



## Lesson Two

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# Making Money



Landing that first job is an exciting time, and there are many areas to consider before the first paycheck is earned. Students should explore career path options and understand all of the financial aspects of employment.

For related links and resources on this lesson, visit:  
**[practicalmoneyskills.com/teens/2](http://practicalmoneyskills.com/teens/2)**

# making money lesson outline

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## overview

Building your career is one of the surest ways to increase income and make money. When planning for the future, one of the most critical financial decisions is determining your career path.

In this lesson, students will be encouraged to consider various topics related to career planning and the financial aspects of employment. This variation of the decision-making process can help a person match personal abilities and interests with appropriate employment opportunities.

“How does a person apply for a job?” This is a question asked by many students. First students are informed of sources for identifying available employment positions. Next, various aspects of interviewing are discussed, as well as information on preparing for a job interview along with tips for successful interviewing.

Then, financial aspects of employment are considered, including the "hidden costs" of working and employee benefits. Finally, for students who have not worked in the past, information is offered about payroll taxes and other deductions from a person's income.

## goals

Gain an understanding of career planning and the processes of employment, tips on starting a new career and provide practice reading and interpreting pay stubs.

## lesson objectives

- Know the phases of the career-planning process
- Identify and apply for employment
- Understand the interview process
- Understand some of the hidden costs of a job
- Understand some of the benefits companies often offer employees
- Interpret a pay stub



## presentation slides

- 2-A** the career planning process
- 2-B** preparing for a job interview
- 2-C** common interview questions
- 2-D** adding up the benefits
- 2-E** reading a pay stub
- 2-F** an example of paycheck deductions

## **student activities**

**2-1** Assessing Your Personal Interests and Abilities

**2-2** Evaluating the Current Employment Market

- Part-time summer employment
- Career-entry positions
- Advanced careers, employment field changes

**2-3** Creating a Resume

**2-4** Reading and Interpreting Pay Stubs

- Have students answer the questions about the attached pay stubs
- Discuss their answers

**2-5** Lesson Two Quiz

**For more information, please refer to the Appendix.**

# making money target audiences

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Learning activities appropriate to varied target audiences for lesson two

			
activity	teenagers (14-18)	young adults (19-25)	adults (26+)
Student Activity 2-1	●	●	●
Student Activity 2-2	●	●	
Student Activity 2-3	●	●	
Oral Presentation	●	●	
Survey/Interview	●	●	
Student Activity 2-4	●	●	
Lesson Two Quiz 2-5	●	●	●

# making money teaching notes

## the career planning process

- Phase 1: Assess your personal interests, abilities, and career goals.
- Phase 2: Evaluate the current employment market.
- Phase 3: Identify specific job opportunities.
- Phase 4: Apply for employment positions with the use of a resume or application letter.
- Phase 5: Interview for available positions.
- Phase 6: Obtain additional career training.



slide 2-A



student activity 2-1



student activity 2-2

## identifying and applying for employment positions

- Advertisements
- Personal contacts
- Business organizations
- The internet



student activity 2-3



web activity:

Conduct a Web search to identify sites that people can contact to obtain information on available job positions.

## the interview process

When preparing for a job interview, take the following actions:

1. When researching an organization, obtain information on:
  - What are its main activities?
  - What types of jobs does it have?
  - What do the people who work there like about their employment situation?
2. Practice your interviewing skills:
  - Write out answers to possible interview questions.
  - Have someone interview you.
3. Prepare questions that you plan to ask:
  - What skills are needed for success in the organization?
  - What opportunities are available for continued learning?



slides 2-B & 2-C



oral presentation:

Have students present in class (or on video) examples of strong and weak actions in a job interview.

