

MODULE 3

EXPENSES & BUDGETING



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Content

"YOU MUST GAIN CONTROL OVER YOUR
MONEY OR THE LACK OF IT WILL FOREVER
CONTROL YOU"

DAVE RAMSEY



Financial Literacy for Youth



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Introduction



Teaching budgeting and expense management skills to youth is an important part of financial literacy

How can this be done?

Context and Background

What are the main problems young people face about their Financial Literacy?

1. Lack of education
2. Debt
3. Poor spending habits
4. Limited income
5. Lack of financial planning
6. Overconfidence
7. Misinformation

Financial literacy is crucial for young people to ensure that they can make informed decisions, avoid debt and plan a secure financial future.

Explanation of Youth Financial Literacy Problems

1) Financial education is not always taught in schools or at home, which can leave young people without the knowledge they need to make informed financial decisions.

2) Young people often start their adult lives with significant amounts of participant loans or credit card debt, which can be overwhelming and lead to financial stress.

3) Young people may not have developed good spending habits, and may struggle to manage their money effectively.

4) Young people may be working part-time or in entry-level jobs with lower salaries, making it difficult to save money or plan for the future.

5) Young people may not have a clear idea of their financial goals or how to achieve them, which can lead to poor decision-making.

6) Some young people may feel invincible and believe that financial problems will not affect them, leading them to take unnecessary risks or make unwise investments.

7) With the abundance of financial advice available online, it can be challenging for young people to discern credible sources and make informed decisions.



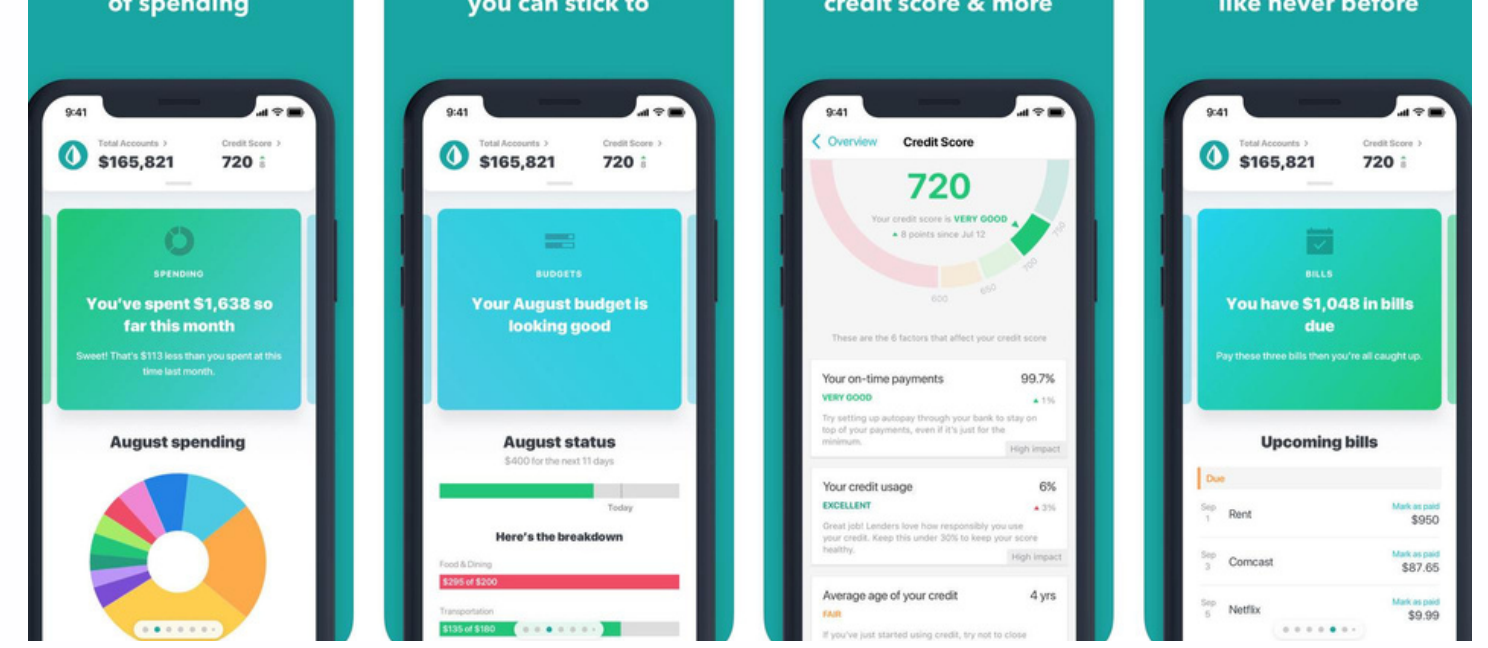
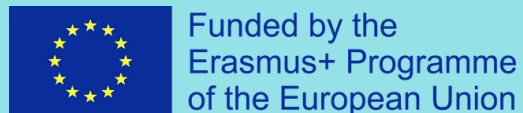
How can Financial Literacy be taught ?

1. **Start early:** It's never too early to start teaching budgeting and expense management. As soon as receiving an allowance or earning money starts, you can begin to introduce the concepts of budgeting and saving.
2. **Set a good example:** Young people often learn by example, so make sure you're setting a good one. Let them see you budgeting, saving, and making responsible financial decisions.
3. **Use real-life examples:** Teach youth about budgeting and expense management using real-life examples that they can relate to. For example, if they want to buy a new video game, help them create a budget and figure out how much they need to save each week to reach their goal.
4. **Make it fun:** Learning about finances doesn't have to be boring. You can make it fun by turning it into a game or challenge. For example, you could have a competition to see who can save the most money in a month or create a scavenger hunt to find the best deals on everyday items.
5. **Use technology:** There are many apps and tools available that can make budgeting and expense tracking easier for young people. Consider using a budgeting app or setting up an online spreadsheet to help them manage their money.
6. **Be patient:** Learning about finances takes time and practice. Be patient with young people as they learn these skills and provide plenty of encouragement and support along the way.
7. **Provide real-world experiences:** Giving youth real-world experiences can help reinforce the importance of budgeting and expense management. For example, you could take them grocery shopping and have them compare prices.

