

FINANCIAL JEOPARDY!*

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FINANCIAL JEOPARDY!

The Basics

Budgeting

Banking

Investing

Credit

Life After Grad.

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THE BASICS – 100

**Q: Which of the following is a “want”
not a “need”?**

- a. shelter**
- b. medicine**
- c. car**
- d. food**

THE BASICS – 200

Jamal started a landscaping business. He earns money each week mowing lawns, pulling weeds, and trimming hedges. He is paid by the hour. The money he earns is called:

- a. debt
- b. price
- c. income
- d. saving

THE BASICS – 300

What is the meaning of value?

- a. Value is the total amount of money you spend in one day
- b. Value is what a good or service is worth
- c. Value is what you pay when an item or service is on sale
- d. Value is the price of an item, minus tax

THE BASICS – 400

Q: Define “opportunity cost”

THE BASICS – 500

Q: Tonya has \$15 to spend. She's interested in buying a new CD from her favorite band. But she also has her eye on a great T-shirt that's on sale. She chooses to buy the CD at \$15 and give up the T-shirt. This is an example of a
T_____ O_____.

The Basics – 600

Unlimited wants and limited resources
illustrate the economic problem of:

- a) Opportunity cost
- b) Capitalism
- c) Markets
- d) Scarcity

The Basics – 700

Amy has two invitations for Saturday. Her friend Maria wants her to come to the beach with her. But her friend Jose has invited her to a birthday party on Saturday. Amy chooses to go to the beach, which means she cannot go to the birthday party. Not getting to go the birthday party is an example of:

- a) a dividend
- b) an opportunity cost
- c) an incentive
- d) scarcity

THE BASICS - 800

Q: A *SMART* goal is...

Specific

M_____

Attainable

R_____

Time bound

THE BASICS – 900

If you open a business and want to earn a profit, you will need to:

- a) take in more money through sales than you spend in producing the goods or services you are selling
- b) sell something that people want to buy
- c) sell things at a price that people are willing to pay
- d) all of the above

THE BASICS – 1000

Which is the better deal – a 20-ounce Pepsi for \$2.89 or a 12-ounce Pepsi for \$1.59?

- a) the 20-ounce Pepsi
- b) the 12-ounce Pepsi

BUDGETING- 100

Q: Fill in the chart below, deciding whether each item is income or an expense.

	Income	Expense
Money earned from job at Burger Barn		
Money spent on book bag for school		
Allowance		
Money spent going to the movies		
Money Aunt Martha gave you for your b-day		
Interest earned on your savings account		
Taxes		

BUDGETING – 200

A plan for spending and saving money during a particular period is called

- a) a gross income plan
- b) deflation
- c) a credit
- d) a budget

BUDGETING – 300

An individual's income before taxes are paid
is called

- a) gross income
- b) contract income
- c) net income
- d) premium income

BUDGETING – 400

Which of these is a fixed expense?

- a) gasoline
- b) telephone
- c) rent
- d) electricity

**Daily
Double!!!!**

1000 points!!!

Define *asset* and *liability*.



BUDGETING – 600

Q: Place each word below in the correct location to make this equation correct.

Liabilities

Assets

Net Worth

$$\underline{\hspace{2cm}} - \underline{\hspace{2cm}} = \underline{\hspace{2cm}}$$

BUDGETING - 700

Q. What is inflation?

- a) The money that you earn as a percentage of your investment
- b) When prices increase as time goes by
- c) The money you pay as a fee when you use a debit card
- d) When prices decrease as time goes by
- e) The total amount of money in a bank or investment account

BUDGETING - 800

Q: You've saved \$1,835. Your liabilities include \$600 for a loan from the bank and \$479.53 for taxes. If you don't have any other assets, what is your net worth?

- A. \$755.47
- B. \$1079.53
- C. \$1235.00
- D. \$1355.47

BUDGETING – 900

Q: Your mid-term financial goal is to save \$900 this year. After taxes, you bring home \$90 per month from your job at Harry's Hamburgers. What is the most you can spend each month and still reach your goal?

- A. \$10
- B. \$15
- C. \$25
- D. \$80

BUDGETING – 1000

Below is a chart of information for a babysitting job.
What is your gross income for one year of
babysitting?

- A. \$35
- B. \$250
- C. \$350
- D. \$1,750

Job Scoop		Annual Expenses	
Rate/hour	\$5	Variable costs (treats, prizes for kids)	\$50
Hours/week	7	Fixed costs (activities, appointment book)	\$75
Hours/job	3.5		
Weeks/year	50	Transportation	\$125

BANKING - 100

Q. What is interest?

- a. When prices increase as time goes by
- b. The money you pay as a fee when you use a debit card
- c. The money that you earn as a percentage of your investment
- d. The total amount of money in a bank or investment account.

BANKING – 200

Q. Which type of interest yields a higher rate of return?

Simple Interest

or Compound Interest

BANKING - 300

**Daily
Double!!!!**

600 points!!!

