

Today's Session:

This session is flexible in length, from 35 to 65 minutes. It is intended for adults with diverse abilities who want to understand the various line items on a paycheck where money is deducted. The lesson starts with simulated receipt of paychecks, with each learner getting an individual sample check. The leader then explores the various elements of the paycheck with learners. Next, learners receive another round of paychecks, this time answering questions on an activity sheet.

Participant Materials:

- Slide deck** Understanding Your Paycheck. If the slides can't be displayed on a screen, print enough copies for each participant. (Tip: To reduce paper usage, print in 'notes' view, double-sided.)
- Writing tools**
- Activity Packet**, one per learner.
- Sample paychecks** for first round, one per learner.
- Sample paychecks** for second round (assessment), one per learner.

Session Objectives:

- Learn about what money is taken out of your paycheck.
- Find out where earned money goes.
- Identify taxes and their role in paychecks.
- Identify other deductions from pay such as medical insurance or STABLE accounts.

Prior to Learners Entering the Room:

- Familiarize yourself with all lesson and activity procedures.
- Prepare the correct number of activity packets to handout.
- Prepare the correct number of writing tools.
- Prepare the sample paychecks and have the first round on their desks.

Presentation Tips

Your Audience:

Keep in mind that your audience has a wide range of abilities and learning styles. Some learners may be fully capable in their cognitive abilities, others may struggle with conceptual information, vocabulary and numeracy, yet still understand. The key is to communicate clearly and consistently, paying close attention to cues that show how your message is being received.


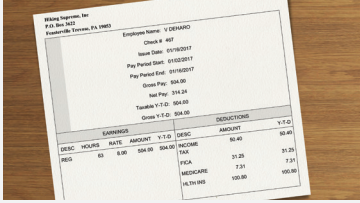





Two Key Teaching Strategies:

- Be short and direct: Make sure you're not speaking in long, complicated sentences or using unnecessarily difficult terms.
- Use your voice, your gestures, and visual aids to deliver the message.
 - When reading from the instructor guide or a slide for an extended period of time, you may lose your audience. Break away frequently to engage the learners, vary your tone of voice, use objects for your presentation—anything to prevent the presentation from being the same thing for many minutes on end.
 - Use repetition and reinforcement: It helps to repeat key concepts and to reward learners for responding to your questions.
 - Do not worry about a polished presentation or “keeping on schedule.” Your learners will appreciate humility and flexibility. Remember, you're a friend helping them learn!

Special attention in this lesson:

- Please have materials ready ahead of time. For your audience, you'll need to be constantly engaging. Have the Banking Terms Vocabulary Cards ready to go prior to learners entering the room.

Visual Schedule

	Order	Check when done
	<p>Welcome (5 minutes)</p>	
	<p>First Round of Paychecks (5–10 minutes)</p>	
	<p>Paychecks: Group Learning (5–15 minutes)</p>	
	<p>Alexandria's Story (10-15 minutes)</p>	
	<p>Assessment (5–15 minutes)</p>	
	<p>Closure (5 minutes)</p>	
	<p>(Optional Extension Activity) (XX minutes)</p>	

NOTE: As they enter, explain to learners that they will be receiving sample paychecks. The names and amounts will not be theirs. Give each learner a sheet (includes both a sample paycheck and sample paycheck stub) duplicated from among the six extra samples with this lesson.

>>> Show the title slide as learners enter

1. Welcome



Say:

Welcome to today's session. I'm _____ and I work at TD Bank. My role is _____ and I'm happy to take some time today to help you understand paychecks.

As we go along, I encourage you to participate and feel free to ask questions along the way.

Let's look at what we'll learn in today's session.

>>> Show Slide 2



Say:

Before the end of today's session, you will understand what comes out of a paycheck, where earned money goes, the taxes that come out of a paycheck, and other money that comes out.

2. First Round of Paychecks



Say:

As you came in, you received a sample paycheck. Now we're going to have a look at those and discuss them in pairs.

