

Volunteer Guide

Red – Volunteer lead activities

Highlight – discussion questions

(20 minutes) Opening

1. Students gather for a brief welcome and overview of the day.
2. Students disperse into small groups and join their assigned adult volunteer in their home base.

(25minutes) Setup Phase

3. Volunteers do a brief self-introduction. Have each student introduce themselves and have them share one thing they expect to learn at *JA Finance Park*.
4. **Set ground rules and expectations for the day (very important):**
 - Share your “attention signal”
 - Set expectation that the groups will work together and stay together
 - Students need to follow directions and be respectful of each other
 - **5 minutes**- **GROUP DISCUSSION:** *Why are we doing this today?*
5. Volunteers hand out a tablet to each student and have them log into the iPad. Login information can be found on the printed sheet in your basket as well as on the back of each iPad. All passwords are **Password123!**
 - Students choose their Avatar
 - Answer three pre-questions on how they feel about budgeting
 - Select up to three Interests that they have
 - Students discover their random life scenario
 - **10 minutes**- **GROUP DISCUSSION:** *Ask students to share their Family Status, Job, Gross Annual Income, Education and Credit Score*
Students will receive Master Code from JA staff
6. Students pay their taxes and discover their household total NMI (Net Monthly Income)
 - **5 minutes**- **GROUP DISCUSSION:** *What is a Net Monthly Income (NMI)? What is the difference between Gross Annual Income (GAI) and Net Monthly Income (NMI)? Why do you have to pay taxes? What are taxes used for? How many of you have additional income from your spouse?*
Students will receive Master Code from JA staff
7. **5 minutes**- **GROUP DISCUSSION:** *Savings and budgeting for debt (see more details on page 4). Why are these important?*



Keep Going





- Students decide how much of their Total Savings will go to two categories:
- Short-term Savings
- Debt Payments
 - Credit Card
 - Post-Secondary Education

(10 minutes) General Session

8. Staff will make an announcement for students and volunteers to come back to the Town Plaza for group discussion and instructions for Research/Budget phase

(90 minutes) Research & Budget Phase

Students will receive Master Code from JA staff when they return to their home business.

9. As a small group, **discuss Mortgage and Auto Loans** and have students complete their loan Applications (See pages 5 and 6 of this guide for more information)
10. Complete Home Business Research
 - Locate Budget Talking Points on the Bulletin Board and **go over information with students** (2-3 minutes)
 - **Volunteers provide the Unlock Code** to the student groups after their conversation (**codes are found on last page of this guide**)
 - Students then complete the Budgeting for that line item (2-3 minutes)
 - Groups stay in each business until JA Staff says “Rotate” on microphone.
 - Groups will rotate going counter clockwise
11. After final rotation, there should be 3 remaining budget line items – *Childcare, Charitable Giving and Gas*. **As a group, spend about 10 minutes to complete those items.** (Budget Talking points for these are found towards the end of this guide.)
12. Students allocate their money informed by their research and based on how much they think they might spend in each budget category
 - Students should allocate 100% of their household NMI to budget line items during this phase and record their budget plan in the software (Left to Allocate should reach \$0)
 - **Remind the students: DO NOT FINALIZE THEIR BUDGET** until they are finished reviewing everything. Once saved it **cannot** be changed!



(20 minutes) Lunch Break

(5 minutes) General Session

Students will receive Master Code from JA staff when they return to their home business.

