

FINANCIAL LITERACY

Suggested Key Vocabulary by Standard and Grade Level

KINDERGARTEN - 8TH GRADE



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Introduction

This is a list of key financial literacy vocabulary associated with the [adopted financial literacy standards](#)¹. These suggested and sample vocabulary terms should not be treated as a checklist of things that must be “covered,” nor are they mandated by the state.

This document is not a state-mandated curriculum for how and when content is taught. These decisions are left to local districts.

1 https://3yxm0a3wfgvh5wbo7lvyyl13-wpengine.netdna-ssl.com/wp-content/uploads/2021/10/2021_Natl_Standards_Downloadable_final.pdf

Kindergarten - 4th Grade

Financial Literacy Suggested Key Vocabulary

Advertising	Gift	Payment
Allowance	Goals	Peer pressure
Asset	Goods	Preferences
Attitudes	Government	Price
Banks/financial institutions	Growth	Priorities
Benefits	Harm	Product
Borrow	High risk	Property
Borrower	Income	Purchase
Business	Influences	Renting
Business owner	Insurance	Resources
Careers	Interest	Return
Cash	Interests	Risk
Checks	Investment	Safety
Choices	Jobs	Salaries
Commissions	Knowledge	Satisfaction
Comparison shopping	Labor	Saving
Consequences	Lender	Service
Costs	Lending	Short-term goals
Credit	Loans	Skills
Credit cards	Long-term goals	Spending
Creditworthy	Loss	Taxes
Debit cards	Losses	Tips
Debt	Low risk	Values
Deposit	Needs	Wages
Emergency	Opportunity cost	Wants
Entrepreneur	Pay yourself first	
Experience	Pay/return	

Suggested Key Vocabulary by Standard and Grade Level

Earning Income

Earning Income 4-1: People have different job choices depending on their knowledge, skills, interests and experience.

VOCABULARY

Kindergarten	1st Grade	2nd Grade	3rd Grade	4th Grade
Jobs	Jobs	Jobs	Jobs	Jobs
Careers	Careers	Careers	Careers	Careers
Skills	Skills	Skills	Skills	Skills
Interests	Interests	Interests	Interests	Interests
Goals	Goals	Goals	Goals	Goals
Knowledge	Knowledge	Knowledge	Knowledge	Knowledge
Experience	Experience	Experience	Experience	Experience

Earning Income 4-2: People may be able to improve their ability to earn income by gaining new knowledge, skills and experience.

VOCABULARY

Kindergarten	1st Grade	2nd Grade	3rd Grade	4th Grade
Income	Income	Income	Income	Income
Knowledge	Knowledge	Knowledge	Knowledge	Knowledge
Skills	Skills	Skills	Skills	Skills
Experience	Experience	Experience	Experience	Experience

Earning Income 4-3: There are different ways to be paid for labor, including wages, salaries, commissions and tips.

VOCABULARY

Kindergarten	1st Grade	2nd Grade	3rd Grade	4th Grade
Labor	Labor	Labor	Labor	Labor
Jobs	Jobs	Jobs	Jobs	Jobs
Careers	Careers	Careers	Careers	Careers
			Wages	Wages
			Salaries	Salaries
			Commissions	Commissions
			Tips	Tips

Earning Income 4-4: People can earn income by starting a new business as an entrepreneur or by owning a business.

VOCABULARY

Kindergarten	1st Grade	2nd Grade	3rd Grade	4th Grade
Income	Income	Income	Income	Income
Business	Business	Business	Entrepreneur	Entrepreneur
			Business owner	Business owner

Earning Income 4-5: People can earn income by lending money or by renting their property to others.

VOCABULARY

Kindergarten	1st Grade	2nd Grade	3rd Grade	4th Grade
Income	Income	Income	Income	Income
Lending	Lending	Lending	Lending	Lending
Renting	Renting	Renting	Renting	Renting
Property	Property	Property	Property	Property

Earning Income 4-6: Income can be received as gifts or as an allowance for which no specified work may be required.

