

# CASHFLOW 101

## Curriculum Guide

**Synopsis:** CASHFLOW 101, used as a curriculum supplement, motivates students through hands-on simulation of learning about money, personal finance, and wealth building. CASHFLOW 101 builds student competency in financial vocabulary, concepts and principles, and in critical thinking skills. In other words, by using CASHFLOW 101, students will have fun while learning about money.

Subject Areas: Finance, Economics, Entrepreneurship, Accounting, Investing

Grade Level: 7-12

Timeframe: Five to eight - 60 minutes periods.  
Three to six - 90 minute periods.

Evaluation: Vocabulary and Concept Test

Objectives:

- Begin to Develop Financial Literacy.
- Understand and use an income statement and a balance sheet.
- Describe cash flow for financial independence.
- Identify strategies to building assets.
- Describe the true cost of liabilities.
- Look at some real estate opportunities.
- Look at some stock market opportunities.
- Look at some business opportunities.
- Evaluate financial options.
- Define financial vocabulary terms.
- Understand how to get out of the rat race.

Activities:

1. An Interview with Robert Kiyosaki
2. "The Secrets of the Rich"
3. Keys to Cashflow 101
4. Cashflow Pre-Game Practice
5. Cashflow 101, The Game.
6. Cashflow Post Test
7. Follow Up

## ACTIVITY ONE – An Interview with Robert Kiyosaki

This is a classroom role play. The role play interview will explore concepts of Robert Kiyosaki as taken from his best selling books; Rich Dad, Poor Dad and Cashflow Quadrant.

**The Scene:** a hypothetical interview between Robert Kiyosaki and a sharp group of students preparing to play CASHFLOW 101.

**The Characters:**

Robert Kiyosaki, Shirley C. Gold, Will B. Wealthy, Rich N. Famous, Penny Saved

1. Give a copy of the role play to each student in the class.
2. Select five (5) students to play the characters.
3. Write the letters W I M P S on the board.
4. Let the person playing Robert Kiyosaki in on the answer below.
5. Let the interview begin.

(on classroom board write)

W  
I  
M  
P  
S

(then fill in with)

W here  
I s  
M y  
P aycheck  
S ir

## ACTIVITY TWO - “The Secrets of the Rich”

This is the video that comes with each Cashflow 101 game. It is approximately 15 minutes. In the video, Robert Kiyosaki discusses five secrets of the rich in a presentation that moves quickly while demonstrating financial concepts using easy to understand flip chart graphics of income statements and balance sheets.

1. Give video notes handout to each student.
2. Play the video.
3. Quick questions for class discussion:
  - What can you tell me about Robert Kiyosaki?
  - What is financial intelligence?
  - Who gets rich when you work hard for money?
  - How can we make money work hard for us?
  - How can we learn more about financial intelligence? (*CASHFLOW 101!*)

## ACTIVITY THREE – Keys to Cashflow101

This is a glossary of terms used in Cashflow 101. Each term has a definition. The more important terms to Cashflow 101 also have examples and the occasional tip for playing the game.

## ACTIVITY FOUR – Cashflow Pre-Game Practice

1. Get students accustomed to game action by completing the Cashflow Pre-Game Practice handout with the Business Manager game card. With this activity, students will also begin to learn the income statement and the balance sheet. By manually doing transactions, students will begin to see the relationships between assets, liabilities, income, and expenses. Use the Business Manager game card as an overhead.
2. Check accuracy and comprehension with the following questions:
  - Total Income?  $\$7,350$
  - Total Expenses?  $\$3170$
  - Monthly Cash Flow?  $\$4,180$
  - Passive Income?  $\$2,750$
  - Are you out of the Rat Race? *No, not until  $Passive\ Income > Total\ Expenses$*
  - Would you be out of the Rat Race if you reduced your Total Expenses by paying off your School Loans, Car Loans, Credit Cards, and Retail Debt?  
*No, but very close.  $New\ Total\ Expenses = \$2,850$ . So the player would need just \$110 more in Passive Income to exceed Total Expenses.*

## ACTIVITY FIVE – Cashflow 101, The Game

Cashflow 101 will take a minimum of three 60 minute class periods or two 90 minute class periods. By now, students should have the basic knowledge of the terms and concepts needed for a fast start to the game.

1. Use 4-6 players per game to maximize learning and fun.
2. Use the “Quick Start” instructions in the rules book to begin play as quickly as possible. Students will learn the rules of play very quickly as they get into the action.
3. As with any new game, expect play to go slowly at first.
4. Remind and encourage players to read the cards out loud and be sure the auditors are doing their job.
5. If possible, designate an experienced, non-player as banker (and rules referee).
6. Calculators will help speed play.
7. Use the “Game Intermission Record” found in this packet when play must be stopped before the conclusion of a game. Ask players to record cheese position, rat position, cash on-hand, down-sizing, charity and fast track positions.
8. Return discarded Opportunity, Market, and Doodads cards to their respective decks. If the game has been used by another group, the decks should be shuffled before play is resumed.

## ACTIVITY SIX – Debriefing & Follow-Up

Students need review and long term encouragement if they are to successfully apply the lessons of CASHFLOW 101.

- Small group/class discussion. Use handout “Keys to CASHFLOW 101” to focus group discussion on getting out of the rat race.
- Allow students to play CASHFLOW 101 once a month or once a grading period.
- Have a CASHFLOW 101 tournament.
- Ask local business people to purchase additional CASHFLOW 101 games for students to “check out” to teach family and others to play.
- Use Rich Dad, Poor Dad and Cashflow Quadrant as classroom resources.
- If students enjoy Cashflow 101, they will also enjoy Cashflow 202 for advanced concepts.
- Use Cashflow for Kids to have older students teach concepts to elementary classes.