Q. Name 3 Benefits of keeping your money in a bank.



BANKING - 400

True or False:

At a typical Paycheck Cashing Store, it will cost you \$20.55 to cash a \$500 paycheck.

BANKING - 500

Match each savings option with its benefits:

CD	You have access to your money whenever you want, but it doesn't grow, is not protected, and is not insured.
Checking Account	Your money may grow at a higher interest rate, but you can't touch it until the term you agreed to runs out.
Piggy Bank	You can add or withdraw money whenever you want. Your money may earn some interest, and it's always insured, so you can't lose it.
Savings Account	Your money might not earn interest, but you can spend it without having to carry around a lot of cash.

BANKING – 600

Define the components of this formula (*hint: It's the formula for calculating simple interest*)

$$I = P \times R \times T$$

BANKING – 700

Q: If you head to the bank and deposit \$225 in a savings account with an interest rate of 5% for 3 years, how much simple interest can you brag to your friends about?

- A. \$11.25**
- B. \$33.75**
- C. \$258.75**
- D. \$675.00**

BANKING – 800

Q: Lucky you! You have a \$700 Treasury Bill, earning simple interest at an interest rate of 6%. How much richer will you be in 3 months?

- A. \$10.50**
- B. \$42.00**
- C. \$126.00**
- D. \$1050.00**

Q: As a financial whiz, you invest \$2,000 in a CD, which pays 6% compound interest, compounded annually. How much is your CD worth at the end of two years?

- A. \$2030.00**
- B. \$ 2120.00**
- C. \$2122.73**
- D. \$2247.20**

BANKING – 1000

Use the formula $Profit = Principal \times Rate \times Time$

Q: The bank is offering a one-year CD at 6% simple interest. You invest \$400 in the CD. How much money would you have if you withdrew your money from the CD after only 6 months?

- A. \$360
- B. \$372
- C. \$400
- D. \$412

Investment	Rate of Return	Maturity Date	Penalty for early withdrawal
Savings Account	5%		
Certificate of Deposit (CD)	6%	1 year	10% of principal
Bonds	7%	10 years	
Stocks	9%		

INVESTING – 100

Fill in the blank with the correct term:

 is the degree of uncertainty about the expected return from an investment, including the possibility that some or all of the investment might be lost.

INVESTING – 200

Marika has saved \$12,000 for her college expenses by working part-time. Her plan is to start college next year and she needs all of the money she saved. Which of the following is the safest place for her college money?

- a) Bonds
- b) A bank savings account
- c) Locked in her closet at home
- d) Stocks

INVESTING – 300

Q: The portion of a company's profits paid out to shareholders is called a/an:

1. incentive
2. premium
3. capital gain
4. dividend

INVESTING – 400

Fill in the blank with the correct term:

_____ is the ease with which an investment can be turned into cash, without significant loss of value

INVESTING – 500

Place the words below into the correct blanks to make the sentence true.

savings accounts

stocks

mutual funds

CDs

The two investments paying interest at fixed rates are _____ and _____. Of these four investment vehicles, generally over time investing in _____ and _____ carries the higher risk, but also gives the possibility of the higher return.

INVESTING – 600

Explain the concept of “diversification.”

INVESTING – 700

Which of the following is an investment that represents ownership in a company?

1. Government bond
2. Stocks
3. real estate
4. Treasury Bills

INVESTING – 800

Which of the following investments have relatively low risk, low return, and relatively high liquidity?

- a) Treasury Bills
- b) Stocks
- c) Money Market Accounts
- d) Commodities
- e) a and c
- f) b and c
- g) none of the above

INVESTING – 900

Which of the following investments have relatively high risk, high return, and low liquidity?

- a) Mutual funds
- b) Stocks
- c) collectibles
- d) real estate
- e) c and d
- f) b and c
- g) none of the above

INVESTING – 1000

Below is partial information from a stock table:

<u>Ticker</u>	<u>Vol 100s</u>	<u>Hi</u>	<u>Lo</u>	<u>Last</u>	<u>Change</u>
GE	43450	69	$66 \frac{3}{4}$	$66 \frac{1}{2}$	$-1 \frac{3}{4}$

1. What was the highest price General Electric's stock sold for this day?
2. At what price per share did GE's stock close?

CREDIT – 100

Q: Place the words below into their correct places.

credit card

interest

credit card debt

coupons

Dear Diary,

I've decided I am going to clip _____ from the newspaper and use them whenever I can to save money on the stuff I buy. I am also going to pay for what I want with cash instead of a _____. This way I won't have to pay _____ charges and end up with too much _____ -- and a big old headache.

CREDIT – 200

**Daily
Double!!!!**

400 points!!!

Name 2 “pros” and 2 “cons” of possessing a credit card.



CREDIT – 300

True or False:

If you always pay the minimum balance on your credit card on time, you will not be assessed a finance charge.

CREDIT – 400

Which of the following is NOT a benefit of having a credit card?

- a) You can save money by paying only the minimum balance each month.
- b) Managing your credit cards well can build up a solid credit history for the future.
- c) You can buy items and services you need when you need them, even if you don't have enough cash for them.
- d) Credit cards offer protection against theft of your cash.

