



Credit Unions dare you to take a ...

# **\$BITE OF REALITY**

Presented by the Richard Myles Johnson Foundation

## **Facilitator Guide**



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Credit Union Foundation  
Charity. Community. Cooperation.



## Facilitator Guide

<b>Introduction to Bite of Reality</b>	<b>2</b>
<b>Simulation Overview</b>	<b>3</b>
Program Description	
Session Objectives	
Target Audience	
Pework	
Course Length	
Recommended Class Size	
<b>Pework Options</b>	<b>4</b>
<b>Learning Through Simulations</b>	<b>5</b>
<b>History—Social Science Framework</b>	<b>6</b>
<b>Role of the Facilitator</b>	<b>7</b>
<b>Materials and Supplies Needed</b>	<b>8</b>
<b>Room Setup</b>	<b>9</b>
<b>How to Select and Train Merchants</b>	<b>10</b>
<b>Step-By-Step Procedures</b>	<b>11-15</b>
<b>Questions Participants Ask</b>	<b>16</b>
<b>After-Program Checklist</b>	<b>17</b>



## Introduction to Bite of Reality

Bite of Reality is a 'Real World Simulation' that guides students through a day in the life of an adult. The students make personal financial decisions in every area of life. Each student is given a persona for the day. The persona includes an occupation, income, family description, possible debt and student loan. The student moves from booth to booth making decisions about housing, transportation, groceries and dining, child care, etc.

The following items are provided in a "Bite of Reality Kit." Each kit will have everything you will need to put on an event. This kit is housed at an assigned credit union in your area. The RMJ Foundation will assist in arranging the delivery of the kit to you.

**Facilitator Guide**—This is the guide you are now reading. This guide will tell you everything you need to do to prepare for a successful event.

### Banners and props

Each station has a pull-up banner with the station name and a basic set of props. Props include pictures of items and small trinkets to represents items at those stations.

### Merchant Materials

Volunteer vests, item codes with pricing and instructions for how each station is operated, along with tips for the volunteer merchants.

### Participant Materials

The only materials a student will need are a smart phone or tablet with the Bite of Reality2 App downloaded. Tablets can be provided for any student who does not have a cell phone. Each kit contains 10 tablets and a sign out sheet. If additional tablets are needed, the RMJ Foundation can arrange for the use of more tablets. Tablets are charged, reset and ready for use.

RMJ has checks available upon request if you would like to still incorporate check writing along with the app. We recommend using checks at the Housing and Transportation stations.

### Marketing Material

Customizable materials are available to help you promote your event.

*Remember that the RMJ Foundation is your partner in this process. We will help you through the process and make sure that you are prepared to deliver a quality program that is both enjoyable and educational.*



## Simulation Overview

Bite of Reality is a 1.5 hour simulation for high school students. Each participant receives “about me” information when starting the app that contains an identity with an occupation and salary, student loan debt owed, credit card debt owed, and cost of medical insurance. Some participants will have a spouse; some will be single; and all will be parents.

Participants build a monthly budget based on their incomes. They visit nine merchants in Bite of Reality to purchase housing, transportation, food, day care, and other needs. There’s shopping for wants and, of course, a credit union for financial counseling.

The Fickle Finger of Fate randomly visits each participant on the app during the simulation and distributes unexpected life events in the true form of unplanned expenses and random gifts.

When a participant visits a merchant or has a Fickle Finger of Fate event, the dollar amount is automatically adjusted on the built in register.

### Session Objectives:

Each participant will:

- Practice budgeting as an adult with realistic circumstances.
- Identify and experience the consequences of poor decisions.
- Develop good judgement regarding spending and living within a budget.
- Understand that budgeting is a necessary step in good money management and that it doesn’t have to be difficult.

### Target Audience:

This program is aimed at teenagers ages 15 to 18, however it can be successfully delivered to slightly younger or older participants.



## Prework

This session requires that participants download the Bite of Reality2 app onto their personal devices. The app will require two codes upon download. The first will be the sponsor code RMJ and the second is the event code that has been assigned to your event. Please request this code at least two weeks prior to your event. Wi-Fi is required to download the app, but we suggest that you provide the students with the sponsor and event codes ahead of time. Since there is an additional password required, the students will not have access to play with the app until the day of the event. You will provide the second password to the students the day of your event.