Keep Going 

13. Staff will make an announcement for students and volunteers to come back to the Town Plaza for group discussion and instructions for Shopping & Payment phase

(40 minutes) Shopping & Payment Phase

14. **5 minutes** – **GROUP DISCUSSION:** *What do you do if your shopping choices are over your budgeted amount? (spend less on other items)*
15. **Lead students through 2 shopping selections to start: Housing (JA BizTown Realty) and Transportation (Umpqua Transportation),** then they will work individually on other selections
16. **Shopping** – Students make shopping choices in their assigned business while trying to stick to their budget choices
 - Students will be automatically alerted if they were approved for their mortgage and auto loans
 - If student does not want to purchase something in a category, they simply scroll to the bottom of the screen and select “I Choose Not to Make a Purchase” (this is not available in all categories)
 - **Remind them to stay as close to their budget as possible, and help guide them if they get stuck**
 - If a student over-spends in a category or if they have unspent funds, they can revisit any expense category to adjust their spending
17. **Payments** – Once students select their item(s) of purchase, they scroll to the bottom of the screen to select their method of payment
18. **Debt Payments** – Credit Cards and Education Debt
 - **Remind students they need to save enough money to pay for these items**

(15 minutes) Debrief and Simulation Wrap-up

19. Students will be asked evaluation questions at the end of the simulation. There are no right or wrong answers and responses do not impact what happens in their final simulation summary. Students should answer these questions on their own
20. Student Simulation Summary Report – Spend some time going over this report. It summarizes their financial decisions for the day
 - 10 minutes** – **GROUP DISCUSSION:** *What is something that you learned today that you didn't know prior to your experience at JA Finance Park? How does your education level impact your budget? Discuss how this experience relates to their future regarding careers and education*
21. Volunteer Collects all iPads from students and brings them to JA Staff

(15 minutes) Group Debrief

JA staff leads a group debrief prior to student dismissal

Savings

It is recommended that savings be 10%-20% of their net monthly income.

Talking Points:

- It is never too early to start saving for your future.
- People who have a savings plan and stick with it have money for the things they need and want. Saving today allows you to move towards what you really want tomorrow.
- Save for long-term goals, short-term goals, and emergency or unexpected expenses.

Share Your Stories!

- Consider sharing a personal savings goal with students. Talk with the students about the sacrifices it entails, and why it is (or was) worthwhile.
- Ask students: What would they like to buy that they might need to save for? Do they currently have a savings account? Students may not be aware, but there are many savings options even for children!

Credit Cards

Each student has an existing credit card balance meaning that they have made a past purchase or purchases and have not yet paid off the debt. Discuss the consequences of making only the minimum required payments each month.

Talking Points:

- Credit cards should be used as tools of convenience, not as an extension of income.
- By paying off credit card debt every month, you can avoid paying interest.
- Allowing balances to linger can keep you from reaching your goals. If you have a large debt and can't pay the bill in full, make more than the minimum payment to make good progress paying off your debt.
- Making late payments can result in late fees, higher interest rates and a lower credit score.
- If you find yourself unable to restrain from reckless spending or unable to make payments on time, consider using a debit card that's linked to your checking account. By using a debit card, you'll still have a record of your purchases but won't pay interest or late fees.
- Credit scores: 800-850 - excellent standing, 740-799 - very good, 670-739 - good, 580-669 - fair, and 300-579 - poor.

Share Your Stories!

- If you feel comfortable and have an example to share, consider telling your students about a time that credit cards were troublesome for you/a friend. These cautionary tales can be powerful learning opportunities for students.
- Share ways to improve your credit score (paying bills on time, keeping debt low, etc.

Auto Loan

Auto Loan

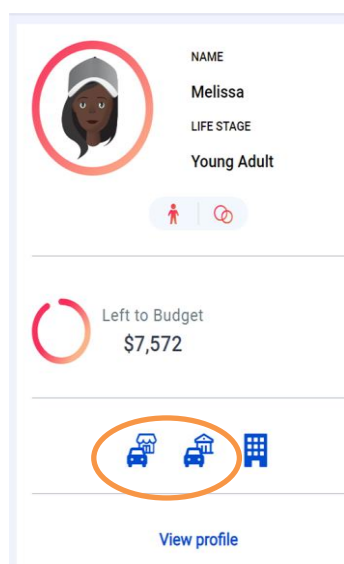
Each student will need to apply for an auto loan even if they wish to take public transportation.

