

# THE BEAN GAME

Living on a “20 Bean Salary”

Recreated and Reproduced by  
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## 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 & 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 mom or dad just got a 2 bean raise! Decide where it should be spent.

#### 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 <http://www.wvtreasury.com>.

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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



## 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)

☐ ☐ ☐ ☐


## Insurance



### Auto

Liability coverage  
only

☐ ☐

Complete coverage

☐ ☐ ☐

### Health and Disability

No coverage

No Cost

Fringe benefits of job

☐

Basic health coverage

☐ ☐

Individual health &  
disability coverage

☐ ☐ ☐

### Renters

Property and liability  
coverage

☐

## Communications



No phone

No cost

Phone with limited long distance calls

☐

Phone with many long distance calls

☐ ☐

Cell phone


☐

High-speed Internet

☐ ☐

## Gifts

Make your own

☐


Purchase cards or small  
gifts occasionally

☐ ☐

Purchase frequent gifts  
for family and friends

☐ ☐ ☐

## Savings



Change in piggy bank

No cost

Five percent of income

☐

Ten percent of income

☐ ☐

Invest for retirement

☐ ☐

Contribution to  
charities and religious  
groups

☐


## 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

☐ ☐

## Recreation



Hiking, walking, visiting friends or library

No cost

TV, snacks, picnics, driving around

☐

Cable TV, sports and movies

☐ ☐

Fishing, hunting, hobbies

☐ ☐

CDs/music, books, DVDs

☐ ☐

Concerts, vacations & 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 & Laundry



### Clothing

Wear present wardrobe

No Cost

Use your sewing skills

☐

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

☐

Buy at a department store

☐ ☐

Shop for designer clothes

☐ ☐ ☐

### Laundry

Do laundry at parents

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

☐

Newspaper and magazine subscriptions

☐

New TV, DVD player or iPod

☐ ☐

★ Gold Star denotes Required Category



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