



# Personal Finance

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## Software User Guide





# Contents

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|   |           |
|---|-----------|
| <b>1. Welcome .....</b>                                       | <b>5</b>  |
| <b>2. GoVenture Personal Finance .....</b>                    | <b>6</b>  |
| <i>What is the GoVenture Personal Finance Simulation.....</i> | <i>6</i>  |
| <i>What Makes GoVenture Personal Finance Unique.....</i>      | <i>6</i>  |
| <i>GoVenture for You .....</i>                                | <i>7</i>  |
| <i>What You Need to Play GoVenture Personal Finance.....</i>  | <i>8</i>  |
| <i>More Information.....</i>                                  | <i>9</i>  |
| <b>3. Playing GoVenture Personal Finance.....</b>             | <b>10</b> |
| <i>START NEW Simulation.....</i>                              | <i>10</i> |
| <i>SAVE Simulation.....</i>                                   | <i>11</i> |
| <i>RESUME Saved Simulation .....</i>                          | <i>11</i> |
| <i>CONTINUE with this Simulation.....</i>                     | <i>11</i> |
| <i>END Simulation .....</i>                                   | <i>11</i> |
| <i>QUIT GoVenture.....</i>                                    | <i>12</i> |
| <i>Play Options .....</i>                                     | <i>12</i> |
| <i>Single Player Mode .....</i>                               | <i>16</i> |
| <i>Create and Play Your Own QuickStart .....</i>              | <i>16</i> |
| <b>4. How GoVenture Personal Finance Works.....</b>           | <b>18</b> |
| <i>Objective.....</i>   | <i>18</i> |
| <i>Startup Profile and Profile Activities.....</i>            | <i>18</i> |
| <i>Playing the Full Simulation .....</i>                      | <i>20</i> |
| <i>Economic Influences .....</i>                              | <i>23</i> |
| <i>Random Events .....</i>                                    | <i>26</i> |
| <i>Every Simulation is Different .....</i>                    | <i>27</i> |
| <b>5. GoVenture Personal Finance Screens .....</b>            | <b>28</b> |
| <i>Main Screens .....</i>                                     | <i>28</i> |
| <i>Interface Layout.....</i>                                  | <i>29</i> |
| <b>6. Performance Evaluation .....</b>                        | <b>32</b> |
| <i>Success in GoVenture Personal Finance.....</i>             | <i>32</i> |
| <i>GoVenture Performance Report.....</i>                      | <i>32</i> |
| <b>7. Next Steps .....</b>                                    | <b>34</b> |



# GoVenture<sup>®</sup> Personal Finance

## Software User Guide



### 1. Welcome

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The Software User Guide provides an overview of MediaSpark's GoVenture Personal Finance simulation. Its purpose is to get you started quickly and confidently, by providing an overview of the key elements of the software. GoVenture Personal Finance is designed to be easy to use, and includes detailed help accessible from within the program.

For an introduction to the basics of personal finance, please refer to the companion GoVenture book: *Experiencing Personal Finance*.



## 2. GoVenture Personal Finance

### What is the GoVenture Personal Finance Simulation

Experience your financial future — today! GoVenture Personal Finance is a realistic software simulation designed to help youth and adults learn about personal money management decisions in a fun and educational manner. Like a flight simulator for finance and life, GoVenture Personal Finance enables you to learn-by-doing. It's easy to use, visual, interactive, and exciting!

Establish your life plan, enter your financial information — income, expenses, assets, liabilities — and then live your financial future: 5, 10, 20, or up to 50 years. Decide where to invest your money — savings account, stocks, bonds, mutual funds, and more! Watch your investments grow and shrink based upon the economy, your investment decisions, and personal spending habits. Will you be wealthy or bankrupt in the future? Can you afford to buy that new car or home today? Should you invest in a real estate or in the stock market? When can you retire? Try GoVenture Personal Finance and find out!

Practice your money management skills on your own, or play against your friends and classmates. Learn how financial markets operate. Gain practical experience so you have the knowledge and ability to plan your own financial future.

Unlike any book, course, or seminar, GoVenture Personal Finance enables you to gain years of finance and life experience in minutes! Play again and again — every new simulation you run is different!

### What Makes GoVenture Personal Finance Unique

GoVenture simulations enable learning-by-doing, an approach that cognitive scientists have identified as the fastest and most effective way for human beings to learn. GoVenture simulations immerse the learner in a highly visual and interactive environment in such rewarding ways that the learner feels both intellectually and emotionally engaged in the experience - as if he or she were personally living it.

GoVenture Personal Finance is designed to meet three key objectives, which differentiate it from other personal finance products:

1. GoVenture helps you identify personal life goals and set your goals in a visual environment.

*It is difficult to identify and set financial goals, and these goals are not intuitive when expressed as purely mathematical concepts. GoVenture uses a visual interface to help identify goals and make it easier to relate to the financial concepts.*

2. GoVenture is not a tool to document your financial life; it is a teaching tool which helps you learn about personal finance.

*Many products on the market help document your personal finances, but they are designed to record data, or perhaps to calculate mathematical projections — not to teach. GoVenture is designed as a teaching tool.*

3. GoVenture lets you “live” your possible financial future for 50 years.

*As a simulation, GoVenture allows you to “live” your life in a virtual environment for up to 50 years. You can replay the simulation unlimited times to try different strategies or different personal goals.*

GoVenture Personal Finance is designed to be used as a learning program on its own, or to complement other learning materials, courses, programs, and curricula. It can provide a valuable learning opportunity for an individual or an entire class, within a single hour of use or over an extended period of time. The educational foundation and ease of integration in the classroom and curriculum make GoVenture Personal Finance the first choice among learners who are in the early stages of learning about personal finance, as well as educators and trainers who are providing basic finance and life skills training.

## **GoVenture for You**

### ***Personal Planning***

Planning your future is perhaps the most important strategy you must develop and monitor. GoVenture allows you to experience up to 50 years of virtual results in a few hours – and more importantly, learn from this experience. You can see what happens in different economic environments, and with different investment portfolios. You can even learn how to adjust for unexpected events. GoVenture can make you better prepared to address your actual personal financial future.

### ***Education***

GoVenture has been designed to be suitable for a variety of instructional approaches and levels. Whether the need is to create a completely new curriculum or to enhance an existing one, GoVenture offers a successful and valuable experience for instructors and learners, from middle school to adult education.

### ***Investment***

GoVenture can be played as an investment simulation. It challenges you to manage investment portfolios of a variety of securities and real property. You need portfolio strategies to balance risk, income generation and growth. You are placed in changing economic conditions which will further challenge your investment skills. The ability to play over and over again at no real financial risk helps develop an in-depth understanding of investing.

### ***Career and Family***

GoVenture provides you with the ability to plan major career and family objectives, and then simulates how they might affect your personal finances and future goals. It helps you develop a greater understanding of the financial and time commitments needed to meet these objectives.

