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For most of the workbook activities, you'll need to use the Banzai Library. Here's how to find it:

- 1. Make sure you're signed up to use Banzai.**
- 2. Go to teachbanzai.com and log in.**
- 3. Click on "Library" at the top of the page.**

BUDGETING **COMPREHENSION**

INCOME AND EXPENSES

In the **Banzai Library**, go to the **Budgeting** section and read the article **“Income and Expenses.”** Answer the following questions based on what you read.

- 1. If you’re spending over your budget, how can you fix it?
 - A. Spend less.
 - B. Earn more.
 - C. Stop saving for emergencies.
 - D. A and C
 - E. A and B

- 2. Name three common monthly expenses.

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- 3. If you spend more than you have, your cash flow will be positive.
 - A. True B. False

- 4. Creating a spending plan should be a process.
 - A. rigid
 - B. flexible
 - C. Neither A nor B

- 5. This article uses the word “income” but doesn’t define it. What do you think it means?

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- 6. What are two common sources of income?

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BUDGETING	PROBLEM SOLVING
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Going on Vacation

Maisie earns \$45,000 a year after taxes and wants to go on a two-week vacation with a friend. The vacation costs \$3,000, but she can't afford it with her current budget—bummer! She needs your help.

MONTHLY AFTER-TAX INCOME

\$2,900

MONTHLY EXPENSES

Rent	\$900
Food	\$175
Entertainment	\$175
Phone	\$80
Utilities	\$150
Car Payment	\$200
Car Insurance	\$150
Gas	\$160
Other	\$350

YEARLY EXPENSES

Medical	\$2,000
Emergency	\$3,000

In the **Banzai Library**, go to the **Budgeting** section, click on the “**Income and Expenses**” article, and find the **Budget Calculator**. Enter Maisie’s current budget. **Hint:** make sure to select a category when entering her budget.

Add a **Yearly Expense** of \$3,000 for the vacation. If you enter the numbers correctly, you should have **–\$106** in **Monthly Savings**.

1. In order for Maisie to afford her trip, the monthly savings in the budget calculator has to be **at least \$0**. Why?

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2. Adjust Maisie’s budget in the **Food**, **Entertainment**, **Utilities**, and **Gas** categories to get \$0 or more in **Monthly Savings**. But be realistic—you can’t slash Maisie’s **Food** budget to \$10 or delete **Entertainment**. How much is left in each of the three categories? **Hint:** It’s possible that the way you lower the budget in these categories will differ from the way a friend does it.

Food \$ **Entertainment** \$ **Gas** \$

3. What is a practical way Maisie can lower her **Utilities** budget?

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4. What is a practical way Maisie can lower her **Entertainment** budget?

.....

5. What is a practical way Maisie can lower her **Gas** budget?

.....

COLLEGE LIFE **COMPREHENSION**

FILLING OUT THE FAFSA

In the **Banzai Library**, go to the **Life Changes** section and read the article **“Filling Out the FAFSA.”** Answer the following questions based on what you read.

1. The Free Application for Federal Student Aid (FAFSA) is an application for a student loan.

- A. True
- B. False

2. Fill in the blank: The FAFSA’s financial aid is made up of and that the government awards to students based on their

3. Which year’s tax returns are you required to provide when filling out the FAFSA?

- A. Last year’s
- B. This year’s
- C. Next year’s

4. Cost of attendance (COA) is calculated by what three main things?

- 1.
- 2.
- 3.

5. List two ways to increase your eligibility for financial aid.

- 1.
.....
- 2.
.....

COLLEGE LIFE	PROBLEM SOLVING
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Paying for College

Sofia just got admitted to the University of Georgia (UGA) where she'll major in engineering, but she's getting frustrated by filling out the FAFSA. Show Sofia why the FAFSA is worth her time.

- Figure out how much her student loans will cost without any financial aid. Cost of attendance (COA) for one year is estimated at \$21,172. Fill out the formula and calculate the Gross COA.

$$\begin{array}{r} \$ \text{ } \\ \text{Annual COA} \end{array} \quad \times \quad \begin{array}{r} \mathbf{4} \\ \text{Years} \end{array} = \quad \$ \text{ } \\ \text{Gross COA}$$

- Calculate how much Sofia will need to pay for school if she files her FAFSA and gets a Pell Grant. Her Pell Grant is estimated at \$6,195 each year. Use the Gross COA you calculated in the last formula. (See FAFSA4Caster on studentaid.ed.gov to estimate your own Pell Grant amount.)

$$\begin{array}{r} \$ \text{ } \\ \text{Gross COA} \end{array} - \quad (\$ \text{ } \times \mathbf{4}) = \quad \$ \text{ } \\ \text{Pell} \qquad \qquad \qquad \text{Years} \qquad \qquad \qquad \text{Net COA}$$

Go to **Banzai's Library** and click on "**Borrowing and Credit.**" Find the article "**Repaying Student Loans**" and navigate to the **Student Loan Calculator**.