Talking Points:

- Most car buyers need financing to purchase a new car.
 - Ask your students: What does it mean to get financing or a loan?
 - You may need to explain to your students that most people do not have enough money saved up to buy a car outright. Instead, a bank or the dealership purchases the vehicle for the buyer, and the buyer pays them back (plus interest) over a period of time.
- The average length of a car loan is about 60 months (5 years), but auto loans can be longer or shorter.
- Longer term loans have smaller monthly payments. However, these loans can cost more over the life of the loan because you are paying interest for a longer period of time.
- With different loan terms, time limits, and monthly payments, finding the best deal can take some work. However, shopping around for the right loan (and a lower interest rate) is well worth the time.
- The average monthly payment for a new car loan is \$667 for a new car and \$515 for a used car. The average new car costs \$47,148.

It is now time to apply for your Auto Loans. Students will apply for both a bank auto loan through Umpqua Bank and a dealership auto loan.

- 1. Have students select one of the car logos.**
- 2. Scroll to the bottom and then hit Submit**
- 3. Repeat Process for 2nd Auto Loan**

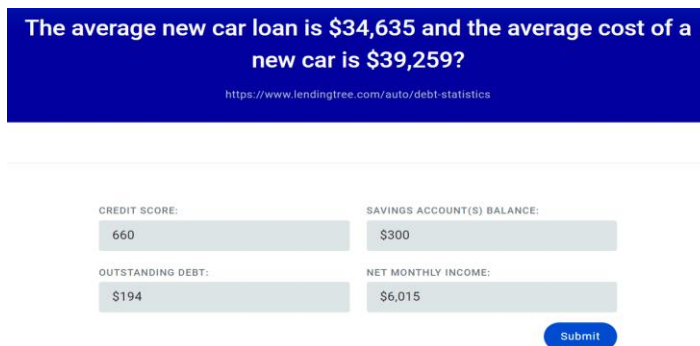


NAME
Melissa

LIFE STAGE
Young Adult

Left to Budget
\$7,572

View profile



The average new car loan is \$34,635 and the average cost of a new car is \$39,259?

<https://www.lendingtree.com/auto/debt-statistics>

CREDIT SCORE: 660	SAVINGS ACCOUNT(S) BALANCE: \$300
OUTSTANDING DEBT: \$194	NET MONTHLY INCOME: \$6,015

Submit

Mortgage Loan

Mortgage Loan

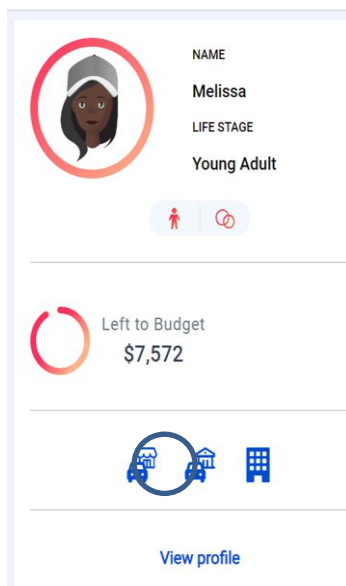
Each student must complete the mortgage loan application. Point out that renting a home or apartment can also require a credit check for approval.

Talking Points:

- A home is the largest investment most people will ever make.
- Mortgage lenders use your credit score(s) to determine whether to lend you money and at what cost. Credit scores are based off of your credit history. Among other things, your credit history shows whether you have paid your bills on time and as agreed.
- A high credit score (over 720) can mean big interest savings. An increase of 20 points in your credit score can mean a lower interest rate. On the purchase of a \$300,000 home, that means a savings of \$6,400 on a 30-year loan!
- A poor credit score (between 300 and 599) makes it hard to obtain a loan with good terms.
- Just because a company agrees to lend you a certain amount, doesn't mean that you can afford the monthly payments. Be sure the expense fits within your budget!

It is now time to apply for your Mortgage Loan.

