

Name _____ Date _____

Part II Review

Vocabulary

Choose the letter of the word(s) that completes the sentence.

1. Money placed by you into a savings or a checking account is called _____.
a. A withdrawal b. A deposit c. Interest
2. Money that is added to your account by the bank is called _____.
a. A withdrawal b. A deposit c. Interest
3. When interest is compounded quarterly, it is paid to you _____ times per year.
a. One b. Two c. Four

Skills

Find the new bank account balance.

4. Old balance: \$387.87
Check: \$37.75
Deposit: \$123.30
Check: \$23.08
Check: \$76.57

5. Old balance: \$1,835.94
Check: \$274.33
Check: \$88.27
Service charge: \$3.50
Deposit: \$385.89

6. Old balance: \$500.00
Withdrawal: \$175.00
Withdrawal: \$60.00
Deposit: \$37.50

7. Old balance: \$675.30
Deposit: \$50
Interest: \$1.13
Withdrawal: \$185.00

Name _____

Date _____

Use the given information to reconcile the bank statement balance with the check register balance
Find the adjusted balance for each.

8. Check register balance: \$217.84
Statement ending balance: \$279.50
Outstanding checks: \$15.80, \$49.71
Service charge: \$3.85
- _____

9. Check register balance: \$87.50
Statement ending balance: \$137.90
Outstanding check: \$75.00
Outstanding deposit: \$19.85
Service charge: \$4.75
- _____

Find the answer.

10. How much simple interest will be earned in 3 years
on \$2,500 in an account that pays 1.5%?
- _____

11. What will be the new balance on \$800 in an
account that earns 2% simple interest for 5 years?
- _____

- ~~12. Use the compound interest table on page 58.
How much interest will be paid on \$400 earning
2% compounded quarterly after 4 years?~~
- _____

- ~~13. Use the compound interest table on page 58.
What will be the new balance on \$5,000 earning
3% compounded semiannually after 10 years?~~
- _____

Answers Cont.

Pages 71-72

Decision Making: More Practice

1. None
2. None
3. \$2,500
4. \$6.50
5. \$7.00
6. \$6.50
7. 20¢
8. 20¢
9. 25¢
10. No
11. Yes; $5\frac{1}{2}\%$
12. No
13. NOW
14. Money market
15. \$0
16. \$8.90
17. No; interest = \$72, fees = \$97.20
18. \$169.20

Pages 73-74

Money Tips

1. cash withdrawals, deposits
2. transfer funds, get account information
3. ATMS: no waiting in long lines, open 24 hours per day, 7 days per week. Online: you can access your account by computer
4. to pay for the ATM service; to cover costs of operation
5. it costs more to give cash; it depletes the bank's funds
6. \$144
7. \$115.20
8. read your ATM agreement; check your monthly statement; call the bank

9. Pros: Warshaw Bank charges no fees; you may need only 1 ATM location (if your office is also near home); also has an airport ATM, convenient if you do a lot of traveling; Cons: you lose the flexibility of the large number of ATMs that Capital City Bank has.
10. They could use it to get your money; criminals often know how to use a PIN with a phony ATM card or can manipulate the machine as long as they have a valid PIN with which to work.

5. \$1,855.73
6. \$302.50
7. \$541.43
8. \$213.99
9. \$82.75
10. \$112.50
11. \$880
12. \$33.24
13. \$6,734.50

Pages 79-80

checks.
savings

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Calculator

1. 0.625
2. 0.35
3. 0.429
4. 4.6
5. 6.167
6. .75
7. 45%
8. 44%
9. 71.4%
10. 16.7%
11. 360%
12. 948%
13. 656.3%
14. 783.3%
15. 833.3%
16. Sample response:

3 + 8 % ; 37.5 %

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Part II Review

1. b
2. c
3. c
4. \$373.77

Review Answer

5. \$367.50; \$3,867.50
6. \$12.50; \$1,062.50
7. \$77.53; \$2,807.53
8. \$514.06; \$6,389.06
9. \$20.10; \$1,020.10
0. \$177.31; \$5,177.31
11. \$10.09; \$410.09
2. \$170.34; \$7,670.34
3. \$4,416.40
4. \$6,899.10
5. \$10,831.00
6. \$4,063.04

Extension

1. They pay interest.
They require a minimum balance.
2. \$62.50

Practice

1. \$63
2. \$413
3. 70
4. \$720
5. \$437.50
6. \$1,687.50
7. \$972
8. \$5,022
9. \$3,144
10. \$9,694
11. \$701.25
12. \$3,251.25
13. \$712.50
14. \$1,662.50
15. \$2,121.80
16. \$121.80
17. \$4,436.83
18. \$436.83
19. \$535.93
20. \$35.93
21. \$6,932.91
22. 32.91

23. \$3,812.93
24. \$312.93
25. \$7,354.38
26. \$354.38
27. \$6,843.00
28. \$6,047.55
29. \$19,424.40
30. \$5,968.71
31. \$14,859.00
32. \$10,786.50

Pages 63–66

Think About It

1. Banks seek additional accounts because they can invest the money in loans and other types of investments.

Practice

1. \$60
2. \$112
3. \$54
4. \$250
5. \$562.50
6. \$350
7. \$371.25
8. \$5.00
9. \$2,000
10. \$96.25
11. \$6,000
12. \$4,851
13. \$56.25
14. \$562.50
15. \$5,625
16. \$56,250
17. \$3,744
18. \$10.36
19. \$1,776.25
20. \$217.81
21. \$515.15
22. \$520.30
23. \$525.50

24. \$530.76
25. \$5,151.69
26. \$303.01

Pages 68–70

Decision Making

1. \$1,000
2. None
3. \$2,000
4. \$5.00
5. \$7.50
6. \$7.50
7. 25¢
8. 20¢
9. 25¢
10. No
11. Yes; 2%
12. No
13. Money Market
14. Regular
15. Value
16. NOW
17. \$8.00; \$96.00
18. \$0
19. \$11.25
20. No; interest = \$60, fee = \$96
21. Answers may vary.
22. Answers may vary.
23. \$5
24. \$1,500
25. 5 withdrawals per month
26. $1\frac{1}{2}\%$
27. None
28. \$3 per month if balance falls below \$1,500
29. Regular savings
30. Money market savings
31. Regular savings
32. Money Market savings
33. \$100
34. Answers may vary.

Which Bank Account is Best Answer