**Formative Grade: 31 - 2pt. questions; 3 - 5pt. questions = 77pts total**

**Directions:** *Use your textbook to complete the outline. Answers must be in your own words! Each question is worth 2pts, except those marked with a check mark (the text is italicized) which are worth 5pts each.*

**Consumer & Personal Finance**

1. Budgeting & Money Management pg. 574

1.1 Budgeting: pg.574

* What is a budget?
	+ What are the benefits of having a budget?
* What steps can you take to set up a Budget?
* How could not using a budget affect your credit?

1.2 Checking Accounts: pg. 576

* What are the benefits of Checking Accounts?
	+ What should you research before opening an account?
* What’s the difference between an ATM Card and a Debit card?
	+ Which card offers more versatility?
* How do checking accounts and the cards associated with them differ from credit?

1.3 Saving & Investing: pg. 578

* What are the benefits of Savings Accounts?
	+ What should you research when choosing where to open a savings account?
	+ What is the FDIC and what does it mean for you?
	+ Which type of Government Insured Account do you think is most beneficial? Why?
* What is the purpose of savings accounts?
* What is the purpose of investing?
	+ What advice does the textbook offer regarding saving, investing and credit?
* What is the relationship between risk & return?
	+ What carries the lowers risk? Why?
	+ What carries the highest risk? Why?
* What should be considered when thinking about investing?
	+ What are the three basic rules?
* What are the benefits of investing early?
* What do you think; is investing wise? Support your answer.

2. Credit pg. 582

2.1 Types of Credit pg. 582

* What is Credit?
	+ What is the difference between a loan and a credit card?
* What is the cost of credit?

* What do lenders consider when you apply for credit?
* What should you consider when choosing a credit card?

2.2 Credit Reports

* What’s a credit report?
	+ How many times a year can you check your credit report?
* How can you solve your credit problems?

2.3 Identity Theft

* What is identity theft?
* What steps can you take to protect yourself?
* What can you do if you become a victim?