

Rich Kid Smart Kid Games
Game Two: Reno's Dilemma
Topic: Good Debt/Bad Debt
Grade Level: 6-8

Interactive Internet Game Activity

Reno really doesn't know what to do. What he does know is that he wants a new video game player. But, he has decisions to make. Should he simply borrow the money, pay interest to his friends incurring bad debt or should he borrow the money, buy a lawn mower, pay back the principle and interest to his friends, and continue to make more money? When you review the Tale of Two Loans with your class, you can help Reno make his decision.

Learning Objectives

- Examine debt to determine if it is good or bad
- Create a descriptive story
- Identify examples that illustrate a concept

Assessments

The student will: (1) Analyze a graphic illustration to determine if a loan will result in good or bad debt, (2) Construct a tale describing the solution to a problem, (3) Create a collage made from pictures that depicts examples of good and bad debt.

Classroom Activities

1. Good Debt, Bad Debt – The Tale of Two Loans – The narrative describes a young person with a typical problem; how can I buy what I want? Guide students through the graphic that illustrates the pathways to good and bad debt. This will help them to help Reno solve his dilemma.
2. The Tale of Two Loans – Create a Tale – Assign students a story to write. They will write about a character who is faced with a dilemma similar to Reno's. The character should have to make a decision about taking on a \$200 loan. Students will need to support the decisions they make while following through with the writing process. Use the provided rubric to assist you in grading.
3. The Tale of Two Loans – Collage Activity – Students will create a collage with pictures that illustrate examples of good and bad debt. Some clipart pictures have been provided to give students a start on their collages.

Class Discussion Questions

1. Do you know anyone who has taken on bad debt?
If yes, what are some suggestions you can give them to eliminate bad debt and instead take on good debt?
2. What are some steps you can take to put yourself into a position of never having to take on bad debt?
3. What are some careers that specialize in helping people on the pathway to good debt?
What are some careers that specialize in helping people on the pathway to bad debt?

Overview

Good Debt, Bad Debt

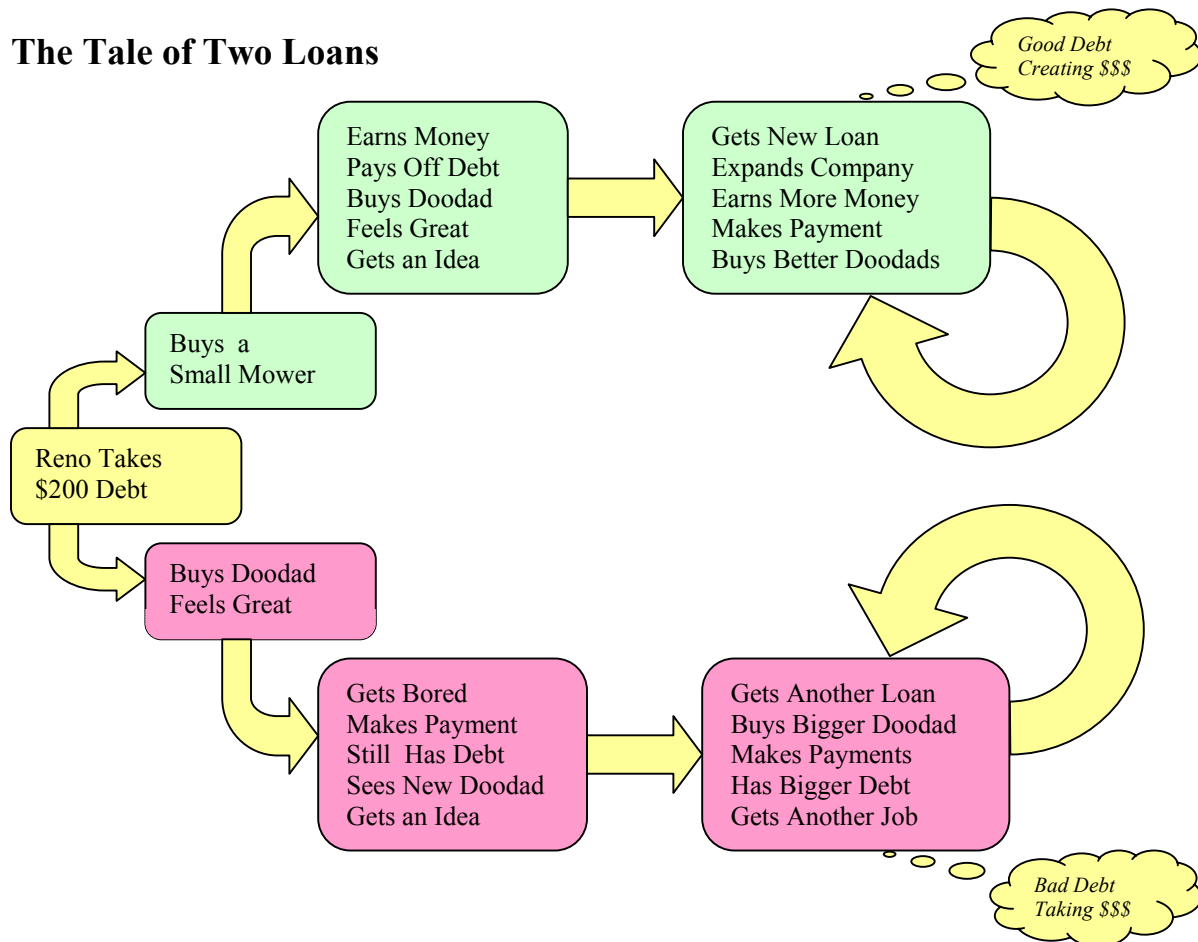
Ever hear someone say, “Money burns a hole in his pocket”? Well that is how we can describe our young friend Reno. Reno loves to buy stuff. When Reno gets some money he can’t wait to go shopping. The problem is it takes him forever because he just can’t make up his mind. So many things to choose from, but not enough money to get them all.

