



8th Grade ▪ Career Retention and Advancement ▪ Math

Competency	13.3.8D Analyze budgets and pay statements, such as, but not limited to, charitable contributions, expenses, gross pay, net pay, other income, savings, taxes.
Lesson Topic	What happened to my paycheck?
Subject	Math
Length	One class period, homework assignment
Materials	<i>Where Did My Paycheck Go</i> worksheet, <i>Budget</i> worksheet
Evaluation	Students will learn how to read and understand a pay stub and budget.

Procedure:

1. The teacher has 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 *Where Did My Paycheck Go* worksheet and the *Budget* worksheet.
4. Students and the teacher explore the pay stub and discuss the terms associated with paying taxes.
5. Teacher assigns the *Budget* worksheet for homework. (This assignment hopefully gives the caregivers and student an opportunity to talk)



Where Did My Paycheck Go? Worksheet

1. Employer name			Pay Stub #1987
2. Week ending date:	09/8/2011 – 09/14/2011		
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 show *exactly* where all of your money has gone. Below is an explanation in more detail about what all of these items are.

The Details

1. **Employer name**—This area shows your employer's name and sometimes the address.
2. **Week ending date**—Employer pay schedules differ. Some employers pay you at the end of each week, some pay every 2 weeks, and some pay 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 amount that you receive for each hour worked.
5. **Gross**—This is the 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 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 money you pay 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**—This is the total amount of money subtracted from your pay.
12. **Net pay**—This is your take home pay (the amount of money left after deductions and taxes).



Budget Worksheet

Name: _____

Ask the person who pays the bills in your house to help you with this assignment. Fill in the cost 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	
TOTAL	

Using the pay stub shown on the *Where Did My Paycheck Go* worksheet, can you pay all of these expenses this month?

If not, what would you get rid of to afford your needs?