## Course Length

1.5 hours

This time may vary slightly depending on the number of participants, volunteers, and the amount of time you spend during the debriefing discussion at the end of the program.

## Recommended Class Size

The ideal class size is 50–125. You can run a larger session, but will need to increase the number of volunteers. We do not recommend fewer than 30 participants because the group dynamics are not as challenging—or fun.

## Options For Large Classes

Some schools conduct Bite of Reality for the whole school or an entire class. To make this work, teachers instruct students to download the app and deliver instructions in the classroom the day before the event. The next day, students go to the gym (or lunchroom) to visit merchants. This works best if the “shopping time” runs over two class periods. Debriefing and in-depth discussion can be held back in the classroom the next day. It is best to plan for one merchant per table

for each 75 students, with the exception of the credit union, transportation and housing tables. These tables tend to be crowded and can use an extra volunteer.

## Tips For Getting Participants

Follow these tips to reach the desired attendance:

- Offer to conduct the simulation at your local high school.
- Partner with local community groups such as scouting or teen clubs.
- Invite youth groups from faith-based organizations.
- Ask your SEGs if they conduct activities for teenage children of employees, or would like to.
- Volunteer to conduct the program at an event such as a statewide Money Week.
- Offer as part of a half-day (or longer) financial boot camp.
- Offer as a Spring break activity at your local community center.
- Offer to after-school clubs.



## Learning Through Simulations

The Bite of Reality simulation uses no lectures or PowerPoint® slides. It requires teenagers to integrate their knowledge of money, math skills, and attitudes about choices, and money values. During the program, participants make decisions with immediate repercussions that might not occur for years in real life. They have the opportunity to modify their decisions and actions and see the impact of changes right away. They have the chance to experiment and make mistakes—and suffer the consequences of their decisions—in a realistic, but safe, environment.

Simulations are a good way to practice real life by taking on responsible roles, finding ways to succeed, and developing problem-solving tools. Simulations make students hands-on participants, not just listeners or observers. Simulations motivate participants because their involvement in the activity is so personal that it leads them to want to learn more about the simulated subject matter.

Face it—most adults would consider the topic of budgeting to be a “yawner.” Books and classroom lectures on the subject likely would put most teenagers to sleep. But a budgeting

simulation elicits higher levels of interest, motivation, and engagement. This activity can produce higher quality problem solving in participants than traditional classroom methods do. What’s more, simulations encourage persistence, creativity, problem solution, and cooperative teamwork.

### Let the Participants Fail

Really, let them make mistakes. If you’re used to a traditional teaching experience, you may need to remind yourself not to step in and help participants “fix” their budgeting problems. In this program, we want merchants to upsell while applying real life peer pressure so participants will overspend and end up with purchases they can’t afford. That’s the power of this experience. Participants will realize, “Oh, I guess I can’t have a big house and a new truck on my salary and still pay for day care and groceries.” Sure, you could tell them what choices to make, but that’s not the best way for them to learn. They need to see for themselves what works and what doesn’t. That’s why the app has the ability to return purchased items.

During the simulation, participants will learn the consequences of their decisions and share their thoughts and actions with their peers.





## **History–Social Science Framework**

*The following excerpt from the California Department of Education’s Economics Framework may be helpful when presenting the Bite of Reality opportunity to schools*

### **Adopted by the State Board of Education on July 14, 2016 Fundamental Economic Concepts and Reasoning**

- How are resources allocated?
- What is a market economy?

