

**Instructor:** Prof. Murdock

**Duration:** 50 minutes. You must stay in the test room the entire time.

**Format:** 18 multiple-choice questions with answers recorded on SCANTRON form. Total possible points are 90.

**Allowed aids:** A non-programmable calculator (and attached aid sheets, which you may detach)

**INSTRUCTIONS:**

Do NOT write your answers on these test papers; You MAY do scratch work on these pages  
ONLY those answers correctly marked on the SCANTRON form can earn positive marks

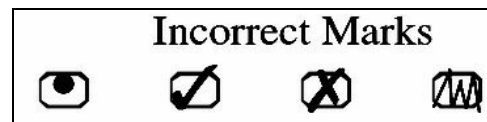
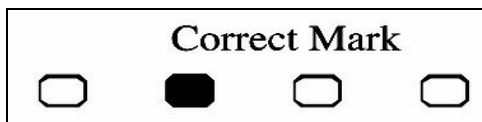
Correct answers are worth: + 5.00 points

Incorrect answers are worth: 0 points

- Use only a pencil or blue or black ball point pen



- Pencil strongly recommended**, it can be erased if a mistake is made
- Make dark solid marks that fill the bubble completely



- Select the one best alternative
- Erase completely any marks you want to change
  - Crossing out a marked box is not acceptable and is incorrect

**1<sup>st</sup>:** Print your **LAST NAME** and **INITIALS** in boxes provided

- Use exact name you are officially registered under
- Darken each letter in the corresponding bracket below each box

**2<sup>nd</sup>:** Print your 9 digit **STUDENT NUMBER** in the boxes provided

- Fill in zeros in front of the number if less than 9 digits
- Darken each number in the corresponding bracket below each box

**3<sup>rd</sup>:** Print 2 digit **FORM** number in the boxes provided

- Your FORM number is **02**
- Darken each number in the corresponding bracket below each box

**4<sup>th</sup>:** Sign your name in the **SIGNATURE** box

**For the 18 questions mark your best answer on the SCANTRON form.**

(1) Sampling distributions are NOT necessary for \_\_\_\_\_?

- (A) statistical inference
- (B) descriptive statistics
- (C) confidence interval estimation
- (D) hypothesis testing using p-value approach
- (E) hypothesis testing using rejection region approach

(2) If making an inference about  $\mu$  with a sample size of 6, then  $P(-2 < t < 2) \approx$  \_\_\_\_\_.

- (A) 75%
- (B) 85%
- (C) 90%
- (D) 95%
- (E) 99%

(3) Which is a true statement about the null hypothesis?

- (A) It is usually two-directional
- (B) It is almost always rejected
- (C) It can be proven true with data
- (D) It is based on an unbiased point estimate
- (E) It specifies a value of the unknown parameter

(4) Which p-value indicates the strongest evidence in favor of a research hypothesis?

- (A) 0.01
- (B) 0.05
- (C) 0.90
- (D) 0.95
- (E) 0.99

(5) A university administrator claims: "There is too much plagiarism in our university. In cases of suspected plagiarism we will continue to give the student the benefit of the doubt, but we must have a substantial amount of doubt." Which is most consistent with this administrator's position?

- (A)  $\alpha = 0.01$ ;  $H_0$ : Student is guilty
- (B)  $\alpha = 0.10$ ;  $H_0$ : Student is guilty
- (C)  $\alpha = 0.20$ ;  $H_0$ : Student is guilty
- (D)  $\alpha = 0.01$ ;  $H_0$ : Student is innocent
- (E)  $\alpha = 0.10$ ;  $H_0$ : Student is innocent

► For Questions (6) – (8): A random sample is taken from a normal population. Here is the STATA summary of the variable X.

X				
-----				
	Percentiles	Smallest		
1%	35	35		
5%	35	35		
10%	35	42	Obs	11
25%	42	42	Sum of Wgt.	11
50%	49		Mean	50
		Largest	Std. Dev.	11.28716
75%	61	55		
90%	66	61	Variance	127.4
95%	67	66	Skewness	.1956145
99%	67	67	Kurtosis	1.85549

(6) Rounding to the nearest whole numbers, what is the 80% confidence interval estimator of  $\mu$ ?

