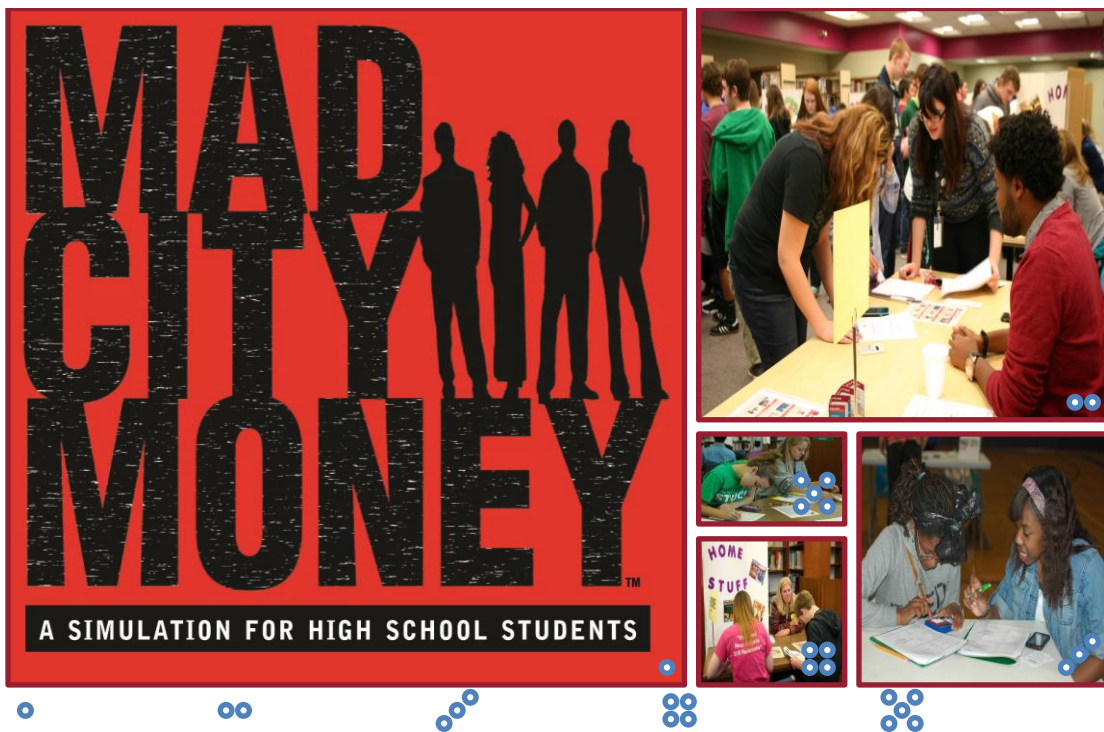


MAD CITY MONEY FINANCIAL REALITY SIMULATION



The Mad City Money Financial Reality Simulation is an effective experiential-learning tool for teaching personal finance concepts and life skills to students. Through the school-based simulation students discover the impact of their decisions, learn important financial concepts and practice money management skills in a creative role-playing activity.

UMSL

Center for Entrepreneurship
and Economic Education

OVERVIEW

Mad City Money Financial Reality Simulation is an experiential learning program for middle- and high-school students based on Mad City Money™, a hands-on financial simulation developed by the Credit Union National Association. Mad City Money is approved as a financial education resource for students by the Jump\$tart Coalition Clearinghouse, based on its National Standards in K-12 Personal Finance Education. The simulation is done in approximately two hours and can accommodate a wide number of students. Multiple sessions can be done to accommodate larger audiences. It takes place on site at participating schools, increasing flexibility and reducing costs for schools. Schools choose which students participate. It is a great fit for students in personal finance, consumer math, business, and other subjects or for seniors preparing for life after graduation. It can be offered any time during the year to fit a school's schedule. The program is offered free to participating schools.

Students develop financial skills by getting a taste of the real world as they take on the role of an adult – complete with occupation, salary, family, student loan and credit card debts, and medical insurance payments. The challenge is for students to select housing, transportation, food, household necessities, clothing, day care, and other wants and needs, while creating and following a realistic budget. Students must also make payments on any debts they owe and decide how much to save. Students discover what it is like to budget for monthly expenses, manage debt and save for the future. Mad City Money Financial Reality Simulation provides realistic examples that highlight the connection between the decisions students make and the economic consequences of those decisions and the link between education and lifelong earning potential. Community volunteers, often from local credit unions, serve as merchants during the simulation. It can be a real eye opener for students and a great way to reinforce what they are learning about personal finance. The program engages students and receives strong reviews from participating students, teachers, and administrators.

