

CONTENTS

BUDGETING

Income and Expenses	1
Work-Life Balance	2

MOVING OUT

Find a Place to Rent	4
Cost of Living	6

SAVING

50/30/20 Rule	8
Emergency Fund	9

LIFE SKILLS

Renter's Insurance	10
Interview a Pro	11
Check and Deposit Slip	12

BEYOND BANZAI TEEN

How Did it Go?	15
Crossword	16
Apply It	17
Grouping	17
Deduction	18

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

.....
.....

2. What is NOT an expenditure?

- A. Phone and internet
- B. A gift your grandmother gave you
- C. Rent
- D. A sandwich you bought for lunch
- E. None of the above

3. If you spend more than you have, your cash flow will be positive.

- A. True
- B. False

4. Will your budget always be the same?

- A. Yes, a good budget never changes.
- B. No. Income and expenses change, so your budget changes, too.
- C. Neither A nor B

5. If you’re headed toward a negative cash flow, what are the two ways to reverse your situation?

.....
.....

6. In your opinion, what are two ways you can increase your own income?

.....
.....

BUDGETING **PROBLEM SOLVING**

Work-Life Balance

Charlie has been working at a local burger joint making \$11.25/hour (after taxes). He currently works 40 hours a week (full-time), but he wants to work less and spend more time playing Brokéman Go with his friends. If Charlie works 30 hours, can he still make enough to cover his expenses? It’s your job to help him figure it out.

MONTHLY AFTER-TAX INCOME

\$1,800 (based on a 4 week mo.)

MONTHLY EXPENSES

Rent	\$400
Food	\$180
Entertainment	\$170
Phone	\$80
Utilities	\$50
Car Payment	\$135
Car Insurance	\$90
Gas	\$160
Clothing	\$25
Internet	\$50

YEARLY EXPENSES

Medical	\$1,500
Emergency	\$1,000

In the **Banzai Library**, go to the **Budgeting** section, click on the **“Income and Expenses”** article, and find the **Budget Calculator**. Enter Charlie’s budget. If you enter the numbers correctly, there should be \$251 in **Monthly Savings**. **Hint:** make sure to select a category when entering his budget.

1. If Charlie worked 30 hours a week, what would his new monthly income be? **Hint:** Assume there are 4 weeks in a month.

.....

Change Charlie’s Monthly After-Tax Income in the Budget Calculator to the number you found in question 2. His monthly savings should drop to -\$198.

2. Can Charlie work 30 hours a week without changing his budget?

A. Yes **B.** No

3. What is a practical way Charlie could lower his Food budget?

.....

4. What is a practical way Charlie could lower his Gas budget?

.....

5. What are TWO practical ways Charlie could lower his Entertainment budget?

.....

.....

6. Adjust Charlie’s budget for **Food, Entertainment, and Gas** to reflect the answers you gave for questions 3–5. The goal is for the amount in **Monthly Savings** to be \$0 or more. How much is left in each of the three categories?
Hint: There’s not one right answer here. 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 \$

7. After adjusting Charlie’s budget, can he afford to work 30 hours a week instead of 40?

A. Yes **B.** No

8. Do you think Charlie should work less and play more with his friends or still work full time and save money? Why?

.....
.....
.....

MOVING OUT COMPREHENSION

FIND A PLACE TO RENT

In the **Banzai Library**, go to the **Smart Living** section and read the article **“Find a Place to Rent.”** Answer the following questions based on what you read.

1. In an ideal world, what percentage of your take-home pay should you spend on housing?

- A.** 35%
- B.** 40%
- C.** 25%
- D.** 30%

2. What are two advantages to renting as opposed to owning a home?

.....

.....

3. Using a listing service is always the best way to find a place to live.

- A.** True **B.** False

4. The article gives some suggestions on where to look for a place to rent. List 3 of them.

.....

.....

5. What up-front costs will you probably face when renting?

- A.** First Month’s Rent
- B.** Interest for each month you plan on living there
- C.** Last Month’s Rent
- D.** Security Deposit
- E.** All of the above
- F.** A, C, D

6. What are two pros and two cons of using a broker to help you find a place to rent?

.....

.....