- (A) (35, 66)
- (B) (35, 67)
- (C) (43, 57)
- (D) (45, 55)
- (E) (46, 54)

(7) What is the conclusion for the following hypothesis test?

$$H_0: \mu = 48$$

$$H_1: \mu < 48$$

- (A) Fail to reject the null
- (B) Reject the null with a p-value less than 0.010
- (C) Reject the null with a p-value between 0.010 and 0.025
- (D) Reject the null with a p-value between 0.025 and 0.050
- (E) Reject the null with a p-value between 0.050 and 0.100

(8) If a second random sample ( $n = 11$ ) is taken from the same population, what is the approximate probability that the sample mean of the second sample will be greater than or equal to 42?

- (A)  $\approx 75\%$
- (B)  $\approx 90\%$
- (C)  $\approx 93\%$
- (D)  $\approx 98\%$
- (E)  $\approx 100\%$

(9) If [10.2, 14.6] is the 95% CI estimator of the mean, in which case should you infer the research hypothesis is true?

- (A)  $\alpha = 0.05$ ;  $H_0: \mu = 11$  and  $H_1: \mu \neq 11$
- (B)  $\alpha = 0.05$ ;  $H_0: \mu = 12$  and  $H_1: \mu \neq 12$
- (C)  $\alpha = 0.10$ ;  $H_0: \mu = 12$  and  $H_1: \mu \neq 12$
- (D)  $\alpha = 0.05$ ;  $H_0: \mu = 14$  and  $H_1: \mu \neq 14$
- (E)  $\alpha = 0.10$ ;  $H_0: \mu = 15$  and  $H_1: \mu \neq 15$

► For Questions (10) – (13): Suppose  $\sigma^2 = 10,000$  and consider this hypothesis test:

$H_0: \mu = 300$

$H_1: \mu > 300$

(10) Which test statistic (un-standardized) would result in the LARGEST p-value?

- (A) 100
- (B) 200
- (C) 300
- (D) 400
- (E) 500

(11) To know if there is a statistically significant difference between a sample mean of 350 and the value specified in the null hypothesis, what is the most important additional information you need?

- (A) Power
- (B) Sample size
- (C) Tolerance ( $\tau$ )
- (D) Type II error ( $\beta$ )
- (E) Significance level

(12) For  $n = 20$ , the Type II error would be the largest in which case?

- (A) The true population mean is 310
- (B) The true population mean is 320
- (C) The true population mean is 440
- (D) The true population mean is 510
- (E) The true population mean is 600

(13) For  $\alpha = 0.05$  and  $n = 25$ , what is the un-standardized rejection region?

- (A)  $\bar{X} > 306.58$
- (B)  $\bar{X} > 332.90$
- (C)  $\bar{X} > 335.37$
- (D)  $\bar{X} > 339.20$
- (E)  $\bar{X} > 464.50$

► For Questions (14) – (15): Using  $\alpha = 0.05$  and a sample of size 100, consider this hypothesis test:

$$H_0: p = 0.45$$

$$H_1: p > 0.45$$

(14) If the sample proportion is 0.52, which is the best conclusion?

- (A) The population proportion is 0.45
- (B) The population proportion is greater than 0.45
- (C) We cannot rule out a population proportion of 0.45
- (D) We are 95% confident that the population proportion is 0.45
- (E) We are 95% confident that the population proportion is 0.52

(15) If the true population proportion were 0.56 what would be the probability of a Type II error?

- (A) 0.20
- (B) 0.24
- (C) 0.28
- (D) 0.32
- (E) 0.36

(16) A large random sample is collected:  $n = 900$ ,  $\bar{X} = 10$  and  $s^2 = 2500$ . A confidence interval estimator of  $\mu$  is found: (5.317, 14.683). What is the confidence level?

- (A) 90%
- (B) 95%
- (C) 99%
- (D) 99.5%
- (E) 99.9%

(17) When making an inference about the difference between two population means, what is the primary benefit of assuming equal population variances?

- (A) Avoiding bias
- (B) Improving efficiency
- (C) Avoiding inconsistency
- (D) Ability to use Standard normal distribution instead of Student t
- (E) Obtaining a sufficiently large sample size such that the CLT applies

(18) Which is the most plausible explanation for why a result is statistically significant but not economically significant?

- (A) The sample size is very large
- (B) The sample size is very small
- (C) The statistical test is not powerful
- (D) The chosen significance level is lower than the conventional level
- (E) The chosen significance level is higher than the conventional level