2001 #3 – Chapter 12

3. Every Monday a local radio station gives coupons away to 50 people who correctly answer a question about a news fact from the previous day’s newspaper. The coupons given away are numbered from 1 to 50, with the first person receiving coupon 1, the second person receiving coupon 2, and so on, until all 50 coupons are given away. On the following Saturday, the radio station randomly draws numbers from 1 to 50 and awards cash prizes to the holders of the coupons with these numbers. Numbers continue to be drawn without replacement until the total amount awarded first equals or exceeds $300. If selected, coupons 1 through 5 each have a cash value of $200, coupons 6 through 20 each have a cash value of $100, and coupons 21 through 50 each have a cash value of $50.

(a) Explain how you would conduct a simulation using the random number table provided below to estimate the distribution of the number of prize winners each week.

(b) Perform your simulation 3 times. (That is, run 3 trials of your simulation.) Start at the leftmost digit in the first row of the table and move across. Make your procedure clear so that someone can follow what you did. You must do this by marking directly on or above the table. Report the number of winners in each of your 3 trials.

72749 13347 65030 26128 49067 02904 49953 74674 94617 13317

81638 36566 42709 33717 59943 12027 46547 61303 46699 76423

38449 46438 91579 01907 72146 05764 22400 94490 49833 09258

2011 #2 – Chapter 13

2. An administrator at a large university wants to conduct a survey to estimate the proportion of students who are satisfied with the appearance of the university buildings and grounds. The administrator is considering three methods of obtaining a sample of 500 students from the 70,000 students at the university.

(a) Because of financial constraints, the first method the administrator is considering consists of taking a convenience sample to keep the expenses low. A very large number of students will attend the first football game of the season, and the first 500 students who enter the football stadium could be used as a sample. Why might such a sampling method be biased in producing an estimate of the proportion of students who are satisfied with the appearance of the buildings and grounds?

(b) Because of the large number of students at the university, the second method the administrator is considering consists of using a computer with a random number generator to select a simple random sample of 500 students from a list of 70,000 student names. Describe how to implement such a method.

(c) Because stratification can often provide a more precise estimate than a simple random sample, the third method the administrator is considering consists of selecting a stratified random sample of 500 students. The university has two campuses with male and female students at each campus. Under what circumstance(s) would stratification by campus provide a more precise estimate of the proportion of students who are satisfied with the appearance of the university buildings and grounds than stratification by gender?
4. As part of its twenty-fifth reunion celebration, the class of 1988 (students who graduated in 1988) at a state university held a reception on campus. In an informal survey, the director of alumni development asked 50 of the attendees about their incomes. The director computed the mean income of the 50 attendees to be $189,952. In a news release, the director announced, “The members of our class of 1988 enjoyed resounding success. Last year’s mean income of its members was $189,952!”

(a) What would be a statistical advantage of using the median of the reported incomes, rather than the mean, as the estimate of the typical income?

(b) The director felt the members who attended the reception may be different from the class as a whole. A more detailed survey of the class was planned to find a better estimate of the income as well as other facts about the alumni. The staff developed two methods based on the available funds to carry out the survey.

**Method 1:** Send out an e-mail to all 6,826 members of the class asking them to complete an online form. The staff estimates that at least 600 members will respond.

**Method 2:** Select a simple random sample of members of the class and contact the selected members directly by phone. Follow up to ensure that all responses are obtained. Because method 2 will require more time than method 1, the staff estimates that only 100 members of the class could be contacted using method 2.

Which of the two methods would you select for estimating the average yearly income of all 6,826 members of the class of 1988? Explain your reasoning by comparing the two methods and the effect of each method on the estimate.

3. Alzheimer’s disease results in a loss of cognitive ability beyond what is expected with typical aging. A local newspaper published an article with the following headline.

| Study Finds Strong Association Between Smoking and Alzheimer’s |

The article reported that a study tracked the medical histories of 21,123 men and women for 23 years. The article stated that, for those who smoked at least two packs of cigarettes a day, the risk of developing Alzheimer’s disease was 2.57 times the risk for those who did not smoke.

(a) Identify the explanatory and response variables in the study.

   Explanatory variable:

   Response variable:

(b) Is the study described in the article an observational study or an experiment? Explain.

(c) Exercise status (regular weekly exercise versus no regular weekly exercise) was mentioned in the article as a possible confounding variable. Explain how exercise status could be a confounding variable in the study.