

Connecticut Personal Finance Model Curriculum

Unit of Study: Goals and Financial Planning	Lesson Title: Understanding Your Paycheck	Anticipated Time Frame: 3-5 Hours
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Standard(s) (Content Standard 2) Use a career plan to develop personal income potential.

<p>Learning Objective(s) – Students will:</p> <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). ○ Analyze and prepare a federal and state income tax return. 	<p>Diversity: Enrichment for all students</p> <p>Ask students how payroll deductions might be different in another country.</p>
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<p>Assessment and Feedback to Learners</p>	
<p>Informal/Formative:</p> <ul style="list-style-type: none"> ○ Paycheck stub worksheet ○ Paycheck crossword puzzle (vocab) ○ Sample W-4 form ○ Paycheck math worksheet ○ Note-taking guide 	<p>Formal/Summative:</p> <ul style="list-style-type: none"> ○ Reviewing a paycheck quiz ○ “Where Did All the Earnings Go” game and response sheet

Teacher Actions –

Initiation: Play song “Money, Money, Money” for few minutes. Give out play money or pretend paychecks.

- What do you think are some of the advantages and disadvantages of getting paid by paycheck vs. cash?
- What if you are the employer?

Instructional Input and Differentiation:

- PowerPoint slides for discussion; students use note-taking guide
- Students fill out a W-4 form
- Complete paychecks worksheet
- Complete paycheck stub worksheet
- Form groups and complete “Where Did All the Earnings Go” activity

Closure:

- Review key terms of day’s lesson
- Exit slip—write one concept you learned today about paychecks

Key Terms/Vocabulary -

Pay Period
Gross Pay
Net Pay
Deductions
Federal Withholding Tax
State Withholding tax
FICA
Social Security
Retirement Plan
Medical
Year-to-Date
State Withholding Tax
Retirement Plan/401K
Year-to-Date
Employee
Employer

Materials (M) / Resources(R)

(M)

- Blank W-4 form
- Movie “The Pursuit of Happiness” Chapter 20, 4 mins.
- Understanding Your Paycheck note-taking guide
- Powerpoint presentation
- Understanding your paycheck information sheet
- Where did all your earnings go activity/handouts
- Paychecks Math worksheet

(R)

- Web site <http://fe fe .a rizo na .e du /m a te ria ls/ u n de rs ta nd in g -yo ur -p a y c he c k -le s so n -p la n> (PowerPoint slides and handouts for this lesson)
- Web site <http://fe fe .a rizo na .e du /le s so n p la ns / in te g ra ti ng -m us ic> (links to songs related to finance and money)
- Web site www.irs.gov. (government tax forms may be downloaded including FORM W-4)
- Web site www.ssa.gov/online/ss-5.html (application for social security card Form SS-5)
- Web site w/simulation on how to complete W-4 Forms www.irs.gov/app/understandingtaxes/how/mod01/sim_mod01_01.jsp
- Web site <http://uscis.gov> (U.S. Citizenship and Immigration services)
- Web site www.nypirg.org/Consumer/cards/payroll.html (“Pricey Plastics; NYPIRG report and survey of plastic card fees)