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# The Bean Game

## Living on a "20 Bean Salary"

### 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 and 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 family just got a 2 bean raise! Decide where it should be spent.
3. You just got a part-time pet sitting job. Decide where to allot your 1 extra bean.



#### Resources:

Parker, L. (n.d.). *The Bean Game*. Washington State University Extension, Family Resource Management Specialist.

Office of State Treasurer John Perdue. (n.d.). *The Budget Game: Living on a 20 Square Salary*. Financial Education Programs, Charleston, WV. Retrieved October 26, 2008 from [wvtreasury.com](http://wvtreasury.com).

Utah State University Cooperative Extension

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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)



Own your own home



## COMMUNICATIONS

No phone

No Cost

Cell phone with limited data



Cell phone with unlimited data



High-speed internet



## SAVINGS

Change in piggy bank

No Cost

Five percent of income



Ten percent of income



Invest for retirement



Contributions to charities and religious groups



## INSURANCE ★

### Auto

Liability coverage only



Complete coverage



### Health and Disability

No coverage

No Cost

Basic health coverage



Individual health and disability coverage



### Home

Renter's property and liability coverage



Home owner's insurance



## GIFTS

Make your own



Purchase card or small gifts occasionally



Purchase frequent gifts for family and friends



## 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





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### CHECK OUT THESE BUDGETING TIPS

**Wants vs. Needs** — A **need** is a necessity, such as housing or food. A **want** can be anything and may not be a necessity. Be careful when spending on wants.

**Pay Yourself First** — After budgeting for necessities and before spending anything for wants, always tuck away some money from each paycheck for emergencies into a rainy day savings account.

**Before Charging** — Ask yourself: 1) Do I really need it? and 2) Will I still have this 5 years from now? If the answers are no, then wait until you can pay cash.

**Rule of Percentages** — A good rule of thumb for budgeting your salary is: 70% pay current bills, 20% save for future purchases, 10% invest for long term.

**Money Tracking** — We often spend money without thinking about it. Keep track of all your expenditures (cash, checks, debit cards, ATM withdrawals and credit cards), even the smallest ones. Record them every time in a notebook or register. Review them regularly to make yourself aware of where your money goes.

**Fixed, Flexible or Luxury?** — Categorize the expenses in your budget. Is it fixed, such as rent or a car payment? Is it flexible such as groceries, gas or long-distance use? Or is it luxury, such as entertainment or going out to eat?

**Rule of 72** (to double your money) — If you know the interest rate you can get, divide 72 by the known interest rate and it will give you how many years it will take to double your money. If you know how many years you have, divide 72 by the number of years and it will tell you what interest rate you must have to double your money.

Examples: If interest rate is 6%,  $72 \div 6 = 12$  years. If time is 10 years,  $72 \div 10 = 7.2\%$ . Interest rate needed.



#### Average Expenditure Breakdown for Total Household Income

30%	Housing
18%	Transportation
16%	Food
8%	Charity/Misc.
5%	Clothing
5%	Medical
5%	Recreation
5%	Utilities
4%	Savings
4%	Other Debts



## RECREATION

Hiking, walking, visiting friends or library

No Cost

TV, snacks, picnics, driving around



Cable TV, sports, and movies



Fishing, hunting, hobbies



Streaming services, books, video games



Concerts, vacations, and 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 AND LAUNDRY ★

### Clothing

Wear present wardrobe

No Cost

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



Buy at a name brand store



Shop for designer clothes



### Laundry

Do laundry at parents' house

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



Subscriptions to streaming services



New TV, game system, or computer



★ Gold star = required category