VOCABULARY

Kindergarten	1st Grade	2nd Grade	3rd Grade	4th Grade
Income	Income	Income	Income	Income
Gift	Gift	Gift	Gift	Gift
Allowance	Allowance	Allowance	Allowance	Allowance

Earning Income 4-7: Most income is taxed by the government to pay for government-provided goods and services.

VOCABULARY

Kindergarten	1st Grade	2nd Grade	3rd Grade	4th Grade
	Income	Income	Income	Income
	Goods	Goods	Goods	Goods
	Services	Services	Services	Services
	Government	Government	Government	Government
	Taxes	Taxes	Taxes	Taxes

Spending

Spending 4-1: People differ in their preferences, priorities and resources available for consuming goods and services.

VOCABULARY

Kindergarten	1st Grade	2nd Grade	3rd Grade	4th Grade
Goods	Goods	Goods	Goods	Goods
Services	Services	Services	Services	Services
Wants	Wants	Wants	Wants	Wants
Needs	Needs	Needs	Needs	Needs
			Preferences	Preferences
			Priorities	Priorities
			Resources	Resources

Spending 4-2: Money can be spent to increase one’s own or another individual’s personal satisfaction or to share the cost of goods and services.

VOCABULARY

Kindergarten	1st Grade	2nd Grade	3rd Grade	4th Grade
Goods	Goods	Goods	Goods	Goods
Services	Services	Services	Services	Services
Satisfaction	Satisfaction	Satisfaction	Satisfaction	Satisfaction
			Comparison shopping	Comparison shopping

Spending 4-3: When people make a decision to use money for a particular purpose, they incur an opportunity cost in that they cannot use the money for another purpose.

VOCABULARY

Kindergarten	1st Grade	2nd Grade	3rd Grade	4th Grade
Opportunity cost	Opportunity cost	Opportunity cost	Opportunity cost	Opportunity cost

Spending 4-4: Purchasing decisions have costs and benefits that can be different for different people.

VOCABULARY

Kindergarten	1st Grade	2nd Grade	3rd Grade	4th Grade
Costs	Costs	Costs	Costs	Costs
Benefits	Benefits	Benefits	Benefits	Benefits

Spending 4-5: Price, spending choices of others, peer pressure and advertising about a product or service can influence purchase decisions.

VOCABULARY

Kindergarten	1st Grade	2nd Grade	3rd Grade	4th Grade
Product	Product	Product	Product	Product
Service	Service	Service	Service	Service
Price	Price	Price	Price	Price
Choices	Choices	Choices	Choices	Choices
Advertising	Advertising	Advertising	Advertising	Advertising
			Influences	Influences
			Peer pressure	Peer pressure

Spending 4-6: Payment methods for making purchases include cash, checks, debit cards and credit cards.

VOCABULARY

Kindergarten	1st Grade	2nd Grade	3rd Grade	4th Grade
		Purchases	Purchases	Purchases
		Payment	Payment	Payment
		Cash	Cash	Cash
		Checks	Checks	Checks
		Debit cards	Debit cards	Debit cards
		Credit cards	Credit cards	Credit cards

Savings

Savings 4-1: When people save money, they are choosing not to spend money today to be able to buy something in the future.

VOCABULARY

Kindergarten	1st Grade	2nd Grade	3rd Grade	4th Grade
Choices	Choices	Choices	Choices	Choices
Saving	Saving	Saving	Saving	Saving
Spending	Spending	Spending	Spending	Spending
Opportunity cost	Opportunity cost	Opportunity cost	Opportunity cost	Opportunity cost
Pay yourself first	Pay yourself first	Pay yourself first	Pay yourself first	Pay yourself first

Savings 4-2: A savings plan is a plan for setting aside money to pay for a future need, goal or emergency.

