

Blizzard Ball: Snowballs versus Avalanches

Blizzard Ball is a fun, active way to review the key concepts of credit and debt covered in Katrina's Classroom Lesson 3, "A Fresh Start." The activity allows players to strategize to earn points and win the game, while testing comprehension of the lesson concepts.

Blizzard Ball starts with a brief, simulated blizzard created when players toss paper "snowballs" (wads of paper) into a wastebasket. Each of the paper snowballs contains a question that will be used in the game. Tossing the questions into the basket provides a random distribution of questions to be answered by each team and provides a fun way to kick off the competition. The object of the game is to accumulate the most points. Players have the opportunity to earn 1 or 2 points for correct answers or toss a snowball question to the opposing team in hopes of a wrong answer and loss of a player and another scoring opportunity.

BLIZZARD BALL SUPPLIES AND PRE-CLASS PREP

- 1 small, empty wastebasket (to catch snowballs)
- Select review questions and prepare snowballs:
 - Print out the provided questions, cut them apart into separate slips of paper and crumple each into a "snowball." Or, write your own review questions on single slips of paper and crumple each into a snowball. Hint: This is a good use of scrap paper or paper to be recycled.
 - The provided questions include two snowballs that award free points without answering a question or losing a player.
- A time-/scorekeeper

BLIZZARD BALL SETUP

- Divide the class into two teams (Team Snowball and Team Avalanche)
- Place the empty wastebasket in the front center of the room, but not touching the wall.
- Line up each team against the opposite wall and tell (and show) the players that there is a set border down the center of the room to separate the teams and another across the front of the room to separate teams from the wastebasket target. Players are not allowed to step across either border at any time during the blizzard.
- Tell the players that each one of them will get a snowball. Tell the players NOT to open or unfold the snowball. If they unfold or read the question in advance, the team loses 5 points. Distribute a snowball to each player. Direct the players to hold on to the snowball until they are given the signal to throw (snow).

- Instruct the players that when given the signal to “snow,” all players attempt to throw the snowballs into the wastebasket. You can choose to have everyone throw snowballs at once or in waves, but it’s important to have multiple snowballs in the air heading to the wastebasket at the same time to create the blizzard.
- When all the snowballs have landed, pick up the ones that missed the wastebasket and hold them out of the game (unless needed).

THE RULES

- Points are earned in the question and answer phase.
- Questions will alternate between teams, and the players will answer questions after catching or being touched by the tossed snowball.
- After a player answers a question, the player(s) will sit down.
- Designate someone as the time- and scorekeeper.
- Points are awarded only for correct answers.
 - Select a snowball from the basket and underhand toss it to a “Team Snowball” player. The player who catches the snowball or is touched by the snowball must read the question aloud and then has 10 seconds to either:
 - Answer the question on his/her own, earning 2 points for a correct response. (Right or wrong, the player sits down after answering.)
 - Consult the next team member in line for the answer, earning 1 point for a correct response. (Right or wrong, both players sit down after answering.)
 - Toss the question snowball to anyone on the other team, giving any member of the other team touched by the snowball an opportunity to earn 1 point for a correct response. (Right or wrong, the player who answers the question sits down after answering.) The player who “tossed” the question, stays in the game and must answer the next question selected for the team.
 - Select a snowball from the basket and underhand toss it to a “Team Avalanche” player and repeat the steps above. Alternate between teams until questions or time runs out.
 - At the end of the game, the team with the most points wins Blizzard Ball.
- Opportunities to strategize: To have an opportunity to earn points, a team must have a player still in the game. Each time a question is answered (right or wrong) a player(s) will sit down.
 - A player answering correctly on his/her own earns 2 points, but loses one player.
 - A player who consults another team member for a correct answer earns 1 point but loses both players.
 - Tossing a question to an opponent provides an opportunity for the opponent to win 1 point for a correct answer but it also eliminates the player, resulting in fewer opportunities for that team to earn 2 points on a future question.
 - The advantage goes to the team that has the most individual members answering questions without assistance.

ANSWER KEY

The table below matches each concept or term with an example or definition. The numbers have been included to make it easy to check responses during the game.

