|  |  |
| --- | --- |
| NGPF_LG.png | *NGPF Activity Bank* Saving |

CREATE: Your Savings Goals

We all know that saving money is good for us, but it can be challenging to save regularly. One of the most effective ways to help you save is to set savings goals for yourself and identify ways to keep yourself accountable. In this activity, you’ll identify what your savings goals are, calculate how much you need to save, and write a letter to your future self to help you reach your goals.

**Part I: Identify Your Savings Goals**

1. Using post-it notes, small pieces of paper, or a piece of scrap paper, brainstorm specific savings goals you would like to meet. These goals can vary from small (saving for a new pair of sunglasses) to big (saving for college). Aim to come up with at least 15-20 ideas.
2. Now sort your ideas into three piles:
   1. Short-term goals: goals you would like to achieve within two months
   2. Medium-term goals: goals you would like to achieve from within two months to three years
   3. Long-term goals: goals you would like to achieve three or more years out
3. Fill out the table below using the piles you created.

|  |  |  |
| --- | --- | --- |
| **Short-Term Goals**  **< 2 months** | **Medium-Term Goals**  **2 months - 3 years** | **Long-Term Goals**  **> 3 years** |
|  |  |  |

1. Which goal, in each category, would motivate you most to save? Why?
   1. Short-term:

|  |
| --- |
|  |

* 1. Medium-term:

|  |
| --- |
|  |

* 1. Long-term:

|  |
| --- |
|  |

1. Let’s say you have a part-time job and you’re able to save $100 per month from your paychecks. How would you distribute the money between your 3 savings goals above? Explain your reasoning.

|  |
| --- |
|  |

**Part II: Calculate How Much You Need to Save**

Now that you’ve identified what your savings goals are, it’s important to think about how much you would need to save on a regular basis so that you can reach those goals! Read through the following example on how Sanjana calculates how much she would need to save to buy a new computer. Then, answer the questions that follow.

|  |
| --- |
| Sanjana wants to buy a computer that she can use for school next year which is 9 months away. She discovers that she can buy a computer for $400 at a discount electronics store in town.   * How much does Sanjana have to save every MONTH to buy the computer?   ANSWER: $400 / 9 months = $44.44/mo   * How much does Sanjana have to save every WEEK to buy the computer?   ANSWER: $44.44 / 4 weeks = $11.11/wk   * How much does Sanjana have to save every DAY to buy the computer?   ANSWER: $11.11 / 7 days = $1.59/day |

1. Now it’s your turn. Pick either your medium- or long-term savings goal from Question 4 and write it down below.

|  |
| --- |
|  |

1. Conduct research online to figure out a rough estimate of how much you would need to save to reach your goal. Write the figure below.

|  |
| --- |
|  |

1. How many months or years away would you like to achieve your goal? Choose a reasonable time frame.

|  |
| --- |
|  |

1. Now, do the math! Calculate how much per month, week, and day you'll need to save to reach your goal.

|  |
| --- |
| **Month:** |
| **Week:** |
| **Day:** |

1. Brainstorm at least 3-5 strategies you can use to save towards your goal.

|  |
| --- |
|  |

1. Why is it helpful to break down the total amount you would need to save on a monthly, weekly, or daily basis?

|  |
| --- |
|  |

1. Now, using your outline above, write a letter to your future self using the site [FutureMe](https://www.futureme.org/). On the website:
   1. Select the 1, 3, 5 year option or a specific date when the letter will be emailed to you
   2. Choose the PRIVATE option
   3. Enter the email address you would like your letter to be sent to. Make sure you will have access to that email by the time the letter is sent to you.