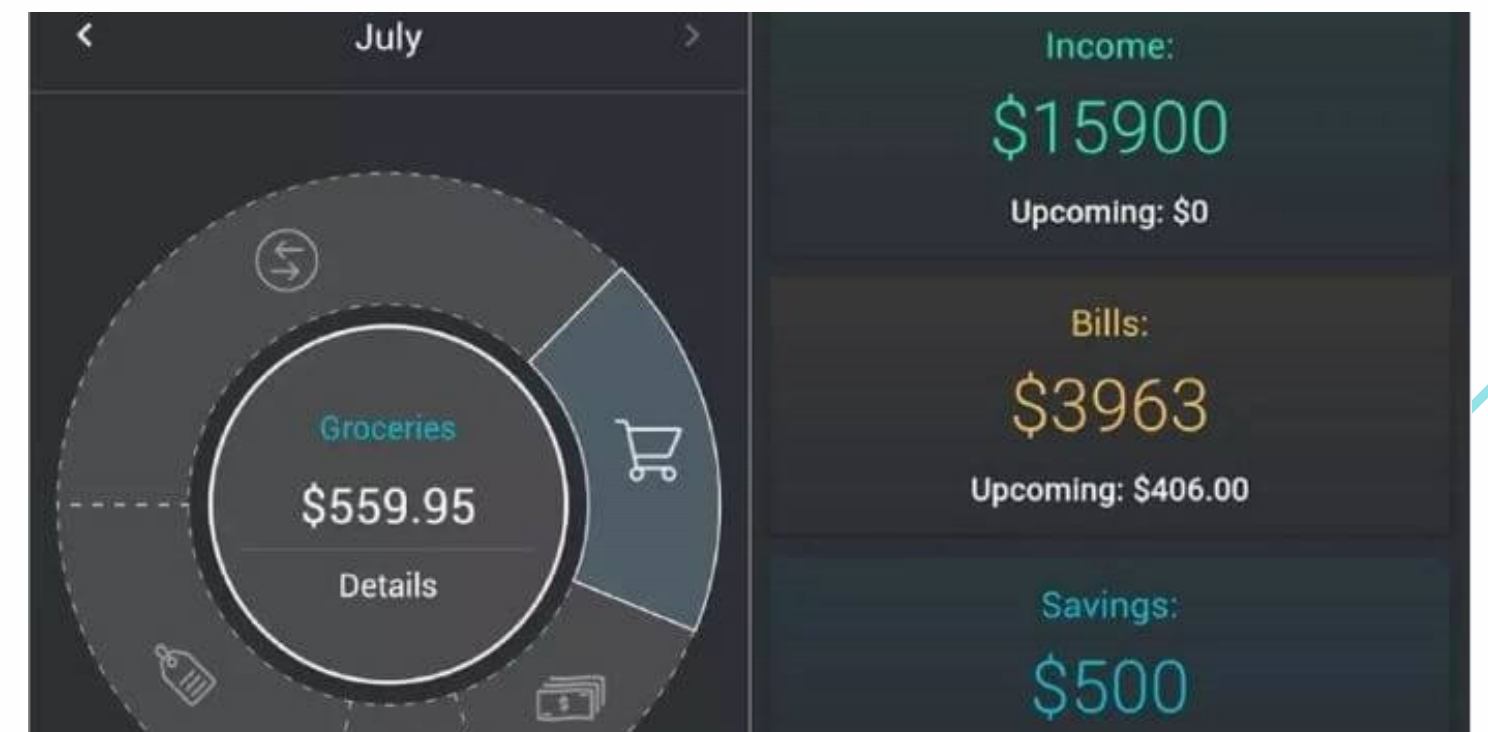


Tools for Budgeting & Managing Expenses

1. Mint: Mint is a free budgeting and expense tracking app that can help young people learn how to manage their money.
2. Goodbudget: Goodbudget is a budgeting app that uses the envelope method to help users allocate their money to different categories.
3. PocketGuard: PocketGuard is another budgeting app that can help young people manage their money.
4. YNAB (You Need A Budget): YNAB is a popular budgeting app that can be a great tool for young people to learn about budgeting and managing their expenses.
5. Excel/Google Sheets: For a more manual approach, using a spreadsheet can be a great way for young people to learn about budgeting and expense tracking.



Category	Spent	Limit
Weekly envelopes	604.50	
Groceries	34.50	60.00
Eating Out	135.00	150.00
Drinks and social	10.00	120.00
Rent	425.00	425.00
Annual/Irregular	0.00	
Savings	0.00	30,000.00
Income	0.00	65,000.00
Unallocated	0.00	
[Unallocated]	0.00	



STEPS TO CREATE A BUDGET

STEP 1- DETERMINE YOUR INCOME

Determining the income of young people can be challenging since it can vary significantly based on factors such as education, work experience, location, and industry.