“Students might begin learning about economics from a personal perspective; in other words, to get invested in the discipline students can begin their study of economics by seeing their place in it, starting with personal budgeting and moving outwards to identify their economic place in the world through a multitude of layers. Teachers might begin by telling students they will be assigned a unique (and imagined by the teacher) economic identity: this identity initially consists of a monthly salary, a list of bills, and a checkbook or an online system of sending and receiving money. Starting with their monthly salary, students are directed to determine their take home pay by subtracting federal and state taxes (teachers can provide this information to students or have students locate it and estimate their rate based on their salary). Next,

students must pay their bills. Bills consist of a pre-determined amount for these categories: rent/mortgage, utilities, cell phone, student loan payment, car payment, car insurance. Once bills are paid, students allocate money for the remainder of the month. They can choose whether or how much to save; how much to devote to food, gas, and other staples; and how to use any discretionary money left over. Once students have divided their resources for a month, they should take a step back and look at their larger budgets, perhaps using budgeting tools online, making charts or graphs to understand how and where they spend money.

With a budget in hand, students can begin to learn about different kinds of debt and different kinds of ways of accumulating personal wealth. Starting with debt, teachers provide students with an overview of what a credit card is, how interest gets calculated, what compound interest consists of, and how credit card debt affects individuals in the marketplace. Students can calculate credit card payments and factor that into their contrived economic identities for practice. In addition, teachers can provide similar overviews of student loan debt and mortgage debt and explain how these latter forms of debt are often considered “helpful” debt in the individual’s long-run as they contribute to more opportunities for wealth over the course of a lifetime. Still, these forms of debt can be calculated and similarly factored into their contrived economic identities.”

## Role of the Facilitator

The facilitator's job in Bite of Reality isn't like that of a typical classroom presenter. In this simulation, you provide a brief greeting and instructions and then become an observer while participants manage their budgets. During the session, you're available to answer questions and assist merchants as needed. You are visible, but generally silent except to offer time remaining reminders. You'll roam among tables, listen to conversations, and make notes for the debriefing.

Your main focus is the debriefing, when participants will share their experiences—good and bad—and you will make comments and give advice. Your job is to facilitate a positive debrief.

## Skills Required

- Ability to present directions that participants can quickly and easily understand.
- Ability to effectively observe, listen, empathize, question, conclude, and describe.
- Knowledge of the techniques and methods used in working with teenagers.
- Ability to observe and describe behaviors and their effects.
- Ability to think logically and creatively without being unduly influenced by personal biases.

## Preparing Yourself

Once you've read through the entire Facilitator's Guide, make notes for yourself that will help you organize and deliver the program. Practice your introduction in front of a mirror or with peers who can give you feedback. Have volunteers assigned to tables ahead of time so that everyone knows their role.





## Materials and Supplies Needed

### Merchants

- 10 tables (Set up around perimeter of room. One table will be used by the facilitator for registration.)
- 1 chair per merchant. Note: We don't provide chairs for students because that would allow them time to ask questions and think about their purchases. Remember, we WANT them to fail.
- Merchant sheets with item codes and pricing.

### Students

- Chairs set up in the middle of the room for students to sit at during orientation and debrief.
- Personal device able to download the Bite of Reality2 app. 10 Tablets and sign out sheets are in each kit for students who do not have a personal device to use. If more tablets are needed contact RMJ 30 days prior to arrange for more tablets.

### Registration

- Table near door or outside the room for registration—optional
- Name tags (1 for each student and 1 for each merchant)—optional

### Supplies

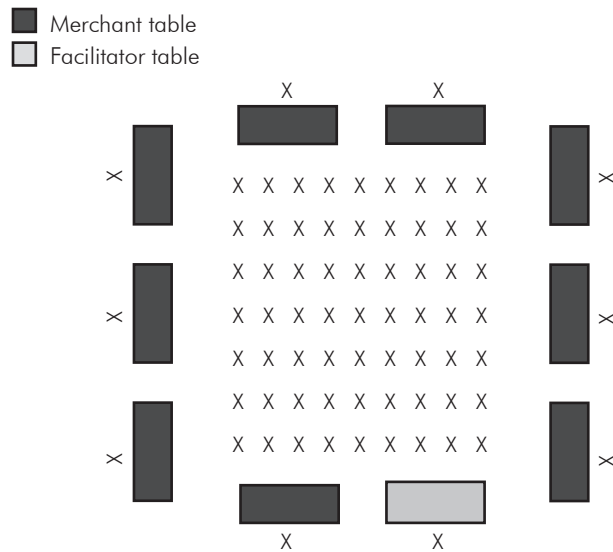
- Microphone (depending on size of room and number of participants)
- Music—optional
- Water and snacks for students—optional
- Coffee and donuts / snacks for volunteers—optional



## Room Setup

Merchants are seated at tables around the perimeter of the room. A sign identifying each merchant is also displayed near each table.