MOVING OUT	PROBLEM SOLVING
------------	-----------------

Cost of Living

Leilani works as a restaurant manager in Fargo, North Dakota, and she has some great news. She was just offered a promotion! But before we bring out the “Congratulations” cake, there’s one small snag to her new gig: she’ll have to move to Chicago, Illinois. The promotion comes with an 18% raise (awesome!), but Chicago is a more expensive place to live than Fargo (not-so-awesome...). Moving to a big city sounds fun to Leilani, but she’s not sure she can afford it—even with the 18% raise. You’re going to help her figure out if she should take the new job or stay where she’s at.

We need to know what Leilani’s new salary will be if she takes the job. To do this, we’ll use a percentage increase formula. Take the original amount and multiply it by (1 + the percentage).

Hint: Use formula 1 as a guide.

1. **Formula 1** (\$45,000) Current Salary x (1 + .18) Raise = New Salary

\$

Let’s pretend Leilani’s salary decreased by 18%. To calculate her lower salary, we’ll need to use a percentage decrease formula: the original amount multiplied by (1 – the percentage).

Hint: Use formula 2 as a guide.

2. **Formula 2** (\$45,000) Current Salary x (1 – .18) Raise = New Salary

\$

Now we need to figure out how much more it costs to live in Chicago than Fargo. Go to the **Banzai Library**, find the **Smart Living** section, and click on the article “**Find a Place to Rent.**” Navigate to the **Cost of Living Calculator**.

Set the **Current Salary** to \$45,000 (Leilani’s salary without the promotion) and the **Current Location** to Fargo-Moorhead, North Dakota. Set the **Moving To** location to Chicago, Illinois.

3. According to the calculator, how much would Leilani need to make in Chicago to maintain the lifestyle she has in Fargo?

\$

4. Even with the 18% raise, Leilani would make less than she needs to maintain her lifestyle in Chicago. How much more would she need to make?

\$

In the table, write in the price adjustment for each category according to the **Cost of Living Calculator** and whether that percentage is more (+) or less (-) than Fargo. We'll help with the first one.

Under **Fargo** in the table, we can see how much Leilani is spending on each monthly expense. In the **Chicago** column, write how much each expense will cost in Chicago. You can find these numbers by using formulas 1 and 2, but you'll need to make some adjustments. Use the value in the **Fargo** column as the original amount and the **Price Adjustment** as the percentage. Pay close attention to whether the percentage is increasing (+) or decreasing (-). **Example:** Housing: $\$750 \times (1 + .81) = \$1,357.50$

5. Leilani's biggest expense in Chicago would be Housing. If Leilani's net monthly income is \$3,097.50, what percentage of her monthly income does housing take up?

Hint: \$1,357.50 divided by \$3,097.50 = Percentage.

6. Think about this statement from the article: "In an ideal world, you wouldn't want to spend more than 25% of your take-home pay on housing." As it stands right now, should Leilani take the promotion from a financial standpoint?

A. Yes **B.** No

Category	Fargo	Price Adjustment	Chicago
Housing	\$750	+81%	\$1,357.50
Groceries	\$200		
Utilities	\$150		
Transportation	\$250		
Health Care	\$400		

SAVING **COMPREHENSION**

50/30/20 RULE

In the **Banzai Library**, go to the **Budgeting** section and read the article “**50/30/20 Rule.**” Answer the following questions based on what you read.

1. The 50/30/20 rule states that your after-tax income should be divided this way:

50% to

30% to

20% to

2. What’s the difference between routine bills and predictable goals?

.....
.....

3. Wants are subjective and personal.

- A. True
- B. False

4. How can clothing be both a need and a want?

.....
.....

5. One of the great secrets to saving is finding ways to make it...

- A. Hurt
- B. Automatic
- C. Difficult
- D. Easy

6. Should the 50/30/20 rule apply to every budget? Why or why not?

.....
.....

SAVING **PROBLEM SOLVING**

Emergency Fund

Alice just got a part-time job at Sweetie’s Sweets Candy Emporium as a clerk. Between munching on Kwizzlers and ringing up chocolate, she makes \$1,500/month (after taxes). Her dad says she should start saving for emergencies. She needs your help to figure out how much she should save.