STEP 2 - CALCULATE YOUR MONTHLY EXPENSES

Some common monthly expenses that young people may incur:

1. Rent or mortgage payments
2. Utilities (electricity, water, gas)
3. Internet and cable bills
4. Cell phone bills
5. Transportation expenses (car payments, gas, public transportation, etc.)
6. Groceries and dining out expenses
7. participant loan payments or credit card payments
8. Health insurance or medical expenses
9. Entertainment expenses (movies, concerts, hobbies, etc.)
10. Personal care expenses (haircuts, toiletries, etc.)

STEP 3 - SET REALISTIC GOALS

Once you know how you've been spending your money, take some time to set goals on how you want to manage your money going forward

STEPS TO CREATE A BUDGET

STEP 4 - TRACK YOUR SPENDING

Tracking your income and setting goals for how you want to spend your money is one thing, but it won't do much good if you don't keep track of your spending



STEP 5 - PICK A BUDGETING PLAN

Some possible options may be:

- Envelope System
- 50/30/20 Plan
- The Two-Account Plan
- Zero-Based Budgeting Plan

ACTIVITIES MODULE 3

SAVING AND INVESTING



Financial Literacy for Youth



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ACTIVITY 1: FIXED VS VARIABLE INCOME

Learning Objectives

- 1 Identify different forms of income
- 2 Define fixed income, variable income and irregular income

Duration



1 hour

Level

- Beginner
- Intermediate
- Advanced

Materials /Resources

- Whiteboard, whiteboard marker
- Fixed, Variable, or Irregular Income? Worksheet and pencils (1 per participant)



Description - Activity Steps

1. Ask participants the following question: how do people get money? Write responses on the whiteboard. If they have difficulty answering, provide them with some examples from the list below:

Sources of money (income)

- wages
- salaries
- gratuities/tips
- commissions
- monetary gifts
- allowances
- tax refunds
- investments

2. Share with the participants how income falls into three categories:

- fixed income: money a person receives that does not change from one period to the next (e.g. salary)
- variable income: money a person receives that changes from one period to the next (e.g. tips)
- irregular income: money a person receives occasionally (e.g. monetary gifts)

3. Distribute the Fixed, Variable, or Irregular Income? worksheet and pencils to participants

4. Review the answers with participants after they have completed the worksheet.

Debriefing questions

01

What is the fixed income?

02

What is the variable income?

03

What is the irregular income?

Worksheet

1. Michela just started her first job as a sales associate at a clothing store. She works 10 hours per week and earns €14 per hour. She also receives 3% commission on all clothing he sells.

- *Answer: Sources of income: hourly wage (fixed), commission (variable)*

2. Sandra works as a hairdresser. She earns a monthly salary plus a commission for selling the salons products to customers.

- *Answer: Sources of income: monthly salary (fixed), commission (variable)*

3. George works as a musician. He sometimes plays at events, such as parties or weddings, where he negotiates his hourly fee.

- *Answer: Sources of income: hourly fee (irregular)*

4. Alina is a waitress in a restaurant. She earns an hourly wage and receives tips from customers.

- *Answer: Sources of income: hourly wage (fixed), tips (variable)*

5. Helen babysits her neighbor's children every Friday evening and earns €50.

- *Answer: Sources of income: babysitting (fixed)*

6. Kate receives a monthly allowance from her parents. She also receives monetary gifts for her birthday.

- *Answer: Sources of income: monthly allowance (fixed), monetary gifts (irregular)*

7. Stratos owns a house and rents out a spare room. Each month, he receives a rental cheque from his tenant.

- *Answer: Sources of income: rental cheque (fixed)*

8. Giannis inherited €1,000 when his uncle passed away.

- *Answer: Sources of income: inheritance (irregular)*

9. Jason's dad pays him to shovel the driveway each time it snows.

- *Answer: Sources of income: money from shoveling driveway (irregular)*

10. Fred sold his old video games at a garage sale.

- *Answer: Sources of income: selling video games (irregular)*

ACTIVITY 2: THE ART OF BUDGETING

Learning Objectives

- 1 Identify and prioritize some of your personal and financial goals
- 2 Identify the steps you can take and the resources you will need to achieve your goals
- 3 Identify and examine your current spending behaviors and patterns
- 4 Understand what it means to budget, and identify the reasons to maintain a budget
- 5 Create and maintain a personal budget that supports your personal and financial goals

Duration



1 hour

Level

- Beginner
- Intermediate
- Advanced

Materials /Resources

- »» Worksheets
- »» Quiz (printed)



Description - Activity Steps

What Are Your Goals?

- Ask participants about their goals, based on their situation. Make a list, separating them into short, intermediate and long-term goals.
- Pick one goal from each group. Have the class brainstorm about the steps they can take and the resources needed to achieve those goals.
- Participants individually work through “What Are Your Goals?” and “Working with Your Goals.”

Where Does Your Money Come From?

- Participants identify their current or potential (new job, career change) sources of income.
- Discuss the feelings of being financially dependent vs. financially independent.

Where Does Your Money Go?

- Participants keep a record of everything they spend during a one-month period.
- Ask participants what patterns they can see in their spending habits.
- Discuss topics such as impulse buying and what factors might influence purchasing decisions.

Setting Up and Maintaining a Personal Budget

- Guide participants set up a personal budget that supports their personal and financial goals.
- Ask participants to try to stick to their budget for one month.
- At the end of the month, discuss what it was like to stick to a budget. Was the budget realistic? Where did they overspend and where did they spend less? What would they change about their budget?

Mini Quiz: Evaluation of learners' understanding

Debriefing questions

01

Where does your money come from?

02

Where money goes?