Connecting tip: Ask learners to hold up their paychecks (to build interest). If coaches or caregivers are attending, pair each one with a learner



Activity:

(using sample paychecks) – Allow 5–15 minutes for activity

>>> Show Slide 3



Say:

On the screen you see the questions to discuss in your pairs:

- Where do you work?
- How much money do you make per hour?
- How much total money did you earn?
- What amount did you actually receive?
- What other amounts do you see?

Now that you've seen your sample paycheck, let's find out more.

Smartphone tip: *You can use your phone's calculator to work through the numbers on the paycheck if you wish.*

Connecting tip: *Check on how much time learners are taking to do this discussion – do provide adequate time, but don't let the discussion slow the pace too much.*

3.Group Learning on Paychecks

>>> Show Slide 4



Say:

Have a look at this slide. The most important thing to know is this:

When you get your paycheck

Take-home pay
equals
Total amount earned
minus
MONEY TAKEN OUT

The left over money can be saved or spent.

>>> Show Slide 5



Say:

What gets taken out? Let's see.

- Income taxes:** money paid to the government
- Social Security:** to help older people today
- Medicare:** to help older people with medical expenses
- Benefits:** provided through an employer

4. Alexandria's Story

>>> Show Slide 6



Say:

Let me tell you about Alexandria's story. Alexandria:

- Got a job at a day care.
- Wants to know more about money.
- Notices money taken from her paycheck.
- Asks, "Where did my paycheck go?"
- Let's help her find out!

>>> Show Slide 7



Say:

Here is Alexandria's paycheck. We can learn some things just by looking at it.

Little Treasures Child Care, Inc.
P.O. Box 1327
Waterbury, CT 06708

DATE January 16, 2017

PAY TO THE ORDER OF

A JOHNSON

\$ 419.00

Four Hundred Nineteen Dollars and No Cents

MEMO 84 hrs 1st pd

Mary Lambertson



Ask:

- Where does Alexandria work?
- Answer:** Little Treasures Child Care
- How much money did she receive this time?
- Answer:** \$419.00

- What can Alexandria do with the money?

Answer: Spend it on things she feels she needs or wants, or save it.

>>> Show Slide 8



Say:

This is the stub that comes with Alexandria’s paycheck. This contains information on the money that was taken out.

Little Treasures Child Care, Inc.
P.O. Box 1327
Waterbury, CT 06708

Employee Name: A JOHNSON	
Check # 467	
Issue Date: 01/16/2017	
Pay Period Start: 01/02/2017	
Pay Period End: 01/16/2017	
Gross Pay: 672.00	
Net Pay: 419.00	
Taxable Y-T-D: 672.00	
Gross Y-T-D: 672.00	

EARNINGS					DEDUCTIONS		
DESC	HOURS	RATE	AMOUNT	Y-T-D	DESC	AMOUNT	Y-T-D
REG	84	8.00	672.00	672.00	INCOME TAX	67.20	67.20
					FICA	41.66	41.66
					MEDICARE	9.74	9.74
					HLTH INS	134.40	134.40

Smartphone tip: You can use your phone’s calculator to work through the numbers on the paycheck if you wish.



Ask:

How much money is Alexandria paid per hour?

Answer: \$8.00

How many hours did Alexandria work?

Answer: 84

How much pay would Alexandria receive if the entire amount came to her?

Answer: \$672.00

What was taken out of Alexandria’s pay?

Answer: \$67.20 of income tax, \$41.66 for Social Security (FICA), \$9.74 for Medicare and \$134.40 for her own medical insurance.

How much money did Alexandria actually receive in her paycheck?

Answer: \$419.00

Can Alexandria ever get back any of the money she paid in taxes?

Answer: Possibly. When she files her income tax, she may get a refund. However, she will not get back her Medicare or Social Security tax.

Alexandria’s check shows that \$134.40 of her money went to cover medical insurance. Is that a good deal?

Answer: Yes. It protects her from large medical expenses.

Does everyone pay for medical insurance the way Alexandria does?

Answer: No. Some people receive medical insurance from programs like Medicaid or from being kept on their parents’ insurance until they are 26. These people will not have paycheck amounts taken out for insurance.