VOCABULARY

Kindergarten	1st Grade	2nd Grade	3rd Grade	4th Grade
Goals	Goals	Goals	Goals	Goals
Want	Want	Want	Want	Want
Need	Need	Need	Need	Need
Savings	Savings	Savings	Savings	Savings
Emergency	Emergency	Emergency	Emergency	Emergency
Pay yourself first	Pay yourself first	Pay yourself first	Pay yourself first	Pay yourself first

Savings 4-3: People differ in their values and attitudes about saving.

VOCABULARY

Kindergarten	1st Grade	2nd Grade	3rd Grade	4th Grade
Choices	Choices	Choices	Choices	Choices
Savings	Savings	Savings	Savings	Savings
Values	Values	Values	Values	Values
Attitudes	Attitudes	Attitudes	Attitudes	Attitudes
Pay yourself first	Pay yourself first	Pay yourself first	Pay yourself first	Pay yourself first

Savings 4-4: Safety and ease of access are factors to consider when deciding where to keep savings.

VOCABULARY

Kindergarten	1st Grade	2nd Grade	3rd Grade	4th Grade
			Savings	Savings
			Safety	Safety
			Banks/financial institutions	Banks/financial institutions

Savings 4-5: Financial institutions often pay interest on deposit accounts to attract customers to deposit money in their institution.

VOCABULARY

Kindergarten	1st Grade	2nd Grade	3rd Grade	4th Grade
Banks/financial institutions	Banks/financial institutions	Banks/financial institutions	Banks/financial institutions	Banks/financial institutions
Deposit	Deposit	Deposit	Deposit	Deposit
			Interest	Interest

Investing

Investing 4-1: People invest their money so that it can grow over time and help them achieve their long-term financial goals.

VOCABULARY

Kindergarten	1st Grade	2nd Grade	3rd Grade	4th Grade
Long-term goals	Long-term goals	Long-term goals	Long-term goals	Long-term goals
Growth	Growth	Growth	Growth	Growth
	Investment	Investment	Investment	Investment

Investing 4-2: Low-interest saving accounts are commonly used for short-term financial goals and emergency funds because they are low-risk. When saving for longer term financial goals, people often invest in riskier assets to earn higher returns.

VOCABULARY

Kindergarten	1st Grade	2nd Grade	3rd Grade	4th Grade
Short-term goals	Short-term goals	Short-term goals	Short-term goals	Short-term goals
Long-term goals	Long-term goals	Long-term goals	Long-term goals	Long-term goals
Saving	Saving	Saving	Saving	Saving
Emergency	Emergency	Emergency	Emergency	Emergency
				Low risk
				High risk
				Return
				Asset

Managing Credit

Managing Credit 4-1: Interest is the price a borrower pays for using someone else’s money, and the income earned by the lender.

VOCABULARY

Kindergarten	1st Grade	2nd Grade	3rd Grade	4th Grade
Borrow	Borrow	Borrow	Borrow	Borrow
Pay/return	Pay/return	Pay/return	Pay/return	Pay/return
		Interest	Interest	Interest
		Lender	Lender	Lender
		Borrower	Borrower	Borrower

Managing Credit 4-2: When a person pays with credit, they have immediate use of purchased goods or services while agreeing to repay the lender in the future with interest.

VOCABULARY

Kindergarten	1st Grade	2nd Grade	3rd Grade	4th Grade
	Purchase	Purchase	Purchase	Purchase
	Goods	Goods	Goods	Goods
	Services	Services	Services	Services
	Credit	Credit	Credit	Credit
	Lender	Lender	Lender	Lender
	Borrower	Borrower	Borrower	Borrower
	Interest	Interest	Interest	Interest

Managing Credit 4-3: Lenders are more likely to approve borrowers who do not have a lot of other debt and who have a history of paying back loans as promised.

VOCABULARY

Kindergarten	1st Grade	2nd Grade	3rd Grade	4th Grade
	Lender	Lender	Lender	Lender
	Borrower	Borrower	Borrower	Borrower
				Creditworthy
				Debt
				Loans

Managing Risk

Managing Risk 4-1: People are exposed to risk when there is a chance of loss or harm. Risk is an unavoidable part of daily life.

