



Spending and Saving Money Module

Instructor's Guide

This course will be interactive with hands-on activities focusing on budgeting and saving aspects to help students have a better financial footprint. Participants will receive take-home materials to allow for other household member involvement in order to keep the lines of communication open about the impact finances have in their daily lives.

Objectives

- Understand how your spending affects your financial success.
- Learn to balance income and spending through money-management techniques, such as
 - Identify needs vs. wants
 - Identify spending leaks
 - Tracking expenses
 - Developing a spending-savings plan

Course Structure: The structure has been built for a 60-minute class. The following is the class outline.

- Students arrive and sign in. Course should start promptly at given time.
- Classroom introductions with Ice Breaker activity (5 minutes)
- Lesson: Spending and Saving Money (45 minutes)
 - Activity 1: Spending Choices Game
 - Activity 2: Spending Leaks: Adding Up the Extras
- Conclusion: Q & A and filling out class evaluation/survey (10 minutes)
- Students should receive take-home course material and course completion certificate.

If time class activity: Is it a need or want? worksheet

Included in this packet: PowerPoint presentation, class sign-in sheet, in-class handouts, take-home summary sheet, class certificates and student assessments.

In-class handouts:

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|----------------------------------|------------------------------------|
| - Financial Fitness Toolkit | - Spending-Savings plan worksheets |
| - Spending Choices Game sheets | - Is it a Need or Want? worksheet |
| - Adding Up the Extras worksheet | - Class summary sheet |

Additional materials needed:

- Laptop, projector
- 1 bag of beans
- Writing utensils – pens, pencils, black sharpie

Curriculum sources are the Federal Deposit Insurance Corporation, Purdue University Extension and University of Illinois Extension. Additional information available at NIBOA.org.

CLASS ACTIVITIES

Activity 1: Spending Choices Game (20 minutes)

- **GOAL:** To identify needs versus wants when making spending choices and strategize ways to adjust spending to accommodate financial challenges.
- **MATERIALS**
 - Spending game sheets set per each group of 3 to 5 participants. If possible, laminate in order to reuse.
 - 20 beans and a small plastic bag per sheet set.
- **INSTRUCTION**
 - Round 1: Divide participants into groups of 3 to 5 people.
 - Give each group a spending game sheet set and 20 beans. Each group should use the beans to mark their category selections they have chosen as a group. Beans can be moved around until the group comes to a final set of choices. The number of bean icons by an item indicates how many beans a choice costs. For example, renting a place of your own requires three beans.
 - Discussion questions:
 - How did your group decide where to place your beans? Did all members have equal say? Did needs versus wants affect these decisions? Did you choose to leave out any categories? If so, why?
 - Round 2: One household member has lost their job or has had work hours significantly reduced. The household budget is now reduced. Each group must remove 7 beans from the spending line items. After all households have removed the 7 beans, explore why with some of the following questions:
 - What type of changes did you make in your budget? Share examples.
 - What was the first item you gave up when your income dropped?
 - What was the last item you were willing to give up? Do you have savings in your budget? Did you lose it in the second round? If you have savings, what was the opportunity cost? In other words, what did you give up in order to keep savings?
 - If you had played the game by yourself, would the beans have been spent differently?

Activity 2: Adding Up the Extras worksheet (10 minutes)

- **GOAL:** To identify what they would be able to do differently if they adjusted their want spending.
- **MATERIALS**
 - Adding Up the Extras worksheet
 - Writing utensils, pen or pencil
- **INSTRUCTION**
 - In the first column, write the price for each item that you buy often.
 - In the second column, write down how often you buy the item each week.
 - In the third column (total weekly cost), multiply the price by the number of times the item was purchased to determine the total weekly cost.
 - In the fourth column, multiply by 52 to determine how much this item costs per year.

Optional Activity: Is it a Need or Want? worksheet (10 minutes) - If time allows for a third activity, utilize this as activity number 2, then follow up with the *Adding Up the Extras* Activity.

- **GOAL:** To identify needs (necessary for survival) versus wants (desire but is not necessary) when making spending choices.
- **MATERIALS**
 - Is it a Need or Want? worksheet
 - Writing utensils, pen or pencil
- **INSTRUCTION**
 - Step 1: Place a checkmark in front of the items that you regularly spend money on (daily, weekly, monthly).
 - Step 2: Circle the items that are needs. Mark through the items that are wants.