### ***Economics***

GoVenture brings the study of economics to life in a controlled environment. Key economic factors are simulated, without the complexity of true worldwide economies. Using the GoVenture experience, you can learn how economic changes influence markets and affect you on a personal level.

### ***Mathematics***

GoVenture can be used to enhance mathematical skills. While prices and current totals are calculated by the simulation, you must project your cash requirements, investment returns, and future expenses so that you can manage your cash flow and increase your net worth.

### ***Life Skills Training***

GoVenture helps develop a number of necessary skills for success in the fast-paced Knowledge Economy, including: planning, just-in-time learning, problem solving, organization, critical thinking, and risk management. GoVenture addresses life skills training directly by immersing you in a simulated world of experience that transcends the limitations of traditional teaching and learning approaches.

Unlike conventional educational materials, games and Internet portals, GoVenture offers a comprehensive learning experience. Simulations are combined with a wide range of learning resources for quick and easy integration into self-directed or facilitated learning environments.

## **What You Need to Play GoVenture Personal Finance**

GoVenture Personal Finance is designed using proven technologies that will operate on personal computers, either stand-alone or over the Internet. For specific system requirements, please refer to the software documentation.

## More Information

For more information on GoVenture Personal Finance and other simulations, visit the GoVenture.NETwork Internet portal or contact MediaSpark at:

Sales: 1-800-331-2282 USA/Canada  
Telephone: 902-562-0042  
Fax: 902-562-1252  
Internet: [www.goventure.net](http://www.goventure.net)

## 3. Playing GoVenture Personal Finance

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Each time you run GoVenture Personal Finance you will first go to the Setup Screen, where you will have the following options:

- START NEW Simulation
- SAVE Simulation
- RESUME Saved Simulation
- CONTINUE with this Simulation \*
- Sound ON/OFF
- QUIT

*\* This button is not displayed when you start the program. However, if you return to this screen while playing a simulation, you will see this option, which allows you to go back and continue playing the current simulation.*

### START NEW Simulation

When you click the *START NEW Simulation* button, you will have to make some decisions before you can start.

*Each of these options is discussed in greater detail in the Play Options section and in the Single Player Mode section, following.*

#### 1. Full Simulation or Profile Activity

GoVenture Personal Finance can be used to play a complete simulation, or to run an activity. The activities are components of the Startup Profile of a simulation, which can be used to focus on one specific area.

#### 2. Which Simulation or Profile Activity

You have the choice of running one of the following:

Full Simulation:

- Custom — Build and run your own simulation to suit your needs.
- QuickStart — Run a simulation with pre-existing startup decisions.
- Challenge — Run a simulation with a pre-set life scenario and goals.

Profile Activities:

- Life Plan — Set out your goals and related financial implications.
- Net Worth — Detail your assets and liabilities to determine your net worth.
- Cash Flow — List your income and expenses to determine your cash flow.

## SAVE Simulation

You can halt time in the GoVenture Personal Finance simulation and save your simulation to disk, and then return to it later. To do this, click on the *Setup* button which is in the lower right corner, in the Application Menu on all the main GoVenture Personal Finance screens. This will take you to the Setup screen. Click on the *SAVE Simulation* button.

Select the drive and folder where the file is to be saved. Fill in the file name and password in the spaces provided. You may also add a description of the file, which is a good area to make yourself notes on where you stopped or a description of the simulation that might help you when you resume play at a later time. Make sure to record the password so you will be able to open the file later.

## RESUME Saved Simulation

Click on the *RESUME Saved Simulation* button and call up your saved simulation file. If the file was originally saved with a password, you will need to type in the password to open it. When the file opens, play resumes where you left off when you saved the file.

## CONTINUE with this Simulation

If you have reached the Setup screen in error, or if you change your mind and decide to continue with your current simulation, then click the *Continue with this Simulation* button to return to playing your current simulation.

## END Simulation

Play will automatically stop once you reach the end of the designated number of years set for the simulation to run. You will then have the opportunity to review the simulation and your Performance Report. You can also save the completed simulation before you quit the program.

Unless the length of play option has been locked, you may end the simulation any time you wish. To end the simulation early, click on the *Time* button in the Applications Menu in the lower right corner of the screen. Then, click the *END this Simulation Now* button at the bottom of the screen. If the length of play option has been locked, you will not be able to click this button, and the simulation will not end until the specified number of years has passed. You can check the number of years that has been set up by clicking the *Time* button.

You can review your Performance Report at any time. If you wish to save this report, be sure either to Print the Performance Report or to Save the simulation before quitting the

program or starting a new simulation. If you Save the simulation, you will be able to view the results later by selecting the Resume option (see above).

## QUIT GoVenture

To quit GoVenture Personal Finance and exit the program completely, click the *Setup* button from the Application Menu, and then click the *Quit* button. If you wish to resume your current simulation at a later time, be sure to save it before quitting (see above).

## Play Options

GoVenture Personal Finance offers you several different ways to learn from and enjoy this software simulation. You may play an unlimited number of full simulations, each for up to 50 virtual years. You can save simulation files and resume play at a later time. Or, you can elect to focus on the activities involved in setting up your profile instead of running the full simulation.

Whenever you select the START NEW Simulation button, you are given to following play options:

### Full Simulations

- Custom
- QuickStart
- Challenge

### Profile Activities

- Net Worth
- Life Plan
- Cash Flow

Full simulations also provide options to customize play and lock certain functions; however, these decisions may have been made for you in a QuickStart or Challenge simulation.

Each of these play options is described in more detail below.

## ***Full Simulations — Basic Choices***

### Custom

Custom simulations offer the most flexibility in structuring and running your own full simulation. Build your own Startup Profile exactly as you wish.

In the Startup Profile, click on the buttons for each of the areas: you, life plan, assets, liabilities, income, and expenses. You do not have to enter any Startup Profile information, but the more you enter, the more prepared you will be when the simulation begins.

Next, you can customize your simulation further by selecting the number of virtual years the simulation will run; how fast you wish time to advance; and if you wish random events to occur.

Certain options may be locked, but it is best to leave all options unlocked the first time you try the simulation. In that way, you will be able to modify the settings while the simulation is running. The only exception to this is the random events setting (on or off), which cannot be changed after the simulation starts.

*See also the information on Full Simulation — Other Play Options, below.*

### QuickStart

QuickStarts are full simulations which have already started. Some QuickStarts may only have the Startup Profile completed while others may have had the simulation run for several years. QuickStarts are a great way to get started quickly or to set up specific challenges for learners. Once familiar with GoVenture, you can make your own QuickStarts and add them to the program (see *Create and Play Your Own QuickStart, below*).