VOCABULARY

Kindergarten	1st Grade	2nd Grade	3rd Grade	4th Grade
Risk	Risk	Risk	Risk	Risk
Loss	Loss	Loss	Loss	Loss
Harm	Harm	Harm	Harm	Harm

Managing Risk 4-2: People who are exposed to risks often try to reduce or avoid the negative consequences of those risks.

VOCABULARY

Kindergarten	1st Grade	2nd Grade	3rd Grade	4th Grade
Risk	Risk	Risk	Risk	Risk
Consequences	Consequences	Consequences	Consequences	Consequences
Choices	Choices	Choices	Choices	Choices

Managing Risk 4-3: One way to cope with unexpected losses is to save for emergencies.

VOCABULARY

Kindergarten	1st Grade	2nd Grade	3rd Grade	4th Grade
Choices	Choices	Choices	Choices	Choices
Losses	Losses	Losses	Losses	Losses
Emergency	Emergency	Emergency	Emergency	Emergency
Saving	Saving	Saving	Saving	Saving

Managing Risk 4-4: Insurance is often purchased to limit financial losses because of risk.

VOCABULARY

Kindergarten	1st Grade	2nd Grade	3rd Grade	4th Grade
				Risk
				Losses
				Insurance

5th Grade - 8th Grade

Financial Literacy Suggested Key Vocabulary

Annual percentage rate (APR)	Exchange trade funds	Policy holder
Asset	Experience	Predatory lending
Benefit	Fees	Preferences
Bonds	Financial goals	Premium
Borrow	Financial institutions	Price
Borrowers	Financial loss	Principal
Budget	Financial well-being	Product
Capital Gain	Fixed expense	Productivity
Careers	Goods	Profession
Certificate of deposit (CD)	Government bonds	Profit
Checking	Government assistance	Property
Choices	Human capital	Quality
Claims	Identify theft	Real estate
Coinsurance	Incentives	Repayment period
Collateral	Income	Retirement
Commissions	Inflation (stag and hyper)	Risk
Comparison shopping	Insurance	Rule of 72
Compound interest	Insurance company	Salaries
Compound	Insured	Satisfaction
Contract period	Interest	Savings
Copayments	Interest rate	Scarcity
Corporate bonds	Invest	Self-employment
Corporate stock	Investment	Service contract
Cosigner	Job skills	Services
Cost	Jobs	Simple interest
Credit	Large purchases	Social Security
Credit card	Lender	Sources
Credit report	Lending	Spending
Credit score	Loan	Stocks
Debt	Loss	Supply and demand
Decision	Market	Taxes
Deductible	Mutual Funds	Tips
Dependents	Needs	Title loans
Deposit	Net income	Training
Disability	Nonpayment	Value
Dividend	Occupation	Variable expenses
Earning potential	Opportunity cost	Various types of Insurance
Education	Pay yourself first	Wages
Education costs	Payday loans	Wants
Emergency	Payment method	Warranties
Employers	Payroll deductions	Wealth
Entrepreneurs	Payroll taxes (various)	Workers
Evaluate	Personal identification information	

Suggested Key Vocabulary by Standard and Grade Level

Earning Income

Earning Income 8-1: Careers are based on working at jobs in the same occupation or profession for many years. Careers vary in their education and training requirements.

VOCABULARY

5th Grade	6th Grade	7th Grade	8th Grade
Careers	Careers	Careers	Careers
Jobs	Jobs	Jobs	Jobs
	Occupation	Occupation	Occupation
	Profession	Profession	Profession
	Education	Education	Education
	Training	Training	Training

Earning Income 8-2: People make many decisions during their lifetimes about their education, jobs and careers that affect their incomes and opportunities.

VOCABULARY

5th Grade	6th Grade	7th Grade	8th Grade
Choices	Choices	Choices	Choices
Decisions	Decisions	Decisions	Decisions
Education	Education	Education	Education
Careers	Careers	Careers	Careers
Jobs	Jobs	Jobs	Jobs

Earning Income 8-3: Getting more education, training and experience can increase a person’s human capital, productivity and income-earning potential.

