



*Financial
Literacy Vocab*

Checking Account

- Money kept in this account is what you use to spend money

Savings Account

- Money kept in here is put away and kept there until you move it out

Wants vs Needs

Wants are things you would like to have, needs are things that are required for you to live a comfortable life!

Debit Card

- The card you use to **buy items** with.



Money comes out of your checking account!

If you spend more money than what you have in your account you are charged an **overdraft fee**

Deposit

vs

Withdrawal

- Put money in your account

- Taking money out of your account

Transfer

- When you move money from one account to another

Savings ----> checkings

Checkings ----> savings

Budget

A plan that organizes your money.

Looks at your income and expenses to see what you can afford.

Net Pay vs Gross Pay

Net pay:

The money you actually receive or get to use!

The money you receive AFTER all deductions have been taken out

Gross pay:

The money you make BEFORE all deductions have been taken out.

Gross pay is always more than net pay.

Interest

What you are charged in order to borrow money from the bank or lender.



Tip

Money a client or customer gives a person as part of a service, example tipping a waitress/waiter