

BEST KIDS — 60 FINANCIAL TERMS EVERY KID SHOULD

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W1: EARNING & PROFIT

Neighborhood Hustler

W2: SAVING & BUDGETING

Money Manager

W3: ENTREPRENEURSHIP

Business Builder

W4: BANKING & INTEREST

Bank Street

W5: INVESTING

Investment Island

W6: GIVING BACK

Community Champion

PROFIT

The money you KEEP after paying all your costs!

BUDGET

A plan that tells your money exactly where to go

EMPLOYEE

A person you hire and PAY to help your business

INTEREST

Extra money the bank PAYS you to keep your savings

INDEX FUND

Owning a tiny piece of 500+ companies at once —

DIRECT GIVING

Giving your money or resources directly to

REVENUE

ALL the money your business earns before any

50/30/20 RULE

50% for NEEDS, 30% for WANTS, 20% for SAVINGS —

PROFIT SHARING

When everyone on the team gets a portion of the

COMPOUND INTEREST

Earning interest ON your interest — money growing

VOLATILITY

How much an investment's price goes up and down —

LEVERAGE

Spending a small amount to raise or create a much

COSTS

The money you SPEND to run your business

EMERGENCY FUND

Money saved for unexpected surprises,

SYSTEMS SCALE

Tools and processes that keep working even when

INFLATION

Prices going up over time, so money sitting

BUY THE DIP

Buying investments when prices DROP — like buying

SOCIAL ENTERPRISE

A business designed to help people AND make

MARKETING

Telling people about your business so they want to

DELAYED GRATIFICATION

Waiting to buy something now so you can get

PIVOT

Changing your business plan when the original

RISK vs REWARD

Higher potential gains usually come with higher

DOLLAR COST AVERAGING

Investing the same amount regularly regardless of

CROSS-SUBSIDY

Paying customers fund free or discounted access

SALES

Going directly to customers to ask them to

REINVEST

Using your profit to grow your business even bigger

SUPPLY CHAIN

All the steps and people involved in getting your

DIVERSIFICATION

Don't put all eggs in one basket — spread

PORTFOLIO

Your complete collection of all investments put

GRANT FUNDING

Free money from organizations that

PREMIUM PRICE

Charging MORE money because you offer MORE

DEBT

Spending money you haven't earned yet — you

COST vs BENEFIT

Asking: Is this solution worth MORE than the

LOAN

Money you borrow and MUST pay back, usually with

FUNDAMENTAL ANALYSIS

Researching a company's real financial data

WIN-WIN PARTNERSHIP

A deal where both sides benefit — they fund it,

WORD OF MOUTH

Free marketing when happy customers tell their

DIY SAVES MONEY

Do It Yourself! Making or fixing things yourself

ROI

Return On Investment: $(\text{Gain} - \text{Cost}) \div \text{Cost} -$

CREDIT CARD

Borrowed money for purchases — can be useful

S&P 500

The 500 biggest US companies — a popular

ROI ON GIVING

Measuring your charitable impact: \$20 cost, \$400

COMPETITION

Other businesses selling similar things — they

TIME = MONEY

Every hour you spend NOT earning is an opportunity

REVENUE-COSTS=PROFIT

The #1 business equation: what you earn minus what

SAVINGS ACCOUNT

A safe bank account that pays you interest on the

PANIC SELLING

Selling investments when prices drop out of fear —

FINANCIAL LEGACY

The positive lasting impact your money choices

PARTNERSHIP

Teaming up with someone else to grow your

NEEDS

Things you absolutely MUST have: food, shelter,

PITCH

A short, exciting speech that explains why your

SMART BORROWING

Understanding your loan terms, interest rate, and

BONDS

Loans you give to governments or companies

GENEROSITY

Using your financial skills and resources to

OPPORTUNITY COST

The money you COULD have made if you chose a

WANTS

Things you ENJOY but don't absolutely need:

STARTUP COST

The money you need to spend BEFORE your

PRINCIPAL

The original amount of money you borrowed or

SINGLE STOCK RISK

Putting all money in ONE company — if it fails,

COMMUNITY IMPACT

The measurable change your project creates in