# making money teaching notes

## the hidden costs of a job

1. Transportation
2. Clothing
  - Uniforms
  - Nice clothing
3. Food
4. Child or adult care
5. Union dues



discussion



rework budget  
calculator:  
[pmsfl.com](http://pmsfl.com)

## adding up the benefits

1. Possible job benefits
  - Health, dental, and eye care insurance
  - Life insurance/disability insurance
  - Flexible spending account
  - Health savings account
  - Tax-deferred retirement plan
  - Paid vacation
  - Paid holidays
  - Parental leave
  - Stock purchase plan
  - Employee assistance plans
  - Employee fitness programs
  - Employee discounts
  - Tuition assistance or reimbursement



discussion



slide 2-D



survey/interview

Talk to people about the employee benefits they believe to be most important for their life situation.

## reading a pay stub

1. Pay period
2. Gross pay
3. Wage deductions
  - Federal income tax
  - FICA (Social Security and Medicare)
  - Individual state or local income tax
  - Tax-free or tax-deferred benefits
4. Net pay



discussion



slides 2-E, 2-F & 2-G

# making money teaching notes

## interpreting pay stubs

1. Interpret sample pay stubs



student activity 2-4

## lesson two quiz

*Quiz 2-5 is in the student activity section.  
The answer key is at Teacher's Guide page 2-ix.*



quiz 2-5



# read and interpret pay stubs

## answer key

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### directions

Answer the following questions using the attached pay stubs:

- 1.** What is the name of Jane Brown's employer?

*Hamburger Palace Enterprises, Inc.*

- 2.** How much did Jane earn before taxes?

*\$120.00*

- 3.** What is Jane's salary?

*\$6.00/hour*

- 4.** List Jane's deductions.

*Federal income tax, Social Security, Medicare, state income tax, meals*

- 5.** What pay period does Peter Smith's check cover?

*8/6/99 to 8/12/99*

- 6.** How much federal income tax has been taken out of Peter's check so far during 1999?

*\$429.84*

- 7.** How much did Peter contribute to a retirement plan from this paycheck?

*\$30.00*

- 8.** How much is Peter's take-home pay?

*\$182.41*

- 9.** Where does Mary Stone work?

*Dance-o-Rama*

- 10.** What is Mary's salary?

*\$448.00*

- 11.** How much money was deducted from Mary's paycheck?

*\$98.79*

- 12.** How much has Mary been paid in total during 1999?

*\$5,824.00*



# lesson two quiz: making money

## answer key

### true-false

1.   t   The career planning process starts with assessing your personal interests, abilities, and goals.
2.   f   Interviewing is the final phase of the career planning process.
3.   t   Travel costs to work are considered to be “hidden” job costs.
4.   f   Worker’s compensation is a common employee benefit received by most workers.
5.   f   Gross pay results from deducting various deductions from your earnings.

### multiple choice

6.   C   The first phase of the career planning process is to:  
**A.** identify specific job opportunities  
**B.** interview for available positions  
**C.** assess personal interests and abilities  
**D.** apply for employment positions
7.   A   After applying for an available position, the next step usually involves:  
**A.** interviewing  
**B.** obtaining training for necessary skills  
**C.** comparing employee benefits  
**D.** preparing a personal data sheet (resume)
8.   B   A hidden cost of a job might involve:  
**A.** gross pay  
**B.** uniform fees  
**C.** employee discounts  
**D.** retirement benefits
9.   D   Which of the following employee benefits would a working parent find most useful?  
**A.** stock options  
**B.** tax deferred retirement plan  
**C.** Social Security benefits  
**D.** parental leave
10.   C   A common deduction on a person’s pay stub would be:  
**A.** gross pay  
**B.** unemployment tax  
**C.** federal income tax  
**D.** excise tax

### case application

Sue Smith has worked for nine years in retail sales. She is considering going back to school to change career fields. What factors should be considered before making this decision? *Sue should consider her personal interests and abilities as well as potential demand in the new career field. Next, she should assess if she can afford the time and money that may be required when making this career change. In addition, Sue should consider the impact of this decision on her personal well-being and that of family members.*