

## **Personal Finance Education Curriculum for 18-35 year olds**

Curriculum written by Kate Nixon Anania

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For use in conjunction with *Twenties in Your Pocket: A twenty-something's guide to money management*, by Kate Nixon Anania

Available on [Amazon](#).

### **Class 3: Budgets**

**Assigned reading:** Chapter 4 of *Twenties in Your Pocket: A twenty-something's guide to money management* by Kate Nixon Anania

**Resources:** you need dried beans and printed out budget games for this lesson. Activity can be done in teams or individually.

- Discuss feelings about the word budget. Does it feel restrictive? Why?
  - Talk about how budgets are thought to be restrictive, but try thinking about it as a way to give yourself permission to buy things because you know you can afford them.
- See if anyone has a budget-- talk a little about what a budget is and how it can look

**Activity:** brainstorm common budget categories (examples below)

- Rent
- Utilities
- Cable/Internet
- Phone
- Public Transportation
- Car payment
- Insurance
- Gas
- Emergency fund
- Restaurants
- Savings
- Gym/Fitness
- Alcohol/Bars (omit if working with under-21)
- Retirement investments
- Groceries
- Clothes
- Charities
- Haircuts/personal care
- Travel

**Activity-:** Bean budget game developed by Utah State University. Found at <https://extension.usu.edu/utah/files/uploads/Finance/THE%20BEAN%20GAME.pdf>

# THE BEAN GAME

Living on a "20 Bean Salary"

Recreated and Reproduced by  
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## Game Instructions

### Purpose

Managing money means making choices. There is never enough money available for all of the things we'd like to have or do. This game will help you decide what is most important to you.

### How to Play

*This game may be played individually, but optimum results come from playing in a group of 2 or more. Divide participants into groups of at least 2 and not more than 5. Each individual/group receives 20 beans and a set of spending category sheets. The individual/group must decide how to spend their "income" based on life circumstances, values and goals. Each item has a set number of squares which indicates how many beans are needed to "pay" for that item.*

#### ROUND #1

First, each individual/group must select one item in each of the categories with the gold stars (Food, Housing, Furnishings, Transportation, Insurance and Clothing & Laundry). Once you have finished selecting items in the required categories, continue selecting items until you have used up your 20 bean income.

#### DISCUSSION QUESTIONS

Why did you choose the items you did? In what ways were you influenced by your values? Your goals? Your previous experiences? Compare what you spent your beans on with another individual/group.

#### ROUND #2

Your income has just been cut to 13 beans. What will you give up? What changes will you make? Make changes until you only have 13 beans on your spending sheets.

#### DISCUSSION QUESTIONS

What kinds of items did you choose to give up? Why? What did you learn about yourself and money in this process? Compare your budget-cutting choices with another individual/group.

#### OTHER CHOICES you may have to make...

- 1) Someone in the family just broke their leg. If you have insurance, you don't need to do anything. If you don't, take off 3 beans.
- 2) Your mom or dad just got a 2 bean raise! Decide where it should be spent.

#### RESOURCES:


Parker, L. (n.d.). *The Bean Game*. Washington State University Extension, Family Resource Management Specialist.  
Office of State Treasurer John Pendue. (n.d.). *The Budget Game: Living on a 20 Square Salary*. Financial Education Programs, Charleston, WV.  
Retrieved October 26, 2008 from <http://www.wvtreasurer.com>.

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## Housing with Utilities




live with relatives sharing cost of utilities (no phone) ☐ ☐

share an apartment or house with others, including basic utilities (no phone) ☐ ☐ ☐

rent place of your own, including basic utilities (no phone) ☐ ☐ ☐ ☐



## Insurance



**Auto**

Liability coverage only ☐ ☐

Complete coverage ☐ ☐ ☐

**Health and Disability**

No coverage **No Cost**

Fringe benefits of job ☐


Basic health coverage ☐ ☐

Individual health & disability coverage ☐ ☐ ☐

**Renters**

Property and liability coverage ☐

## Communications




No phone **No cost**

Phone with limited long distance calls ☐


Phone with many long distance calls ☐ ☐

Cell phone ☐

High-speed Internet ☐ ☐



## Gifts



Make your own ☐

Purchase cards or small gifts occasionally ☐ ☐

Purchase frequent gifts for family and friends ☐ ☐ ☐



## Savings




Change in piggy bank **No cost**

Five percent of income ☐


Ten percent of income ☐ ☐

Invest for retirement ☐ ☐

Contribution to charities and religious groups ☐



## Furnishings



Borrow from relatives or friends **No cost**

Rent furniture or live in furnished apartment ☐

Buy at a garage sale or thrift shop ☐

Buy new furniture ☐ ☐

## Recreation



Hiking, walking, visiting friends or library

No cost

TV, snacks, picnics, driving around

☐

Cable TV, sports and movies

☐ ☐

Fishing, hunting, hobbies

☐ ☐

CDs/music, books, DVDs

☐ ☐

Concerts, vacations & spectator sports

☐ ☐ ☐

## Personal care



Basic products like soap, shampoo, toothpaste, make-up, etc.

☐

Occasional professional haircuts, basic personal care products

☐ ☐

Regular professional hairstyling, name brand personal care products

☐ ☐ ☐

## Clothing & Laundry ★

### Clothing

Wear present wardrobe

No Cost

Use your sewing skills

☐

Buy at a discount store, thrift shop, or used clothing store

☐

Buy at a department store

☐ ☐

Shop for designer clothes

☐ ☐ ☐

### Laundry

Do laundry at parents

No Cost

Use Laundromat; some dry cleaning

☐

Rent or purchase washer or dryer

☐

## Food ★



Cook at home; dinner out once a week

☐ ☐

Frequent fast food lunches and weekly dinner out; cook other meals at home

☐ ☐ ☐

All meals away from home

☐ ☐ ☐ ☐

## Transportation ★



Walk or bike

No cost

Ride bus or join a carpool

☐

Buy fuel for family car

☐ ☐

Buy used car and fuel

☐ ☐ ☐

Buy new car and fuel

☐ ☐ ☐ ☐

## More choices

Books or other items purchased on installment plan

☐

Newspaper and magazine subscriptions

☐

New TV, DVD player or iPod

☐ ☐

★ Gold Star denotes Required Category



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### Post-game discussion

- Wants versus needs
    - Are there some expenses you can go without? Some that you can't?
    - Can you lower the cost of any of your needs? (yes—talk through strategies to lower grocery costs, commuting expenses, housing)
      - Examples:
        - Groceries**—cut back on meat, buy items on sale, use coupons and reward codes, buy generic brands.
        - Commuting**—carpool, bike, walk. Look at public transportation or even ridesharing if you have only occasional needs for cars.
        - Housing**—get a roommate, move to a less expensive place, move back home.
    - How do you include wants in your budget? (answer: plan for it!)
  - Fixed vs variable expenses
- Brainstorm:
- What are some ways to lower your variable expenses?
  - What are some ways to lower your fixed expenses?
- Pay yourself (have an emergency fund, save for retirement)

Note: the “how tos” for making a budget are mapped out very clearly in the assigned reading (chapter 4). People prefer different methods for budgeting and there is a personality quiz and other resources in the chapter that will help your students get started with very practical, step-by-step instructions.