



**Challenges to Saving**  
Student Activity Packet  
UNIT: BANKING

Name:

**Students will be able to:**

- Identify everyday obstacles Americans experience when trying to save money
- Recognize the impact of inflation on savings
- Experience simulated challenges of living paycheck to paycheck

**NOTE:** Vocabulary for this unit can be found in the [NGPF Personal Finance Dictionary](#)



**INTRO**

**QUESTION OF THE DAY:** What percent of Americans would cover a \$400 emergency with cash (or an equivalent)?

Answer the question on the first slide in the space below. Then, compare your answer to the answer on the second slide. Finally, follow your teacher's directions on how to answer the follow-up questions on the last slide.

1. **What percent of Americans would cover a \$400 emergency with cash (or an equivalent)?**



**LEARN IT**

**ARTICLE:** Credit Cards Can Make You Spend More, but It's Not the Full Story

**ARTICLE:** 61% of the US Population Living Paycheck to Paycheck

As you saw from the Question of the Day, many Americans are not able to cover an emergency expense! There are many factors that make it challenging to save. Follow your teacher's instructions to dig deeper into one of the above articles.

For your article, record the main idea of the saving challenge presented. When your partner shares, record the main idea of their article as well.

**1. Main idea of Credit Cards:**

**2. Main idea of Living Paycheck to Paycheck:**

**3. Brainstorm with your classmates some other challenges to saving that are not covered in these resources.**

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**VIDEO:** [It's A Money Thing: How to Counter the Effects of Inflation](#)

Another challenge to saving money is that over time, the value of money goes down due to the impact of inflation. Watch this video to learn more about how inflation can impact your savings and what you can do to counteract its effect. Then, answer the questions.

- 1. In your own words, explain how inflation impacts the purchasing power of your money over time.**
- 2. If inflation causes both prices *and* wages to increase over time, then why would someone need to take inflation into account at all?**
- 3. How can you counteract the impact of inflation?**



**DO IT**

**ACTIVITY:** [INTERACTIVE: Living Paycheck to Paycheck](#)

Let's take a deeper look at how living paycheck to paycheck can make it challenging to save. Play Spent to experience the tough decisions that you have to make when every dollar is needed to make ends meet. Follow the directions on the worksheet to complete this activity.



## EXIT TICKET

Follow your teacher's directions to complete the Exit Ticket.