Debt Race Lesson Guide

CalcWize Academy · Updated Nov 23, 2026

Debt Race is a free debt-payoff game for students 13 and up at calcwize.com/academy/debt-race. Students race two rivals to pay off three debts on a $500 monthly budget, and the winner is whoever pays the least interest, not whoever finishes first. One race takes 5 to 15 minutes, and the game collects no data.

At a glance

Grades	7 to 12 (ages 13 and up)
Time	One 45-minute class: two races plus a debrief
Devices	Any browser: Chromebooks, laptops, tablets, phones
Prep	5 minutes: play one race yourself and print the worksheet
Cost and accounts	Free. No sign-up, no student data collected, no ads
Topics	Managing credit and spending, two of the six topic areas in the National Standards for Personal Financial Education (2021)
Big idea	How much you pay beats which order you pay in

The game shows months only ("Month 14 / 36"), never calendar dates. Interest rates are real 2026 averages; the debts and the student are made up.

What students learn

The main lesson is that paying extra matters far more than the payoff order. In the game, the gap between Ava's order and Sam's order is $74, while paying extra instead of minimums only saves $4,283.

By the end of class, students can:

1. Explain how interest is charged on a balance each month, and why a minimum payment keeps a debt alive for years.
2. Compare the avalanche method (highest rate first) and the snowball method (smallest balance first), including what each one is good at.
3. Weigh a 0% balance transfer offer, a buy now, pay later plan, and a spending temptation by their interest cost.
4. Explain why an emergency fund protects a debt payoff plan.
5. Decide what to do with a freed-up minimum payment once a debt is gone.

These map to the Managing Credit and Spending topic areas of the National Standards for Personal Financial Education (2021), and touch Managing Risk through the emergency fund.

Key terms

Most of these have a "?" explainer in the game, so students don't need them in advance.

Term	Plain meaning
Interest	Money you pay the lender for borrowing, on top of what you borrowed. In the game it's balance × rate ÷ 12, every month
APR (rate)	The yearly interest rate. A 22.36% card charges about 1.9% of the balance each month
Minimum payment	The least you must pay each month. In the game, minimums are fixed dollar amounts, so they never shrink
Avalanche (Ava)	Pay the highest rate first. It always costs the least interest
Snowball (Sam)	Pay the smallest balance first. The first debt disappears sooner, which keeps some people going
Balance transfer	Moving a card balance to a new card with a low promo rate. There's usually a fee, here 3%
Buy now, pay later	Splitting a purchase into a few payments. It's still debt

Term	Plain meaning
Rollover	When a debt is paid off, its minimum payment is freed. Keeping it working on the other debts speeds everything up

How a race plays

The student just graduated and started a first job. They can put $500 a month toward three debts:

Debt	Balance	Rate	Monthly minimum	Why you have it
Credit card	$3,100	22.36%	$93	Interview clothes, a laptop, and a graduation trip
Federal student loan	$12,000	6.52%	$136	Your degree
Phone financing	$600	0%	$50	A new phone, paid off monthly

Each month, interest is added, the minimums come out automatically, and what's left is the student's **boost**: about $221 to start. The student taps one debt to aim the boost at it. A "Split it" option lets them divide it instead.

The rivals. Ava always pays the highest rate first (avalanche). Sam always pays the smallest balance first (snowball). Both start with the same debts and budget. The track shows how much of the debt each racer has paid down; the scoreboard ranks them by interest paid, and lowest interest wins.

Race flags. Seven events stop the race and need a choice:

Month	Flag	Event	Who it hits
2	Green (money in)	$150 birthday cash: put it toward your debts, or save it for emergencies	Everyone
4	Blue (an offer)	A 0% balance transfer for 12 months, 3% fee	Student only

Month	Flag	Event	Who it hits
6	Yellow (surprise bill)	A $400 laptop repair: pay it from that month's debt money, or put it on the credit card at 22.36%	Everyone
8	Yellow (rate hike)	The card's rate rises 2 points, to 24.36%: accept it, or call and ask to keep the old rate	Everyone
9	Green (money in)	Extra shifts: about $120 more a month for 3 months	Student only
12	Blue (an offer)	Earbuds for $240, or 4 payments of $60	Student only
15	Blue (your call)	$180 concert tickets, from that month's debt money	Student only

Offers go to the student only; Ava and Sam never take one. Every flag is a choice between two options. On the three flags everyone gets, Ava and Sam always take the first option, so their totals never change. **Checkpoints:** when a debt hits $0, the student chooses to keep its freed minimum in the race or spend it. After month 36, unfinished racers keep going to payoff.

Results. A podium ranks the three racers by total interest (ties go to the earlier debt-free month). Students then see the big lesson ($74 vs. $4,283), Sam's early first win, and what each of their own choices cost in interest.

Lesson plan (45 minutes)

Students race twice, changing one thing the second time, then compare. The game does the teaching; your job is the debrief.

Time	Step	What you do
5 min	Warm-up	Ask: "You owe on a credit card, a student loan, and a phone. You have a little extra each month. Which do you pay first, and why?" Take a show of hands for each, and don't give the answer yet.

Time	Step	What you do
5 min	Meet the debts	Students open calcwize.com/academy/debt-race, read the three debts, and answer Part 1 of the worksheet before they race.
12 min	Race 1	Students race and fill in Part 2. Fast 4× is fine; the race stops for every flag and checkpoint.
10 min	Race 2: change one thing	Students race again with one change: a different boost target, a different answer to an offer, or spending a freed minimum. They fill in Part 3.
13 min	Debrief	Go back to the warm-up. Put three numbers on the board: Ava vs. Sam ($74), one student's best choice, and minimums only ($6,173). Then use the discussion questions below.

