Coast Central Credit Union
Where YOU are central

SAVINGS BASICS QUIZ

Everyday Tools for Building Financial Confidence

NAME

DATE

Instructions: Choose the answer that best reflects a helpful money-management strategy. This quiz is designed for learning, not judgment.

1. According to the reading, what percentage of each paycheck is ideally recommended to put toward savings?

- A. 5 to 8 percent
- B. 2 to 5 percent
- C. 10 to 12 percent
- D. 15 to 20 percent

2. Which factor should you consider when choosing a savings account?

- A. Whether the account offers a competitive interest rate
- B. Whether the bank requires you to spend a certain amount each month
- C. Whether the account prevents you from accessing your money
- D. Whether the account has the highest number of available branches

3. Using the Rule of 72, approximately how many years would it take to double your savings at a fixed annual interest rate of 6 percent?

- A. 6 years
- B. 12 years
- C. 18 years
- D. 10 years

4. An emergency fund should generally contain three to six months' worth of living expenses.

- True
- False

5. Which characteristic is most important when choosing where to keep an emergency fund?

- A. It should be difficult to access
- B. It should be placed in a long-term CD
- C. It should be highly invested for maximum growth
- D. It should be kept in a savings account and remain fairly liquid

6. Which of the following are identified in the reading as ways to improve savings habits? Select all that apply.

- [ ] A. Cancel unused subscriptions
- [ ] B. Automate savings transfers
- [ ] C. Track spending to find money to save
- [ ] D. Spend spare change immediately

7. Which type of goal is designed to have a clear deadline?

- A. Time-related
- B. Measurable
- C. Specific
- D. Relevant

8. Compound interest allows money to earn interest on previously earned interest.

- True
- False

9. When trying to live within your means, which debt does the reading recommend paying off first?

- A. The debt with the smallest balance
- B. The debt with the highest interest rate
- C. The debt with the longest repayment period
- D. The debt with the newest opening date

10. Which retirement savings option is sponsored by an employer and may include employer matching contributions?

- A. 401(k) plan
- B. Health Savings Account (HSA)
- C. Individual Retirement Account (IRA)
- D. Annuity