03

Record your expenses and revise your budget

Worksheet (1)

Income	Budget	Actual	Difference
Source #1	€	€	€
Source #2	€	€	€
Source #3	€	€	€
Total monthly Income	€	€	€



Expenses	Budget	Actual	Difference
Fixed regular expenses	€	€	€
Fixed irregular expenses	€	€	€
Transportation	€	€	€
Other	€	€	€
Total monthly expenses	€	€	€

Worksheet 2 (Expenses Analysis)

Fixed regular expenses			
Rent	€	€	€
Car insurance	€	€	€
Car payment	€	€	€
Credit card	€	€	€

Fixed irregular expenses			
Savings	€	€	€
Food	€	€	€
Utilities	€	€	€

Transportation			
Bus fare	€	€	€
Gas and oil	€	€	€
Parking and tolls	€	€	€
Repairs	€	€	€

Other			
Medical expenses	€	€	€
Clothing	€	€	€
Entertainment	€	€	€
Household items	€	€	€
Personal items	€	€	€
Tuition / School expenses	€	€	€
Other	€	€	€

QUIZ

TRUE - FALSE

1. The budgeting process starts with monitoring current spending ___ (F)
2. Most short-term goals are based on activities over the next two or three years ___ (F)
3. A common long-term goal for parents of a new born child may involve saving for college ___ (T)
4. Rent is considered a fixed expense ___ (T)
5. Flexible expenses stay about the same each month ___ (F)

MULTIPLE CHOICE

6. The final phase of the budgeting process is to: ___ (C)
 - A. set personal and financial goals
 - B. compare your budget to what you have actually spent
 - C. review financial progress
 - D. monitor current spending patterns
7. An example of a long-term goal would be: ___ (B)
 - A. an annual vacation
 - B. saving for retirement
 - C. buying a used car
 - D. completing college within the next six months
8. A clearly written financial goal would be: ___ (B, D)
 - A. "To save money for college for the next five years"
 - B. "To pay off credit card bills in 12 months"
 - C. "To invest in an international mutual fund for retirement"
 - D. "To establish an emergency fund of \$4,000 in 18 months"
9. An example of a fixed expense is: ___ (B)
 - A. Clothing
 - B. Auto insurance
 - C. An electric bill
 - D. Educational expenses
10. It is commonly considered a flexible expense: ___ (D)
 - A. Rent
 - B. A mortgage payment
 - C. Home insurance
 - D. Entertainment

ACTIVITY 3: BUILD YOUR BUDGET

Learning Objectives

- 1 The objective of this activity is for young people to make simplified budgeting decisions for their adult life. Young people vote on a series of budgeting options to collaboratively create a zero-based budget for the whole class.

Duration



1.5 hour

Level

- Beginner
- Intermediate
- Advanced

Materials /Resources

- Slide Deck (please see slides 23, 24)
- Spreadsheet - make 1 electronic copy



Description - Activity Steps

Part I: Prepare the Game

Post signs labeled A, B, and C in three corners of your classroom

Make a copy of the Spreadsheet. You will use this to track the class budget as you go through the activity.

Open the Slide Deck in one tab of your computer and your copy of the Spreadsheet in another tab.

Note: You can also keep the budget manually on your chalk/whiteboard or large poster paper if you prefer.

Part II: Play the Game

1. Project the Slide Deck
2. Explain to participants that on each decision slide, they should choose whether they, personally, would choose Option A, B, or C if they were moving into an apartment. Then, they should move to the corresponding corner of the classroom
3. Each participants gets to choose independently, but you will record into the class spreadsheet the Option that receives the most votes (by most learners standing in that corner)
Note: You may want to give participants the opportunity to talk amongst themselves in their groups, to convince others from around the class to join their corner, or to explain their reasoning
4. For each decision slide, record the cost of the most popular Option into your copy of the Spreadsheet. This serves as your class' pretend budget
5. As rounds progress, you'll want to frequently draw participants' attention to the "Monthly Budget Remaining" line of the spreadsheet, so they know how to make upcoming decisions without going over budget
6. When you get to slide 18, "the fun stuff" you can decide how much time to devote here. Some options include:
 - a. Participants vote on the top 3 things they will spend money on from this list
 - b. Participants vote on each expense by giving a thumbs up/down
 - c. Participants vote on each expense by moving to a corner (A for YES, B for NO)

Debriefing questions

01

If all of your own personal decisions were going into the spreadsheet, how would your overall budget change?

02

Would your budget survive if you had a major life change or a large expense?

Slide deck

Imagine Your Future...

Picture yourself as an independent adult, post-college, starting your first career...

Where do you live?

How do you envision your lifestyle?

How do you spend your free time?

Starting income

(Hypothesis) Salary of a college graduate 2023: GROSS PAY $\text{€}55,260$ € per year (4,605 € per month)

Paycheck Deductions

Your Pay Check Results		Calculation based on	
Monthly Gross Pay:	€4605	Tax Year	2022
Federal Withholding:	€490.27	Gross Pay	€55,260
FICA	€285.51	Pay Frequency	Monthly
Medicare	€66.77	Federal Filing Status	Single
Virginia	€217.31	# of Federal Allowances	1
		Additional Federal W/H	0
		State	Virginia
NET PAY	€3,545.14	Filing Status	Single
MONTHLY NET PAY: €3,545		Allowances	1
		Add. Allowances	0
		Additional State W/H	0

Slide deck

Fixed Payments

participant LOAN DEBT Average debt: 393 €

HEALTH INSURANCE Average bronze premium: 448 €

Saving & Retirement

How much will I save every month?

A: 5% (177 €)

B: 10% (355 €)

C: 15% (532 €)

Rent

How much will I pay for half of a 2-bedroom?

