Unit 3 – Quiz

1. Which are NOT part of the LERN Financial Format (circle two)
   a. Income
   b. Promotion
   c. Cancellations
   d. Direct Costs
   e. Office Supplies

2. The three big costs are (circle three)
   a. Direct Costs
   b. Promotion
   c. Production
   d. Net
   e. Administration

3. Contract Education promotion costs should not exceed (circle one)
   a. 3%
   b. 5%
   c. 7%
   d. 9%
   e. 10%

4. Which three are ways to control costs (circle three)
   a. Reduce production costs
   b. Don’t waste promotion
   c. Fire 10% of staff
   d. Stop serving coffee in the staff lounge
   e. Produce products that have a minimum of 3-year shelf life
5. Contract Education production costs should not exceed (circle one)
   a. 30%
   b. 40%
   c. 50%
   d. 60%
   e. 70%

6. This description fits which component of the LERN Financial Format? “The amount you will spend selling your contracts with sales kits, websites, advertisements, social media and so on.” (circle one)
   a. Income
   b. Promotion
   c. Production
   d. Operating Margin
   e. Administrative Costs

7. This description fits which component of the LERN Financial Format? “The number you get when you subtract Promotion plus Productions costs and subtract from Income.” (circle one)
   a. Income
   b. Promotion
   c. Production
   d. Operating Margin
   e. Administrative Costs

8. This description fits which component of the LERN Financial Format? “The amount you spend operating your department, day-to-day.” (circle one)
   a. Income
   b. Promotion
   c. Production
   d. Operating Margin
   e. Administrative Costs
9. The benchmark for leads: contract ratio is (circle one)
   a. 4:1
   b. 10:1
   c. 15:1
   d. 20:1
   e. 25:1

10. If your total contract income is $50,000, total leads generated 50, and contract sold 10, what is your average income per contract? (circle one)
    a. $1,000
    b. $5,000
    c. $10,000
    d. $15,000
    e. $25,000
Answers

Question 1: c & e
Question 2: b, c & e
Question 3: b
Question 4: a, b & e
Question 5: c
Question 6: b
Question 7: d
Question 8: e
Question 9: a
Question 10: b