1. In the **Banzai Library**, go to the **Budgeting** section and find the article “**50/30/20 Rule.**” Navigate to the **50/30/20 Calculator**. According to the calculator, how much should Alice put in savings each month?

\$

2. Typically, an emergency fund is your monthly after-tax income multiplied by 6. How much should Alice have in her emergency fund?

\$

Scroll down to the **Savings Calculator**. Alice’s dad gave her \$500 to start her savings—nice! Enter \$500 as the **Starting Amount**. Adjust the **Monthly Savings** to how much Alice should save each month according to 50/30/20 rule. **Hint:** This is the answer to question 1.

3. Alice opened a savings account at her local financial institution with a 2.5% interest rate. Set the **Interest Rate** slider to 2.5%. Set the slider for **Years to Save** to 5 years. How much interest will Alice earn over 5 years according to the calculator?

\$

4. What’s the total amount saved in Alice’s account after 5 years?

\$

5. When you hover over each bar, you’ll see the total in the account at the end of that year. Between what two years will Alice hit her emergency fund goal?

.....

6. If Alice continues to save the same amount for 40 years, how much will she save in total?

\$

7. Why do you think it’s important to start saving for retirement when you’re still young?

.....

LIFE SKILLS COMPREHENSION

RENTER'S INSURANCE

In the **Banzai Library**, go to the **Insurance** section and read the article **“Renter’s Insurance.”** Answer the following questions based on what you read.

1. If your apartment flooded and it was NOT your fault, your landlord would most likely replace your personal belongings.

- A. True
- B. False

2. What will renters insurance typically cover?

- A. Your personal possessions
- B. Things you borrow that are damaged, lost, or stolen while you have them
- C. Your liability for injuries people receive in your home
- D. All of the above
- E. A & C

3. When it comes to renter’s insurance, why is it important to know how much your possessions are worth?

.....

.....

4. What’s the difference between an actual cash value policy and a replacement value policy?

.....

.....

5. Describe a scenario where renter’s insurance would come in handy. You can be creative but remember that renter’s insurance doesn’t protect you against everything that could go wrong.

.....

.....

.....

.....

LIFE SKILLS **APPLICATION**

INTERVIEW A PRO

Find an adult you know who has experience with money and take 15 minutes to interview them. Write thorough answers, and add one new question of your own.

1. What do you wish you knew about money when you were my age?

.....
.....

2. How did you earn money when you were a teenager?

.....
.....

3. Where did you keep the money you earned?

.....
.....

4. What did you do when you couldn't afford something you really wanted?

.....
.....

5. Did you ever make a big money mistake when you were a teenager? How did you recover from it?

.....
.....

6. Your question here:

.....
.....
.....

LIFE SKILLS APPLICATION

CHECK AND DEPOSIT SLIP

Although technology has changed how people pay for things or deposit money, there are still circumstances where you may need to write a check or fill out a deposit slip.

Choose a partner in class. You and your partner will pretend to sell something to one another.

Tell your partner what you're selling and how much it costs. Use the info your partner gives you and the **Check Instructions** to fill out the **Sample Check** on page 13.

Cut out the **Sample Check** and give it to your partner.

To deposit a check in your account, you need to fill out a deposit slip. If you want some of the money now, put that amount next to **Less Cash**. That amount is then deducted from the subtotal and given to you in cash. The rest (total) is put into your account.

Use the check you received from your partner to fill out the **Deposit Slip** below.



DEPOSIT SLIP

Deposit		
Date _____		
Name _____		
Account Number _____ 123456789		
Banzai Financial Financial, USA 00000		
Cash	0	00
Checks		
Subtotal		
Less Cash		
Total		

CHECK INSTRUCTIONS

Banzai! Date _____ 1025

Who you're giving the check to _____ \$ Amount

Amount written out in words _____ Dollars  

What is this check for? _____ Signature _____



Routing Number _____ Account Number _____ Check Number _____



SAMPLE CHECK

Banzai! Date _____ 1025

Pay to the order of _____ \$

_____ Dollars  

Memo _____

123456789 123456789 1025



BEYOND BANZAI TEEN **SHORT ANSWER**

HOW DID IT GO?

Reflect on your experience playing **Life Scenarios** and the game.

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

.....

.....

.....

.....

2. Which car did you choose and why? Would you have chosen differently?

.....

