

Glossary of Terms

allowance (*noun*) Money given to someone regularly.

benefit (*noun*) Money paid by a government, employer, or insurance company to people in time of need, as in *unemployment benefits*.

budget (*noun*) A plan for how money will be earned and spent.

comparison shopping (*noun*) To compare one thing against another when making purchases. To make choices based on what's similar and what's different.

consumer (*noun*) Someone who buys and uses products and services.

cost (*noun*) The price of something.

cost of living (*noun*) The amount of money you need for food, housing, clothing, etc.

credit (*noun*) If you buy something on credit, you promise to pay for it later.

credit card (*noun*) A plastic card from a bank or a business that lets someone buy something on credit.

earned income (*noun*) Money from providing a service or product, such as an allowance for chores.

expense (*noun*) The spending of money, time, energy, etc. Money spent on a job or task, as in *business expenses*.

income (*noun*) The money that someone earns or receives.

interest (*noun*) A fee earned for holding money in a savings account. Or, a fee paid for borrowing money.

job (*noun*) The work someone does to earn money.

management (*noun*) Being in charge of something, such as a store or business.

need (*noun*) Something that you must have.

philanthropy (*noun*) Giving time or money to causes and charities.

price (*noun*) The amount something costs.

savings (*noun*) Money that you have saved.

savings account (*noun*) An account at a bank in which your money can earn interest.

tax (*noun*) Money that people and businesses must pay in order to support a government, as in a *sales tax* or an *income tax*.

unearned income (*noun*) Money received as a gift.

value (*noun*) What something is worth.

want (*noun*) Something that you would like to have but don't necessarily need.



Resources to Find Out More

WEB SITES

Consumer Reports 4 Kids

www.zillions.org

This site has cool information about how to manage your money. Click on *Money Smarts*, *Product Smarts*, and *Holiday Smarts*. You'll find out creative ways to make your money go farther. Also check out the *Wacky Cards* and *Wacky Photos*!

FDIC Learning Bank

www.fdic.gov/about/learn/learning/index.html

Ever wonder why your money in the bank is safe? Check out this site to find out. You'll also learn how your money is insured.

Federal Reserve Kids Page

www.federalreserve.gov/kids

The Federal Reserve System is the central bank of the United States. It is also called

“The Fed.” It helps support the nation’s money system.

Check out this site to learn its history and how it works.

U.S. Mint H.I.P. Pocket Change

www.usmint.gov/kids

This site for kids is from the U.S. Mint. That’s where new U.S. bills and coins are made. Be sure to check out the fun money games.

Savings Bonds for Kids!

www.publicdebt.treas.gov/sav/savkids.htm

Log on to this site if you and your family are thinking about buying U.S. savings bonds. It tells all you need to know.

Number Smarts!

www.scholastic.com/numbersmarts

Check out this site for fun and challenging on-line games.

BOOKS

The Totally Awesome Money Book for Kids

by Adriane G. Berg and Arthur Berg Bochner

The Kids’ Guide to Money Cents

by Keltie Thomas and Stephanie McEachern

The Kids’ Money Book: Earning, Saving, Spending, Investing, Donating

by Jamie Kyle McGillian

The Young Investor: Projects and Activities for Making Your Money Grow

by Katherine R. Bateman

Make a Plan. Start a Budget!

Is there something you want that requires money? Is it a new book, a bicycle, a Gameboy®, a vacation, or something else? Use the planner below to figure out how to budget your money and plan for the things that you want and need.

My Goal: _____

Step 1: Estimate Your Monthly Income

Do you receive an allowance or other money every week? If so, estimate how much money you receive in one week.

My weekly income: \$ _____

Multiply this income by 4: \$ _____

My total monthly income is: \$ _____

Step 2: Track Your Monthly Expenses

Ever wonder where your money went? If you write down your costs (how much you spend), you might be surprised to see where your money goes. Write down every purchase for one month. Place each purchase in one of the categories below. Use more paper if necessary:

Snacks & Candy	Fun Things	Clothes	Gifts	Other
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
				Total Expenses: \$ _____

Step 3: Figure Out Your Results

1. Monthly Income: \$ _____
 Subtract Total Expenses: \$ _____
 Total: \$ _____
2. If your expenses are less than or equal to your income, you are within your budget! If your expenses are greater than your budget, go back over your budget. Make choices to cut expenses. Or think about ways to increase your income.
3. Yes! I've reached my goal! I now have \$ _____ for _____.
 No! I need to go back and rethink my spending and income.

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