- Enter the Gross COA from step 1 as the **Loan Balance** in the calculator. Adjust the **Loan Term, Interest Rate, and Added Monthly Amt.** as shown here. Jot down the **Monthly Payment** and the **Interest to Be Paid**.

Loan Term (deadline to pay off the loan): **10 years**

Interest Rate: **5%**

Added Monthly Amount: **\$0**

Monthly Payment (lowest payment required to pay off loan on time)

\$

Interest to Be Paid (total amount of interest)

\$

4. Using the **Net COA** from step 2, repeat step 3.

Loan Balance (total amount of the loan)

\$

Monthly Payment (lowest payment required to pay off loan on time)

\$

Interest to Be Paid (total amount of interest)

\$

5. Add the original Loan Balance to the Interest to Be Paid to get the total Sofia will pay over the length of the loan.

Without Pell Grants: Loan Balance + Interest to Be Paid = \$

With Pell Grants: Loan Balance + Interest to Be Paid = \$

6. How much more would Sofia pay in total if she doesn't file the FAFSA?

\$

7. Adjust the **Added Monthly Amt.** slider in the calculator. What happens? Why is it better to pay more than the monthly minimum?

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8. Why is it a good idea to file the FAFSA?

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BORROWING **COMPREHENSION**

CREDIT CARDS

In the **Banzai Library**, go to the **Borrowing and Credit** section and read the article “**Credit Cards.**” Answer the following questions based on what you read.

1. What’s the difference between a charge card and a traditional credit card?

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2. What’s true of affinity cards?

- A. They usually include a low APR.
- B. They’re sponsored by both a financial institution and a company.
- C. The cosponsoring company handles the billing.

3. Why should you consider interest rates if you don’t pay your balance in full?

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4. Define the following terms—only **some** of these terms can be found in the “Cracking the Code” section of the article:

Annual Fee:

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Secured Cards:

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Minimum Payment:

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Annual Percentage Rate (APR)

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Teaser Rate:

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BORROWING	PROBLEM SOLVING
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Get Out of Debt

Leslie tried to buy an organic diet soda at Trader Moe’s, but her credit card was declined. In a panic, she called her financial institution and learned that she had reached her credit limit. This isn’t Leslie’s only debt, and she wants to be debt free. She makes \$4,000 each month after taxes. Help Leslie manage her debt.

In the **Banzai Library**, click on **Borrowing and Credit** and find the article **“Managing Debt.”** Leslie needs to know how to manage her specific situation, so go through Banzai’s **“Get Out of Debt”** Coach as if you were Leslie. Use the information we’ve provided below and click on **Coach: Get Out of Debt** to begin.

	Balance	Interest Rate	Current Minimum Payment
Credit Cards			
American Success	\$5,000	14.14%	\$150
Bullseye	\$1,335	24.04%	\$40
Jetgreen – Frequent Flyer	\$3,452	10.09%	\$140
Student Loan			
Hometown Financial	\$14,000	4%	\$150
Auto Loan			
ZNW Dealership	\$6,750	7%	\$200
Total	\$30,537		\$680

1. If Leslie only pays minimum payments, how long will it take her to pay off her credit card with the highest balance?

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2. How long will it take Leslie to pay off that same credit card if she makes fixed payments of \$150 each month?

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3. As you continue through the session, jot down how long it will take Leslie to be debt free for each of the following conditions:

If she only makes minimum payments:

If she uses a debt snowball:

If she uses a debt avalanche:

4. Feel free to add more to Leslie's monthly payment and play with the numbers. When you're finished, write down which debt payment method you prefer, debt avalanche or debt snowball, and why.