QuickStarts can be used for several purposes:

- QuickStarts allow you to dive right into the simulation to get an understanding of how it works.
- QuickStarts can save time if you don't have enough time for, or don't want to focus on, the life decisions portion of the simulation. Use a QuickStart and take over one of our characters' lives.
- QuickStarts can be used by everyone in a group or class, so you can compare results between each other.

### Challenge

Challenges are full simulations with preset, structured life scenarios containing specific goals, limitations, and future events that apply to all users playing the Challenge. You must do your best to succeed in each situation.

Challenges are similar to QuickStarts, but Challenges provide a more structured future whereas QuickStarts merely establish a starting point. This means that you are even more restricted when playing a Challenge simulation. You must do your best within the pre-established life scenario, where many of the decisions and goals are already pre-determined.

Because more of the structure in the life scenario has been pre-determined, Challenges are also a good exercise to use in a group when you wish to compare results between the players.

## ***Full Simulation — Other Play Options***

Try as many new simulations as you wish. As you become more familiar with GoVenture Personal Finance, you can explore modifying the following options. When you begin a Custom simulation, you will be able to set all of the following

play options as part of your Setup. If you run a QuickStart or Challenge, some or all of these decisions may have already been made for you.

### Customizing the Setup

**LENGTH OF PLAY:** Select any number of years from 1 to 50 to run your GoVenture Personal Finance Simulation. The longer you run the simulation, the more time you have to build your wealth, and the more events in your life to you have to plan and manage.

Unless this feature has been locked, you may modify the length of play while running the simulation — click the *Time* button to do so.

**TIME ADVANCE SPEED:** The program defaults to a setting of moving automatically to the next GoVenture week every 30 seconds. You can modify this setting and speed time up or slow it down. Automatic time advance settings range from 5 seconds per week to 60 seconds per week. You can also select a manual time advance, so that time does not change until you click the *Time Advance* button on the main menu.

Unless this feature has been locked, you may modify the time advance speed while running the simulation — click the *Time* button to do so.

**RANDOM EVENTS:** There are random events which can affect your simulation — for example, you might lose your job, your house might be burglarized, or you might receive an unexpected inheritance. Before you start playing the simulation, you can choose whether random events will occur in the simulation or not. However, you can't stop the economy or the variability of the investment markets, regardless of what you decide about random events. So your simulation will never be totally static.

Once the simulation starts, this selection cannot be changed.

### Lock Options

The following features can be locked when the simulation is played. The default setting is "Unlocked." Once locked, they cannot be unlocked after the simulation starts.

Locking one or more of these options can help you standardize the experience for each of a group of players, and may increase the difficulty level of the simulation. It is recommended to leave these features unlocked until you have run GoVenture a few times.

**LENGTH OF PLAY:** Locking length of play requires each player using this simulation file to complete a specified number of simulation years. The simulation cannot be ended early, or extended.

**TIME ADVANCE SPEED:** Locking the time advance speed can provide a higher level of difficulty if decisions must be made with a constant, automatic time advance mode. Or, the time advance can be locked on manual to require players to consider each week's

decisions carefully before moving on. Using a manual time advance also eliminates the pressure of making fast decisions.

When you lock the time advance speed, while the basic setting may not be changed, players still have the option of clicking the *Time Advance* button to move time ahead sooner than the locked setting would do so.

**LIFE PLAN:** Locking the life plan sets a static life plan for the duration of the simulation, which cannot be changed. This does not restrict what events may happen; it only locks in the goals. In certain circumstances you may wish to lock your goals, and then compare your actions to your goals at the end of the simulation. In other instances, you may wish to leave the life plan unlocked so you can revise your goals later in your virtual life.

**INCOME:** Locking income restricts you from adding or modifying your income throughout the simulation. This means you are limited to the initial income streams. Income can be set up so that it automatically increases a certain percentage periodically. But, for instance, you would not be able to change jobs.

Most lock options are set up in the Locked mode for a Challenge simulation. QuickStarts may have locked or unlocked options, depending on the individual setup.

## ***Profile Activities***

Instead of running a full simulation, you can elect to run one of the Profile Activities. These activities are the main components of the Startup Profile in a full simulation. Running a Profile Activity can be helpful if you wish to focus on one of these aspects of personal finance.

When you elect to run one of the Profile Activities, you can complete the activity and print out your work. You can also save the activity, resuming or reviewing it at a later time.

### *Life Plan*

Establish your major personal goals. Plan up to 50 years into the future. You can target goals in education, career, family, homes, cars, retirement, vacations, monetary goals, and any other personal objectives you may have. It is easy: drag and drop each goal onto your life plan, and then fill in the information on each one.

### *Net Worth*

Set up your assets and liabilities and let GoVenture compute your net worth (assets minus liabilities) for you. Net worth is only a snapshot at one given point in time. If you want to change the values for future values of assets and liabilities, you can see how this impacts your net worth.

### Cash Flow

Set up your income and expenses and let GoVenture compute your cash flow (income minus expenses) for you. Try different budget amounts to see how your cash flow changes.

Note that you cannot run a full simulation from a profile activity file. If you wish to run a simulation, based on inputs made in one or more activities, you must start a new custom simulation and type the values from your activities into the corresponding areas of the Startup Profile of the simulation.

## Single Player Mode

GoVenture Personal Finance is played in single player mode. In single player mode, you compete against yourself. Other players, using other computers, can run the same simulation file, but they will encounter different economic conditions. If random events are enabled, the experiences of each player using the same simulation file could be even more diverse.

Even though the simulation is played in single player mode, it is possible to allow students to play in teams while sharing the same computer and making decisions together.

## Create and Play Your Own QuickStart

Once you are familiar with GoVenture, you may wish to make your own QuickStarts and add them to your copy of the program so that an entire group of users is challenged with the same scenario. If you set up your QuickStart with locked features, everyone who plays it will be required to run the simulation under the same constraints.

### ***Create a QuickStart***

To create a QuickStart, start a new simulation, and complete as many of the Startup Details as desired. You can run the simulation for as long as you wish, or not at all. Then, save the simulation file in the QuickStart subfolder ("QUICKSTA") of your GoVenture Personal Finance program folder, or save the file in a different folder and move a copy to the QuickStart subfolder.

Passwords are optional when saving your QuickStart file. However, if you save the file with a password, the password will be required to run the QuickStart file.

Locking the file is recommended when creating a QuickStart. To lock the file, click on the Lock option box when saving. This will prevent anyone from overwriting the QuickStart file inadvertently later.

### ***Play Your QuickStart***

To play your QuickStart, run GoVenture, start a new simulation, and click the QuickStart button. Your QuickStart will now appear in the list of selection

options. The simulation will begin at the point in the simulation where you saved the file.

If the QuickStart simulation was originally saved with a password, the password will be required to run it.

