program that allows students to enhance classroom learning with part-time work is _____.
 - A. cooperative education
 - B. internship
 - C. post-secondary education
 - D. volunteer work

2. Personal financial planning means _____.
 - A. contemplating the kind of desired life at an early age
 - B. investing for financial security
 - C. spending and investing for future purchases in life
 - D. spending, saving, and investing for wanted financial security

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

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

5. Comparison shopping involves _____.
 - A. comparing prices only at different stores
 - B. comparing features and prices at various stores
 - C. buying items seldom purchased
 - D. the same process as impulse buying

6. 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

7. 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

BANKING & FINANCE
REGIONAL 2006
PAGE 3 OF 8

8. Take-home pay may also be classified as _____.
- A. cash flow
 - B. gross pay
 - C. net pay
 - D. pay before taxes
9. Most financial experts recommend a savings ratio of _____.
- A. no more than 8 percent
 - B. at least 10 percent
 - C. more than 12 percent
 - D. at least 15 percent
10. An official document transferring ownership from seller to buyer is _____.
- A. closing costs
 - B. a deed
 - C. escrow
 - D. title insurance
11. 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
12. Profits that are reinvested in a company are defined as _____.
- A. assets
 - B. gross profits
 - C. retained earnings
 - D. revenue
13. Many financial advisors suggest _____.
- A. forgetting about the pyramid structure
 - B. diversification to lessen risk
 - C. putting all assets in one basket
 - D. selling off stocks before retirement age
14. 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
15. 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

BANKING & FINANCE
REGIONAL 2006
PAGE 4 OF 8

16. In most cases, the loss of a reported credit card within two days may result in a maximum charge of ___ for unauthorized use.
- A. \$25
 - B. \$50
 - C. \$75
 - D. \$100
17. 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
18. Types of risks to home and vehicles fall in the category of _____.
- A. damage to property or responsibility for injuries
 - B. financial resources to protect family
 - C. risk management for investing
 - D. what kind of insurance should be purchased
19. A medical assistance program offered to certain low-income individuals and families is _____.
- A. HMOs
 - B. Medicaid
 - C. Medicare
 - D. Medigap
20. Most medical insurance plans require employees to pay a portion of health care costs, called a ____.
- A. deductible
 - B. maximum benefit
 - C. monthly premium
 - D. stop-loss provision
21. A form used to assist in recording payroll deductions is _____.
- A. W-2
 - B. W-3
 - C. W-4
 - D. 941
22. Interest income is earned from _____.
- A. commissions and bonuses
 - B. dividends and interest
 - C. fees and tips
 - D. savings and loan associations

BANKING & FINANCE
REGIONAL 2006
PAGE 5 OF 8

23. An estate tax is collected on the value of a person's property and is a _____.
- A. federal tax at time of death
 - B. local tax with no previous stipulations
 - C. property tax on market value
 - D. state tax by decree of a will
24. Deadlines and penalties apply for filing income tax returns _____.
- A. each quarter by the 15th of the month
 - B. each year by January 31st
 - C. each year by April 15th
 - D. every other year by April 1st
25. The most common method of dealing with risk is to shift it to _____.
- A. an insurance company
 - B. a negligence policy
 - C. a replacement policy
 - D. a risk reduction annuity
26. The federal government sells bonds and other securities to help fund _____.
- A. corporate improvements
 - B. IRS tax programs for evaders
 - C. regular activities and to finance the national debt
 - D. stock market exchange activities
27. Blue-chip stocks generally attract _____.
- A. conservative investors for safety
 - B. inside traders that are cautious
 - C. risk takers such as day traders
 - D. wealthy investors for tax measures
28. Social Security provides benefits to _____.
- A. low-income retirees
 - B. only retirees over the age of 62
 - C. retirees and disabled persons
 - D. retirees, survivors, and disabled persons
29. An Employer Identification Number is _____.
- A. a two-digit identification number for buying assets
 - B. assigned by the IRS and used for income tax purposes
 - C. assigned by states and used for unemployment purposes
 - D. not necessary for a corporate form of business
30. Stocks listed on the Dow Jones averages typically are _____.
- A. income stocks
 - B. large cap stocks
 - C. penny stocks
 - D. small cap stocks

Job 1—Deposit Ticket (10 @ 2 pts. each)

Steve Smith fills out the deposit ticket and deposits the following in his checking account: 7 five-dollar bills, 16 one-dollar bills, 8 quarters, 45 dimes, 20 nickels, 30 pennies, and checks 92-155 \$255.85 and 92-112 \$45.76. Steve requests receiving: 2 twenty-dollar bills and 5 ten-dollar bills.

<p>DEPOSIT TICKET</p> <p>DATE _____ 20____</p> <p>_____ (Sign Here For Cash Received)</p>	CASH	Currency	Dollars	Cents
		Coins		
	List Checks Singly			
	Total From Other Side			
	TOTAL			
	Less Cash Received			
	NET DEPOSIT			

Job 2—Check Writing (12 @ 1 pt. each)

Susan Green 502 Main Street Akron, OH 44307	410 48-120/1240 Date _____
Pay to the Order of _____ \$ _____ _____ Dollars	
First National Bank For _____	
:0000000000 : 1 500 30 30 85 410	

1. Complete Check #410 using today's date. Make it payable to Mountain Medical for \$94.68 for an office visit.
2. Who is the drawee? _____
3. Who is the payee? _____

4. Who is the drawer? _____
5. What is the routing number? _____
6. What is the purpose for writing this check? _____
7. What is the checking account number? _____

Job 3—Endorsements (6 @ 2 pts. each)

Bill Hale receives the following checks. Show that you know how Bill should endorse the checks plus give one check to Jane Black.

