



Money Matters: Know the Lingo

LESSON 1: STUDENT ACTIVITY SHEET 1

Do you ever feel like money terms go right over your head? The reality is that you probably already know and use a lot of financial vocabulary. Read through the terms below and think about how they connect to your life.

Terms to Know

How Does This Relate to Me?

Cost Comparison

Comparing the cost of two or more goods or services in an effort to find the best value.

When have you used cost comparison?

Provide an example: _____

Cost-Benefit Analysis

Analyzing whether the cost of an item is more than, equal to, or less than the benefit that comes from purchasing that item.

When have you used cost-benefit analysis?

Provide an example: _____

Identify something you want to do or purchase: _____

What is the cost? _____

What is the benefit? _____

• **Cost** – The price paid for a good or service.

• **Benefit** – An outcome that promotes well-being.

Calculating Future Expenses

Identifying the cost of meeting future needs and goals.

Identify 3 personal goals. Think about what is needed to accomplish each goal.

Short-term goal: _____

Medium-term goal: _____

Long-term goal: _____

• **Short-term, medium-term and long-term goals** – Goals to achieve over specific periods of time.

Budget

A plan for future spending and saving, weighing estimated income against estimated expenses.

Choose one of your goals from above and estimate its expense. How much income do you estimate will be needed to support your goal?

Goal: _____

Estimated (monetary) expense: _____

Estimated income needed: _____

• **Income** – Payment received for goods or services, including employment.

• **Expense** – Cost paid to secure a good or service.