

Chapter 3 Test Review KEY

1. Ima Heeler is a nurse who makes \$67,348/yr. She pays 28% of her annual income in taxes. She budgets the remainder of her income as follows: $\$67,348 * 0.72 = \$48,490.50$ net annual income

(calculate the amount she will spend PER MONTH on each of the following categories)

- Charity: 10% = $\$4,849.05/_{12} = \404.09
- Savings: 8% = $\$3,879.24/_{12} = \323.27
- Housing: 25% = $\$12,122.63/_{12} = \$1,010.22$
- Utilities: 7% = $\$3,394.34/_{12} = \282.86
- Food: 13% = $\$6,303.77/_{12} = \525.31
- Transportation: 11% = $\$5,333.96/_{12} = \444.50
- Clothing: 3.5% = $\$1,697.17/_{12} = \141.43
- Medical/Health: 9% = $\$4,364.15/_{12} = \363.68
- Personal: 3% = $\$1,454.72/_{12} = \121.23
- Recreation: 6% = $\$2,909.43/_{12} = \242.45
- Debts: 4.5% = $\$2,182.07/_{12} = \181.84

3. May King-Cash has the following annual expenses:

- Life Insurance: \$323
- Vehicle Registration: \$77.50
- Christmas Charity Donation: \$100
- Hunting/Fishing Combination License: \$33.50

How much should she budget each month in order to be able to pay for these expenses?

$$\$534/_{12} = \$44.50$$

Chapter 3/4 Review WS

Answer Section

SHORT ANSWER

1. ANS:
\$3,225 more

PTS: 1 DIF: Average REF: Section 3-3
2. ANS:
\$7.85 less

PTS: 1 DIF: Average REF: Section 3-3
3. ANS:
\$1,119.00

PTS: 1 DIF: Average REF: Section 3-3
4. ANS:
\$56.70

PTS: 1 DIF: Average REF: Section 3-1
5. ANS:
\$140.19

PTS: 1 DIF: Average REF: Section 3-1
6. ANS:
\$197.41

PTS: 1 DIF: Average REF: Section 3-1
7. ANS:
\$5,364.00

PTS: 1 DIF: Average REF: Section 3-1
8. ANS:
\$3,027.63

PTS: 1 DIF: Average REF: Section 3-1
9. ANS:
\$30.15 more

PTS: 1 DIF: Average REF: Section 3-1
10. ANS:
\$4.50 less

PTS: 1 DIF: Average REF: Section 3-3

11. ANS:
Recordkeeping is a way to manage your money. By keeping track of monthly expenditures, you can find out how you have spent your money and how much money you need to live on.
- PTS: 1 DIF: Average REF: Section 3-1
12. ANS:
Any of the following are correct:
1. Online banking provides access to your account 24 hours a day.
 2. Online banking provides the convenience of conducting business without going to the bank.
 3. Online banking allows you to transfer funds from one account to another without going to the bank.
 4. While banking online you can make loan payments and payments to third parties.
- PTS: 1 DIF: Basic REF: Section 4-6
13. ANS:
Morano's present balance is \$1,424.85.
- PTS: 1 DIF: Average REF: Section 4-4
14. ANS:
Three hundred seven and $\frac{60}{100}$ dollars
- PTS: 1 DIF: Average REF: Section 4-2
15. ANS:
Henry's total deposit was \$205.50.
- PTS: 1 DIF: Average REF: Section 4-1
16. ANS:
Sadat's total deposit will be \$27.00.
- PTS: 1 DIF: Average REF: Section 4-1
17. ANS:
Underwood's present balance is \$1,772.99.
- PTS: 1 DIF: Average REF: Section 4-4
18. ANS:
Kern's present balance is \$225.
- PTS: 1 DIF: Average REF: Section 4-4
19. ANS:
Nagayama's new balance is \$565.24.
- PTS: 1 DIF: Average REF: Section 4-3
20. ANS:
Erskine's present balance is \$459.79.
- PTS: 1 DIF: Average REF: Section 4-4

21. ANS:

The total deposit is \$163.13

PTS: 1 DIF: Average REF: Section 4-1

22. ANS:

The total amount of the purchases made by check is \$508.20.

PTS: 1 DIF: Average REF: Section 4-3

23. ANS:

Vandermeer's present balance is \$1,009.90.

PTS: 1 DIF: Average REF: Section 4-4

24. ANS:

four hundred sixty and $\frac{10}{100}$ dollars

PTS: 1 DIF: Average REF: Section 4-2