

Creating a savings first aid kit

Students learn the importance of developing an emergency savings fund to deal with unexpected challenges and unplanned expenses.

Learning goals

Big idea

Planning ahead for unexpected events makes it easier to face financial challenges.

Essential questions

- How can I prepare myself financially for unexpected events?
- How can I start to build an emergency savings fund?

Objectives



- Determine what a financial emergency looks and feels like
- Make an action plan to save money for an emergency fund

What students will do

- Use the “Creating a savings first aid kit” worksheet to figure out what a financial emergency looks and feels like.
- Create a plan for building an emergency savings fund.

KEY INFORMATION

Building block:

-  Executive function
-  Financial habits and norms

Grade level: High school (9-12)

Age range: 13-19

Topic: Save and invest (Building emergency savings)

School subject: CTE (Career and technical education), Math, Social studies or history

Teaching strategy: Personalized learning, Planning activities

Bloom's Taxonomy level: Apply, Analyze

Activity duration: 45-60 minutes

STANDARDS

Council for Economic Education
Standard III. Saving

Jump\$tart Coalition
Spending and saving - Standard 1

Preparing for this activity

- Print copies of all student materials for each student, or prepare for students to access them electronically.

What you'll need

THIS TEACHER GUIDE

Creating a savings first aid kit (guide)

[cfpb_building_block_activities_creating-savings-first-aid-kit_guide.pdf](#)

STUDENT MATERIALS

Creating a savings first aid kit (worksheet)

[cfpb_building_block_activities_creating-savings-first-aid-kit_worksheet.pdf](#)

Exploring key financial concepts

Having savings set aside can help you handle emergencies. The practice of saving money requires planning, goal setting, and the ability to delay immediate gratification for later rewards. As a part of planning and money management, people often store their savings in an account that keeps their money secure and provides easy access to these funds at any time. Saving money is a financial habit that can help lead to financial well being.

Teaching this activity

Whole-class introduction

- Distribute the “Creating a savings first aid kit” worksheet, or have students access the worksheet electronically.
- Have the class brainstorm unexpected expenses that they or someone they know might face (part 1 of the worksheet).
 - You may want students to come up with a few ideas on their own first (writing their ideas on the worksheet), and then share their ideas with the class.
 - As students share their ideas, record the list for the whole class to see.

TIP

Visit [CFPB's financial education glossary](#) for terms and definitions you may find useful.

Group work

- Ask students to work in small groups or as a whole class to determine which ideas are actual financial emergencies. The questions on the worksheet will help them do that.
- Through discussion and questioning, make sure students understand what constitutes a financial emergency.
- Have students complete parts 2 and 3 of the worksheet individually or in pairs.
 - In these sections they'll identify non-essential expenses they can do without to build their emergency savings and develop a plan to build a savings first aid kit.

Suggested next steps

Consider searching for other [CFPB activities](#) that address the topics of building emergency savings, saving for college, saving for long-term goals, and investing.

Measuring student learning

When asked, students should be able to:

- Provide at least two examples of events that would qualify as a financial emergency.
- Choose at least one expense they're willing to do without to save more money.

Keep in mind that students' answers may vary, as there may not be only one right answer. The important thing is for students to have reasonable justification for their answers.