### ***Edit Your QuickStart***

If you wish to edit your QuickStart file, you must run GoVenture and choose the Resume Save Simulation feature. If originally saved with a password, you will need to type in the file's password to open and edit the file. Once you have completed your modifications, you can resave the simulation file in the QuickStart folder.

If the original file was locked (recommended), you will have to save the revised QuickStart file with a different name.

Note that if your QuickStart file was saved after the simulation started, you may not be able to change some earlier decisions.

### ***Remove Unwanted QuickStart Files***

GoVenture shows all the simulation files in the QuickStart folder in the list of QuickStart options. You can remove any unwanted QuickStart file from the list in GoVenture by deleting or moving the file from the QuickStart folder ("\\QUICKSTA" in your GoVenture Personal Finance program folder). The next time GoVenture is run, the deleted file will not display in the QuickStart list.

### ***Create Multiple QuickStarts from the Same Source Data***

Before the simulation starts you can edit any of the settings and starting data. So, save a copy of your simulation file BEFORE starting the simulation, and keep this file in one of your own folders.

Then run GoVenture, select the *Resume Saved Simulation* feature, and open your saved file. Run the file to the point you wish your QuickStart simulation to begin, and then save the file with a new name in the QuickStart folder (see above).

In this way, you can go back and modify any of the setup data as many times as you want from the original saved file. You can re-use your startup profile information and make several different QuickStarts from the same source file.

## 4. How GoVenture Personal Finance Works

### Objective

GoVenture Personal Finance simulates planning and managing your personal finances while planning for your financial future.

The key objective of GoVenture Personal Finance is to provide you an intuitive, visual environment to simulate the experience of planning and managing up to 50 years of your personal financial future. The simulation can be played repeatedly to test different strategies, different scenarios, and differing economic conditions.

Your personal objective is to meet your financial goals by careful planning and making the right decisions at the right time. You will have to allocate your financial resources between covering basic living expenses, making investments to build to your future financial targets, and spending on purchases to improve your current lifestyle.

And of course, the overall objective is learning — in an engaging, but challenging, environment.

### Startup Profile and Profile Activities

#### *Profile Activities*

The Profile Activities option allows you to focus on just a part of the Startup Profile functions. See a description of these activities below, under the Startup Profile.

| <u>Profile Activity</u> | <u>Components of the Startup Profile</u> |
|-------------------------|--|
| Life Plan               | Life Plan                                |
| Net Worth               | Assets and Liabilities                   |
| Cash Flow               | Income and Expenses                      |

Note that you cannot run a full simulation from a profile activity file. If you wish to run a simulation, based on inputs made in one or more activities, you must start a new custom simulation and type the values from your activities into the corresponding areas of the Startup Profile of the simulation.

#### *Startup Profile*

Playing GoVenture Personal Finance involves all the major activities of planning and managing your personal life and wealth.

Each full simulation includes a detailed Startup Profile on you, your assets, liabilities, income, and expenses at the beginning of the simulation. Complete as much information as possible during the setup, however you will be able to modify most of this information while you play the simulation. If you select a QuickStart or Challenge simulation, most or all of the Startup Profile will have been completed for you.

The activities in the Startup Profile can also be used separately by selecting a specific Profile *Activity* instead of a *Full Simulation* during the setup.

### You

This includes your name, age, marital status, number and age of children, financial objectives, risk profile, and lifestyle preferences.

### Life Plan

Set out your major lifetime objectives for:

- EDUCATION — Do you plan to go on to obtain additional certification, training, or degrees?
- CAREER — What is the timeline for your career and earnings?
- FAMILY — Do you plan to get married? Do you plan to have children?
- HOME — When do you want to buy a home?
- CAR — Are you going to be buying one or more cars?
- RETIREMENT — When do you plan to retire?
- VACATION — Do you plan to take a big vacation every year, or every few years?
- MONEY — Do you have a lump sum monetary goal in mind?
- OTHER — Do you have other objectives for your life plan?

Click and drag one or more icons onto your life plan in each of the above categories. Then estimate the related financial requirements of each. For instance, do you plan to buy a small or a large house? Each goal dragged onto your life plan timeline will prompt you for the necessary information. Make the best estimates you can.

If you lock the Life Plan area before you start the simulation, you will not be able to change your life plan once the simulation starts.

### Assets

Enter your starting assets — your cash balance, and the market value of each piece of physical property you own at the beginning of the simulation. You can sell these later, or buy additional assets.

### Liabilities

Enter your starting liabilities — loans, mortgages, and other debts. You will need to indicate the item, current balance due, amount per payment and how frequently payments are due. If there are assets tied to the debts (for example, a car loan), you can also link the asset with the associated liability. You can pay off or add new liabilities during the simulation.

### Income

Enter your starting sources of income — from jobs, investments, or other sources. Provide the type of income, the amount you receive and how often, along with any anticipated increases or decreases to the amount. You can change your income sources during the simulation as your financial situation changes, unless you have elected to lock the Income area before you begin the simulation.

### Expenses

Enter your current living expenses either as a summary number for each category, or in detailed expense items. Input the amount paid and how frequently. Expense categories are Housing, Transportation, Living & Family, Communications & Education, Recreation & Entertainment, and Other. You can change your expenses at any time during the simulation to parallel how your cost of living changes during your life.

## **Playing the Full Simulation**

The activities for playing the simulation are similar to the areas in the Startup Profile. They are grouped into four main categories and there is a menu button for each of these categories:

- Your Life
  - Assets & Liabilities
  - Income & Expenses
  - Investments
- Plus
- Economy
  - Time Advance

### ***Your Life***

In the Startup Profile you may have created your life plan. In this area of the simulation, things happen in your life which may or may not be according to your plan.

This section of the simulation provides a recap of your status:

- Personal Information
- Family status
- Net Worth
- Life Plan

In this area you can do the following things:

#### *Watch Television for News and Promotions*

The television screen in Your Life gives you current economic updates, news, press releases, advertisements, and promotions. This information may help you in your investment decisions, or lead you to buy certain goods or services.

### Education/Training

Click on this button if you wish to undertake additional education or training programs. Adjust your income and living expenses as necessary.

### Get Married or Divorced

Click on this button if you wish to marry or take on a common-law spouse — or if you are married and wish to divorce. You will then need to adjust your income and expenses.

### Have/Adopt Children

If you plan to have one or more children in your family, or as a single parent, click this button when the time arrives in your life to have children.

### Take a Vacation

Click on this button to take a planned or unplanned vacation, and provide the costs of your vacation plans.

### Retire

If you've reached financial freedom early in life, or have reached your desired retirement age, click here to retire from your working career and start living off your investments.

## **Cash, Assets & Liabilities**

In this area you manage your cash, buy and sell assets, make payments, get credit, and review your financial activities.

### Cash & Bank Accounts

Here you manage your cash. You can make deposits and withdrawals from your checking or savings accounts. You can also set up automatic deposits and payments for your recurring income and expenses. And you can view your transactions.