A: 552 €

B: 770 €

C: 895 €

Renters Insurance

Do I choose to get renters insurance? (YES/NO) Cost 15 €

Utilities

Electric & Gas: 90 €

Water & Sewer: 35 €

Trash & Recycling: 7 €

Streaming

How much entertainment do I want?

A: Netflix 13€

B: Disney 14€

C: YoutubeTV 65€

High-Speed Internet

How fast do I need to surf?

A: 30 €

B: 36 €

Transportation

How will I commute & get around town?

A: Public Transit 67 €

B: Used Car 465 €

C: New Car 609 €

Car Ownership

A: Insurance: 157 €

B: Maintenance: 66 €

C: Gas: 90 €

Total: 313 €

Food

How much will I spend on food?

A: Low Cost 252 €

B: Moderate Cost 312 €

C: Liberal Cost 390 €

Slide deck

Cell Phone Plan

How much cell data do I need?

A: Value Plan 50 €

B: Unlimited 75 €

C: Unlimited Elite 85 €

Basic Necessities

A: Shower/bathroom products 17 €

B: Dental hygiene 10 €

C: Laundry 10 €

D: Kitchen/cleaning 25 €

Total: 62

Clothes/Shoes

How much will I spend on clothes and shoes?

A: Thrifty 60 €

B: Fast Fashion 120 €

C: Designer 180 €

What about the fun stuff?

Apple Music, Spotify Premium 5 €, 10 €

Hair appointment 17 € /40 € / 75 €

Gym Membership 58 €,

Manicure 25 €, Pedicure 40 €

Going out 240 €

Hobbies ?

Vacations 170 €

Electronics 35 €

Donations ?

Gifts 25 €

Pets 58 €

ACTIVITY 4: INFLATION OVER TIME

Learning Objectives

- 1 The objective of this activity is for young people to explore how inflation impacts purchasing power over time.

Duration



2 hours

Level

- Beginner
- Intermediate
- Advanced

Materials /Resources

➤➤➤ Printed Material (3 Axes)

➤➤➤ Calculator



Description - Activity Steps

Part I: Prepare the Game

Preview the Slide Deck or Slide Deck with Answers and make any adjustments you'd like for your class. You can add or remove slides by clicking "File" then "Make a Copy".

Prepare your space. For each prompt, participants will be moving and choosing a spot along an axis. You will need room for participants to move and a way for them to know where they are along that axis. Here are some options:

- Project the Slide Deck or Slide Deck with Answers, which includes an x-axis. This works best for small groups or small spaces.
- Draw a line for an x-axis across the whiteboard with 5 tick marks. For each round, write the starting and ending values for the x-axis.
- Print out one copy of the Axis Marker Deck. For each round, tape the numbers in order along a wall or floor to form an x-axis.

Part II: Play the Game

Project the slides so all participants can see them and ensure there is enough room for them to move around the classroom. If you are using the Slide Deck with Answers, put the slide deck into PRESENT mode, so the animations will work and participants cannot see what content is coming next.

Description - Activity Steps

Explain the activity directions, which are written on slide 2 of the Slide Deck. Participants will be making guesses about prices over time. After you show each prompt, participants will move to the corresponding area of the classroom. There will be three rounds with slightly different types of questions:

Round 1: Guess the year

Round 2: Guess the price

Round 3: Guess the effect on purchasing power

Play each round. Read each prompt and give participants 30 seconds to silently decide on their answer. When you say GO, they move to that area of the classroom. Once they have moved, you can facilitate as little or as much conversation as you like.

This activity is intended for young people to explore how prices and purchasing power change over time; They may not be able to determine the exact answer and that's okay!

Debriefing questions

01

In your own words, what is inflation?

02

Considering the impact of inflation, why is investing important?

03

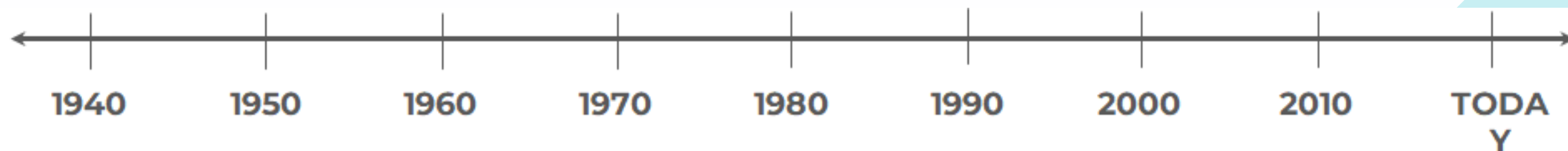
Who do you think is likely to be most affected by inflation? Why?

Round 1

1. Imagine a timeline across the room, with one end representing 1950 and one end representing the present day.
2. Your teacher will tell you the price of each item. In your head, silently guess the year when that item cost the specific price.
3. When your teacher says GO, move to that “year” in the classroom

Questions:

1. When did a McDonald’s hamburger cost 0,15 €?
2. When did a movie ticket cost 4.35 €? (An average movie ticket cost 9.16 € in 2021.)
3. When did a large bag of potato chips cost 2.50 €? (It cost 5.27 € in 2021)
4. When did the average pair of shoes cost 30 €? (The average cost of footwear was 141 € in US Cities in 2021)
5. When did a pack of chocolate chip cookies cost 2.00 €? (It cost 3.81 € in 2021)
6. When did the average new car cost 3,450 €? (The average new car cost 45,031 € in September 2021)
7. When did the average rent cost 592 €? (The average cost of monthly rent was 1,164 € in October 2021)

