

**Eighth Grade ▪ Career Retention and Advancement ▪ Math**

<b>Competency:</b>	<b>13.3.8D</b> Analyze budgets and pay statements, such as, but not limited to: Charitable contributions, Expenses, Gross pay, Net Pay, Other income, Savings, Taxes.
<b>Lesson Topic:</b>	What Happened to My Paycheck?
<b>Subject:</b>	Math
<b>Length:</b>	1 class period and homework assignment
<b>Materials:</b>	What happened to my paycheck? worksheet and Budget worksheet
<b>Evaluation:</b>	Students will learn how to read and understand a pay stub and budget.

**Procedure:**

1. The teacher will have students take part in a group discussion on recognizing the difference between needs and wants.
  
2. The teacher can help students understand what a need and a want is by asking for examples from students.
  
3. After this discussion, students receive the *What Happened to My Paycheck* worksheet and the *Budget* worksheet.
  
4. Students and the teacher will explore the pay stub and discuss the terms associated with paying taxes.
  
5. Teacher will assign the *Budget* worksheet for homework. (This assignment will hopefully give caregiver and student and opportunity to talk)

## Where Did My Paycheck Go? Worksheet

1. Employer Name		Pay Stub #1987	
2. Week ending date:	09/8/2008 – 09/14/2008		
3. Number of hours worked	40	6. FICA	\$24.48
4. Pay rate	<u>\$8.00/hr.</u>	7. Federal	\$41.00
5. Gross	\$320.00	8. State	\$20.00
		9. Fed/Med	\$ 5.28
		10. Fed/OASD	<u>\$19.84</u>
		11. Total Deductions	\$110.60
		12. Net Pay	\$209.40

When you get paid from an employer, attached to your check is a pay stub. Your pay stubs shows *exactly* where all of your money has gone. Below is an explanation in more detailed about what all of these items are.

### The details:

1. Employer name – this area will show your employers name and sometimes the address at well.
2. Week ending date – employers pay schedules are different at each organization. Some pay you at the end of each week, some pay every two weeks and some even once a month. Always make sure you ask what the pay schedule is when you accept a job.
3. Number of hours worked – this shows you how many hours you worked during the week ending date.
4. Pay rate – this is the agreed upon dollar an hour rate that you will receive for each hour worked.
5. Gross – total pay amount before taxes and deductions.
6. FICA – this stands for Federal Insurance Contribution Act and is the money that is deducted from your pay for social security. Your employer is required to match your contribution.
7. Federal – this is the amount of federal income tax you pay to the national government. When it is time to file your income tax return you may be eligible to get some of the money back.
8. State – this is the amount of your money that is paid to the state.
9. Fed/Med – this is payment for Medicare for when you are older.
10. Fed/OASD – this is payment for social security when you are older.
11. Total deductions – total amount of money subtracted from your pay.
12. Net pay – this is the amount of money left after deductions and taxes, also known as your take home pay.

## Budget Worksheet

Name: \_\_\_\_\_

Ask the person who pays the bills in your house to help you with this assignment. Fill in the costs per month of each item. If there is no cost, fill in a zero.

Rent/Mortgage \_\_\_\_\_

Heat \_\_\_\_\_

Water \_\_\_\_\_

Sewage \_\_\_\_\_

Electric \_\_\_\_\_

House Phone \_\_\_\_\_

Cell Phone \_\_\_\_\_

Internet \_\_\_\_\_

Garbage \_\_\_\_\_

Food \_\_\_\_\_

Car Payments \_\_\_\_\_

Car Insurance \_\_\_\_\_

Gasoline \_\_\_\_\_

Clothing \_\_\_\_\_

Animal Care \_\_\_\_\_

Entertainment \_\_\_\_\_

Savings \_\_\_\_\_

Would you be able to afford all of these items with the pay stub from the Where did my paycheck go activity?

What would you get rid of to afford your needs?