### Credit Card

At the start of the simulation you are provided with one credit card. You can charge many of your purchases on this card. Here you can review the transactions and balance on your card. Monthly statements will be shown for you to pay. Interest and fees on the card are provided on the screen.

### Make Payments

For any bills and expenses you have not set up as automatic payments, make your payments here. You can select how much (in full or partial payment) and how you will pay (bank account or credit card). You can also set up automatic payments from this screen, and make extra payments.

### Assets

Buy a car, or a computer, or a music instrument, or an antique, or one of many assets you may wish for your personal use and enjoyment. These

become part of your net worth. You can also review your assets and sell any of them.

#### Liabilities

Here you can find out the status of your loans.

#### Apply for Loan

If you need a loan to buy a car, house or other asset, you can find out what is available and what your payments would be. If you think you can afford the debt, apply and see if your loan is approved.

## ***Income & Expenses***

In this area you can adjust your income and expenses, plus monitor your taxes.

#### Income

Whenever you change jobs you can adjust your income settings. Or, you can adjust investment income received from outside of your simulation investment decisions, and your other sources of income.

#### Expenses

You can enter summary or detailed expense information about your Housing, Transportation, Living & Family, Communications & Education, Recreation & Entertainment, and Other expenses. As these change in your virtual life, you can adjust these.

#### Taxes

The taxes you pay are tracked here. This includes sales tax, payroll taxes, income tax, and property tax. Each year at income tax time, your tax return is computed for you to file, and you will be advised if you have a refund coming or if you owe additional taxes.

## ***Investments***

This is the area where you can put your money to work for you. You have several investment options to build and diversify your portfolio. And, if you wish to gamble, you can try the Lottery.

#### Stocks

Buy and sell stocks of fictitious companies. Build your portfolio and monitor the market results.

#### Bonds

Buy and sell bonds of government and fictitious companies. Compare coupon rates, and use these investments to reduce some of the risk in your portfolio.

#### Mutual Funds

Mutual funds offer you a wide range of risk and return options for your investment portfolio. Buy and sell from a choice of funds.

### Real Estate

If you prefer to invest in capital property, try some real estate purchases. This is not for your personal use, but for your investment portfolio.

### Gambling — Lottery

If you're interested, see if you can hit it big in the GoVenture Lottery. But, just as in real life, the odds are against you!

## **Economy**

If you are not actively making a change in your life or investment portfolio, then you will likely be watching what is happening in the economy. News and key indicators will help you make investment buy and sell decisions.

There are four economic indicators which are displayed in GoVenture Personal Finance on the Economy screen, with weekly updates and historical trend graphs: Economic Growth, Inflation, Unemployment, and Prime Rate.

Tracking changes in these indicators may help you make better investment decisions. See the section below on Economic Influences for a description on each of these indicators and how they may affect your GoVenture simulation.

## **Time Advance**

In GoVenture Personal Finance, virtual time will advance in weekly increments.

Time can be set to advance manually advance. And then, you must click the *Time Advance* button for the simulation to move to the next week.

If time is set to move ahead automatically, it can advance as slowly as a week every minute, or as fast as a week every 5 seconds, with a lot of different options in between. You always have the option to click the *Time Advance* button to force the simulation to move immediately ahead to the next week.

You can slow down, or stop time, while you are investigating certain options, and then speed it up when you want the time to pass quickly. Go to the *Time* button in the far right lower corner of the screen at any point you wish to change the speed settings.

As part of the setup, the speed that time advances may be locked. If Time Advance has been locked you will not be able to access the options under the *Time* button while you play that simulation.

## **Economic Influences**

There are underlying economic growth variables which play a role in determining factors such as the interest rate on bank loans, bond rates, stock prices, returns on mutual funds, real estate prices, and more. You cannot control these factors, but be aware that conditions may change during the simulation. Your finances will be affected by some of

these external factors. So you must constantly monitor your situation – you cannot make one set of decisions and go on “auto-pilot” until the end of the simulation.

GoVenture displays and tracks four economic indicators. The current values and charts of the historical values can be displayed on the Economy screen.

1. Economic Growth
2. Inflation
3. Unemployment
4. Prime Rate

### ***Economic Growth***

Gross Domestic Product (GDP) is the economic statistic most commonly used to measure the rate economic growth. GDP is the total of all goods and services produced in a nation in a given year. The percent change in GDP is the economic growth rate.

In GoVenture the GDP always starts at a value of \$1,000 at the beginning of each simulation. (This number is in billions of dollars, i.e. one thousand billion dollars, or one trillion dollars.) The Economic Growth indicator on the Economy screen provides the following information:

- Current value of GDP.
- Cumulative rate of economic growth: the percent change in the GDP since the start of the simulation.
- Current annual economic growth rate: the annual percent change of current change in GDP over the same time a year before.
- Graph of the GDP values over time during the simulation.

Economic growth’s primary effects in the GoVenture simulation are on investment markets, real estate prices, and interest rates. A strong, growing economy encourages the buying and selling of goods, services, and investments. Market prices of investments and real estate may climb in a growing economy. However, you will find that certain businesses and investments may perform better in a declining economy.

The federal government uses interest rates to help stimulate the economy. If the economic growth is slowing, interest rates may drop. Interest rates will affect your cost to borrow money and the interest income you earn on investments which pay interest (e.g. bonds, savings accounts, certificates of deposit).

### ***Inflation***

Inflation is generally measured by the changes in the Consumer Price Index (CPI) over time. The Consumer Price Index is an economic indicator that tracks the change in the cost of a fixed “basket” (selection) of products and services, including housing, electricity, food, and transportation. The CPI is often also called the Cost-of-Living Index, but some economists argue that it is an incomplete indicator of changes in cost-of-living, because of the selection of the “basket” of goods used to compute the CPI.

The CPI starts at a value of 100 in the base year. So, for instance, if the average cost of the “basket” of goods is \$30 in the base year the index would be 100. If,

the following year, the average price jumps to \$45, then the index would be 150 (150% of the current year price over the base year price, i.e. \$45 divided by \$30 times 100%).

In GoVenture the CPI always starts at a value 100 at the beginning of each simulation. The Inflation indicator on the Economy screen provides the following information:

- Current value of CPI.
- Cumulative rate of inflation: the percent change in the CPI since the start of the simulation.
- Current annual rate of inflation: the percent change in the current CPI over the same time a year before.
- Graph of the CPI values over time during the simulation.

Inflation may fluctuate from week to week, but you can follow the inflationary trend by looking at the changes in the CPI on the graph provided in GoVenture.

The following items in GoVenture are periodically adjusted for changes in inflation:

- Purchase price and market value of Assets.
- Average costs of Expenses.
- Average salaries and wages for each Job Income type.

