

Budget Game – Teacher’s Guide

Overview:

Students need to make choices about how they will spend their money each month. This activity helps them understand the difference between wants and needs. Students can work individually or in pairs. Working in pairs helps simulate what happens when they have a roommate and their choices involves more than one person. Working individually is helpful to represent living on their own. There are two rounds to the game so another option is to have them work individually for Round 1 and then work with a partner for Round 2. Round 2 is challenging because they have a reduced number of beans for that month.

Items Needed:

- Small dried beans (enough for each student in the class to have 20 beans each)
- Handout with game board

Instructions:

- Begin with a discussion explaining wants and needs. A *need* is a necessity (such as food, shelter, water) and these items are represented by red in the game. A student cannot opt out of the required expenses. A *want* can be very similar to a *need*, but typically these items are “nice to haves” or additional purchases.
- During the discussion, ask students to provide an example of each.
- Pass out the game board and give each student 20 beans.
- **Round 1:** Students will use the 20 beans and allocate how they want to spend their monthly income (represented by the beans).
 - Round 1 discussion questions:
 - How did you decide where you placed your beans? (leads to a discussion on needs versus wants)
 - Did you find it easy to make decisions or difficult?
 - What trade-offs did you have to make?
 - Did you change your mind throughout the first round?
 - Were you surprised with the costs of any category?
- **Round 2:** Before having students clear their beans from the game card, ask how many saved money during Round 1. Students who saved during Round 1 can keep that number of beans on their card. Everyone is to remove the other beans from their cards.
 - Inform the students that they have lost their job and accepted a new position that pays less money.
 - Collect 7 beans from each student. They now have 13 beans to work instead of 20 on their budget. However, the students who saved money during Round 1 are able to keep those beans along with their 13. (Two beans are the most students would have been able to save from Round 1, bringing their total for Round 2 to 15 beans.)

- Round 2 discussion questions:
 - What categories did you reduce to get down to 13 beans? If they dropped insurance make certain they understand there are risks involved with that.
 - Did they use any of their savings from Round 1 in Round 2? How did that help them? Were they still able to save money in Round 2?
 - (If students were paired up in Round 2) Was it harder or easier to work with a partner in Round 2 than making the decisions yourself?

Teacher ends the activity by letting students know that most people have a set amount of income each month that is used to cover their needs and wants. It is important to create a budget and keep track of income coming into a household and the expenses being paid out.