Name Date Class

**STAAR TEST PRACTICE**

Personal Financial Literacy TEKS 6.14ABCDEFGH

1. Maggie is comparing financial institutions to find the best deal for her. She wants a low or free checking account fee and free ATM usage. She doesn’t write checks and prefers to use online banking. The cost and features of two different banking options are listed below.

# Financial Institution Option 1

* + Basic checking $7 per month
	+ No charge for writing checks.
	+ Free ATM
	+ Free online banking
	+ $20 overdraft fee

# Financial Institution Option 2

* + Free basic checking
	+ Check processing fee of $0.25
	+ Free ATM
	+ Free online banking
	+ $35 overdraft fee

Which financial institution is the best deal for her and why?

1. Financial institution option number 1 is the best deal for her because it has a checking account fee of only $7.
2. Financial institution option number 2 is the best deal for her because their basic checking is free.
3. Financial institution option number 1 is the best deal for her because it has free online banking.
4. Financial institution option number 2 is the best deal for her because it has a check writing charge of only $0.25.
5. Which statement about credit cards is true?
6. A credit card company charges high interest rates on balances not paid off each month.
7. A credit card allows you to use money from your savings account.
8. A credit card company allows you to pay back money when you can.
9. A credit card takes money directly out of your checking account.
10. Mrs. Garcia pays all her bills using online banking and maintains a minimum checking balance of $400. She uses her debit card while shopping and at the ATM. Which banking institution is the best deal for her?
11. A banking institution that offers free or low cost checking accounts, has online banking, and offers a free debit card.
12. A banking institution that has a low fee for checking accounts and $0.25 or less for writing checks.
13. A banking institution that charges a low monthly checking account service fee, has unlimited check writing, and overdraft protection.
14. A banking institution that has no fee for writing checks and a savings account option.
15. Which type of job below requires the least amount of education and training?
16. College Professor
17. Elementary Teacher
18. Cashier
19. Accountant
20. A type of college payment program that allows you to borrow money now and pay it back with interest later is called what type of payment program?
21. grants
22. scholarships
23. student loans
24. college savings plan
25. Which statement below does NOT accurately describe reasons to maintain a positive credit history?
26. A positive credit history will get you into the college of your choice.
27. A good credit history can help you get the credit you need in a financial emergency.
28. A good credit history will help when you are trying to purchase a house.
29. A good credit history can help you get lower interest rates on major purchases made in the future.
30. Credit history and credit scores are beneficial to both lenders and borrowers. Which statement below describes a benefit to a lender?
31. Lenders use your credit history to determine if you have attended college.
32. Lenders use your credit history and score to determine their risk in lending you money.
33. Lenders use your credit number to conduct weekly reports on your spending habits.
34. Lenders use your credit score to finance other loans.
35. Below is a list of professions and their current average salary per year. Which comparison below does NOT accurately describe their salaries?

|  |  |
| --- | --- |
| **Occupation** | **Current Average Yearly Salary** |
| Surgeon | $300,000 |
| Mechanical Engineer | $119,000 |
| Administrator | $84,250 |
| Accountant | $68,250 |
| Teacher | $47,300 |

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1. A teacher makes about

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of the salary of a surgeon per year.

1. A mechanical engineer makes more than twice the amount of a teacher per year.
2. A teacher, an accountant, and an administrator salaries combined are about the same as that of a surgeon.
3. Over a ten-year period a mechanical engineer will make more than a million dollars.
4. Which statement below accurately describes information that can be retained on your credit report?
5. Your credit report contains information regarding the number of people in your family and their credit risk.
6. Your credit report contains dates in which you finished high school and college.
7. Your credit report contains information about your relatives.
8. Your credit report contains personal information about you such as your address, social security number, and spending habits.
9. Avery has a checking and savings account. The table below shows his transactions for the month of August.

# Check Register

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Check #** | **Date** | **Type of Transaction** | **Amount of Withdrawal** | **Amount of Deposit** | **Checking Balance** |
|  | Aug. 1st | Paycheck |  | $1,389.00 | $3,055.43 |
| 3035 | Aug. 4th | Rent Payment | $855.00 |  |  |
| 3036 | Aug. 10th | Utilities | $65.62 |  |  |
| 3037 | Aug. 12th | Car Payment | $225.80 |  |  |
|  | Aug. 14th | Groceries | $131.84 |  |  |
|  | Aug. 15th | Paycheck |  | $1,389.00 |  |
|  | Aug. 21st | Transfer to Savings | $300.00 |  |  |
|  | Aug. 31st | Dinner Out | $44.45 |  |  |

How much money does Avery have in his account at the end of the month?

Record your answer and fill in the bubbles on your student answer document. Be sure to use the correct place value.