Merchants can use space on their tables to add visual excitement and humor. Basic props are provided for each table.



If space is limited, combine merchants and seat 2 per table.



## How to Select and Train Merchants

Merchant Name	Service
Housing & Utilities	Housing, land line phone, utilities, insurance
Groceries & Dining	Groceries, dining out, coffee
Entertainment	Activities, entertainment, sports, hobbies, vacations
Kid Care	Formula, diapers, clothing, child care, presents/books/toys
Household Needs	Furniture, decorative items, household needs
Transportation	Transportation, insurance, gas, repair, bus passes
Clothing & Personal Care	Clothing, personal care
Credit Union	Financial institution; pay credit card debt, save for goals, unlock app; receive financial counseling
Shopping	TVs, cameras, sound systems, computers, charitable donations
Fickle Finger of Fate (roving, no table)	"Life happens" windfalls and unplanned expenses

There are nine merchants in Bite of Reality; the tables are placed around the room and represent their shops.

### 1. Select merchants

Merchants can be credit union staff, members, parents, or other volunteers from the community. Your board of directors is another good source of help. Merchants do not have to be experts in their occupations, but personal knowledge is helpful. For example, it's not necessary to be a real estate agent to run the Housing Station, but experience in buying a home will provide background material for the role. The most

important quality is to stay in the role of a salesperson and avoid solving the students' problems. Encourage your merchants to dress—and behave—according to their roles.

**TIP:** If you use volunteers outside of the credit union, plan on having a "floater" credit union staffer ready to fill in for a merchant who cancels at the last minute. For liability purposes, Merchants should not take the participants personal devices when helping them to return a purchase. Have the participants hold the device or place it on the table while the merchant enters the return item code.



## Step-By-Step Procedures

Timing and details	Facilitator actions
<p>1 week before:</p> <p>1 hour before:</p> <p>Merchants set up and decorate their tables.</p> <p>Start</p> <p>Set up participant chairs. Participants arrive. They walk into the room and immediately know that this is no ordinary classroom experience.</p> <p>Start music.</p> <p>Start time.</p>	<ul style="list-style-type: none"> <li>• Send codes to students</li> <li>• Send training video link to volunteers</li> <li>• Update loaner tablets</li> </ul> <p>Give last-minute instructions to merchants. Hand out volunteer vests. Set up refreshments</p> <p>Give each participant: Name badge and loaner tablet if needed</p>
<p>Ask participants to sit at chairs.</p>	<p><b>Introduce yourself and welcome participants. This portion is deliberately brief and should take no more than 10 minutes.</b></p> <p><b>SUGGESTED COMMENTS:</b></p> <p>“Before we get started there are a few housekeeping items to take care of.” [Point out refreshments, restrooms, and other necessities.]</p> <p>“Welcome to Bite of Reality. In a moment, you’ll have a new identity and will be shopping for needs like housing, food, and clothing. You’ll also get to buy fun stuff like a new car, cell phones, and trips. The merchants will introduce themselves to you when you stop at their establishments.</p> <p>“In the future, some of you are married, and some of you have families. Some of you have debt. All of you will have an occupation with a monthly salary.</p>