VOCABULARY

5th Grade	6th Grade	7th Grade	8th Grade
Choices	Choices	Choices	Choices
	Education	Education	Education
	Training	Training	Training
	Experience	Experience	Experience
			Human capital
			Productivity
			Earning potential

Earning Income 8-4: Education, training and development of job skills have opportunity costs in the form of time, effort and money.

VOCABULARY

5th Grade	6th Grade	7th Grade	8th Grade
Choices	Choices	Choices	Choices
Opportunity cost	Opportunity cost	Opportunity cost	Opportunity cost
	Education	Education	Education
	Training	Training	Training
	Experience	Experience	Experience
			Job skills

Earning Income 8-5: Net income (take-home pay) is the amount left from wages and salaries after taxes and payroll deductions.

VOCABULARY

5th Grade	6th Grade	7th Grade	8th Grade
Net income	Net income	Net income	Net income
Taxes	Taxes	Taxes	Payroll taxes (various)
Payroll deductions	Payroll deductions	Payroll deductions	Payroll deductions
Wages	Wages	Wages	Wages
Salaries	Salaries	Salaries	Salaries

Earning Income 8-6: Social Security is a federal government program that taxes workers and employers to provide retirement, disability and survivor income benefits for workers or their dependents.

VOCABULARY

5th Grade	6th Grade	7th Grade	8th Grade
		Social Security	Social Security
		Taxes	Taxes
		Workers	Workers
		Employers	Employers
			Retirement
			Disability
			Benefits
			Dependents

Earning Income 8-7: People are required to pay taxes on most types of income, including wages, salaries, commissions, tips, earnings on investments, and self-employment income.

VOCABULARY

5th Grade	6th Grade	7th Grade	8th Grade
Taxes	Taxes	Taxes	Taxes
Income	Income	Income	Income
Wages	Wages	Wages	Wages
Salaries	Salaries	Salaries	Salaries
Commissions	Commissions	Commissions	Commissions
Tips	Tips	Tips	Tips
Investments	Investments	Investments	Investments
Self-employment	Self-employment	Self-employment	Self-employment

Earning Income 8-8: The government provides income support and assistance for people who qualify based on low income or other criteria.

VOCABULARY

5th Grade	6th Grade	7th Grade	8th Grade
Government assistance	Government assistance	Government assistance	Government assistance

Earning Income 8-9: Entrepreneurs gain satisfaction from working for themselves and expect to earn profits that will compensate for the risks associated with new business ventures.

VOCABULARY

5th Grade	6th Grade	7th Grade	8th Grade
Choices	Choices	Choices	Choices
Risk	Risk	Risk	Risk
Entrepreneurs	Entrepreneurs	Entrepreneurs	Entrepreneurs
Profit	Profit	Profit	Profit

Spending

Spending 8-1: Creating a budget can help people make informed choices about spending, saving and managing money in order to achieve financial goals.

VOCABULARY

5th Grade	6th Grade	7th Grade	8th Grade
Choices	Choices	Choices	Choices
Spending	Spending	Spending	Spending
Saving	Saving	Saving	Saving
Budget	Budget	Budget	Budget
Financial goals	Financial goals	Financial goals	Financial goals
Pay yourself first	Pay yourself first	Pay yourself first	Pay yourself first
Variable expenses	Variable expenses	Variable expenses	Variable expenses
Fixed expense	Fixed expense	Fixed expense	Fixed expense
Scarcity	Scarcity	Scarcity	Scarcity
Supply and demand	Supply and demand	Supply and demand	Supply and demand
		Inflation (stag and hyper)	Inflation (stag and hyper)

Spending 8-2: Making an informed purchase decision requires a consumer to critically evaluate price, product claims and quality information from a variety of sources.

