

## Personal Management Merit Badge

To complete the requirements for this merit badge, you need to complete and submit the following items to Anita Pao:

- § Major Expense handout (requirement #1)
- § Personal Budget for 13 Weeks handout (requirement #2)
- § Time Management handout (requirement #8)
- § Review Personal Management merit badge book dated **2003** (borrow from the troop's library) and take the following "open book" Final Exam (requirements #3, 4, 5, 6, 7, 9, 10)

Your name: \_\_\_\_\_

Date: \_\_\_\_\_

### Final Exam

1. What does it mean to buy something "on impulse"? Give an example of an item you bought on impulse.
  
2. What is "buyer's remorse"? Give an example of a time when you had buyer's remorse about an item that you bought.
  
3. How does the amount of money you have affect your spending habits?
  
4. Why is it important to research an item before you purchase it? Give an example of a time when you bought something that didn't work as well as it was advertised.
  
5. What are some ways that you can earn and save money?
  
6. Why is it important to include charitable giving in your budget?
  
7. How does a "loan" work?

8. What is the "annual percentage rate (APR)" and why is it important to compare APRs when you shop for a loan?
9. Explain how a credit card works. What are some advantages and disadvantages of using a credit card to pay for an item?
10. Why may it be unwise to only make a "minimum payment" on your credit card? What can you do to make sure you don't get yourself into too much credit card debt?
11. How does a debit card differ from a credit card?
12. What happens if you write a check for an amount that exceeds the balance in your checking account?
13. What is "inflation"?
14. Generally, why doesn't a savings account "keep up with inflation"?
15. What is "compound interest" and why is it better than "simple interest"?
16. How does "investing" differ from "saving"? Why do you need both investments and savings?
17. What is a "loaned investment"? Give some examples of loaned investments.
18. What is an "owned investment"? Give some examples of owned investments.

19. Using the chart on page 38 of the merit badge book, select 5 stocks and write down each stock's current price, the price on the previous day, the 52-week high price and the 52-week low price.
20. What is "risk" and why is it important to "diversify" your investments?
21. What is a "credit report" and why is it important to have a good credit record?
22. What is a "project plan"? Assume you are planning your eagle project. What would be some of the key elements of your eagle project plan?
23. What are some career options that interest you? What education, skills and experience will you need to pursue your career?
24. What was the most interesting thing that you learned by earning this merit badge?