Timing and details	Facilitator actions
<p>Confirm all students have downloaded the app and have entered the event code.</p> <p>Hold up device and give directions for starting the app.</p> <p>Purchases in the App</p> <p>Savings Plan / Debt</p> <p>Review Identity information.</p>	<p>Your goal in the future in Bite of Reality is to make a monthly budget and purchase your needs. You'll need to visit every merchant, but you can do so in any order." Does everyone have the Bite of Reality App downloaded on their device? You should all be on the "Who am I" screen.</p> <p>Enter the sponsor code ( always RMJ) and your assigned event code. The app will prompt you to enter a password. When you are ready for the students to see their assigned occupation , give them the password "start"</p> <p>Walk them through making a purchase on the app as you explain the process of making purchases.</p> <p>At each of the merchant's tables, you'll choose what you want to purchase and receive a code from the merchant to enter on the app to complete your purchase.</p> <p>At the end of the session, you should have no more than \$100 in your checking account. If you do, you must use it to pay off your debt or put money in your savings account. You can decide how much to put into savings and how much to apply to your debt.</p> <p>Click on Who am I, enter START and press the green check mark. You have just received your new identities for the exercise. You have a salary, occupation and possible debt. There is also spouse and child information. The app will automatically deduct health insurance co-pay and any student loans or debt that may apply. Now you have your starting balance.</p> <p>"I'll keep track of the time and keep you on task. If you have questions or you run out of money, visit the Credit Union for help. You'll have about an hour to complete your budget.</p> <p>Remember you cannot mess up or make a mistake so have fun with it! "Ready"? It's now the future. Welcome to Bite of Reality."</p>

Timing and details	Facilitator actions
<b>Throughout stopping time</b>	<p>Wander among the merchants and participants tables. Listen for comments and situations that provide good and not so good examples of decision making for your debrief. Make sure the credit union table is staffed with volunteers to help participants who have questions or have run out of money.</p>
<b>30 minutes into shopping time</b> (Shopping time will vary, depending on total time allowed)	<p>Remind participants that they have 30 minutes to complete their visits to each merchant. If you have several participants that have finished early, ask them to discuss at their seats who ran out of money, who saved money and share how they did it.</p>
<b>70 minutes after start</b> The debrief is time to teach those money lessons you were not suppose to share during the simulation. Start by giving students the chance to discuss their experience.	<p>“Welcome back to the present in [name of your town]. Some of you may not be finished, but that’s okay. Please take a seat and we’ll spend a little time debriefing.”</p> <p>Ask participants to return any borrowed tablets they may still have, and to complete the evaluation form at the end of the app.</p> <ul style="list-style-type: none"> <li>• Thank all the volunteers for their help</li> <li>• Point out stations that had tough salesman or funny situations</li> <li>• Let the students know you set them up to fail</li> </ul> <p><b>Ask General Questions</b></p> <ul style="list-style-type: none"> <li>• How did you like Bite of Reality?</li> <li>• Did you like your occupation?</li> <li>• Were you able to live off your income?</li> <li>• Who ran out of money (Ask for a show of hands; call on a few to explain why.)</li> <li>• Who bought a car for you and a bus pass for your spouse?</li> <li>• Did you know that your credit score can affect how you make a purchase and may also impact jobs in the future?</li> </ul> <p><b>Tip</b></p> <p>Let students tell you about their “future” experiences for several minutes before you provide answers and advice. This helps them process their experience and gives them an opportunity to share with each other how they managed their money—or not</p>



Timing and details	Facilitator actions
<p><b>Opportunity to Share</b></p>	<p><b>Move on to specific questions and answers. This is a good opportunity to provide short hints about what to do and what not to do, based on the information the participants share.</b></p> <ul style="list-style-type: none"> <li>• Who bought a brand new big truck or sports car as their first purchase? How did that work for you? How did you determine what kind of transportation to buy? Who bought a brand new vehicle for themselves and a really old vehicle for a spouse? How do you think that's going to work in real life?</li> <li>• Did anyone buy a big house? Did that work for you? When you are first starting your career, what will you be able to afford?</li> <li>• What kind of furniture did you buy? Why did you choose it?</li> <li>• Who was unhappy with their salary? How could you make more money?</li> <li>• Who bought nice clothes for themselves and not-so-nice clothes for a spouse or child? Why did you do that? How important are clothes to the job you have?</li> <li>• What were your shopping wants? Could you afford them?</li> <li>• Were you able to set up a savings plan for your wants?</li> <li>• How expensive is food? How did you make your food choices?</li> <li>• What did you learn about the cost of raising children? Think about your costs you have now.</li> </ul>

