

Personal Finance Lesson Plan Components

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| Unit of Study: Earning and Reporting Income Use a career plan to develop personal income potential. | Lesson Title: Understanding your Paycheck | <u>Anticipated Time Frame:</u> 3 to 4 hours |
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| <u>Standard(s)</u> – 2.0 Earning and Reporting Income: Identify various forms of income and analyze factors that affect income as a part of the career decision-making process. <ul style="list-style-type: none"> ○ Calculate net pay ○ Explain the effect on take-home pay of changing the allowances claimed on an “Employees” Withholding Allowance Certificate” (IRS Form W-4) |
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| <u>Learning Objective(s) – Students Will:</u> <ul style="list-style-type: none"> ○ Define terms associated with a paycheck ○ Compare the advantages and disadvantages of three methods for paying employees. ○ Point out the systematic deductions removed from each paycheck. ○ Complete sample standard tax forms required on the job to benefit each individual's situation. | <u>International Students</u> <ul style="list-style-type: none"> ○ Ask International students if they have a copy of a pay check from their country or if they know what similar deductions would be taken out of their paycheck. |
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| <u>Assessment and Feedback to Learners –</u> | |
| <u>Informal/Formative:</u> <ul style="list-style-type: none"> ○ Verbal feedback and interaction during activities and note taking ○ Discussion during Power Points ○ Worksheet of Vocabulary Terms | <u>Formal/Summative:</u> <ul style="list-style-type: none"> ○ Students complete Paycheck Stub 1 Worksheet ○ Reviewing Paycheck Worksheet ○ Paycheck Crossword ○ Assessment of “Where did all the earnings go?” Activity and Paycheck Math Worksheet ○ Paycheck and Taxes Assessment |

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| <u>Teacher Actions –</u> <ul style="list-style-type: none"> ○ Initiation: What do you think are some of the advantages and disadvantages to getting paid by a paycheck? What if you are the employer? ○ Who writes Tax Laws? ○ What does it mean to claim someone on your tax return? ○ Instructional Input and Differentiation: ○ PowerPoint slides for discussion: students will use note-taking guide. ○ Students complete Worksheet of Vocabulary Terms. ○ Pass out Understanding your Paycheck Information Sheet and have students correct their note-taking guide using the Paycheck Information |
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Sheet.

- Students complete W-4 and I-9 Forms

Closure:

- Students play "Where did all my earnings go?"
Students complete "Paycheck Math" Worksheet" "Reviewing Paycheck Worksheet" and "Paycheck and Taxes"
- Students complete Paycheck Stub 1 Worksheet and Paycheck Crossword as an assessment
- Return assessments and review with students.
- Exit Slip – write one concept you learned about paychecks

Essential Terms/Vocabulary –

- Pay check
- Direct Deposit
- Payroll Card
- Pay Period
- Gross Pay
- Net Pay
- Deductions
- Federal Withholding Tax
- State Withholding tax
- FICA
- Social Security
- Fed MED/EE
- Retirement Plan
- Medical
- Year-to Date
- Employee
- Employer
- W-4
- I-9

Materials (M)/Resources(R)/Technology(T)

(M)

- Chapter 20 Movie "The Pursuit of Happiness" 4 mins
- Power point Understanding your Paycheck
- Understanding Your Paycheck note taking guide
- Worksheet of Vocabulary Terms
- Blank W-4 and I-9 form
- Understanding Your Paycheck Information Sheet
- Understanding your Paycheck Worksheet
- "Where did all your earnings go?" Activity
- Paychecks Math worksheet
- Reviewing Paycheck Worksheet
- Paychecks and Taxes Multiple Choice Test Bank
- Paycheck Stub 1 Worksheet
- Paycheck Crossword

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- W-4 Form - <http://www.irs.gov/pub/irs-pdf/fw4.pdf>
- I-9 Form - <http://www.uscis.gov/sites/default/files/files/form/i-9.pdf>
- Social Security Card – www.ssa.gov/ssnumber
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- Internet access