

3.7 Practice Activity

Practice 3.7-1-1:

Using the Compound Interest Formula to Solve for the Principal

A 529 Plan is a college-savings plan that allows relatives to invest money to pay for a child's future college tuition; the account grows tax-free. Lily wants to set up a 529 account for her new granddaughter and wants the account to grow to \$40,000 over 18 years. She believes the account will earn 6% compounded semi-annually (twice a year). To the nearest dollar, how much will Lily need to invest in the account now?

Practice 3.7-2-1:

Keep 4 decimal places.

Calculating Continuous Decay

Radon-222 decays at a continuous rate of 17.3% per day. How much will 100 mg of Radon-222 decay to in 3 days?