At the start of the event, students get a packet with information about the role they are playing, a budget worksheet and a budget summary page. Students complete their budget worksheet as they visit all the merchants. They make adjustments to their budget and revise their purchases as needed by revisiting the merchants. Their goal is to try to have no more than \$100 undesignated at the end of a month, taking into account their income, purchases, debts, and savings. A quick introduction is given to explain what the program is about, materials are distributed, and then students get to work. Afterwards, a quick debriefing is given to highlight what they have learned and experienced, and teachers are encouraged to discuss the simulation experience with their students in the classroom.

The UMSL Center for Entrepreneurship and Economic Education seeks partners to offer these events. Partners can provide financial and other support, such as recruiting volunteers. The center facilitates the program, including marketing, recruitment of schools, scheduling, supervision of the simulation, and provision of materials for students. Participating schools are responsible for organizing the event at their school, such as reserving space, coordinating set up (tables, chairs, etc.), selecting participating students, and helping recruit volunteers if any additional ones are needed (such as school administrators, other teachers, or community members). At least ten volunteers are required to effectively run the simulation. Depending on the number of students, most schools hold the event in a gym, multipurpose room, or library that can facilitate the needed space and table arrangements.

IMPACT

The UMSL Center for Entrepreneurship and Economic Education has offered approximately 30 Mad City Money simulations to more than 2,000 students. The Mad City Money Financial Reality Simulations have been a great success. Evaluations from participating students indicate the program is effective in educating students and increasing their desire to practice wise money management.

Evaluation results are summarized on the following page. Approximately 97% agreed that they better understand how to create and use a budget as a result of Mad City Money. Approximately 96% indicate that Mad City Money was a fun way to learn about and practice money management skills. After participating in Mad City Money, 97% of students reported that they would create their own budget and be a smarter spender and saver. One teacher praised the program after hosting it at his school:

I wanted to thank you again for organizing the Mad City Money event at North Tech High School. We all feel it was very successful.... The students enjoyed the event and learned a great deal.

Participating schools have included:

Brentwood High School	North Tech High School
Holt High School	Oakville High School
Gateway STEM High School	Pattonville High School
Jennings High School	Riverview Gardens High School
Kennett High School	Roosevelt High School
Maplewood-Richmond Heights High School	St. Clair High School
McCluer South-Berkeley High School	Salem High School
Normandy High School	

At several of the schools (Jennings, Kennett, McCluer South, Normandy, Riverview Gardens, Roosevelt, St. Clair, and Salem), we have coordinated the program through the schools' Missouri College Advising Corps advisors. This statewide initiative partners with schools that have high percentages of first-generation-college, low-income, and underrepresented students at risk of not going to college.

Community volunteers that serve as merchants in the simulation have come from numerous local credit unions, banks, non-profit institutions, and other organizations, including:

1 st Financial Federal Credit Union	Northwestern Mutual
Alliance Credit Union	PFP Services
Anheuser Busch Employees Credit Union	Purina Credit Union
Eagle Bank and Trust Company	PwC
Electro Savings Credit Union	Riverways Federal Credit Union
Heartland Credit Union Association	Stifel Bank & Trust
Maritz	Sweet Potato Project
Missouri Credit Union Association	Vantage Credit Union
Neighbors Credit Union	West Community Credit Union

MAD CITY MONEY EVALUATION RESULTS *

I better understand how to create and use a budget

Agree	Disagree
97.3%	2.7%

I better understand why it is important to manage money wisely

Agree	Disagree
98.1%	1.9%

I better understand the consequences of debt and overspending

Agree	Disagree
94.7%	5.3%

I better understand the importance of saving

Agree	Disagree
96.7%	3.3%

I better understand that credit unions and banks are a good place to go for financial help

Agree	Disagree
90.9%	9.1%

I will create my own budget and be a smarter spender and saver

Agree	Disagree
97.0%	3.0%

Mad City Money was a fun way to learn about and practice money management skills

Agree	Disagree
96.1%	3.9%

*Based on 952 student responses from 22 events