- 1. Have students select the “apartment building”**
- 2. Scroll to the bottom and then hit Submit**



NAME
Melissa

LIFE STAGE
Young Adult

Left to Budget
\$7,572

View profile

The average down payment is 6% of the total cost of the home.

<https://www.sofi.com/learn/content/average-down-payment-on-a-house>

CREDIT SCORE:	SAVINGS ACCOUNT(S) BALANCE:
660	\$300
OUTSTANDING DEBT:	NET MONTHLY INCOME:
\$194	\$6,015

Submit

Charitable Contributions*

Students will set a budget for this category, but can decide if they would like to donate money or not. Students can also volunteer their time instead of donating material goods.

Talking Points:

Present at least three bullets you would like to present. If time allows you to present more information you can.

- Contributing to a worthy charity helps make the world a better place. People donate and support worthy causes that align with their values and interests.
- Your charitable contributions can help support a local cause or a need in a faraway country. Whatever issue is important to you, there's a charity that helps. Be sure to do your research and donate to reputable organizations.
- In every community, businesses and individuals support a variety of worthy causes. You have an opportunity to give back to your community through your time or money - or both!
- There are many worthy causes to consider. Nonprofit organizations help improve the environment, provide food and shelter to the homeless, meet the basic needs of those impacted by natural disasters, and offer financial assistance to cover high medical costs...just to name a few!
- Your time is highly valuable to charitable organizations as well. For example, Junior Achievement could not exist without wonderful volunteers teaching young people to own their economic success.
- The average monthly online donation is \$52 (\$624 per year) compared to the average one-time gift of \$128.

Share Your Stories!

- What are some of the reasons to donate your time or money? How does it benefit you? How does it benefit the organization?
- If you had the resources, what type of organization would you support?
- Why did you decide to volunteer today at JA Finance Park supporting Junior Achievement?

Child Care*

All students research child care, even if their persona has no children. At JA Finance Park, child care expenses apply to all families with children under 11 years of age. When a persona is single, full-time child care is needed. For married households, part-time care is needed when a spouse works part-time. Full-time care is needed when a spouse works full-time. If a student's family situation does not include children, they won't need to budget for this line item.

Talking Points:

Present at least three bullets you would like to present. If time allows you to present more information you can.

- The high cost of child care is often surprising to families.
- Even if you do not have children, it is important to understand the impact of child care expenses on a family budget.
- Child care costs in Oregon are among the highest in the nation with an average cost of \$13,616 per year.
- Child care costs vary by county. Multnomah and Washington Counties have the highest daycare costs in the state while Curry and Grant Counties have the lowest costs.
- Child care expenses also vary depending on the type of childcare you choose. For example, childcare in a professional facility is typically more expensive than in-home daycare.

Share Your Stories!

- Do you currently (or have you ever) paid for child care for your children? How did that affect your household budget?
- Do you know anyone who is able to cut down the cost of child care by using an in-home day care, utilizing family/friends to help care for children or alternating the work schedules of parents to eliminate or minimize the need for care? Share these examples.

Gas*

This budget item is for natural gas vs. gasoline for a vehicle. Depending on the house, apartment, or condo the students choose their gas cost will be lower or higher for their monthly budget. Students should reference the type of housing they selected to set their monthly budget.

Talking Points:

Present at least three bullets you would like to present. If time allows you to present more information you can.

- Natural gas is used to heat many homes and power some applications.
- About 60% of U.S. homes use natural gas for space and water heating, cooking, and drying clothes.
- Many utility companies will conduct home energy audits that can help you make energy-saving improvements.
- Natural gas comes deep within the earth and often has to travel thousands of miles to reach your home.
- The size of your home and where you live will determine the cost of this budget item. Larger homes have more space to heat; this typically means a larger heating bill.

Share Your Stories!

- Ask students: Do you use natural gas in your home? If so, what have been the benefits?

Expense Categories Unlock Codes
VOLUNTEERS WILL RECEIVE THESE AT THE SIMULATION

CATEGORY

PASSCODE