.....

.....

.....

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

.....

.....

.....

.....

4. Name three kinds of insurance you should have and what their benefits are.

.....

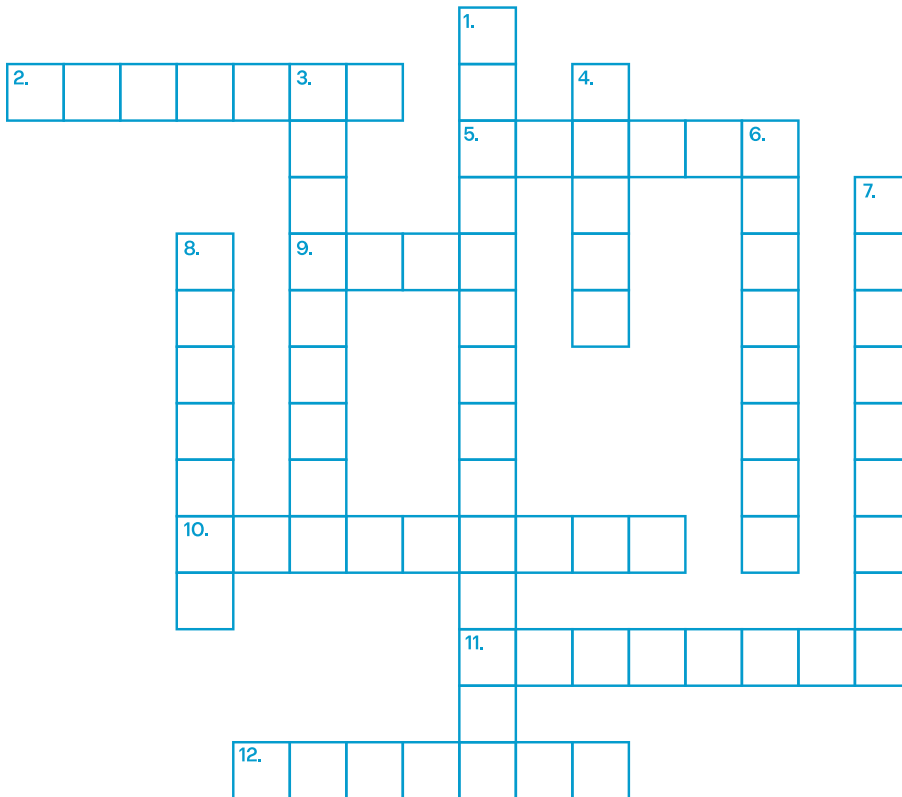
.....

.....

BEYOND BANZAI TEEN VOCAB

Crossword

Use the clues to help you complete the crossword. Some—but not all—of these words you learned in **Life Scenarios** and the game. You might have to look up a few definitions.



Wordbank

Insurance, Deposit, Interest, Overdraft, Paystub, Loan, Reconciliation, Transfer, Utilities, Balance, Credit, Debt

Across

- 2. A document showing your gross and net pay
- 5. Money lent to you for a time
- 9. Money lent to someone else in exchange for future payment
- 10. A product promising to protect you from a financial risk
- 11. The percentage cost of borrowing from someone else
- 12. An amount of money owed or available in an account

Down

- 1. A way to balance your account records with your bank or your credit union
- 3. A term used to reference electric, water, gas, and other services
- 4. Money removed from your account
- 6. When money is moved from one account to another
- 7. Credit extended from a bank or credit union when a checking account is empty
- 8. Turning your money over to a financial institution for safekeeping

BEYOND BANZAI TEEN VOCAB

APPLY IT

Choose three words from the crossword puzzle and use them to write 3–4 sentences that explain how you can avoid financial trouble.

.....

.....

.....

.....

.....

.....

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.

- Gas
- Checking Account
- Credit Card
- Overdraft
- Car Registration
- Auto Insurance
- APR
- Minimum Payment
- Withdrawal

Set 1	Set 2	Set 3	Set 4
Rent			
Security Deposit			
Renter's Insurance			

BEYOND BANZAI TEEN **LOGIC**

DEDUCTION

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

1. Entertainment

2. Utilities

3. Reserves

***CONGRATS! YOU'RE
A FINANCIAL PRO!***



