Infusionomics™ Financial Literacy Lessons

Financial Literacy Pre-Test: MIDDLE SCHOOL

Name ________________________________ **School**________________________________

Date ________________ **Grade**___________

1. Which is always larger, your gross income or your net income?

   a. Gross
   b. Net

2. Where is it cheapest to cash a paycheck – at a bank or at a check-cashing store?

   a. check-cashing store
   b. bank

3. What are some common reasons why people are in debt? Circle all that apply.

   a. They misuse credit cards
   b. They don't follow a budget
   c. They have checking accounts
   d. They don't invest their money

4. Name one benefit of having a credit card:

   ____

   ____

5. What does this statement mean: "Savings can be a matter of choice, not deprivation. " [*Note: deprivation means "doing without."*]

   ____

   ____

6. List two reasons why making and following a budget is a wise way of managing your money.

   Reason 1: ____

   Reason 2: ____

7. Which of the following factors affect how much money will accumulate in your savings or investment account?

a. How early you begin saving
b. The interest rate you get on your investment
c. How much money you set aside for savings/investments
d. All of the above

Read the statements below and indicate whether they are True or False.

8. There is typically a significant charge to set up Direct Deposit at a bank.

TRUE FALSE

9. How much education you obtain has little bearing on what kind of job you get.

TRUE FALSE

10. 40% of American households spend more money than they earn.

TRUE FALSE

11. An Annual Fee is the fee charged by credit card companies when you don't make your payment on time.

TRUE FALSE

12. APR stands for Annual Percentage Rate.

TRUE FALSE

13. On average, people with a high school degree make nearly $175/month more than people without a high school degree.

TRUE FALSE

14. You have to pay attention to how much money you have in the bank because if you write a check for money you don't have in your account, the bank will charge you a fee.

TRUE FALSE

15. Match the words on the left to their correct definitions on the right by drawing a line connecting the two:

DEBT	money paid regularly, at a particular rate, for the use of borrowed money
BUDGET	the cost of goods and services
BORROW	to receive and use something belonging to somebody else with the intention of returning it
INTEREST	money owed to someone else
EXPENSE	a plan for how to use your money, which may involve spending, saving and giving

16. If someone gave you $25 right now, how likely would you be to save at least $10 of it?

a. very likely
b. a little bit likely
c. not very likely

17. How important do you think it is for you to learn about managing money?

a. not very important
b. a little bit important
c. very important

18. How much would you say you already know about banks, credit cards, and budgeting?

a. I don't know hardly anything about these topics.
b. I know a little bit about these topics.
c. I know a good bit about these topics.
d. I know a lot about these topics.

19. In the next couple of weeks, we will be getting into different aspects of Financial Literacy. Are there any topics that you are interested in or would like to know more about?

20. Circle ones that you are particularly interested in and add any specific questions that you might have

Bank Accounts

Budgeting

Credit Cards

Loans

Investing

Net Worth

Interest (Simple and compound)

Credit Rating

Mortgages