VOCABULARY

5th Grade	6th Grade	7th Grade	8th Grade
Choices	Choices	Choices	Choices
Decision	Decision	Decision	Decision
Price	Price	Price	Price
Product	Product	Product	Product
Claims	Claims	Claims	Claims
Quality	Quality	Quality	Quality
Sources	Sources	Sources	Sources
Comparison shopping	Comparison shopping	Comparison shopping	Comparison shopping
Scarcity	Scarcity	Scarcity	Scarcity
Supply and demand	Supply and demand	Supply and demand	Supply and demand
		Inflation (stag and hyper)	Inflation (stag and hyper)

Spending 8-3: When evaluating information about goods and services, a consumer can better assess the quality and usefulness of the information by understanding the incentives of the information provider.

VOCABULARY

5th Grade	6th Grade	7th Grade	8th Grade
Goods	Goods	Goods	Goods
Services	Services	Services	Services
Choices	Choices	Choices	Choices
			Evaluate
			Incentives

Spending 8-4: Consumers weigh the costs and benefits of different payment methods to determine the best option for purchasing goods and services.

VOCABULARY

5th Grade	6th Grade	7th Grade	8th Grade
Cost	Cost	Cost	Cost
Benefit	Benefit	Benefit	Benefit
Good	Good	Good	Good
Services	Services	Services	Services
Payment method	Payment method	Payment method	Payment method

Savings

Savings 8-1: People save money for many different purposes, including large purchases, such as cars, homes, education costs, retirement and emergencies.

VOCABULARY

5th Grade	6th Grade	7th Grade	8th Grade
Savings	Savings	Savings	Savings
Large purchases	Large purchases	Large purchases	Large purchases
Education costs	Education costs	Education costs	Education costs
Retirement	Retirement	Retirement	Retirement
Emergency	Emergency	Emergency	Emergency
Pay yourself first	Pay yourself first	Pay yourself first	Pay yourself first
		Rule of 72	Rule of 72

Savings 8-2: Savings decisions depend on individual preferences and circumstances, and can impact personal satisfaction and financial well-being.

VOCABULARY

5th Grade	6th Grade	7th Grade	8th Grade
Savings	Savings	Savings	Savings
Preferences	Preferences	Preferences	Preferences
Wants	Wants	Wants	Wants
Needs	Needs	Needs	Needs
Satisfaction	Satisfaction	Satisfaction	Satisfaction
Financial well-being	Financial well-being	Financial well-being	Financial well-being
	Sources	Rule of 72	Rule of 72
	Comparison shopping		
	Scarcity		
	Supply and demand		

Savings 8-3: Financial institutions pay interest to depositors and loan out the money to borrowers who pay interest on their loans.

VOCABULARY

5th Grade	6th Grade	7th Grade	8th Grade
		Financial institutions	Financial institutions
		Interest	Interest
		Loan	Loan
		Borrowers	Borrowers
		Rule of 72	Rule of 72

Savings 8-4: Interest earned on savings is the interest rate multiplied by the balance in the account, which includes the original amount saved (principal) and previously earned interest.

VOCABULARY

5th Grade	6th Grade	7th Grade	8th Grade
Interest	Interest	Interest	Interest
Savings	Savings	Savings	Savings
Principal	Principal	Principal	Principal
		Rule of 72	Rule of 72

Savings 8-5: Compound interest is interest on both the original principal and previously earned interest, as compared to simple interest, which is only interest on the original principal.

VOCABULARY

5th Grade	6th Grade	7th Grade	8th Grade
		Simple interest	Simple interest
		Compound interest	Compound interest
		Principal	Principal
		Rule of 72	Rule of 72

Savings 8-6: Checking and savings deposit accounts in many financial institutions are insured up to certain limits by the federal government.

VOCABULARY

5th Grade	6th Grade	7th Grade	8th Grade
		Checking	Checking
		Savings	Savings
		Deposit	Deposit
		Financial institutions	Financial institutions
		Insured	Insured

Investing

Investing 8-1: Investors in financial assets expect an increase in value over time (capital gain) and/or receipt of regular income, such as interest or dividends.

