

CHAPTER 9 QUIZ: FINANCIAL CONSIDERATIONS

1. Studies from the U.S. Department of Labor provide statistics that demonstrate a connection between level of education and earning power.
 - a. True
 - b. False

Answer: a. True.

The U.S. Department of Labor provides statistics that demonstrate the connection between level of education and earning power. The studies show how average salaries increase with degree completion.

2. Expenses on your budget that are not mandatory or areas where you can exercise choice are known as:
 - a. Fixed expenses
 - b. Variable expenses
 - c. Subsidized expenses
 - d. Controlled expenses

Answer: b. Variable expenses.

Expenses that are not mandatory or areas where you can exercise choice are known as variable expenses. Consider what activities you could add or change to increase your income and decrease your spending.

3. Which of the following is *not* an expense that is directly related to your online education?
 - a. Tuition
 - b. Books
 - c. Computer
 - d. Car

Answer: d. Car.

Tuition, books, and a computer are expenses that directly relate to your online education. You may have fixed car payments or insurance expenses, but these are part of your overall expenses, not directly related to your college experience. One could argue that a car might be a vital part of a traditional college expense list, but online education makes it possible to do your work, use the library, and study with peers all from home with a computer.

4. Which of the following is a resource to help pay for college?
 - a. Financial aid
 - b. Merit-based scholarships
 - c. Work-study programs
 - d. All of the above

Answer: d. All of the above.

There are many resources available to help pay for college including personal savings, need-based financial aid, merit-based scholarships, federal loans and grants, work-study programs, and employer tuition reimbursement.

5. Which type of financial aid is based on need and does not have to be repaid?
- Grants
 - Loans
 - Scholarships
 - Work-study programs

Answer: a. Grants.

Grants are based on need and do not have to be repaid.

6. Which type of financial aid is based on merit and usually does not have to be repaid?
- Grants
 - Loans
 - Scholarships
 - Work-study programs

Answer: c. Scholarships.

Scholarships are based on merit. They are available through the colleges, private individuals, and community groups and usually do not have to be repaid.

7. In a subsidized loan, the borrower is responsible for the interest.
- True
 - False

Answer: b. False.

In a subsidized loan, the government pays the loan interest. In an unsubsidized loan, the borrower is responsible for the loan interest.

8. Many large companies offer tuition reimbursement programs for employees who take courses related to their work.
- True
 - False

Answer: a. True.

Many large companies offer tuition reimbursement programs for employees who take courses related to their work. To qualify for tuition reimbursement, you usually have to have been employed at the company for a minimum amount of time.

9. When talking to your employer about how furthering your education would benefit the company, mention:
- New skills
 - Increased productivity
 - Professional image
 - All of the above

Answer: d. All of the above.

When talking to your employer about how furthering your education would benefit the company, mention new skills, increased productivity, and professional image.

10. Which of the following is essential to finding your place in tomorrow's changing job market?
- a. Higher education
 - b. On-the-job training
 - c. A combination of higher education *and* on-the-job training
 - d. Neither higher education *nor* on-the-job training

Answer: c. A combination of higher education *and* on-the-job training.

A combination of higher education and on-the-job training is essential to finding your place in tomorrow's changing job market.