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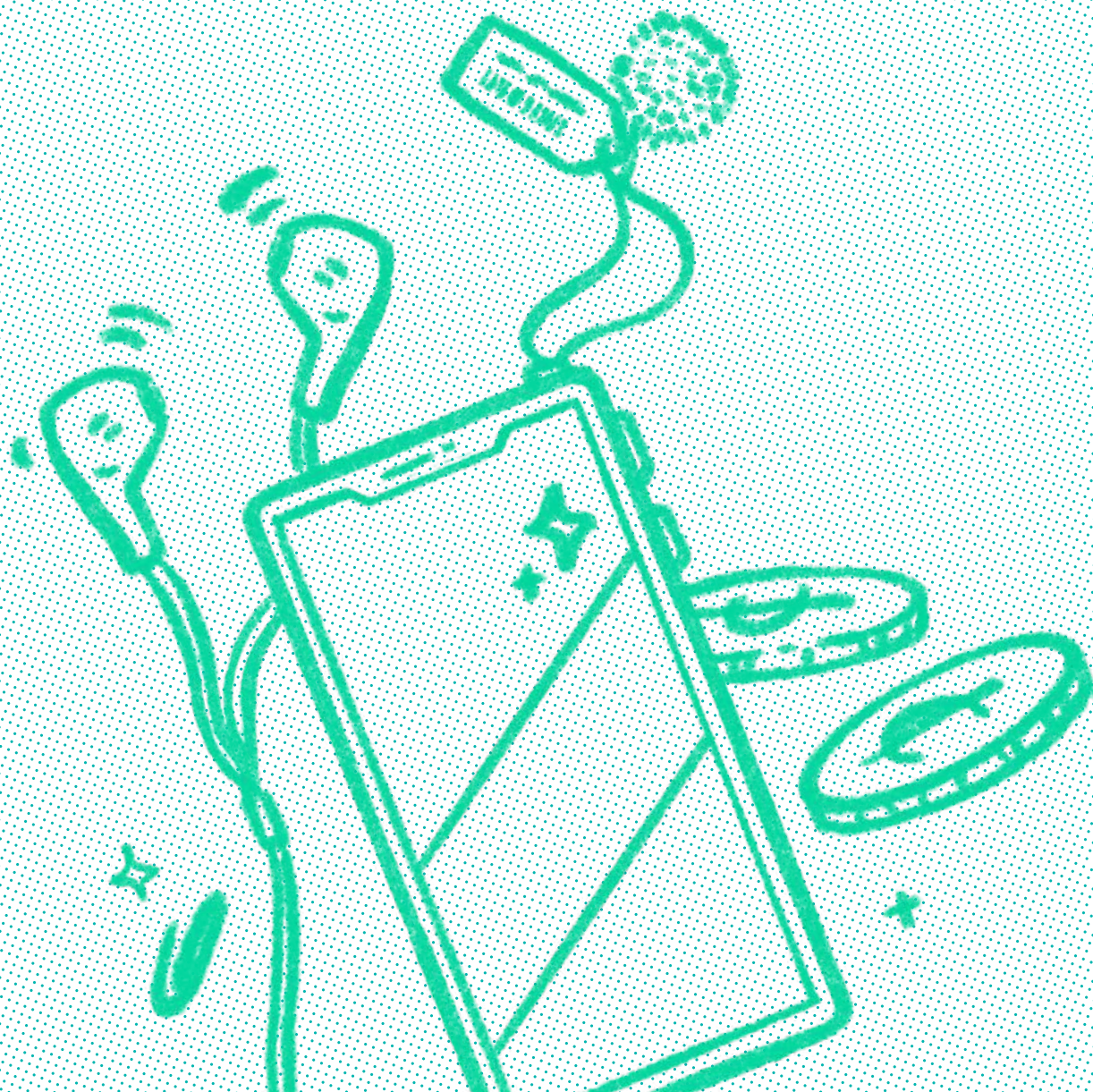
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LIFE SKILLS COMPREHENSION

CHECKING ACCOUNTS

In the **Banzai Library**, go to the **Budgeting** section and read the article “**Check it Out.**” Answer the following questions based on what you read.

1. What are typical fees associated with checking accounts?

- A. A monthly fee
- B. A fee for each check or ATM withdrawal
- C. A fee for each time you use your debit card
- D. Both A and B
- E. All of the above

2. A no-frills account often has no fees.

- A. True
- B. False

3. Describe the difference between transaction accounts and non-transaction accounts.

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4. What is NOT a good reason to put your emergency fund in a CD or money market account?