This means that the cost to buy a television, for example, will not be the same at the end of your simulation as it was at the beginning.

You should periodically review your expenses and income and make adjustments for inflation.

## ***Unemployment***

The unemployment rate is the percentage of people in a nation who are *actively* seeking employment, but who do not currently have a full time or a part time job. Those who are not actively seeking employment are not included in the measurement: this sometimes understates the true unemployment rate.

The more people who are employed in a country the better it is for everyone, because there is more money flowing through the economy. Therefore, dropping or low unemployment rates are one of the indicators of a strong or strengthening economy.

The Unemployment indicator on the Economy screen provides the following information:

- Current value of national unemployment rate, expressed as a percentage, i.e. 4 = 4%.
- Graph of the unemployment rates over time during the simulation.

The unemployment rate may impact the probability of losing your job and how hard it is to find another. As an economic indicator, changes in the unemployment rate flag potential changes in the economy in the simulation.

## **Prime Rate**

The prime rate (sometimes called the “bank rate”) is the interest rate charged by major banks for loans to their best corporate customers. The prime rate is set slightly higher than the banks’ cost to borrow from the federal government, so changes in the federal funds rate can change the prime rate. Technically each bank could offer a different prime rate, but in practice, most major banks in a country have the same prime rate.

Individuals will rarely, if ever, borrow money at interest rates equal to the prime rate. Personal loans normally charge higher than prime rate interest. However, interest rates on personal loans will vary in direct correlation to changes in the prime rate.

Changes in prime rate also signal potential changes in the overall economy. An increase in banks’ prime rate often signals a slowdown in the economy, because it is more expensive to borrow money. But, when interest rates are low, more people and companies tend to borrow money to buy goods and services. Because low interest rates are believed to generate increased economic activity, a reduction in interest rates is used to stimulate a slowing economy, by providing lower costs to borrow money.

Note that lower interest rates may also mean lower returns on interest-bearing loans and investments. So, some of your investments may lose market value when interest rates drop.

The Prime Rate indicator on the Economy screen provides the following information:

- Current value of the prime rate, expressed as a percentage, e.g. 4 = 4%.
- Graph of the prime rates over time during the simulation.

In GoVenture, the interest rates charged on your loans are linked to the current prime rate at the time you apply for the loan. The type of loan requested (secure or unsecured) and your credit rating, also affect the interest rate offered on your loans. Indirectly, the prime rate also serves as an indicator for changes in GoVenture’s economy.

## **Random Events**

As part of the setup of a custom simulation, GoVenture Personal Finance allows you to decide if you want random events to affect your life, or not. If you are playing a QuickStart or Challenge simulation, this decision may have been made for you.

If you opt to have random events, then there may be unforeseen things which happen to you. For example, perhaps you will have an accident and be forced to change careers; you might lose your job; you might have twins when you only planned for one child; you might be robbed; or you could get an unexpected inheritance. Who knows all that might happen! You must react to these situations as best you can, and continue your focus on achieving the milestones in your Life Plan.

What's the difference in running a simulation with or without random events? Random events add more uncertainty to your simulation life. However, there may be times when you want to see just how well you can do without any surprises. In these cases, turn off random events when you set up the simulation.

You can't stop the economy or the variability of the investment markets, regardless of what you decide about random events. So your simulation will never be totally static.

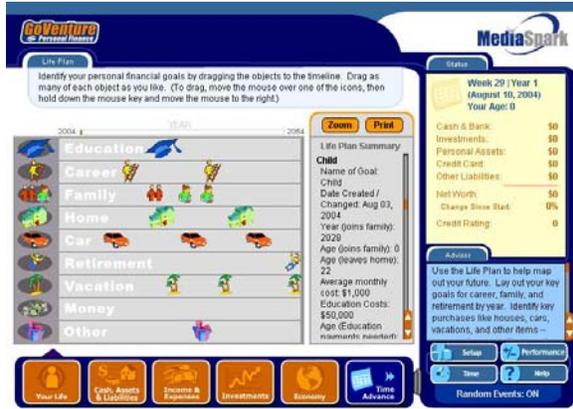
## **Every Simulation is Different**

No two simulations will be exactly the same in GoVenture Personal Finance. While the options will be the same from one simulation to the next, there will be changes in economic conditions and random factors which will make each simulation a new challenge.

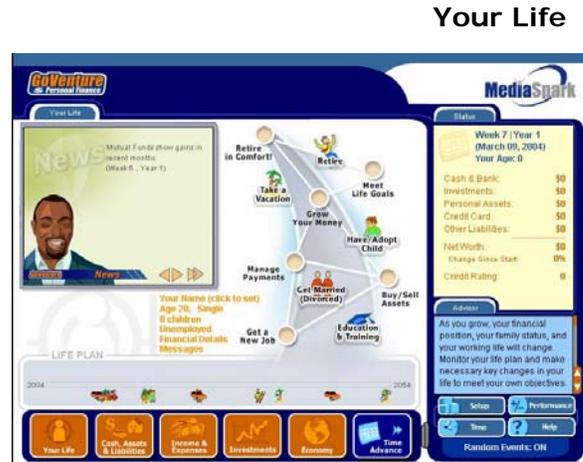
You can also vary the experience by changing the objectives in your Life Plan, running it for different time periods, or by using the QuickStart and Challenge scenarios. So, one successful experience in one simulation does not guarantee equal success in the next — being consistently successful takes work!