But wait. Maybe there is a way to buy more. We have several names for it. We borrow, take a loan, charge it, sign a note, or even get a mortgage, but they all mean the same thing, we go into DEBT.

Reno found out about this thing we call debt. And once he knew that he could buy stuff now and pay for it later, he started thinking. He only needed \$200 to buy that new video game player. Maybe he could borrow money from his friends; Jesse, Toki, Ima, and Ernesto.

His friends were willing to lend him the \$200, but they also had a suggestion. Perhaps Reno could use the \$200 loan to buy a mower and begin making money of his own.

The Tale of Two Loans



The Tale of Two Loans - Create a Tale

The tale of Reno teaches us that there are good and bad ways to spend money. You are to write a tale, creating a character that is faced with a similar dilemma as Reno. Your character is offered a \$200 loan. First, give your character a goal. Then explain the steps of each path and the consequences your character is met with at the end of the path. Be sure your character experiences both Good Debt path and the Bad Debt path and each step along the way. Your story is to be at least 150 words. Before you turn in your tale, proofread your writing using the list below.

Self-Check List - *Initial each as you check your story*

- _____ Spelling / wrong word
example: to, too, two, their, there, they're

- _____ Fragments/Run-on Sentences
example: Jay wants to buy.

- _____ Pronoun agreement
example: Bob = he

- _____ Verb agreement
example: he was, they were

- _____ Punctuation
example: (! , . ?;)

- _____ Word/Sentence variety
Sentences vary in length.
Sentence beginnings vary.

- _____ Your character has a goal - choose a doodad

- _____ Your character follows the Bad debt path

- _____ Your Character follows the Good debt path

The Tale of Two Loans - Collage Activity

Create a collage that uses pictures to explain the difference between good debt and bad debt. Use your imagination - the more creative the better. A few pictures are included and can be used in your project. You can also include other clipart, pictures from magazines and newspapers, or even pictures you create. Fill the paper provided by your teacher contrasting the difference between good debt and bad debt.



The Tale of Two Loans - Teacher Recommendations

Create a Tale Assignment -

This assignment is very flexible. You will want to consider how long you want to spend on this assignment. You may wish to spend some time in the writing process, having the students draft the tale and receive critique from a few peers. This could also be a one class period, hand-written assignment.

Included below is a rubric for grading. It is recommended that the grade is divided in half - one half for a writing grade, the other grading their understanding of the topic.

Tale Grading Rubric	
1	Writing: Difficult to understand. Contains several punctuation, spelling, structure, and grammar problems. Sentences are not formed. Topic: Does not understand topic. One path may be completely skipped.
2	Writing: Errors make writing hard to follow. Contains several spelling, grammar, and/or punctuation errors AND sentence fragments and/or run-on sentences. Topic: Paths are unclear and most steps are skipped.
3	Writing: Contains several spelling, grammar, and/or punctuation errors. Writing is able to be understood. Topic: Understanding is not definite. Paths and most steps are mentioned.
4	Writing: Contains a few errors, writing is still clear. May lack variety. Topic: Good understanding of topic. Includes both paths, may miss a step.
5	Writing: Easy to read, errors are minimal. Topic: Clear understanding of topic. Includes both paths and all steps.

___/5___ Writing Score + ___/5___ Topic Score = ___/10___ Total Score

Collage Assignment -

Issues to consider:

- Is this a group or individual assignment?
- What materials are available?
- How much time is needed to complete the assignment?

The technology savvy may wish to turn this into a PowerPoint collage.