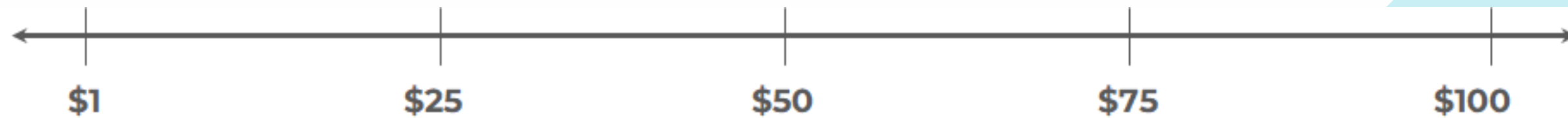


Round 2

1. Imagine an axis running across your classroom, with one end representing 1 € and the other end representing 100 €.
2. Your teacher will tell you the price of the item, and a number of years. In your head, silently guess how much that item will cost if inflation averages 2% per year.
3. When your teacher says GO, move to that “price” in the classroom

Questions:

8. How much will a Nalgene water bottle cost in 15 years? (Assume it costs 12 € today and inflation averages 2% per year)
9. How much will a pack of 3 plain t-shirts cost in 30 years? (Assume it costs 14 € today and inflation averages 2% per year)
10. How much will a cup of coffee cost in 20 years? (Assume it costs 2.70 € today and inflation averages 2% per year)
11. How much will a new pair of sneakers cost in 10 years? (Assume it costs 60 € today and inflation averages 2% per year)
12. How much will a backpack cost in 25 years? (Assume it costs 40 € today and inflation averages 2% per year)
13. How much will a large pizza cost in 30 years? (Assume it costs 9.99 € today and inflation averages 2% per year.)
14. How much will a pack of gel pens cost in 20 years? (Assume it costs 14.79 € today and inflation averages 2% per year)
15. How much will a pair of jeans cost in 20 years? (Assume it costs 39.95 € today and inflation averages 2% per year)



Round 3

Your teacher will describe a scenario.

Decide whether you think your purchasing power would increase, decrease, or stay the same in this scenario.

When your teacher says GO, move to the corresponding place in the classroom.

After you've moved, your teacher will give you a chance to explain your reasoning and recruit more classmates to your corner.

Questions:

16. What Happened to Your Purchasing Power?

Scenario: You have 250 € in a no-interest savings account and 200 € in a savings account that earns 0.50% interest annually. Over the next five years, inflation rates are: 2%, 1.8%, 1.8%, 2.1%, 2.3%

17. What Happened to Your Purchasing Power?

Scenario: You have 100 € in a savings account that earns 1% annual interest and 300 € in a 5-year CD that earns 2% interest. Inflation average 2.5% over the next 5 years.

18. What Happened to Your Purchasing Power?

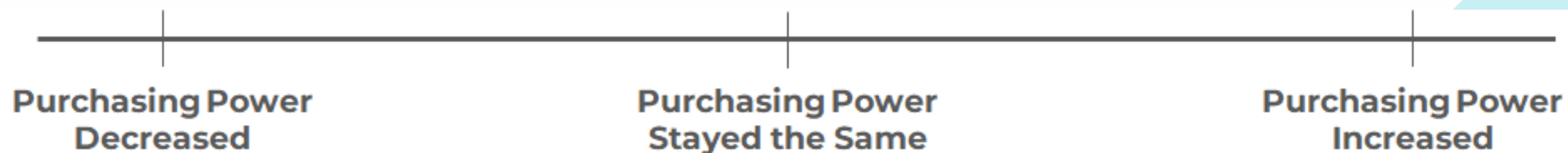
Scenario: You invest 300 € in the stock market. Over the next 5 years, your annual returns are: 7.5%, 8.5%, 9.5%, 6%, 2% Inflation averages 3% over the next 5 years.

19. What Happened to Your Purchasing Power?

Scenario: You have 500 € in no-interest savings and 500 € invested in a bond with a coupon rate (interest rate) of 4% per year. Over the next 5 years, annual inflation rates are: 2.1%, 1.9%, 1.7%, 2%, 2.3%

20. What Happened to Your Purchasing Power?

Scenario: You invest 1000 € in the stock market. Over the next 3 years, your annual returns are: 8.5%, 4%, -6.5% Inflation averages 2.6% over the next 3 years.



ACTIVITY 5: THE BEAN GAME

Learning Objectives

- 1 Practice budgeting basics using The Bean Game
- 2 Understand the impact a restricted budget can have on their spending habits
- 3 Reflect on their personal budgeting choices

Duration



2 hours

Level

- Beginner
- Intermediate
- Advanced

Materials /Resources

»»» Worksheet (Bean Map)

»»» Working Scenarios



Description - Activity Steps

Define the objective: The first step is to define the objective of the activity. In this case, the objective is to help youth discover what is most important to them to spend money on and how their personal experiences and values affect your money management decisions.

Prepare the materials: Print copies of the Worksheet and distribute them to the participants.

Start the activity: This game can be played individually, or in small groups, each with max. 5 people. Provide each participant or small group 20 beans.

Note: If beans, peanuts, or small candies are unavailable, participants can also shade in the empty bean icon on the worksheet with a colored pencil or marker.

Part II: Play the Game

Round 1: Explain to participants that the 20 beans represent their “income”. Each item on their worksheet has a set number of beans which indicates how many beans are needed to “pay” for that item. Instruct each learner or small group to go through each of the starred categories (Housing, Food, etc.) and choose which options they want to “spend” their beans on. Have them physically place the beans on the paper for the options they choose. Once they have finished selecting items in the required categories, they continue to select options in the other categories until they have used up their 20 bean income. Direct participants to answer the Round One Discussion Questions on their Worksheet.