# 5. GoVenture Personal Finance Screens

## Main Screens



Life Plan



Your Life



Cash, Assets & Liabilities



Income & Expenses



Investments

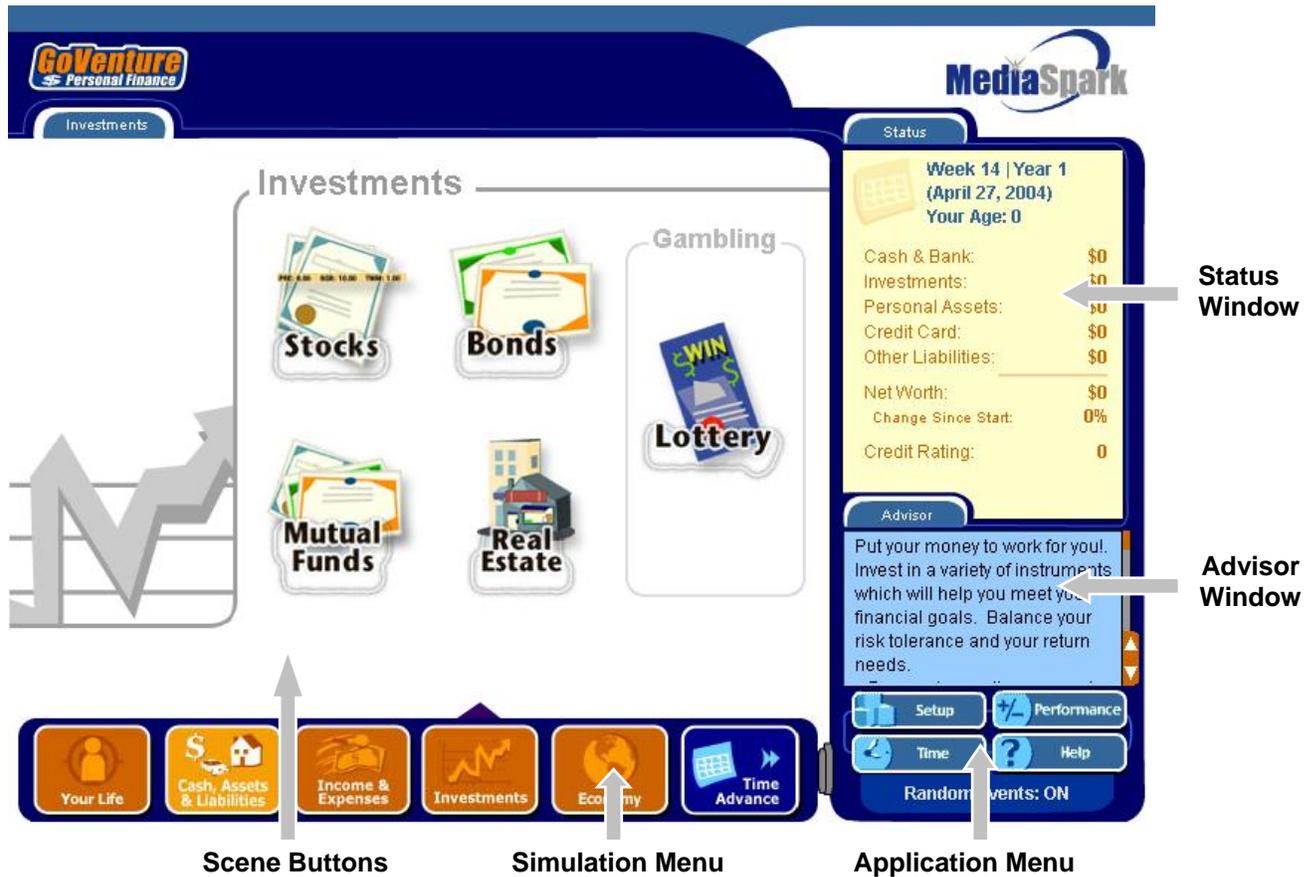


Economy

# Interface Layout

## Overview

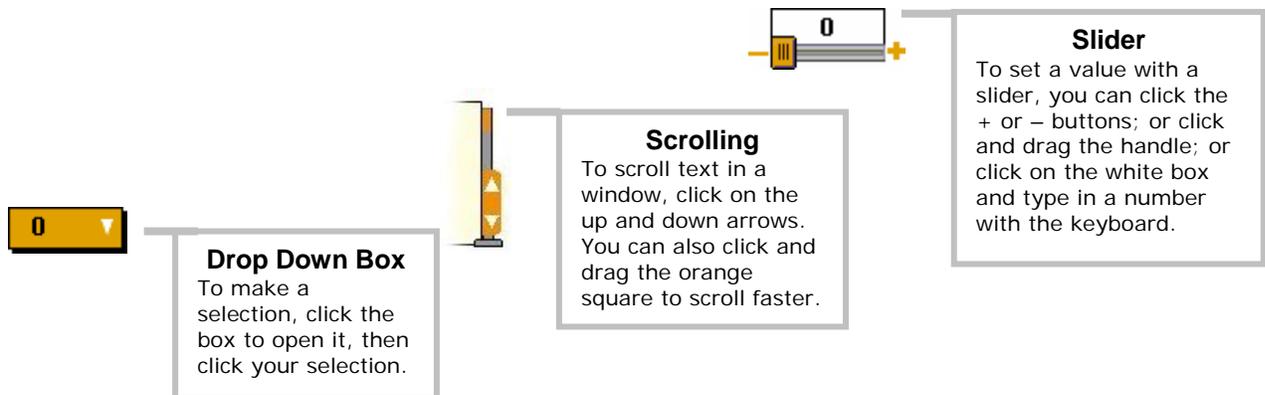
The GoVenture Personal Finance interface is designed to be intuitive, easy to use, and quick to download (if used via the Internet). The key areas of the interface are outlined below:



## Navigating the Program

### Drop Down Boxes, Scrolling Text, and Sliders

As you navigate through the simulation, you will notice various objects, such as buttons, sliders, and links. All orange colored objects are clickable or can be manipulated.



## Simulation Menu & Scene Buttons



### Scene Buttons

Above the simulation menu buttons, each of the main screens has different Scene Buttons or clickable areas within the screen, allowing you to access the various features of the simulation.

#### YOUR LIFE

- Life Plan
- Get Married/Divorced
- Have/Adopt a Child
- Take a Vacation
- Education/Training
- Retire

#### CASH, ASSETS & LIABILITIES

- Cash & Bank Accounts
- Credit Card
- Make Payments
- Assets
- Liabilities
- Apply for a Loan

#### INCOME & EXPENSES

- Income
- Expenses
- Taxes

#### INVESTMENTS

- Stocks
- Bonds
- Mutual Funds
- Real Estate
- Lottery

#### ECONOMY

- Economic Growth
- Inflation
- Unemployment
- Prime Rate

### Simulation Menu

Use these buttons to navigate to different screens in the simulation.

#### YOUR LIFE

Allows you to monitor and change (if not locked) your life plan, get married/divorced, have/adopt children, get more education, take a vacation, retire, monitor your net worth, and read advertisements.

#### CASH, ASSETS & LIABILITIES

Allows you to make deposits/withdrawals, set up automatic payments, purchase/sell assets, pay liabilities, apply for loans, and monitor your assets and liabilities.

#### INCOME & EXPENSES

Allows you to review and change (if not locked) income, add and delete expenses, monitor taxes paid, and pay annual income taxes.

#### INVESTMENTS

Allows you to buy and sell stocks, bonds, mutual funds, and real estate investment properties. You can also gamble in the GoVenture Lottery.

