Consumer Math

Have a copy of the serial table available for both the quizzes and the test.

Change #6-9 and #10-11 on the test.

## Study Guide for Chapter 5 quizzes and test

**For the quizzes:**

Know the following:

* how to fill out a check
* how to fill out a deposit slip
* how to find the register balance after writing a check and making a deposit
* the names of different kinds of endorsements and why they are used
* why overdraft protection is helpful ***and*** how it works
* the definition of *canceled checks* and *outstanding checks* ***from memory***
* how to ***explain*** *reconciling a bank statement*
* give reasons that a bank statement balance might be more ***or*** less than the register balance
* find the adjusted bank statement and check register balance from info given
* how to figure simple interest and compound interest, as well as total amount in an account (Remember to distinguish between total amount in account and interest amount.)
* explain why compound interest earns more than simple interest at the same rate
* find effective rate of interest for two different compound interest rates and compare them (Use two decimal places to show effective rate of interest unless you are told differently.)
* find the interest amount for a savings account using both the minimum-balance method and the daily interest method
* calculate the amount saved with a given regular payment
* calculate the regular payment needed to save a given amount in a given time period

If you are told to ***show work***, that will count as half the point.

(1 + *i*)n - 1

[

]

*i*

*i*

[

]

(1 + *i*)n - 1

R = Sn is not given on the quiz, but Sn = R ***is*** (remember that they are just inverses).

(test info on back)

***In addition, know the following for the test:***

* whether checks are usually purchased or free after opening a checking account.
* what to do if you make a mistake on a check
* a general understanding of the reconciliation process
* how to match terms from this chapter with their definitions (more terms than definitions)
  + annuity
  + canceled check
  + check
  + compound interest
  + outstanding check
  + savings account
  + simple interest
  + voided check
* how to match formulas with their description
* how to use the formulas, knowing which one to choose
* how to do a check register and bank statement reconciliation as you did for the extra review exercise