Round 2: Explain to participants that their income has been cut to 13 beans for Round 2. Instruct them to remove 7 beans from their existing bean allocation. Direct them to answer the Round Two Discussion Questions on their Worksheet.

As participants share their main takeaways, highlight that bean allocation ranges differently for each learner, as these decisions are a reflection of their personal values and attitudes around money.

Description - Activity Steps

Round 3: Have participants complete the questions from Round 3: Reflection on the Worksheet, either in writing or as a class discussion.

Wrap up: Finally, wrap up the activity by summarizing the key takeaways and providing participants with additional resources for learning relevant videos and additional activities in order to encourage them to continue learning and practicing their skills.

Debriefing questions

01

Did the cost of any of the categories and options surprise you? Which ones and why?

02

Explain the reasoning behind how you spent your 20 bean income.

03

What 3 main takeaways did you learn from this activity to help you create strong, realistic budgets for yourself in the future?

Animation/ graphics/ visuals/ videos

Alternative to the use of The Bean Game (Virtual Template)

Wheel decide (<https://wheeldecide.com/>) to use extension material or Extension to the Bean Game scenarios

The Bean Map

Housing	
Living with family, sharing cost of utilities	DD
Share an apartment or house with roommates	DDDD
Rent your own place	DDDDD

Food	
Cook at home; dinner out once a week	DD
Frequent fast food lunches and weekly dinner out	DDDD
All meals away from home	DDDDD

Transportation	
Walk or bike	No cost
Ride bus or join carpool	D
Buy fuel for family car	DD
Buy a used car and gas	DDDD
Buy new car and gas	DDDDD

Insurance		
Auto	No coverage (ONLY if select no car below)	No cost
	Liability coverage only	DD
	Comprehensive coverage	DDDD
Health and Disability	No coverage	No cost
	Basic health coverage	DD
Property	No coverage	No cost
	Renters insurance	D

Clothing		
Clothing	Wear present wardrobe	No cost
	Shop at discount or thrift stores	D
	Shop for new clothes	DD
	Shop for designer clothes	DDDD
Laundry	Do laundry at parents' house	No cost
	Use laundromat; some dry cleaning	D
	Rent or purchase washer and dryer	DD

Recreation	
Hiking, hanging out with friends, scrolling your phone	No cost
Streaming service for music, TV, movies	D
Movie theaters, gym membership, clubs or hobby groups	DD
Concerts, sporting events	DD
Big vacations	DDDD

The Bean Map

Furnishings	
Second-hand from relatives or friends	No cost
Buy at a garage sale, thrift shop, or used online	☺
Rent furniture or live in furnished apartment	☺☺
Buy new furniture	☺☺

Personal Care	
Basic products: soap, shampoo, toothpaste, make-up, etc.	☺
Occasional professional haircuts, basic personal care products	☺☺
Regular hairstyling, nails, name brand personal care products	☺☺☺

Communication	
No phone	No cost
Phone with limited data	☺
Phone with unlimited data	☺☺
Wifi at your home	☺

Gifts	
Make your own	☺
Purchase cards or small gifts occasionally	☺☺
Purchase frequent gifts for family and friends	☺☺☺
Contributions to charities and/or religious groups	☺

Savings	
Keep cash in a piggy bank at home	No cost
5% of income	☺
10% of income	☺☺
Invest for retirement	☺☺

The Bean Scenarios

Scenario 1

Someone in the family just broke their leg. If you have health insurance, you don't need to do anything. If you don't have health insurance, take off 3 beans.

Scenario 2

Your parent or guardian just got a 2 bean raise! Decide where it should be spent.

Scenario 3

Inflation has hit food prices! All food categories are now 1 bean more expensive. Adjust your budget to account for the higher prices.

Scenario 4

Your employer has decided to match a portion of your retirement investment contributions. Add 2 beans to your budget if you choose to invest for retirement.

Scenario 5

A neighbor's dog ate your couch cushions (shame he didn't have an appetite for your homework)! Unless you're living on your own AND paying renters' insurance, take off 1 bean for repairs.

ACTIVITY 6: QUIZ

Learning Objectives

- 1 The session will highlight what was learnt during theory and during the other activities
- 2 In this final quiz, participants will use the knowledge they have learnt to challenge each other in a friendly manner and win.

