

# High School Personal Finance Glossary



# Personal Finance Glossary | Grades 3 to 5

The terms in this glossary relate to the Academic Standards for Personal Finance in the Grades 3 to 5 grade band. The definitions illustrate how to explain these concepts in an age-appropriate manner. Click a letter to navigate to that section of the glossary.

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## A

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**Account:** A record of money kept at a bank or credit union

**Advertisement:** A message that tries to get people to buy or do something

**Asset:** Something a person owns

**Attitude:** How a person thinks or feels that can shape money choices

**Auto insurance:** Insurance that helps pay for damage or injury from a car accident

**Automated teller machine (ATM):** A machine that lets people take out or add money to their bank account

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## B

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**Balance:** The amount of money left after spending or adding more

**Bank:** A business that keeps people's money safe and helps with saving or borrowing

**Borrow:** To take money or something for a time and give it back later

**Borrower:** A person who borrows money or things and must return or repay them

**Borrowing:** Using something that belongs to someone else and returning it later

**Budget:** A plan for how money will be saved and spent

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## C

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**Cash:** Paper money and coins used to pay for things

**Cause:** A reason why someone supports or helps with an activity or project

**Charity:** Giving money, time, or items to help others



**Check:** A written order that tells a bank to pay money from an account

**Checking account:** An account that lets people pay for things using checks or debit cards

**Choice:** A decision between two or more options

**Conversation:** A talk where people share thoughts, ideas, or plans

**Cost:** The amount of money needed to buy or do something

**Credit:** Money that a person can borrow now and pay back later

**Credit card:** A card that lets a person buy something now and pay for it later

**Credit union:** A place where members keep money safe and can borrow or save together

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## D

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**Debit card:** A card that takes money directly from a checking account to pay for something

**Decision:** Choosing what to do after thinking about the options

**Donation:** Money or goods given to help others

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## E

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**Earn:** Money received for doing work

**Earning:** Money a person gets for doing work or helping others

**Education:** Learning, knowledge, or skills through school or experience

**Emergency:** An unexpected event that needs quick action or money

**Entrepreneur:** A person who starts and runs a business

**Entrepreneurship:** The process of planning and running a business to earn money

**Expense:** Money spent on goods or services

**Experience:** Something a person has done or learned from in the past

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## F

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**Fees:** Extra charges for a service or for borrowing money

**Financial decision:** A choice about how to use or manage money



**Financial goal:** A money-related goal, such as saving for something important

**Financial institution:** An organization, such as a bank or credit union, that helps people save, spend, borrow, and manage money

**Flood insurance:** Insurance that helps pay for damage caused by flooding

**Fraud:** When someone lies or tricks others to take money or personal information

**Fundraising:** Collecting money to support a cause or activity

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## G

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**Gift card:** A card worth a set amount of money that can be used to buy things

**Gifts:** Something given to another person without expecting payment

**Goal:** Something a person wants to do or achieve

**Goods:** Something people make or buy

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## H

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**Habit:** Something a person does often, usually without thinking about it

**Health insurance:** Insurance that helps pay for medical care

**Household:** People who live together in a home and share responsibilities

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## I

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**Identity theft:** When someone steals another person's personal information

**Income:** Money a person gets from work, gifts, or other sources

**Information:** Facts or details about someone or something

**Installment:** One of several small payments made over time to pay for something

**Insurance:** A plan that helps people pay for losses or damage when something unexpected happens

**Interest:** Money earned for keeping money in an account or paid for borrowing money



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## L

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**Lender:** A person or business that lets someone borrow money

**Loan:** Money borrowed that must be paid back, usually with extra money called interest

**Long-term:** Lasting for a long time, often many months or years

**Long-term goal:** A goal that takes a long time to reach, often many months or years away

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## O

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**Opportunity cost:** What a person gives up when choosing one thing instead of another

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## P

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**Password:** A secret word or code that protects accounts and personal information

**Payment:** Money given to pay for something

**Plan:** A set of steps that help a person reach a goal

**Premium:** The amount of money paid regularly for insurance

**Price:** How much money something costs

**Prioritize:** To decide what things are most important to do or pay for first

**Priority:** Something that is more important than other things

**Privacy:** The right to keep personal information safe and not shared without permission

**Purchase:** Something that has been bought

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## R

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**Rent:** Money paid for using someone else's property, such as a home or apartment

**Repay:** To pay back money that was borrowed

**Repayment:** The act of paying back borrowed money

**Responsibility:** Doing what is expected and taking care of tasks

**Risk:** The chance that something bad or unexpected may happen



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## S

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**Safety net:** Money or support to help during hard times

**Salary:** Money paid to a worker on a regular schedule for doing a job

**Sales tax:** Money added to the cost of certain things people buy

**Save:** To set aside money to use later for needs or goals

**Saving:** Putting money aside instead of spending it right away

**Savings:** Money set aside to use later

**Savings account:** An account that helps people save money and sometimes earn interest

**Security:** Feeling or being protected from harm or loss

**Service:** Work done to help others, often for pay

**Short-term:** Lasting for a short time or happening soon

**Short-term goal:** A goal that can be reached soon, such as in a few weeks or months

**Skill:** The ability to do something well

**Spending:** Using money to buy things or pay for services

**Supplemental income:** Extra money earned in addition to a main job

**Support:** Helping or caring for a person, group, or cause

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## T

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**Tax:** Money people pay the government to help provide services for everyone

**Trade-off:** Giving up one thing to get something else

**Training:** Practice or study that helps a person learn to do a job

**Trust:** Belief that someone or something is honest and reliable

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## V

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**Value:** How much something is worth



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## W

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**Wages:** Money earned for each hour or piece of work done

**Wants:** Things people would like to have but do not need to live, like toys or snacks

**Work:** Tasks or activities people do to earn money