

If my family were to go through a financial crisis, like a medical emergency, these are the steps I would take to ensure financial peace. I would first create a budget, begin working a part time job (or additional job), and establish an emergency fund for the future.

Most families are lost when creating a budget, but the important things to keep in mind are: include all expenses, keep it simple, and follow the budget. Necessities will be the first priority when budgeting the month's income; this means to save enough for an entire month of groceries, rent or a mortgage and utilities like heat, water and lights. Other things to think about when budgeting are transportation, clothes and continuing to save. Is public transportation an option? For us, it's not, so gas and vehicle maintenance is included. If clothing is sufficient, then avoid buying more; but with growing kids it sometimes cannot be avoided. It is okay to spend on clothing, but be sure to budget it at the beginning of the month. Lastly, during financial crisis, many forget to budget saving. While it's easy to live in the now, a future is ahead and it's important to prepare for it, even if it means skipping Oreos at the grocery store, always budget money to put into a savings account.

To follow the budget, rather than reaching for the familiar Discover Card in stores, my family would be paying in cash. Cash has emotional ties to the brain so it would help prevent my family from making unnecessary or frivolous purchases. Credit-card statements are also very hard to budget, but when paying in cash; once it's gone, it's gone for the rest of the month.

To help add extra money to the budget, student jobs are a viable option. When looking for a job, many don't have to leave their school. Working as a lunch lady or helping the janitor will earn extra cash, and could possibly be done during the school day. After school, many local businesses are happy to hire high school students.

Finally, to prevent the next financial emergency, an emergency fund would be established. Because emergencies shouldn't come as a surprise (emergencies happen and always will), my family will be prepared for them. Our emergency fund will hold a full 3-6 months full of expenses, so financial panic won't strike when emergency does.