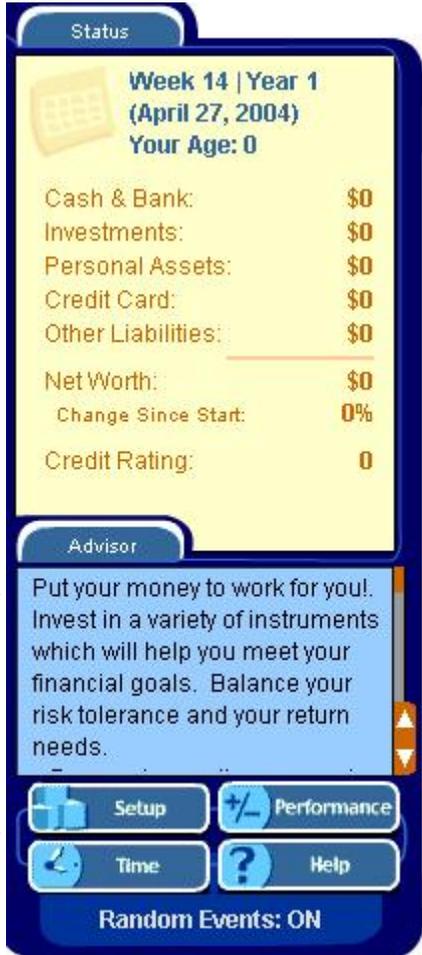
#### ECONOMY

Allows you to review economic news, monitor key economic indicators of economic growth, inflation, unemployment, and prime rate to assist you in making investment decisions.

#### TIME ADVANCE

Allows you to advance time to the next week. If time advance is set to "manual," you must click here to advance to each new week. If the setting is on "automatic," you can still click here to move time ahead before it advances automatically.

## Status Window, Advisor Window & Application Menu



The screenshot shows the application interface with three main windows: the Status Window at the top, the Advisor Window in the middle, and the Application Menu at the bottom. The Status Window displays financial data for Week 14 of Year 1 (April 27, 2004) with a net worth of \$0. The Advisor Window provides advice on investing. The Application Menu contains buttons for Setup, Performance, Time, and Help, along with a Random Events indicator.

### Advisor Window

The Advisor Window displays information and advice as you are playing the simulation.

### Application Menu

**SETUP**  
Takes you to the application options:

- Start a new simulation.
- Save this simulation.
- Resume a saved simulation.
- Turn Sound on or off.
- Quit the program.

**TIME**  
Allows you to speed up or slow down the speed at which time advances in the simulation. Also allows you to change the number of years the simulation will run, or end the simulation.

**PERFORMANCE**  
Takes you to the report on your performance for this simulation.

**HELP**  
Displays detailed help for the simulation.

**RANDOM EVENTS**  
Indicator if random events are turned on or off.

### Status Window

This window displays your age in the simulation and a summary of your key financial information. It is always visible so you have instant access to this important data.

**SIMULATION TIME**  
The simulation's current week, year, and calendar date.

**YOUR AGE**  
How old you are in virtual years.

**CASH & BANK**  
Total cash in your bank accounts plus cash on hand.

**INVESTMENTS**  
Market value of your current investment portfolio — all your investments.

**PERSONAL ASSETS**  
Market value of your non-investment assets, recorded under the Cash, Assets & Liabilities menu button.

**CREDIT CARD**  
Current unpaid balance on your credit card.

**OTHER LIABILITIES**  
Total other amounts owed from loans and all payments due.

**NET WORTH & CHANGE SINCE START**  
Current net worth in dollars and percent change since the simulation started.

**CREDIT RATING**  
Your current credit rating based on payment history.

**MESSAGES**  
Scrolling window of messages received.

**NET WORTH**  
Graph of net worth since the start of the simulation.

## 6. Performance Evaluation

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### Success in GoVenture Personal Finance

GoVenture Personal Finance is designed to be fun and educational. There are two overall measurements for success:

1. How much you learned about managing your personal finances.
2. How successful you were in meeting your Life Plan objectives.

If you know more about personal finance than you did before, have gained some insight and confidence, and perhaps had some fun along the way, then consider your experience a success!

If you wish to evaluate the results of your business decisions during the simulation, you can do so by reviewing the GoVenture Performance Report or by conducting your own personal evaluation.

A complete recap of your simulation decisions and results can be viewed by clicking the *Performance* button on the Application Menu. To conduct your own evaluation of your performance, consider what your Life Plan objectives were, and how well you met them.

Depending on your objectives, you can focus success criteria on:

- Maximizing net worth, or
- Meeting and surpassing established goals, or
- Balancing risk in your asset portfolio, or
- Maintaining a quality of life in the “present” while establishing a sufficient net worth to provide for retirement.

### GoVenture Performance Report

You can access GoVenture’s performance report at any time while your simulation is running, or after you complete the simulation by clicking the *Performance* button on the Application Menu. You can print it out or save the simulation file so you can view the report at a later date, even after the simulation has ended.

The performance report includes the following information:

- Simulation file settings.
- Financial success score.
- Recap of your life plan compared to actual events.
- Assets (including Investments), Liabilities, and Net Worth.
- Income and Expenses.
- Gambling.
- Summary of the economic factors.

## ***Simulation File***

This section of the performance report includes the file name, password, description given if you have saved the file, and the start and end dates. It also shows what features were locked and if random events were on or off.

## ***Score***

The score is based on your financial success, measured by the growth in your net worth (wealth), i.e. your ending net worth minus your starting net worth.

Your growth in net worth is displayed, along with a score and an adjusted score.

The score is a value from zero to 100 percent, based on how much the dollar value of your net worth grew. The adjusted score takes into account your financial objectives, set up in your startup profile. If you set high financial objectives in your profile, your financial results score will be the same as your adjusted score. If you have modest or moderate financial objectives, your adjusted score will be higher than the score on financial results alone, because your profile indicates that monetary gain is not your primary goal. If your adjusted score exceeds 100%, it means you have exceeded the expectations of your financial profile's objectives.

## ***Life Plan Goals compared with Actual Results***

For each of the areas of the life plan, your goals and the simulation results are recapped. This includes:

- You & Your Family
- Education & Training
- Career
- Homes
- Cars
- Vacations
- Monetary Goals
- Other Goals

## ***Assets, Liabilities, and Net Worth***

This section provides the starting and ending values (at market value) of your cash accounts, investments, other assets, and total assets. It lists your starting and ending liabilities, and starting and ending net worth.

## ***Income and Expenses***

This section of the performance report gives a summary of your starting and ending income sources and expenses.

## ***Gambling***

This section of the performance report gives an overview of your gambling history: the number of lottery tickets purchased, the total cost of these tickets, your winnings and your net gambling income or loss.

## ***Economy***

The economy section provides you with a recap of how the economic factors may have affected your results by graphing the trends in the four economic indicators tracked throughout the simulation.

## ***Detailed Transactions***

In certain versions of GoVenture Personal Finance, more detailed lists of week to week transactions may be available.

The performance report is designed to provide you with a score based on pre-established financial factors, so you can compare your results with others or with your own earlier scores. Remember, that this score may not be an accurate reflection of how much you learned. The performance report also gives you details of how your simulation was set up and run, so that you can perform your own in-depth evaluation of your performance.

# **7. Next Steps**

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If you enjoyed the GoVenture Personal Finance experience, we encourage you to try other GoVenture simulations, where you can *gain years of experience in minutes!*