VOCABULARY

5th Grade	6th Grade	7th Grade	8th Grade
Interest	Interest	Interest	Interest
Dividends	Dividends	Dividends	Dividends
Value	Value	Value	Value
		Capital gain	Capital gain
		Asset	Asset
		Rule of 72	Rule of 72

Investing 8-2: Common types of financial assets include certificates of deposit (CDs), stocks, bonds, mutual funds and real estate.

VOCABULARY

5th Grade	6th Grade	7th Grade	8th Grade
			Asset
			CDs
			Stocks
			Bonds
			Mutual funds
			Real estate
			Rule of 72

Investing 8-3: Investors who buy corporate or government bonds are lending money to the issuer in exchange for regular interest payments.

VOCABULARY

5th Grade	6th Grade	7th Grade	8th Grade
		Corporate bonds	Corporate bonds
		Government bonds	Government bonds
		Lending	Lending
		Interest	Interest
		Rule of 72	Rule of 72

Investing 8-4: Investors who buy corporate stock become part owners of a business, benefit from potential increases in the value of their shares and may receive dividend income.

VOCABULARY

5th Grade	6th Grade	7th Grade	8th Grade
		Corporate stock	Corporate stock
		Benefit	Benefit
		Risk	Risk
		Dividend	Dividend

Investing 8-5: Instead of buying individual stocks and bonds, investors can buy shares of pooled investments, such as mutual funds and exchange-traded funds (ETFs).

VOCABULARY

5th Grade	6th Grade	7th Grade	8th Grade
Choices	Choices	Choices	Choices
Risk	Risk	Risk	Risk
Benefit	Benefit	Benefit	Investments Mutual funds ETFs

Investing 8-6: Different types of investments expose investors to different degrees of risks.

VOCABULARY

5th Grade	6th Grade	7th Grade	8th Grade
Investment	Investment	Investment	Investment
Risk	Risk	Risk	Risk
Benefit	Benefit	Benefit	Benefit

Investing 8-7: The benefits of compounding for building wealth are greatest for people who invest regularly over longer periods of time.

VOCABULARY

5th Grade	6th Grade	7th Grade	8th Grade
Investment	Investment	Investment	Investment
		Compound interest	Compound interest
		Rule of 72	Rule of 72

Managing Credit

Managing Credit 8-1: Interest rates and fees vary by type of lender, type of credit and market conditions.

VOCABULARY

5th Grade	6th Grade	7th Grade	8th Grade
Interest rate	Interest rate	Interest rate	Interest rate
Fees	Fees	Fees	Fees
Lender	Lender	Lender	Lender
Credit	Credit	Credit	Credit
Market	Market	Market	Market
		Title loans	Title loans
		Payday loans	Payday loans
		Predatory lending	Predatory lending

Managing Credit 8-2: Financial institutions advertise loan costs to potential borrowers using the annual percentage rate (APR), expressed as an annual percentage of the loan principal. Low introductory rates offered to attract customers may increase later.

VOCABULARY

5th Grade	6th Grade	7th Grade	8th Grade
	Financial institutions	Financial institutions	Financial institutions
	APR	APR	APR
	Principal	Principal	Principal
		Title loans	Title loans
		Payday loans	Payday loans
		Predatory lending	Predatory lending

Managing Credit 8-3: The longer a loan repayment period and the higher the interest rate, the larger the total amount of interest paid by a borrower.

VOCABULARY

5th Grade	6th Grade	7th Grade	8th Grade
Repayment period	Repayment period	Repayment period	Repayment period
Interest	Interest	Interest	Interest
Loan	Loan	Loan	Loan
		Title loans	Title loans
		Payday loans	Payday loans
		Predatory lending	Predatory lending

Managing Credit 8-4: Credit cards typically charge higher interest rates on balance due compared with rates on other types of loans.

VOCABULARY

5th Grade	6th Grade	7th Grade	8th Grade
	Credit card	Credit card	Credit card
	Interest rate	Interest rate	Interest rate
	Loan	Loan	Loan

Managing Credit 8-5: Lenders charge different interest rates based on the borrower risk of nonpayment, which is commonly evaluated using information in the borrower’s credit report.

