

Name:



**ACTIVITY: Money Magic**

Creating and maintaining a budget is a key step of being financially secure. It can be challenging to come up with a plan that balances your needs and wants while also saving for future life events. Money Magic gives you the opportunity to make some of these decisions. Follow your teacher's directions to play Money Magic and help Enzo budget his way to Vegas!

**Part I: Play Money Magic**

1. Go to [www.playmoneymagic.com](http://www.playmoneymagic.com).

**Part II: Reflection Questions**

2. Every round, the game forces you to allocate all of the money in your budget, so that your balance equals \$0 before you can move on. What are some of the advantages of creating a Zero-Based Budget? What disadvantages did you encounter with this style of budgeting?
  
3. Describe your budgeting process and how you chose to split the money among the different categories. How did that process evolve as you became more experienced playing the game?

4. Would you consider your budgeting strategy in this game a success? Why or why not?

5. While playing the game, did you read the critic reviews and star ratings after each of your shows?
- If so, how did they impact your strategies in the next round?
  - If not, why did you choose to ignore them?



6. How did you use the 3 meters and the "Show Earnings Report" throughout the game?



7. Enzo's goal was to save \$50,000 to make his way to Vegas. How did having a fixed, predetermined goal impact your gameplay?
  
  
  
  
  
  
  
  
  
  
8. What are three takeaways you learned from playing Money Magic that will help you when you create your own budgets in the future? Be specific.

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 **LEARN IT**

**ARTICLE: [What Is a Budget?](#)**

Now that you've had a chance to see the challenges of balancing all of the things that you wanted to do for Enzo with the needs of day to day life, let's get back to basics and consider the reasons that you would want to create a budget. Why is budgeting so important to financial success? Read the short article about the purpose of a budget. Then, answer the questions.

- 1. In your own words, explain why budgeting is important. Be sure to reference at least one of the reasons from the article.**
  
  
  
  
  
  
  
  
  
  
- 2. Have you ever tracked your expenses? What benefit do you think doing this might have in your personal life?**

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**VIDEO:** [Gross Pay vs. Net Pay: What's the Difference?](#)

A vital part of creating a budget is understanding how much money you have available to budget. You might think that's as simple as multiplying your hourly wage by your total hours worked—but that's not the case. Watch this video about the difference between gross and net pay. Then, answer the questions.

- 1. When you are creating a budget, should you use your gross pay or net pay? Explain your reasoning.**
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**VIDEO:** [Needs vs. Wants](#)

The next thing you'll need to do when creating a budget is to look at your expenses and figure out which ones are needs and which ones are wants. Watch this video to learn about the difference between needs and wants. Then, answer the questions.

- 1. Carly makes the following statement: "Everyone should have the same list of needs." Do you agree with this statement? Why or why not?**
  
  
  
  
  
  
  
  
  
  
- 2. Describe one example of something that might be a need for you but a want for someone else.**



**ACTIVITY: COMPARE: Needs vs. Wants**

**Part I: Assess Your Values**

Assuming that your fundamental needs of housing, clothing, and food have been met and you already have a savings plan in place, your budget may allow you to spend on a few extras.

- Review the list below, putting a:
  - **1** next to those that are needs for you,
  - a **2** next to high priority wants, and
  - a **3** next to low priority wants.
  - You can leave some blank if they don't fit into your lifestyle at all
  - Fill in the empty boxes with items you value that we haven't included

#	ITEM
	Trendy clothing
	Non-essential beauty/hygiene or grooming items/services
	Vacation/Travel
	Subscriptions (Netflix, Hulu, Spotify, etc)
	Professional expenses (employment resources, online course subscriptions, membership fees, conference attendance, etc)
	Electronics (video games, phones, etc.)
	Out-of-home entertainment (amusement parks, movies, bowling, etc)
	Dining out

#	ITEM
	Personal hobbies (membership fees, equipment, uniforms, clubs or teams, etc)
	Ride-sharing or mobility apps (Uber, Lyft, Bird, Jump)
	Holiday and other gift giving
	Charitable or religious donations
	Transportation costs (maintenance, car payments, insurance, public transportation)
	Cell phone plan
	Contributing to family income / Giving money to family
	Gym membership





4. Which of those items would be hardest to give up? Why?

5. How do your values inform your spending decisions in this category?

### **Part III: Consider This Example**

Your cousin graduated from college and got an intro-level job in human resources at a large company in Washington, DC. Leftover from college, they have one nice suit, a few business appropriate shirts and pants, and one professional pair of shoes. Your cousin's job requires them to be in business attire every day for work.

6. Would you consider your cousin's desire to upgrade their wardrobe a need or a want? Explain why you feel as you do.

7. Assume that your cousin decides they need a wardrobe update. What would you feel is an appropriate amount of business clothing for your cousin to own in order to succeed at their job?

8. What should be your cousin's approach to purchasing their wardrobe updates?



## EXIT TICKET

Follow your teacher's directions to complete the Exit Ticket.