

SAVING AND PREPARING FOR FUTURE COSTS

Emergency Fund Builder

Detailed practice, calculation, decision-making, and assessment

GRADES 9-12	TIME 2 x 42 min	GROUPING I / pairs / whole	PRODUCT Personal emergency savings plan
YOUR CHALLENGE Build a realistic emergency savings plan for Jordan. Decide which costs are true emergencies, choose a starting goal, and make a plan Jordan can follow each payday.			

What Is an Emergency Fund?

An emergency fund is money saved for an important cost that was not planned. It can help with a medical bill, a necessary repair, or a sudden loss of income. It is not meant for regular bills or purchases that can be planned ahead.

Term	Student-friendly meaning
Emergency	An unexpected event that affects health, safety, housing, transportation, or income.
Emergency fund	Money kept for unexpected, necessary costs.
Savings goal	The amount a person plans to save.
Contribution	Money added to savings.
Withdrawal	Money taken out of savings.
Refill plan	Steps for rebuilding savings after using it.

Part 1 - Emergency or Planned Cost?

Situation	Emergency, planned cost, or want?	Reason	What information is missing?
Phone screen breaks after being dropped		Repair may be needed for school or work.	
Concert tickets go on sale		Fun purchase with time to decide.	
Bike tire is damaged on the way to work		Transportation may affect income.	
Annual sports fee is due next month		Known cost with a due date.	
Pet needs urgent care		Unexpected health and safety need.	
New sneakers are released		Optional purchase.	
Work hours are cut for two weeks		Unexpected income loss.	
Friend's birthday is next month		Known event that can be planned.	

Choose one situation that could change categories depending on the facts. Explain what would change your decision.

Part 2 - Find Jordan’s Starting Goal

Jordan earns \$900 per month after taxes. Regular needs total \$520. Flexible spending is \$180, planned saving is \$100, and \$100 remains as a cushion. Jordan already has \$125 in emergency savings.

Goal level	How to calculate it	Goal amount	Why it may help
Starter goal	Use a beginning target of \$500		
One month of needs	\$520 x 1 month		
Two months of needs	\$520 x 2 months		
Personal goal	Choose and explain		

Which goal should Jordan work toward first? A larger goal may give more protection, but a smaller first goal may feel reachable. Use two facts from the profile.

Part 3 - Build the Savings Schedule

Jordan chooses the \$500 starter goal and can save \$75 each month. Jordan already has \$125. Complete the schedule until the goal is reached.

Month	Starting balance	Deposit	Withdrawal	Ending balance	Progress toward \$500
1		\$75	\$0		
2		\$75	\$0		
3		\$75	\$0		
4		\$75	\$0		
5		\$75	\$0		
6		\$75	\$0		

Show the equation for Month 1. In which month will Jordan reach \$500?

If Jordan is paid twice per month, how much should be moved from each paycheck to save \$75 per month?

Part 4 - Use the Fund and Rebuild It

After reaching \$500, Jordan has a required \$185 bike repair. The bike is needed to get to work. Jordan uses the emergency fund.

Question	Calculation	Answer
Balance after the repair		
Percent of the fund used		
Amount needed to return to \$500		
Months to refill at \$75 per month		
Amount per paycheck if paid twice monthly		

Explain why using the fund is reasonable in this case. Then name one step Jordan should take before paying.

SAFETY CHECK Before paying, confirm the bill and provider. Never send a password, PIN, or full account number in a message.

Part 5 - My Emergency Savings Plan

Plan choice	My answer
My first goal	
Why this amount fits	
Amount saved now	
Amount per payday	
Where the money will be kept	
What counts as an emergency	
One purchase that does not count	
Date I will review the plan	
Rule for refilling the fund	

Write a 150-200 word recommendation for Jordan. Include the first goal, monthly and per-paycheck amounts, the month the goal is reached, one rule for using the fund, and a refill plan.