How would you feel if you were Alexandria?

Answer: Accept a variety of answers. Some will say she should feel good about earning this money; others will say she may be disappointed for not making the full \$672.



Say:

Let's see what happens next with Alexandria's paycheck.



Ask:

How can Alexandria put her money in the bank?

Answer: Accept a variety of answers before moving on.

>>> Show Slide 9



Say:

Here are some of the ways her money can get to the bank:

Her employer may send it to the bank electronically.

She can make a deposit at the ATM.

She can visit a teller at the bank.

Smartphone tip: *At some banks you can deposit a check using your phone to take a picture of the check.*

(Alexandria's bank offers mobile deposit, so she can deposit her paycheck by taking a picture of it in her banking app.)



Ask:

What should Alexandria NOT do with her paycheck?

Answer: Accept a variety of answers before moving on.

>>> Show Slide 10



Say:

Here's something Alexandria should not do. She should not take it all in cash because it might get lost or stolen.

Banks can help us keep our money safe.

5. Assessment

Activity (using second round of sample paychecks and the Activity Worksheet) – Allow 5–15 minutes for activity

Distribute the activity sheet and writing tools to learners.



Say:

After looking over your sample paycheck, answer the questions on your activity worksheet.

6. Closure

>>> Show Slide 11



Say:

If you don't understand your paycheck, get help. Your employer may have a counselor who can help. Or you may have a caregiver.

Connecting tip: Ask learners who could help them with their finances (but do not question individuals specifically about who helps them).

>>> Show Slide 12



Say:

Today we learned what comes out of a paycheck, where the earned money goes, and how money for taxes and other things comes out of a paycheck.

Wrap Up



Ask:

Does anyone have any questions? Now that you know what's coming out of your paycheck, you're ready to make real financial progress!

>>> Show Slide 13 as learners, coaches and volunteers leave.

7. Optional Extension Activity

Activity Allow 5 minutes for this Optional Extension Activity



Say:

In pairs, look at your paychecks together and answer this:

If you could, would you trade jobs? Why or why not?

Answer: There will be a variety of responses. Some learners may prefer an employer they consider to have higher prestige, while others will be looking for the most money.

Activity Worksheet & Sample Paychecks

We have learned about where your earned money goes plus taxes and other money that may come out of your paycheck. Now that we have explored all the different things on a paycheck, try to answer the questions below.

Remember: Take-home pay = Total amount earned – Money Taken Out.

Directions: Your instructor has given you a sample paycheck. Look over your sample paycheck and answer the following questions:

- | | |
|-----------|---|
| 1 | According to your paycheck, what employer are you working for?
Answer: Read from address at upper left of paycheck or stub. |
| 2 | Just from the employer's name, can you guess what business you are in?
Answer: Accept a variety of answers. |
| 3 | How many hours did you work for this paycheck?
Answer: Read "HOURS" under "EARNINGS" section of paycheck stub, lower left. |
| 4 | How much are you paid for each hour of work (your hourly rate)?
Answer: Read "RATE" under "EARNINGS" section of paycheck stub, lower left. |
| 5 | How much money did you earn before anything was taken out?
Answer: Read "Gross Pay" in center section of paycheck stub. |
| 6 | What is income tax, and how much – if any – was taken out of your pay?
Answer: Income tax is money paid by you to the government, based on the amount of money you receive. Read "INCOME TAX" under "DEDUCTIONS" section of paycheck stub, lower right. |
| 7 | What is "FICA" and how much was taken out of your pay?
Answer: "FICA" is another name for Social Security, a program to help older people today. Read "FICA" under "DEDUCTIONS" section of paycheck stub, lower right. |
| 8 | What is "Medicare" and how much was taken out of your pay for this purpose?
Answer: "Medicare" is a program to help older people with medical expenses. Read "MEDICARE" under "DEDUCTIONS" section of paycheck stub, lower right. |
| 9 | What is "Hlth Ins" and how much was taken out of your pay for this purpose?
Answer: This is "health insurance" or "medical insurance," which helps pay doctor bills. Read "HLTH INS" under "DEDUCTIONS" section of paycheck stub, lower right. |
| 10 | After everything was taken out, how much money did you receive in your paycheck?
Answer: Read "NET PAY" in center section of paycheck stub. |
| 11 | What can you now do with this money?
Answer: Spend or save as you see fit. |

