


1. A Utah quarter is tossed 400 times and it comes up heads 225 times. Is the coin fair? Give an appropriate box model, state the null hypothesis, identify the test statistic, and compute the P-value. (5 points)

 Draw 400 + consider the sum of draws.

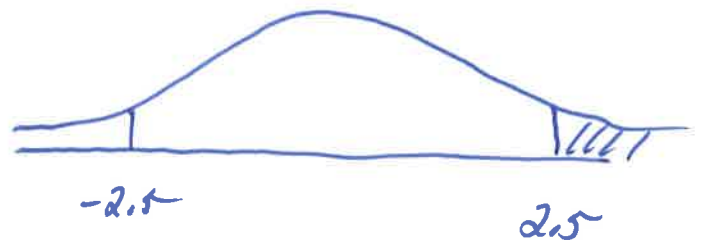
Null: coin is fair. (Box $AV = \frac{1}{2}$)

Test statistic: sum of draws
(follows normal curve)

$$SE \text{ for sum} = \text{Box SD} \times \sqrt{400} = \frac{1}{2} \cdot 20 = 10.$$

$$EV \text{ for sum} = 200$$

$$\frac{225 - 200}{10} = 2.5$$



$$A(2.5) = 98.76$$

$$\frac{100 - 98.76}{2} = .62\%$$

$$p\text{-value} \approx .62\% \text{ or } .0062$$

We reject the null; the coin is probably biased.

2. A car manufacturer believes that the average mileage per gallon of one of its new models exceeds the EPA rating of 43 miles per gallon. To gain evidence to support its belief, the manufacturer randomly selected 15 cars and recorded the miles per gallon for each car on a 100-mile course. The results for this sample are: $AV = 43.7$ and $SD = 3.8$. Give an appropriate box model, state the null hypothesis, identify the test statistic, and compute the P-value. (5 points)

mpg's → Draw 15 & consider the AV of draws.

Null: $Box\ AV = 43$ Alternate: $Box\ AV > 43$

Test statistic = $\frac{AV\ of\ Draws - EV\ for\ AV}{SE\ for\ AV}$

follows Z -curve, $df = 14$

$$SE\ for\ AV = \frac{Box\ SD \sqrt{15}}{15} \approx \frac{(Sample\ SD) \sqrt{15}}{15}$$

$$= \sqrt{\frac{15}{14}} (3.8) \frac{\sqrt{15}}{15} = 1.01$$



p -value $\approx 25\%$.

Fail to reject. The results could be due to just chance variation.