

EVALUATING FINANCIAL LITERACY STAFF DEVELOPMENT: KNOWLEDGE INSTRUMENT

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Instructions for Library Managers

This instrument is designed to help you assess the knowledge that your staff members have gained as the result of your staff development activity related to personal finance. You may need to adapt the questions to match the topics you have covered in your training session. For example, you may wish to focus your assessment on specific personal finance resources that were introduced at your training session.

Ideally, the instrument should be used as both a pre-test and a post-test. The pre-test will help you assess what your staff already knows about personal finance topics and may help you shape the training that you deliver. The post-test can then be compared to the pre-test to identify what has been learned. You may wish to analyze the results in aggregate, or you may wish to have staff members put their names on both tests so that you can determine what each individual has learned. You may prefer to number each pair of tests rather than ask staff members to write their names. This would allow you to evaluate individual learning without identifying specific staff members.

In practice, many managers skip the pre-test and implement just the post-test. You might choose to do this due to time constraints, but you'll lose the benefit of a benchmark, unless you have already conducted a separate needs assessment that identified staff training needs.

Instrument

Please select the best answer.

1. If you buy a company's stock...
 - A. You own a part of the company
 - B. You have lent money to the company
 - C. You are liable for the company's debts
 - D. The company will return your original investment to you with interest

2. If you buy a company's bond...
 - A. You own a part of the company
 - B. You have lent money to the company
 - C. You are liable for the company's debts
 - D. You can vote on shareholder resolutions

3. In general, if interest rates go down, then bond prices...
 - A. Go down
 - B. Go up
 - C. Remain the same
 - D. Fluctuate wildly

4. A "no-load" mutual fund is one that...
 - A. Carries no fees
 - B. Carries no sales charge
 - C. Does not contain high-risk securities
 - D. Has no limits on the period of time in which it can be bought or sold

5. Which of these investments carry the risk of losing value?
 - A. Mutual funds and exchange traded funds
 - B. Blue chip stocks
 - C. AAA-rated bonds
 - D. A and B only
 - E. A, B and C

6. A Section 529 Plan is a tax-advantaged way to save for...
 - A. College
 - B. Retirement
 - C. Long-term health care
 - D. A home

7. Which of the following are benefits of keeping money in an account at an insured bank, thrift (savings association) or credit union?
 - A. Your savings can earn interest.
 - B. Your savings are insured by the FDIC or NCUA up to a specified limit.
 - C. You receive a monthly statement to help you manage your spending and/or savings.
 - D. All of the above

8. If your savings account pays compound interest, you earn interest on...
 - A. Only on the money you contribute
 - B. Only on the earnings of the money you contribute
 - C. The money you contribute and its earnings

9. When you purchase stocks, your initial purchase amount is protected by...
 - A. SEC
 - B. CFPB
 - C. SPCA
 - D. EDGAR
 - E. None of the above

10. Which of the following is not normally used for spending money?
 - A. Cash
 - B. Credit Card
 - C. Debit Card
 - D. Certificate of Deposit

11. Which of the following best describes your right to check your credit status?
 - A. You can only check your credit report for free if you are turned down for credit based on your credit score.
 - B. You can check your credit report from each of the three main reporting agencies once a year for free.
 - C. You cannot see your credit report without a court order.

12. What strategy helps to establish a good credit score?
 - A. Keeping a credit card for several years
 - B. Making payments on time
 - C. Keeping your balances low relative to your credit limits
 - D. All of the above

13. Only low-income families can qualify for financial aid for education beyond high school.
- A. True
 - B. False
14. Phishing is...
- A. A form of telemarketing
 - B. A form of identity theft that uses email to get your personal information
 - C. A way to share financial information securely
 - D. A strategy used by the IRS to counter tax evasion
15. Whose signatures appear on United States paper money?
- A. President and Secretary of the Treasury
 - B. Secretary of State and Secretary of the Treasury
 - C. Benjamin Franklin and John Hancock
 - D. Secretary of the Treasury and United States Treasurer
 - E. It varies depending on the state
16. Which of these investments would a person who is risk averse most likely choose?
- A. U.S. Treasury bonds
 - B. Corporate bonds
 - C. Indexed mutual funds
 - D. Gold
17. The long-term loan you get from a bank to purchase a house is called a...
- A. Household account
 - B. Estate
 - C. Mortgage
 - D. Overdraft
 - E. None of the above

Answer Key

1. A
2. B
3. B
4. B
5. E
6. A
7. D
8. C
9. E
10. D
11. B
12. D
13. B
14. B
15. D
16. A
17. C