VOCABULARY

5th Grade	6th Grade	7th Grade	8th Grade
	Lender	Lender	Lender
	Interest rate	Interest rate	Interest rate
	Borrow	Borrow	Borrow
	Risk	Risk	Risk
			Nonpayment
			Collateral
			Credit Score
			Credit report
			Cosigner

Managing Credit 8-6: When people borrow money to invest in higher education or housing, the risks and costs may be outweighed by the future benefits.

VOCABULARY

5th Grade	6th Grade	7th Grade	8th Grade
	Borrow	Borrow	Borrow
	Invest	Invest	Invest
	Risk	Risk	Risk
	Benefit	Benefit	Benefit
	Cost	Cost	Cost

Managing Credit 8-7: Borrowing increases debt and can negatively affect a person’s finances.

VOCABULARY

5th Grade	6th Grade	7th Grade	8th Grade
	Borrow	Borrow	Borrow
	Debt	Debt	Debt
		Title loans	Title loans
		Payday loans	Payday loans
		Predatory lending	Predatory lending

Managing Risk

Managing Risk 8-1: Financial loss can occur from unexpected events that damage health, wealth, income, property and/or future opportunities.

VOCABULARY

5th Grade	6th Grade	7th Grade	8th Grade
	Loss	Loss	Loss
	Wealth	Wealth	Wealth
	Income	Income	Income
	Property	Property	Property

Managing Risk 8-2: Insurance is a financial product that allows people to pay a fee (premium) to transfer the cost of a potential financial loss to an insurance company.

VOCABULARY

5th Grade	6th Grade	7th Grade	8th Grade
		Insurance	Various types of Insurance
		Insurance company	Insurance company
		Premium	Premium
		Financial loss	Financial loss

Managing Risk 8-3: An insurance company creates a pool of funds from many policyholders' premium payments, and then uses these funds to compensate customers who experience a loss. People at higher risk for making a claim usually have to pay a higher premium.

VOCABULARY

5th Grade	6th Grade	7th Grade	8th Grade
			Various types of insurance Insurance company Policy holder Premium Loss

Managing Risk 8-4: Four key insurance terms that contribute to out-of-pocket costs with an insurance policy are: premium, deductible, copayments and coinsurance.

VOCABULARY

5th Grade	6th Grade	7th Grade	8th Grade
			Various types of insurance Premium Deductible Copayments Coinsurance

Managing Risk 8-5: People can choose to avoid, reduce, retain or transfer risk through the purchase of insurance. Each option has different costs and benefits.

VOCABULARY

5th Grade	6th Grade	7th Grade	8th Grade
Costs	Costs	Costs	Cost
Benefit	Benefit	Benefit	Benefit
			Various insurance Risk

Managing Risk 8-6: Extended warranties and service contracts provide protection against certain product mechanical failures during the contract period.

VOCABULARY

5th Grade	6th Grade	7th Grade	8th Grade
Contract period	Contract period	Contract period	Contract period
			Warranties Service contract

Managing Risk 8-7: Identity theft is the use of someone else's personal identification information to commit a crime.

VOCABULARY

5th Grade	6th Grade	7th Grade	8th Grade
			Identify theft Personal identification information



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Mission

To prepare Kansas students for lifelong success through rigorous, quality academic instruction, career training and character development according to each student's gifts and talents.

Vision

Kansas leads the world in the success of each student.

Motto

Kansans Can

Success defined

A successful Kansas high school graduate has the **academic preparation, cognitive preparation, technical skills, employability skills** and **civic engagement** to be successful in postsecondary education, in the attainment of an industry recognized certification or in the workforce, without the need for remediation.

Outcomes

- Social-emotional growth
- Kindergarten readiness
- Individual Plan of Study
- Civic engagement
- Academically prepared for postsecondary
- High school graduation
- Postsecondary success

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