Little Treasures Child Care, Inc.
P.O. Box 1327
Waterbury, CT 06708

DATE January 16, 2017

PAY TO THE ORDER OF

A JOHNSON

\$ 419.00

Four Hundred Nineteen Dollars and No Cents

MEMO 84 hrs 1st pd

Mary Lambertson

Little Treasures Child Care, Inc.
P.O. Box 1327
Waterbury, CT 06708

Employee Name: A JOHNSON
 Check # 467
 Issue Date: 01/16/2017
 Pay Period Start: 01/02/2017
 Pay Period End: 01/16/2017
 Gross Pay: 672.00
 Net Pay: 419.00
 Taxable Y-T-D: 672.00
 Gross Y-T-D: 672.00

EARNINGS					DEDUCTIONS		
DESC	HOURS	RATE	AMOUNT	Y-T-D	DESC	AMOUNT	Y-T-D
REG	84	8.00	672.00	672.00	INCOME TAX	67.20	67.20
					FICA	41.66	41.66
					MEDICARE	9.74	9.74
					HLTH INS	134.40	134.40

Mega Credit Card, Inc
P.O. Box 4157
Allentown, PA 18106

DATE January 16, 2017
 E

PAY TO THE ORDER OF

M FRIESE

\$ 157.92

One Hundred Fifty Seven Dollars and Ninety Two Cents

MEMO 19 hrs 1st pd

Renate Mumper

Mega Credit Card, Inc
P.O. Box 4157
Allentown, PA 18106

Employee Name: M FRIESE
 Check # 467
 Issue Date: 01/16/2017
 Pay Period Start: 01/02/2017
 Pay Period End: 01/16/2017
 Gross Pay: 171.00
 Net Pay: 157.92
 Taxable Y-T-D: 171.00
 Gross Y-T-D: 171.00

EARNINGS					DEDUCTIONS		
DESC	HOURS	RATE	AMOUNT	Y-T-D	DESC	AMOUNT	Y-T-D
REG	19	9.00	171.00	171.00	INCOME TAX	0.00	0.00
					FICA	10.60	10.60
					MEDICARE	2.48	2.48
					HLTH INS	0.00	0.00

SNAPPYTEL PHONE SYSTEMS, Inc
P.O. Box 6470
Annapolis, MD 21401

DATE January 16, 2017
 E

PAY TO THE ORDER OF

C HIGBY

\$ 291.79

Two Hundred Ninety One Dollars and Seventy Nine Cents

MEMO 36 hrs 1st pd

Rosa Wisecarver

SNAPPYTEL PHONE SYSTEMS, Inc
P.O. Box 6470
Annapolis, MD 21401

Employee Name: C HIGBY
 Check # 467
 Issue Date: 01/16/2017
 Pay Period Start: 01/02/2017
 Pay Period End: 01/16/2017
 Gross Pay: 468.00
 Net Pay: 291.79
 Taxable Y-T-D: 468.00
 Gross Y-T-D: 468.00

EARNINGS					DEDUCTIONS		
DESC	HOURS	RATE	AMOUNT	Y-T-D	DESC	AMOUNT	Y-T-D
REG	36	13.00	468.00	468.00	INCOME TAX	46.80	46.80
					FICA	29.02	29.02
					MEDICARE	6.79	6.79
					HLTH INS	93.60	93.60