ENDORSE HERE

DO NOT WRITE, STAMP, OR SIGN BELOW RESERVED FOR FINANCIAL INSTITUTION USE

RESTRICTIVE

ENDORSE HERE

DO NOT WRITE, STAMP, OR SIGN BELOW RESERVED FOR FINANCIAL INSTITUTION USE

BLANK

ENDORSE HERE

DO NOT WRITE, STAMP, OR SIGN BELOW RESERVED FOR FINANCIAL INSTITUTION USE

SPECIAL/IN FULL



5 Pages

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TOTAL POINTS	_____	(148)

Judges:

Double-check and verify all scores!

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**BANKING & FINANCE
REGIONAL 2006
KEY
PAGE 2 of 5**

Multiple Choice: (30 @ 2 pts. each)

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



BANKING & FINANCE
REGIONAL 2006
KEY
PAGE 3 of 5

Job 1—Deposit Ticket (10 @ 2 pts. each)

Steve Smith fills out the deposit ticket and deposits the following in his checking account: 7 five-dollar bills, 16 one-dollar bills, 8 quarters, 45 dimes, 20 nickels, 30 pennies, and checks 92-155 \$255.85 and 92-112 \$45.76. Steve requests receiving: 2 twenty-dollar bills and 5 ten-dollar bills.

DEPOSIT TICKET		CASH		Dollars	Cents
			Currency	51	00
			Coins	7	80
			List Checks Singly		
DATE _____ (Current) _____ 20____	1 point each	{	92-155	255	85
			92-112	45	76
Steve Smith (Sign Here For Cash Received)		Total From Other Side		00	00
		TOTAL		360	41
		Less Cash Received		90	00
		NET DEPOSIT		270	41

"Total From Other Side" may be left blank
 No points awarded for this line

Job 2—Check Writing (12 @ 1 pt. each)

Susan Green 502 Main Street Akron, OH 44307	Date _____ (Current) _____	410 48-120/1240
Pay to the		
Order of <u>Mountain Medical</u>	\$ 94.68	
Ninety-Four and 68/100 ----- Dollars		
First National Bank		
For <u>Office Visit</u>	<u>Susan Green</u>	
[:0000000000]: 1 500 30 30 85 410		

1. Complete Check #410 using today's date. Make it payable to Mountain Medical for \$94.68 for an office visit.
2. Who is the drawee? First National Bank
3. Who is the payee? Mountain Medical



**BANKING & FINANCE
REGIONAL 2006
KEY
PAGE 4 of 5**

4. Who is the drawer? Susan Green
5. What is the routing number? 48-120/1240
6. What is the purpose for writing this check? Office Visit
7. What is the checking account number? 1 500 30 30 85

Job 3—Endorsements (6 @ 2 pts. each)

Bill Hale receives the following checks. Show that you know how Bill should endorse the checks plus give one check to Jane Black.

ENDORSE HERE

For Deposit Only

Bill Hale

DO NOT WRITE, STAMP, OR SIGN BELOW
RESERVED FOR FINANCIAL INSTITUTION USE

RESTRICTIVE

ENDORSE HERE

Bill Hale

DO NOT WRITE, STAMP, OR SIGN BELOW
RESERVED FOR FINANCIAL INSTITUTION USE

BLANK

ENDORSE HERE

Pay to the order of

Jane Black

Bill Hale

DO NOT WRITE, STAMP, OR SIGN BELOW
RESERVED FOR FINANCIAL INSTITUTION USE

SPECIAL/IN FULL



BANKING & FINANCE
REGIONAL 2006
KEY
PAGE 5 of 5

Job 4—Check Register (44 @ 1 pt. each)

The checkbook balance is \$556.15 on May 4. Use the check register below to record the following transactions starting with check #352: 5/5, \$60.06, Fresh Foods; 5/7, \$200.50, George’s Garage; 5/8, deposit, \$425.00, Winn Corp. paycheck; 5/8, made error writing check for \$25.00; 5/15, automatic transfer, \$52.68, Bell Phone Co.; 5/20, deposit, \$25.00, Morn Estate yard work; 5/20, ATM withdrawal, \$40.00, movie; 5/25, \$73.45, May’s Shoes; 5/26, \$38.33, debit card, Craft Shop.

CHECK REGISTER									
CHECK NO.	DATE	DESCRIPTION	PAYMENT AMOUNT		TAX	DEPOSIT AMOUNT		BALANCE	
								\$556.15	
352	5/5	Fresh Foods	60	06				496	09
353	5/7	George’s Garage	200	50				295	59
Dep	5/8	Winn Corp. Paycheck				425	00	720	59
354	5/8	Void	25	00	No points awarded for including voided payment amount and blank balance.			--	--
EFT	5/15	Bell Phone Co.	52	68				667	91
Dep	5/20	Morn Estate Yard Work				25	00	692	91
ATM	5/20	Withdrawal (Movie)	40	00				652	91
355	5/25	May’s Shoes	73	45				579	46
Debit	5/26	Craft Shop	38	33				541	13

(Graders: Notice that the second line of each entry may include detailed information about the transaction. No points are given or deducted for detailed information on second line. The Description column and Check No. column notations for Deposits may vary. The Check No. column notation for the Debit Card transaction on 5/26 should be counted correct if Debit Card is noted in some way.)