Timing and details	Facilitator actions
	<ul style="list-style-type: none"> <li>• Let's talk about fun. How much does fun cost? How can you have fun without spending a lot of money?</li> <li>• What is something you'll go home and tell your parents or siblings about money?</li> <li>• How did you get so much credit-card debt? Once you've paid it off, how can you best use the money you'd allocated for debt?</li> <li>• How did it feel to have to make decisions? Where could you get help in the future?</li> </ul> <p><b>TIP:</b> The debrief is the time to reinforce key learning points. Mention how your credit union can help and whom to contact. Reinforce the idea that the credit union is the place to get help not only when you are having financial difficulty, but also when you want financial information.</p>

## Questions Participants Ask

The facilitator—and the merchants—may get many questions during the event. Don't interrupt the program to answer them. Rather, be prepared to respond individually. Here are questions that likely will be asked:

**NOTE: Don't solve the problem for the participant. For example, allow him or her to come to the realization that maybe the new vehicle isn't a good choice right now and that a used car of the bus may be a better option.**

*"I got the lawyer occupation card. My mom is an attorney and she makes a lot more money than this."*

That's great. But this is the future in Bite of Reality. You've just graduated and are just starting your career. Don't worry about how much you make. Concentrate on your budget. How will you manage the money you have?

*"I don't want kids."*

This is Bite of Reality. Don't worry. You may be taking care of a niece or nephew.

*"I don't have any money left and I still need to buy..."*

Hmm. What could you do differently? How could you change your budget and still purchase everything you need? What could you spend less on?

*"Isn't it better to save for a big down payment on a house or a car?"*

Yes, that helps reduce the amount of interest you'll pay over time. In Bite of Reality, though, we're focusing on budgeting and spending choices. The specifics of how to buy a house or car will be taught another day.

*"Why can't my husband/wife stay home so we don't have to pay for day care?"*

That's a good question for you to explore in the future. Will only one earner make enough money to pay your bills and help you save for future needs and wants? Today in Bite of Reality, both you and your spouse are working and neither of you has the option of staying at home.

*"Why do I have to have a spouse?"*

*"I'm not going to get married." [if participant has a spouse]*

That may be a good plan for you in the future. Today in Bite of Reality you get to experience what it's like to budget based on two incomes. So, if you change your mind, you'll have practice budgeting for a family. And you'll be about to share your knowledge with friends who get engaged.

*"I'm planning to be married. We'll have two incomes and can afford to buy more and better things." [if participant is single]*

That's a great plan. But today in Bite of Reality you get to experience what it's like to live on one income. You may not be married right away, so you'll have practice budgeting for yourself. And, you'll be able to share your knowledge with your future husband or wife.



## After-program checklist

- \_\_\_\_\_ Debrief with your credit union. Let them know the impact this program had on your young members. Describe the value of this program and demonstrate the benefits to the participants and your community. Usually the comments students write on their evaluations are very insightful—and worth sharing with your merchants, staff, and the boss.
- \_\_\_\_\_ Send thank-you notes to merchants, community groups, teachers, and any other volunteers who assisted you.
- \_\_\_\_\_ Tout your community efforts! Send appropriate press releases to local and national contacts.
- \_\_\_\_\_ Reorder supplies and materials needed for your next simulation.
- \_\_\_\_\_ Remember to report your presentation to the National Youth Involvement Board (NYIB) at [nyib.org](http://nyib.org). This site tracks the number of students who receive financial literacy training from credit unions. CUNA and state credit union leagues use these statistics in lobbying and promoting the credit union difference.
- \_\_\_\_\_ Plan additional training sessions to continue participants' learning. For example, how to buy a car, how to use a credit card, and how to save for college might be good topics for your young members.

Check out these materials:

### **NEFE High School Financial Planning Program**

[nefe.org](http://nefe.org)

The NEFE High School Financial Planning Program® is sponsored by the National Endowment for Financial Education® (NEFE®) in partnership with the Cooperative State Research, Education, and Extension Service (CSREES), USDA, and participating Land-Grant University Cooperative Extension Services, and Credit Union National Association (CUNA), and America's Credit Unions. The NEFE HSFPP is intended for use as a public service to enhance the financial literacy of youth.