Duration



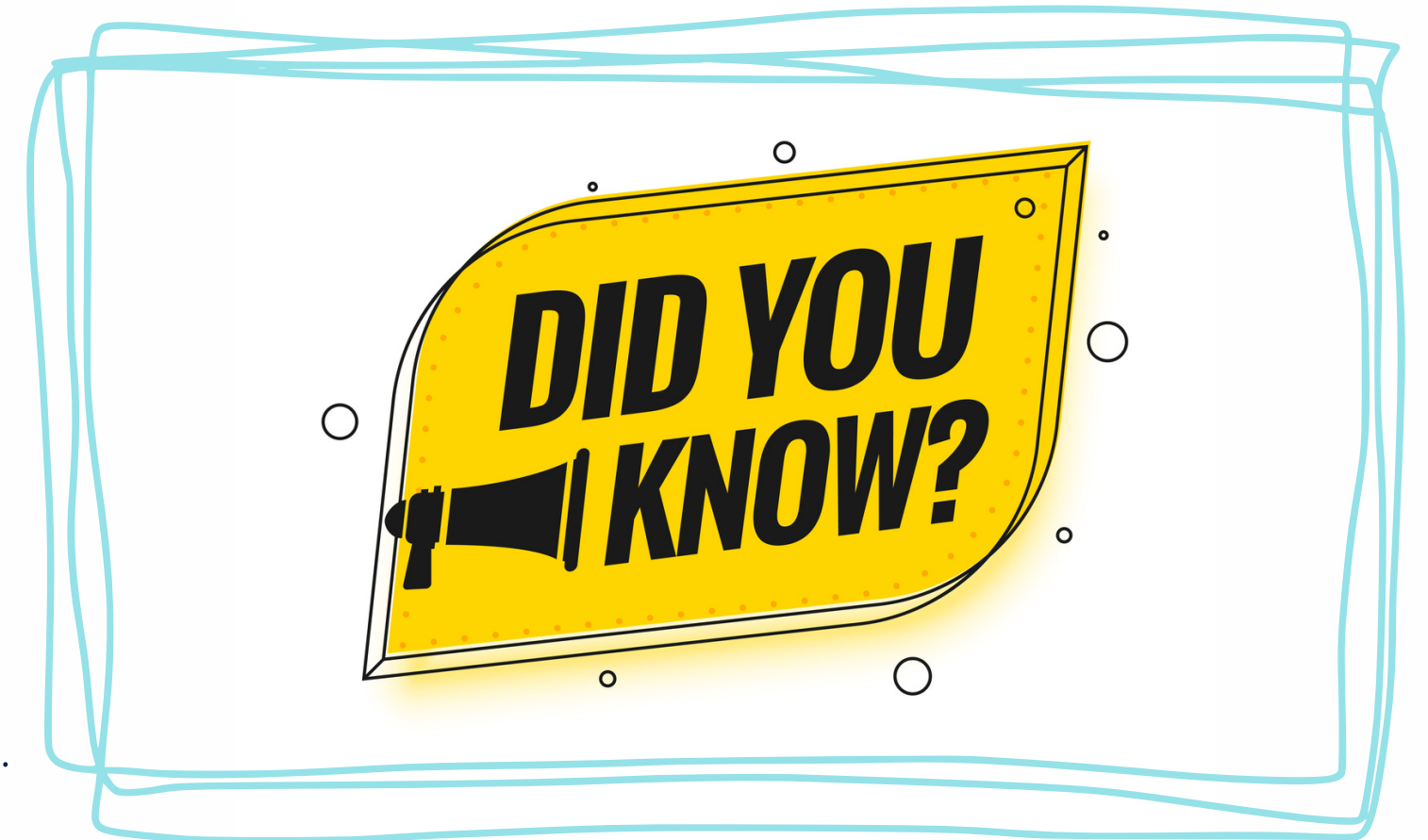
1 hour

Level

- Beginner
- Intermediate
- Advanced

Materials /Resources

- Final quiz on knowledge acquired from previous activities.
- Printed Quiz



Description - Activity Steps

Give points to each question of the quiz according to the level of difficulty and set them into three categories (easy, medium, hard).

Divide the participants into teams and give each team a quiz. Set the timer for half an hour.

Begin the game. The teams should discuss and choose an answer in every question. If they answer correctly, they earn the point value of the question.

At the end of the game, add up the points and declare the winning team.

Conclude the activity with a discussion on the financial concepts covered and how to apply them in real life. Encourage participants to share their insights and ask questions.

Round-table discussion: end the activity with a round-table discussion where participants can justify their initial choice and the changes they made. This will help them reflect on their decisions and share the knowledge they have acquired with others. Encourage participants to ask questions and engage in a constructive discussion.

Wrap up: Finally, wrap up the activity by summarizing the key takeaways and providing participants with additional resources for learning more about loans and debt risk management. Encourage participants to continue learning and practicing their skills.

QUIZ (1)

1. What is a budget?

- A) A list of your monthly bills
- B) A plan for managing your expenses and income ✓
- C) A way to track your daily expenses

2. What is the 50/30/20 rule?

- A) A rule for creating a balanced diet
- B) A rule for dividing your income into spending categories ✓
- C) A rule for saving money for emergencies

3. What are fixed expenses?

- A) Expenses that stay the same every month, like rent or car payments ✓
- B) Expenses that vary from month to month, like groceries or entertainment
- C) Expenses that are optional, like eating out or shopping

4. What is an emergency fund?

- A) A fund for entertainment and leisure activities
- B) A fund for daily expenses, like groceries and gas
- C) A fund set aside for unexpected expenses, like car repairs or medical bills ✓

5. What is the difference between a want and a need?

- A) A need is something essential for survival, while a want is something desirable but not necessary ✓
- B) A want is something essential for survival, while a need is something desirable but not necessary
- C) A need and a want are the same thing

QUIZ (2)

6. What is a common mistake people make when creating a budget?

- A) Saving too much money
- B) Spending too much on fixed expenses
- C) Not tracking their expenses ✓

7. What is a good way to reduce expenses?

- A) Take more vacations
- B) Spend more money on entertainment
- C) Cook meals at home instead of eating out ✓

8. What is the best way to track your expenses?

- A) Use a budgeting app or software ✓
- B) Write them down on a piece of paper
- C) Keep them in your head

9. What is a good strategy for paying off debt?

- A) Pay off low-interest debt first
- B) Pay off high-interest debt first ✓
- C) Ignore your debt and hope it goes away

10. Why is it important to have a budget?

- A) It makes you feel more stressed about money
- B) It helps you track your expenses and achieve your financial goals ✓
- C) It doesn't matter, as long as you have a job

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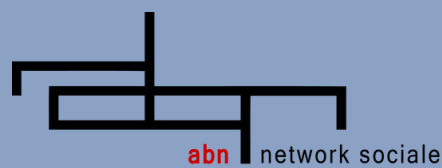
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FLY PLAYBOOK

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