CREDIT – 500

What does a credit card company do when you fail to pay your credit card bill on time?

- a) charge you a finance charge
- b) charge you a late fee
- c) charge you an over-the-limit fee
- d) both a and b
- e) all the above

CREDIT – 600

The process of moving an unpaid credit card debt from one issuer to another is called...

- a) a finance charge
- b) a balance transfer
- c) diversification
- d) liquefying your assets

Consider the chart below. How much more will you pay for a TV if you buy it from the Rent-to-Own store than if you purchased it with cash at Sears?

Table 1: A Comparison of Television Purchase Methods				
Purchase Method	Payment Amount and Frequency	Number of Payments	Total Cost	Who Makes Repairs
Cash at Sears	\$250.00	1	\$250.00	Consumer Does
Installment Sale at 19.8%APR (Annual Percentage Rate)	\$16.00/Month	18 Months	\$???	Consumer Does
Rent-to-Own	\$13.00/Week	78 Weeks	\$???	Read Contract

Sales tax not included
Source: Consumers League of New Jersey

CREDIT – 800

Q. Which of the following can affect a person's credit score?

- a) number of open accounts
- b) late payment history
- c) not having any credit cards
- d) all of the above

CREDIT – 900

True or False:

With most credit cards, your interest rate on cash advances will be higher than the APR for the card, but your grace period is longer.

CREDIT – 1000

Which of the following credit card offers is the better deal for the “average” consumer who plans on having the card at least one year?

	Card Offer #1	Card Offer #2
Annual Fee	\$25	\$40
APR	Fixed 5.5% first 3 billing cycles; afterward 18.75%	13%
Late Fees	\$39	\$29 for balances under \$250; \$39 otherwise
Cash Advance	3%	3%
Penalty APRs	31%	None

LIFE AFTER GRADUATION – 100

Q: You want to buy a coat at your favorite place -- Clothes4U. How much can you save by using their discount coupon?

- A. \$7.00
- B. \$8.20
- C. \$10.50
- D. \$12.30

Clothing	Closet O' Clothes	Clothes4U
Coat	\$70	\$82
Jeans	\$24	\$19
Shirt	\$15	\$12

Closet O' Clothes

Coupon

10% Discount

Clothes4U

Coupon

15% Discount

LIFE AFTER GRADUATION – 200

Q: Which car insurance policy will have a lower premium – one with a \$500 deductible or one with a \$1500 deductible?

- A. The one with the \$500 deductible
- B. The one with the \$1500 deductible

LIFE AFTER GRADUATION – 300

Money required for leasing or renting property as protection for the landlord in case the tenant fails to pay rent or maintain the rental is known as a

- a) security deposit
- b) credit
- c) rent premium
- d) lease debit

LIFE AFTER GRADUATION – 400

When shopping for a used car, it is a good idea to

- a) look up the “Blue Book” value of the car
- b) shop around for financing, since a bank or credit union may offer a better deal than the car dealership
- c) take the car you are interested in to a mechanic to examine
- d) get the Vehicle Identification Number of the car so you can run a report to see if the car has ever been in an accident
- e) all of the above
- f) a and b

Daily Double!!!!

1000 points!!!

Q. Which issues can a landlord legally ask you about in a rental application?

- a) your employment history
- b) your credit history
- c) your references
- d) all the above



LIFE AFTER GRADUATION – 600

Q. A person's income after taxes and other living expenses are paid is called:

- a) net income
- b) disposable income
- c) gross income
- d) contract income

LIFE AFTER GRADUATION – 700

True or False:

It is generally better to get your financing for a new car from the dealer (as opposed to a bank or credit union) because the dealers will often be running special deals.

LIFE AFTER GRADUATION – 800

Q. A landlord might keep back all or part of your security deposit when you move out because of...

- a) normal wear & tear on the apartment
- b) a plumbing leak
- c) a large stain on the carpet
- d) a and c

LIFE AFTER GRADUATION – 900

Q. Which of the following scenarios would NOT be covered if you had renter's insurance?

- a) damage to your possessions from a fire in your apartment
- b) loss of your possessions if they got stolen from your apartment
- c) late fee costs if you pay your rent late to your landlord
- d) deep scratches on the interior doors made by your dog
- e) c and d

LIFE AFTER GRADUATION - 1000

Q: Pablo is a 26-year-old single male, with no kids, living in an apartment. He has a new job with Turner Construction, making \$17/hour (no benefits). He has \$900 in his savings account and he owns a 2001 Ford escort. Which of the following types of insurance would he be wise to have?

- A. renters insurance**
- B. life insurance**
- C. health insurance**
- D. auto insurance**
- E. a, c, and d**
- F. All the above**

FINAL JEOPARDY QUESTION

Q. What football club did Nobby Stiles play for when he won his 1966 World Cup medal?

FINAL JEOPARDY QUESTION

Q. Whose face is on the \$1000 bill?

- A. Salmon P. Chase*
- B. William McKinley*
- C. Grover Cleveland*
- D. Theodore Roosevelt*

