

FINANCIAL LITERACY

Get a job. Work gives you real life skills with added responsibility and independence. A benefit of having a job is building your resume.

Start building your credit. Credit is the ability to borrow money, which has to be paid back in the future, plus interest (a percentage extra fee for borrowing). Pay bills on time, and don't miss a payment.

The biggest investment you can make for your financial future: COLLEGE. Yes, it's expensive and takes years to finish, but it's a great investment.



Money Does Matter

Being financially literate means understanding the concepts and skills necessary for effectively managing money.

Save money. Open up a savings account. Your money will start to earn interest. Try saving a portion of your income. Investing is about growing your money. The basic categories of investment are stocks, bonds, and CDs.

Create a budget. A budget outlines your income and expenses. Keep track of your spending. Not only will a budget help you save for future goals, but it's great practice for developing money management skills.

Responsible money management isn't easy. Making poor choices can haunt you for years and may impact your credit score. Consider long-term purchases: the average rise in cost of goods and services.



NAME: _____ HIGH SCHOOL: _____ GRADE: _____

Financial Literacy

Match the financial literacy term to the appropriate definition.

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|----------------------|---|
| Interest | A. The ability to borrow money that must be paid back in the future |
| Budget | B. Understanding the concepts and skills necessary for effectively managing money |
| Credit | C. Putting money into stocks/bonds/CDs in an attempt to grow money |
| Investment | D. A brief account of a person's education, qualifications, and previous experience |
| Mortgage | E. An outline of both expenses and income |
| Resume | F. The loan you obtain for a house |
| Financially Literate | G. A percentage extra fee for borrowing money |

List FIVE "Big Ticket" items you plan to save money for purchasing within the next 10 years



Why is it important to have a budget to help manage you money?