Willie's Auto Body Shop, Inc
P.O. Box 5861
Woodbridge, VA 22192

DATE January 16, 2017
 E

PAY TO THE ORDER OF

I MILLEN

\$ 543.07

Five Hundred Forty Three Dollars and Seven Cents

MEMO 67 hrs 1st pd

Shela Pineda

Willie's Auto Body Shop, Inc
P.O. Box 5861
Woodbridge, VA 22192

Employee Name: I MILLEN
 Check # 467
 Issue Date: 01/16/2017
 Pay Period Start: 01/02/2017
 Pay Period End: 01/16/2017
 Gross Pay: 871.00
 Net Pay: 543.07
 Taxable Y-T-D: 871.00
 Gross Y-T-D: 871.00

EARNINGS					DEDUCTIONS		
DESC	HOURS	RATE	AMOUNT	Y-T-D	DESC	AMOUNT	Y-T-D
REG	67	13.00	871.00	871.00	INCOME TAX	87.10	87.10
					FICA	54.00	54.00
					MEDICARE	12.63	12.63
					HLTH INS	174.20	174.20

Kayak-Canoe City, Inc
P.O. Box 3750
Newburyport, MA 01950

DATE January 16, 2017

PAY TO THE ORDER OF

E POLANSKY

\$ 480.09

Four Hundred Eighty Dollars and Nine Cents

MEMO 77 hrs 1st pd

Sharilyn Forand

Kayak-Canoe City, Inc
P.O. Box 3750
Newburyport, MA 01950

Employee Name: E POLANSKY							
Check # 467							
Issue Date: 01/16/2017							
Pay Period Start: 01/02/2017							
Pay Period End: 01/16/2017							
Gross Pay: 770.00							
Net Pay: 480.09							
Taxable Y-T-D: 770.00							
Gross Y-T-D: 770.00							
EARNINGS					DEDUCTIONS		
DESC	HOURS	RATE	AMOUNT	Y-T-D	DESC	AMOUNT	Y-T-D
REG	77	10.00	770.00	770.00	INCOME	77.00	77.00
					TAX		
					FICA	47.74	47.74
					MEDICARE	11.17	11.17
					HLTH INS	154.00	154.00

Ultrasonic Motors Corporation, Inc
P.O. Box 5072
Camden, NJ 08105

DATE January 16, 2017
 E

PAY TO THE ORDER OF

E TELLER

\$ 193.28

One Hundred Ninety Three Dollars and Twenty Eight Cents

MEMO 31 hrs 1st pd

Leland Witkowski

Ultrasonic Motors Corporation, Inc
P.O. Box 5072
Camden, NJ 08105

Employee Name: E TELLER
 Check # 467
 Issue Date: 01/16/2017
 Pay Period Start: 01/02/2017
 Pay Period End: 01/16/2017
 Gross Pay: 310.00
 Net Pay: 193.28
 Taxable Y-T-D: 310.00
 Gross Y-T-D: 310.00

EARNINGS					DEDUCTIONS		
DESC	HOURS	RATE	AMOUNT	Y-T-D	DESC	AMOUNT	Y-T-D
REG	31	10.00	310.00	310.00	INCOME TAX	31.00	31.00
					FICA	19.22	19.22
					MEDICARE	4.50	4.50
					HLTH INS	62.00	62.00

The Quilt Shop, Inc
P.O. Box 4636
Portsmouth, NH 03801

DATE January 16, 2017

PAY TO THE ORDER OF

D GODIN

\$ 175.46

One Hundred Seventy Five Dollars and Forty Six Cents

MEMO 19 hrs 1st pd

Ashleigh Horowitz

The Quilt Shop, Inc
P.O. Box 4636
Portsmouth, NH

Employee Name: D GODIN
 Check # 467
 Issue Date: 01/16/2017
 Pay Period Start: 01/02/2017
 Pay Period End: 01/16/2017
 Gross Pay: 190.00
 Net Pay: 175.46
 Taxable Y-T-D: 190.00
 Gross Y-T-D: 190.00

EARNINGS					DEDUCTIONS		
DESC	HOURS	RATE	AMOUNT	Y-T-D	DESC	AMOUNT	Y-T-D
REG	19	10.00	190.00	190.00	INCOME TAX	0.00	0.00
					FICA	11.78	11.78
					MEDICARE	2.76	2.76
					HLTH INS	0.00	0.00