Financial Wellness Quiz

Solving for X to save $

Celebrate Financial Literacy Month by testing your financial acumen!

If balancing your checkbook leaves you feeling like you're back in high school solving one of those "If train A leaves the station traveling at 60 mph…" word problems, you're not alone.

The lack of financial knowledge isn't surprising: only 28 states require a course in personal finance for high school graduation according to the Council for Economic Education. But it can be costly: lower financial literacy rates are correlated with everything from higher use of expensive "payday loans" to lower savings rates.

In honor of National Financial Literacy Month, test your financial acumen with this quick quiz.

1. You have $100 in a savings account, and the interest rate was 2% per year. After five years, how much would you have in the account?
   a) More than $102
   b) Exactly $102
   c) Less than $102
   d) Don't know

2. Imagine that the interest rate on your savings account was 1% per year and inflation was 2% per year. After one year, your ability to buy something with the money in this account be:
   a) More than today
   b) Less than today
   c) Exactly the same as today
   d) Don't know

3. Buying a single company's stock usually provides a safer return than a stock mutual fund.
   a) True
   b) False
   c) Don't know

4. If interest rates rise, what typically happens to bond prices?
   a) They rise
   b) They fall
   c) They stay the same
   d) Don't know

5. Suppose you owe $1,000 on a loan and the interest rate is 20% per year compounded annually. If you didn't pay anything off at this interest rate, how many years would it take for the amount you owe to double?
   a) Less than 2 years
   b) At least 2 years, but less than 5 years
   c) At least 5 years, but less than 10 years
   d) Don't know

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6. A 15-year mortgage typically requires higher monthly payments than a 30-year mortgage, but the total interest paid over the life of the loan will be less.
   a) True
   b) False
   c) Don't know

7. As a general rule, how many months' expenses do financial planners recommend that you set aside for an emergency fund?
   a) 1 to 3 months
   b) 3 to 6 months
   c) 6 to 12 months
   d) 12 to 15 months

8. If late payment is sent to a collection agency, how long will it remain in your credit history even if you have paid it off?
   a) Less than a year
   b) 1 to 3 years
   c) 4 to 5 years
   d) 6 to 7 years

9. What is the formula for calculating your net worth?
   a) Assets minus liabilities
   b) Liabilities minus assets
   c) Assets plus liabilities
   d) Assets divided by liabilities

10. Which of the following statements about federal student loans is NOT true?
    a) For certain federal loan programs, the interest is paid by the government while you are in school or during certain grace periods.
    b) Your parents must sign a promissory note before loan funds are distributed.
    c) Entrance loan counseling is required for all first-time borrowers.

Whether you aced the quiz or found it challenging, you can still boost your financial literacy. Log onto Start Right, **startright.bokf.com**, and explore our interactive Financial Wellness Tool and, for even more resources, visit the Financial Resource Center located under Planning Tools section. Log on today and take the next step toward financial confidence!

Start Right App

Start Right Website

Financial Wellness

Steps to Achieve Financial Wellness

Establish your financial goals, create a budget and, above all, make sure you're honest with your financial situation. Financial literacy doesn't have to be hard—but it does require your attention.

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