- A. You know you’ll need the money soon.
- B. The money will be safe.
- C. The potential lost interest or fees will be the least of your worries in a financial emergency.
- D. None of the above

5. What is the biggest benefit to using an interest-bearing checking account as opposed to a regular checking account?

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6. Do you think an interest-bearing checking account is worth it? Why or why not?

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LIFE SKILLS RESEARCH

BANKING PRODUCTS

Find the website of the bank or credit union that sponsors Banzai for your class. Look for a **checking account service** they offer, and fill out the information below.

1. Name of Financial Institution (FI)

Number of Local ATMs Number of Branches

ATM Closest to You (Address)

Branch Closest to You (Address)

Business Hours
2. How is the FI's money insured, FDIC or NCUA? **Hint:** this is usually found at the bottom of the page.

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3. Does this FI offer multiple checking accounts? (Yes or No)

If yes, how are they different from one another?

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4. Do they offer a youth or college checking account? If so, what is it called?

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5. Does this FI provide auto loans?

Does this FI provide CDs?

Does this FI provide IRAs?
6. What's one thing this FI offers that might be useful to you? Why?

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LIFE SKILLS APPLICATION

INTERVIEW A PRO

Interview a person in the financial industry. Consider someone at a bank or credit union (like your Banzai sponsor!), or even an accountant—someone who can teach you about money in the real world.

Pro's Name

1. What's one thing you wish you had known about money when you were my age?

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2. What is one financial goal teens should focus on for the future?

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3. What's the most common mistake you see teens make with their money?

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4. What's your favorite thing about working in the financial industry?

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5. What kinds of financial products should I be considering at my age? A savings account? A debit card?

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BEYOND BANZAI PLUS **SHORT ANSWER**

HOW DID IT GO?

Reflect on your experience playing Banzai Plus.

- 1. Name one decision you made in Plus that didn't turn out the way you expected. Why did it surprise you? Would you have changed your decision?

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- 2. Explain what a credit report is. Name at least two things in the game that affected your credit report. What was your credit score at the end of Plus?

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- 3. Identify one instance in Plus where you had to sacrifice something to pay for something else. Explain why the trade-off did or didn't work.

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- 4. How would you explain double-entry accounting to someone who's never budgeted before? How often do you record your income and expenses?

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BEYOND BANZAI PLUS VOCAB

MATCHING

Match the vocab term with its correct definition. **Hint:** You learned these terms in Banzai Plus.

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|--------------------|--|
| Exemption | A Paying a loan off in installments, rather than one lump sum. |
| Claim | B The amount deducted from your paycheck by your employer to go toward paying things like federal and state taxes, social security taxes, and health insurance. |
| APR | C The abbreviation for annual percentage rate. |
| Net Income | D Contributions to state and federal governments to pay for things like public services and infrastructure. |
| Policy | E A request submitted to your insurance provider to help pay for covered expenses. |
| Down Payment | F The total amount of unpaid money on a loan excluding any interest charges. |
| Expense | G A number assigned to an individual that quantifies their ability to use and pay back credit. |
| Credit Score | H A document detailing the type and amount of coverage that your insurance offers. |
| Withholdings | I The amount of money you're responsible for paying before your insurance company will cover claims. |
| Gross Income | J Your total income after all taxes and withholdings are paid. |
| Lease | K An amount paid before a large purchase that reduces the loan amount, and also proves your intention and ability to make such a purchase. |
| Amortize | L The amount that you own in assets minus the amount you owe in liabilities. |
| Insurance | M A deduction that legally allows you to lower the amount of taxable income you made in a year. |
| Net Worth | N A contract that lets you use someone else's property for a specified rate and length of time. |
| Deductible | O Anything that you spend money on, whether it's a necessity or a luxury. |
| Principal | P Your income from any and all sources, before taxes are withheld. |
| Taxes | Q A service that provides protection against unpredictable events, like car accidents or broken arms. |

BEYOND BANZAI PLUS VOCAB

GROUPING

Below are nine financial terms in random order. Organize the words into four sets (Set 1, Set 2, etc.)—the terms within each group should relate to each other. We'll get you started with the first set.

- Claim Pay Stub Net Income
- Insurance Portfolio High Deductible
- Invest Gross Income Stock

Set 1	Set 2	Set 3	Set 4
Down Payment			
Closing Costs			
Mortgage			

BEYOND BANZAI PLUS LOGIC

DEDUCTION

What do these three terms have in common with each other? How do they affect each other?

- 1. Mortgage 2. Down Payment 3. Credit Score

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