

Individual Development Account (IDA)
Program

FINANCIAL MANAGEMENT SKILLS INVENTORY

Name _____ Date _____

Please answer the following questions as best you can and return to TCA-IDA with your completed program application.

1. Do you have a budget/spending plan that is written down that you follow each month?

Yes No Do Not Understand

2. What two things must you know before beginning a budget? (check two)

Expenses Number of Credit Cards Income Address

3. Do you consider your knowledge of financial topics current:

Yes No Do Not Understand

4. Do you know your Federal Income Tax bracket?

Yes No Do Not Understand

5. Choose from the following: Balance Sheet - Deficit - Budget - Liability - Surplus

When your assets exceed your liabilities, you are experiencing a _____

When your liabilities exceed your assets, you are experiencing a _____

6. Choose from the following: Grace Period Insurance Period Leniency Time Option Week

The _____ on a credit card is the amount of time you have in which to pay the card off in full to avoid interest charges.

7. Do you know how to balance your checking account?

Yes No Do Not Understand

8. Paying more than the minimum balance on a credit card each month will reduce the amount of money you will have to pay and the amount of time it will take to pay off the card.

True False

9. Which of the following is NOT a required payroll deduction?

a. Federal Income Tax

c. State Income Tax

b. FICA (Social Security)

d. Saving Deduction

10. Choose from the following: Budgeting Spending Saving Planning

_____ is a way of paying yourself by setting aside money to apply toward the things you would like to achieve later in life

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11. Choose from the following: IRA 501c(3) APR 401(k)
_____ and _____ are two ways you can save money for retirement.

12. Which of the following are the three major categories under which most types of insurance fall? (circle three)
Life Health Property & Casualty Death

13. Fixed expenses are expenses that you can change to fit into your budget
True False

14. What is “take home pay”?
a. The total amount you earn after taxes. c. The money in your bank account after the deposit.
b. The total amount of your payroll check before taxes. d. Your allowance for the week.

15. Do you have specific financial goals and know when you want to achieve them?
Yes No Do Not Understand

16. Debt consolidation loans are always a good idea.
True False

17. Are you paying off high interest loans and credit cards as quickly as possible?
Yes No

18. Which institution would charge the highest interest rate for a loan?
a. Bank c. Savings & Loan Association
b. Credit Union d. Finance Company

19. Does your spouse/partner know as much about family finances and record keeping as you do?
Yes No

20. “Pay Yourself First” means:
a. Take money out of your paycheck right away for something fun.
b. Consider savings like a regular bill and pay it first.
c. Set aside money first for your regular expenses like food and clothing.

21. The Fair Credit Reporting Act is designed to make sure that accurate and complete information is reported when evaluating one’s credit.
True False

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22. Fixed interest rates do not change over the life of a loan.

True False

23. On the Federal Income Tax Form, Adjusted Gross Income refers to:

- a. The amount of your refund c. The amount owed to the federal government.
 b. Your taxable income d. Your total income for the year.

24. Which of the following asset expenses can your IDA NOT be used for?

- a. First home purchase c. To buy or repair a car
 b. Business capitalization d. Costs for post-secondary education

25. Is a W-2 form:

- a. The form your employer gives you each year that tells you how much you have made and how much tax has been withheld from your paycheck.
 b. The form your employer gives you that tells you how much income tax you need to pay the government.
 c. The form you fill out and send in with your income tax return.

26. "Equities" is another word for:

- a. Bonds c. Mutual Funds
 b. Stocks d. Investments

27. Choose one of the following:

- Annual percentage rate (APR) Finance charge Annual fee Credit limit

The _____ is the dollar amount you pay to use the credit card. It includes interest and other charges associated with the transaction.

28. You are always entitled to look at your credit report

True False

29. A budget is a living document; it needs to be constantly updated.

True False

30. Social Security will provide enough income with which you can live comfortably when you are older.

True False