Budget Challenge
Update
Thursday, September 17
Student Engagement

- Class Engagement: We see really positive results in the classroom when the Class Engagement average is 70% and above. This class, Wildcats2, is currently 93% engaged. Student scores and student engagement are highly correlated. Keeping your students playing is the most important focus, because Budget Challenge is a program built on 'Learning by Doing'.

- Who is currently engaged (as of yesterday)?
  - Students Engaged: 25
  - Students Not Engaged: 10

- Your engagement in the simulation is part of your class grade so you need to be aware of how engagement points are earned
  - Logins - “Has the student logged in with the last 5 days?” If ‘Yes’, then this value is =1
  - Late Pmt - “Has the student made all payments (no late fees) in the last 3 days?” If ‘Yes’, then this value is = 1
  - Quizzes - “Has the student taken all quizzes before they close?” If ‘Yes’, then this value is = 1
We have 0 students with a negative balance.

Having a negative balance at the bank is no fun. It can be stressful to not have money and the daily negative-balance fee doesn’t help. There are two common causes for this situation.

- The first is setting too high of a 401k saving rate. This can divert too much money to savings not leaving enough to pay bills.

- The second cause happens when students inadvertently over-pay the vendors. This can happen by paying the wrong vendor, paying the same bill multiple times or with an amount higher than what is due. This can tie up valuable cash in a credit-balance at a vendor.

  - If you have vendor credit balances, you can write to our help-desk and ask specific vendors to refund overpayment amounts.
Buckle-Up Quiz

1. Frank’s electric bill has a cycle day of the 3rd and a due date 8 days later with a one day grace period. What happens if Frank pays his electric bill on the 12th of the month?

A. His electricity will be turned off and he will be charged a service disconnect fee
B. His payment is late and he will be assessed a late fee
C. His payment is received after the due date but he will not be assessed a late fee because of the grace period
D. His payment is received early and will be given a discount on his next bill for pre-paying this bill
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2. On the Budget Challenge Cash Flow Spreadsheet (CFS) (this file is downloadable on the "How to Play" page of the website), what column should interest earned from her checking account be entered?

A. Balance
B. Deposit
C. Bank Fees
D. Withdrawals
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3. **Why is it important to review your personal information for accuracy when you receive an invoice?**
   A. To ensure your social security number is correct
   B. To ensure you are being charged the correct amount for services
   C. To ensure you have received the correct invoice
   D. To ensure your contract has not expired
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4. Why are there additional scoring penalties in Budget Challenge?

A. To highlight behaviors that can cause damage to credit score
B. To penalize mistakes so that students can learn from them without losing real money
C. To accelerate longer-term real world consequences so that they are experienced inside the short simulation window
D. All of the answers are correct
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5. In order to represent a complete household budget in Budget Challenge, many typical day-to-day purchases that could be made with cash (such as groceries, gas, and clothing) are made using this:

A. Debit Card  
B. Credit Card  
C. Savings  
D. Membership card
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6. Which of the following choices will be 'locked' when the simulation launches (starts)?

A. 401k contribution percent
B. Bank account type
C. Vendor selections (Cable, Cell, Auto Loan, Auto Ins, Student Loan, Utilities, Credit Card)
D. None of the answers are correct
E. 401k contribution percent and Bank account type
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1. Money deposited into a 401k is not taxed, however it is taxed years later when it is withdrawn for retirement. So if the money is taxed either way, why do many experts recommend tax-deferred savings such as 401k?

A. By paying less taxes in the current year, employees can save more money for the future
B. Most people expect to be in a lower tax bracket when they retire and stop earning a paycheck
C. In addition to the tax benefits, many 401k accounts are eligible for an employer match
D. Growth of 401k investments is not taxed each year
E. All answers are correct
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Week 1 Quiz

2. What is overdraft protection (ODP)?

A. An insurance policy sold by banks to prevent others from withdrawing your money

B. ODP is a service to automatically transfer available funds from a linked account to cover purchases, prevent returned checks and declined items when you don’t have enough money in your checking account at the time of the transaction.

C. A cheap and easy way to always avoid overrawing a bank account

D. A service provided by the government that insures individuals bank deposits up to $250,000
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3. What type of accounts can be linked to a checking account for overdraft protection?

A. Savings account, credit card, or another checking account
B. 401k account and IRA account
C. There are no linked accounts needed for overdraft protection
D. Savings account, 401k account, & frequent shopper account
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4. What happens if you do not have enough funds in your linked account to cover the overdraft?
   A. The purchase, check, or transaction is declined
   B. The bank issues you a fee for issuing a bad check
   C. The bank issues a fee to the person or company that tried to deposit the bad check
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B. False
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A. True

B. **False** - ODP only works as long as the linked account has money to cover the amount of the check.
Week 1 Quiz

6. What is the best way to pay a bank fee?
   A. Cash
   B. Debit Card
   C. Credit Card
   D. It doesn't matter. Banks immediately take any fees right out of your account.
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Today in the Lab

- Do NOT take the Week 2 Quiz - we will do this next week.
- Make sure all three bills are set to be paid
  - Credit Card - due by 9/19 (minimum payment of $15)
  - Utilities: Gas/Electric - due by 9/21
  - Auto Insurance - due by 9/21 (must be paid in full)