

# Math for Financial Literacy ©2013

## Chapter 4: Banking Basics—Checkpoint Solutions

### Checkpoint 4.1

1. Sabrina has \$125 in cash left over from her recent vacation. She also has a reimbursement check for \$117.92. She wants to deposit both into her checking account. What is her net deposit?

Answer: \$242.92

2. Amos is making a deposit from his business. He has \$728 in cash, \$65.23 in coins, and \$1,316.78 in checks. What is Amos' net deposit?

Answer: \$2,110.01

3. Nikki is an independent contractor and has two checks that she needs to deposit. The checks are in the amounts of \$1,712.34 and \$1,904.77. She also needs to receive \$200 in cash back from her deposit. What is Nikki's net deposit?

Answer: \$3,417.11

4. Tyrell owns a small business selling furniture. He received three checks from customers in the amounts of \$908.74, \$332.17, and \$415.96, which he wants to deposit in his business' checking account. How much is Tyrell's net deposit?

Answer: \$1,656.87

5. Gayle is a geologist. She received a paycheck for \$2,585.91 and a travel reimbursement check for \$718.43. She wants to receive \$150 cash back from her deposit. What is Gayle's net deposit?

Answer: \$3,154.34

### Checkpoint 4.2

1. Shantel has a checking account balance of \$318.59. She wrote a check to United Farmers Market for \$52.17. What is Shantel's new checking account balance?

Answer: \$266.42

2. William has a checking account balance of \$783.47. He wrote a check to his credit card company for \$442.65. What is William's new checking account balance?

Answer: \$340.82

3. On February 28, Katherine wrote check number 1021 to Hooper's Market for \$189.43. Her beginning balance was \$584.77. Calculate the new balance.

Answer: \$395.34

4. Last month, Katherine received her January bank statement in the mail, showing a balance of \$1,518.78. The following were not shown on the statement: a deposit of \$125.78 and debit charges that she made for \$49.44 and \$113.93. What is Katherine's adjusted balance?

Answer: \$1,481.19

5. Katherine's bank statement for February also showed that three checks had not cleared in the following amounts: \$221.07, \$119.98, and \$189.43. What is Katharine's new adjusted balance?

Answer: \$950.71

### Checkpoint 4.3

1. Stella had an emergency plumbing repair and transferred \$612.48 from her savings account to her checking account. Before the transfer, her checking account balance was \$350.18. Her savings account balance was \$2,225.69. What are Stella's new savings and checking account balances?

Answer: new savings account balance = \$1,613.21  
new checking account balance = \$962.66

2. Ting deposited \$2,125 into a savings account that earns 5% simple interest annually for four years. What will Ting's account balance be at the end of the four years? Assume that she makes no additional deposits during that time period.

Answer: \$2,550

3. Corey deposited \$2,000 into a 36-month CD. The annual interest rate is 5.4% and is compounded quarterly. What is the amount of interest that Corey will earn in one quarter?

Answer: \$27

4. Sulema received a bonus check from work for \$5,187.75. She decided to invest the money in an account that yields 3.75% compound interest annually. If Sulema leaves the money in the account and makes no additional deposits, what will be the balance of the account in 16 years?

Answer: \$9,349.36

5. Latisha deposited \$1,000 into an account that earns 4.25% interest. How many years will it take for her investment to double?

Answer: 17 years