Concept/Term	Example/Definition
1. Three things included in financial emergency preparedness	1. An emergency fund; an established banking relationship; access to credit
2. A definition of credit	2. Any arrangement in which goods, services or money are received in exchange for a promise to repay at a later date
3. A definition of credit	3. The assessment of an individual's ability to fulfill financial obligations; a measure of the creditworthiness of the borrower
4. Definition of debt	4. The result of using credit; something, typically money, that is owed or due
5. Examples of revolving credit	5. Credit card; personal line of credit; home equity line of credit
6. Characteristics of revolving credit	6. Open-ended and can be secured or unsecured; borrow at any time up to a limit set by the creditor; flexible payments with a minimum payment required; minimum payment usually a percentage of the balance due; periodic finance charges computed on unpaid balance
7. Examples of installment/term credit	7. Home mortgage; car loan; student loan
8. Some characteristics of installment/term credit	8. Closed-ended and can be secured or unsecured; borrow a specific amount for a specific purpose for a specific amount of time at a given interest rate; loan term, loan amount, number and dollar value of payments, and total finance charges agreed upon at start of loan; typically has fixed number of payments of predetermined amount
9. Examples of non-installment/service credit	9. Cell phone plan; utility bill
10. Characteristics of non-installment/service credit	10. Unsecured; paying for a service that has already been used; payment in full is required by a specified date; interest is not charged; failure to pay within specified time may result in service fees and/or discontinuation of service
11. Definition of secured credit	11. Loans that require the borrower to provide collateral to guarantee repayment of the debt
12. Definition of unsecured credit	12. Loans that are granted based only on the borrower's creditworthiness, rather than by a type of collateral.
13. Definition of principal	13. The original amount of money borrowed or still owed on which interest is charged
14. Definition of interest	14. The price borrowers pay for the use of money they borrow from a lender

Concept/Term	Example/Definition
15. Definition of interest rate	15. The price paid for using someone else's money, expressed as a percentage
16. Definition of APR	16. The interest rate charged on the amount borrowed; reflects the annual cost of borrowing money
17. Definition of nominal APR	17. The interest rate that is stated on a loan
18. Definition of effective APR	18. The type of APR that includes fees that have been added to the balance of the loan
19. Definition of loan term	19. The length of time allowed for the loan to be repaid
20. Definition of credit cards	20. A high interest, revolving, unsecured loan
21. Three transaction types available on a credit card	21. Purchases; balance transfer; cash advance
22. Examples of credit card incentives	22. Low promotional rates; special store discounts; reward points; cash back rewards
23. Definition of credit history	23. A collection of information that lists credit obligations and your record of payment to these creditors over a long period of time
24. Definition of credit report	24. Contains detailed information of your borrowing and repayment habits
25. Definition of credit score	25. The numerical representation of how you handle your financial obligations; a "snapshot" of your level of risk to a lender at a specific point in time
26. Impact of a high credit score on interest rates	26. A higher score equals a lower cost of borrowing
27. Impact of a low credit score on interest rates	27. The cost of borrowing (interest rates) will be much higher
28. The three major credit bureaus	28. Equifax; Experian; TransUnion
29. The five components of a credit score	29. Payment history; amounts owed; length of credit history; new credit; types of credit used
30. The component of a credit score that makes up the largest part of the calculation	30. Payment history makes up 35% of the credit score calculation
31. Uses of credit scores	31. Lenders, insurers, and employers use credit scores and other information to set loan and insurance rates, review job applicants, and approve service credit contracts for things like cell phones and cable or satellite TV.
32. Responsibilities when using credit	32. Paying debts as agreed; following the terms and conditions of the credit agreement
33. Definition of emergency fund	33. 3-6 months' worth of living expenses

Concept/Term	Example/Definition
34. Definition of wage garnishment	34. A court order to your employer to automatically deduct funds for the loan payment from your paycheck and send the funds to the lender
35. Definition of collateral	35. Something of value—an asset or property—that you pledge when getting a loan; if you don't repay the loan as agreed, the lender can take your collateral and sell it.
36. Factors that influence the APR that you get in any credit arrangement	36. Your credit history; current finance rates; competition; market conditions; special offers
37. Advantages of having a credit card	37. Having goods and services now while paying for them later; earn incentives for card use; convenience; not having to carry cash; being able to pay for emergencies; purchasing goods or services you couldn't otherwise afford with cash
38. Disadvantages of having a credit card	38. Misuse of credit may result in bankruptcy; it is easy to spend even though you don't have money to pay for the item; possible identity theft; can cost more than paying in cash; misuse of credit restricts future income; misuse of credit may result in higher credit costs
39. The website for getting your FREE credit report	39. www.annualcreditreport.com
40. Definition of the opportunity cost of credit	40. When credit is used to make a purchase, we give up the purchasing power of money earned in the future to pay for past purchases.
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