Before class: race once yourself so you know the flags, and print or share the worksheet.

If you have more time:

- **Beat $1,600.** Challenge students to finish below $1,600 in interest. Compare the strategies that got there.
- **Emergency fund mini-lesson.** The $400 laptop repair comes out of debt money because there's no emergency fund. Ask what $400 in savings would have changed.
- **Real numbers.** Students try the CalcWize Debt Repayment Calculator; the results screen has a button that loads these same three debts.

Discussion questions

1. **Which debt costs the most each month?** Listen for the twist: the card has the highest rate, but in month 1 the student loan charges more dollars ($65.20 vs. $57.76) because it's so much bigger. Rate decides where an extra dollar saves the most; it doesn't tell you which bill is biggest.
2. **Ava paid less interest, so why would anyone choose Sam's way?** Sam's first debt was gone in month 2; Ava waited until month 12. That quick win keeps some people motivated, and the price here was only $74.
3. **What mattered more: the order or the amount?** Ava vs. Sam was $74. Paying extra instead of minimums only was $4,283, and minimums only takes 121 months, about 10 years.

4. **Was the balance transfer worth the 3% fee?** For a student who pays the card down before the 0% ends, yes: it saved about $240. It only works if the balance is gone before the rate jumps back.
5. **The earbuds had no interest. Why did buying them still cost you?** The $60 payments took money that would have gone to the 22% card, so other debts shrank more slowly.
6. **What happened when you spent a freed minimum?** Spending the freed card and phone minimums adds about $330 in interest and 11 more months of debt.
7. **How would an emergency fund have changed month 6?** Students who saved the $150 birthday cash had it cover part of the repair. In interest alone, saving it costs a little (about $19 on Ava's plan), because that money wasn't paying down a 22% card. What it buys is protection: less of the repair becomes new debt. Ask which matters more to them. With $400 saved, the race wouldn't have slowed down at all.

Privacy: no accounts, no names, no data collected, no ads, and no tracking. Nothing a student does leaves their browser.

Answer key

Every student plays the same debts and the same flags, so these totals are fixed. All of them come from the game's own reference simulation and match it to the dollar.

How you play	Total interest	Debt-free month
Take the transfer and the shifts, aim the boost at the 0% card until it's gone (month 11), skip the earbuds and tickets	$1,600	35
Ava: highest rate first, no offers	$1,890	36
Sam: smallest balance first, no offers	$1,964	36
Smallest balance first, buy the earbuds and tickets, spend every freed minimum, skip the transfer and shifts	$2,769	57
Minimums only (no extra, no events)	$6,173	121

Students can beat $1,600. One path we tested finished at $1,572 in month 35: take the transfer and the shifts, skip the earbuds and tickets, and aim the boost at the student loan while the card sits at 0%.

What one choice changes, starting from Ava's plan:

One change	Total interest	Change
Take the balance transfer	$1,650	$240 less
Take the extra shifts	$1,826	$64 less, 1 month sooner
Buy the earbuds (pay in 4)	$1,922	$32 more, 1 month later
Buy the concert tickets	$1,912	$22 more, 1 month later
Spend the freed minimums	$2,220	$330 more, 11 months later
Call and ask for a lower rate	$1,885	$5 less
Put the laptop repair on the card	$1,904	$14 more
Save the birthday cash for emergencies	$1,909	$19 more, but $150 of it covers the repair

Without any flags, Ava pays $1,836 and Sam pays $1,905, so the order gap is about $70 either way. Sam's first payoff comes in month 2 (with flags) and Ava's in month 12.

Differentiation

- **Needs more support:** pair students, and have them race on normal speed so each flag gets read aloud. Do worksheet question 2 together as a class.
- **Ready for more:** the "Beat $1,600" challenge, or have students explain in writing why the transfer helps only if the card is paid before the promo ends.
- **Short on time:** skip Race 2 and do the debrief with the class's Race 1 numbers.

Student worksheet

The student worksheet is a separate handout, so you can print or share it without the answer key. Download it at calcwize.com/academy/debt-race/worksheet.pdf. It has 13 questions in four parts: before you race, Race 1, Race 2, and reflection.

Worksheet answer key

Most answers depend on each student's choices. These are the fixed facts and what to listen for.

#	Answer or what to look for
1	The credit card, at 22.36%.
2	Card $57.76, student loan $65.20, phone $0. The loan charges more dollars even though its rate is lower, because the balance is so much bigger.
3	Ava: the credit card (highest rate). Sam: the phone (smallest balance).
4	Any prediction works if it has a reason. Ava wins, by $74.
5	Any target works. Push for the reason: rate, size, or a quick win.
6	Ava $1,890 in month 36; Sam $1,964 in month 36. The student's own total varies.
7	Usually the laptop repair ($400 from debt money) or, if they bought them, the earbuds or tickets. Spending a freed minimum costs the most of all.
8	Depends on the student. Keeping the freed money in the race is worth about $330.
9–11	Compare with the "One change" table above.
12	$74 (order) vs. $4,283 (paying extra). The amount matters far more.
13	Look for: pay more than the minimum, put extra on the highest rate, keep freed money working, and build an emergency fund.

Sources

- Credit card rate: Federal Reserve G.19, accounts assessed interest, August 2026, 22.36% (FRED).
- Student loan rate: 2026–27 federal undergraduate Direct Loan rate, 6.52%.
- Phone financing: a typical 0% carrier installment plan (a design value, not a quote).
- Asking for a lower rate: LendingTree, 2026 survey of credit cardholders. 84% of those who asked for a lower interest rate got one; the average cut was 6.3 points. In the game, asking cancels the 2-point hike.

Rates are model inputs, not offers. The game's About panel lists the same sources.