

# Unit 4 - Employment and Income

## Objectives

In this lesson we will be learning about both income, compensation and employment.

- We will learn about the difference between direct and indirect compensation.
- We will have a basic understanding of income tax and the different ways of filing their taxes.
- We will learn some best practices for starting their career.
- We will learn about the importance of saving for retirement.

Students will continue progressing through the PersonalFinanceLab Budget Game and continue to work with their teams on their investing portfolio.

## Slideshow

Included in the Employment & Income slideshow are all the challenge questions, key terminology, and project prompts.

### Unit 4.1 - Career & Income

Activity	Type	Summary	Time
Class Discussion	Lecture	<u>Slideshow</u> <ul style="list-style-type: none"> <li>• Follow through the slides for Unit 4.1</li> </ul>	20 min.
Read Article	In-Class	Career Development <ul style="list-style-type: none"> <li>• <u>View Lesson</u></li> </ul>	10 min.
Read Article	In-Class	Unemployment and Assistance Programs <ul style="list-style-type: none"> <li>• <u>View Lesson</u></li> </ul>	7 min.
Interactive Activity	In-Class	Interest Assessment – mynextmove.org <ul style="list-style-type: none"> <li>• <u>O*NET Interest Profiler</u></li> </ul>	5 min.
Read Article	Home Work	Income and Compensation <ul style="list-style-type: none"> <li>• <u>View Lesson</u></li> </ul>	14 min.

Read Article	Home Work	Employer and Employee Rights and Responsibilities <ul style="list-style-type: none"> <li>• <a href="#">View Lesson</a></li> </ul>	8 min.
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### Unit 4.2 - Intro to Bank Accounts

Activity	Type	Summary	Time
Class Discussion	Lecture	<u>Slideshow</u> <ul style="list-style-type: none"> <li>• Follow through the slides for Unit 4.2</li> </ul>	20 min.
Read Article	In-Class	Banks, Credit Unions, and Savings and Loans <ul style="list-style-type: none"> <li>• <a href="#">View Lesson</a></li> </ul>	16 min.
Read Article	In-Class	Automatic Payments <ul style="list-style-type: none"> <li>• <a href="#">View Lesson</a></li> </ul>	6 min.
Watch Video	In-Class	Bank Overdraft Fees <ul style="list-style-type: none"> <li>• <a href="#">Watch Video</a></li> </ul>	3 min.
Interactive Activity	In-Class	Know Your Take-Home Pay - National Endowment for Financial Education <ul style="list-style-type: none"> <li>• <a href="http://financeintheclassroom.org">Analyzing Pay Stubs (financeintheclassroom.org)</a></li> </ul>	15 min.
Interactive Activity	In-Class	Play 1 month of the Budget Game	15 min.
Read Article	Home Work	Debit Cards <ul style="list-style-type: none"> <li>• <a href="#">View Lesson</a></li> </ul>	6 min.

### Unit 4.3 - Intro to Taxes

Activity	Type	Summary	Time
Class Discussion	Lecture	<u>Slideshow</u> <ul style="list-style-type: none"> <li>• Follow through the slides for Unit 4.3</li> </ul>	20 min.
Read Article	In-Class	Taxation Overview <ul style="list-style-type: none"> <li>• <a href="#">View Lesson</a></li> </ul>	10 min.
Read Article	In-Class	Filing Taxes and 1040 <ul style="list-style-type: none"> <li>• <a href="#">View Lesson</a></li> <li>• <a href="#">View Slides</a></li> </ul>	10 min.

Watch Video	In-Class	Ways to File Your Taxes <ul style="list-style-type: none"> <li><a href="#">View Video</a></li> </ul>	2 min.
Interactive Activity	In-Class	Stock Game: Manage Portfolio	10 min.
Read Article	Home Work	Sales Tax <ul style="list-style-type: none"> <li><a href="#">View Lesson</a></li> <li><a href="#">View Slides</a></li> </ul>	9 min.

### Unit 4.4 - Starting Your Career

Activity	Type	Summary	Time
Class Discussion	Lecture	<a href="#">Slideshow</a> <ul style="list-style-type: none"> <li>Follow through the slides for Unit 4.4</li> </ul>	20 min.
Read Article	In-Class	The 5 Biggest Mistakes of Job Seekers <ul style="list-style-type: none"> <li><a href="#">View Lesson</a></li> </ul>	9 min.
Read Article	In-Class	Ace Your Interview <ul style="list-style-type: none"> <li><a href="#">View Lesson</a></li> </ul>	6 min.
Interactive Activity	In-Class	Play 1 month of the Budget Game	15 min.
Interactive Activity	In-Class	Practice Interview Questions - Finance in the Classroom <ul style="list-style-type: none"> <li><a href="#">InterviewQuestionPractice.pdf (financeintheclassroom.org)</a></li> </ul>	15 min.
Read Article	Home Work	Using Keywords in Your Job Search <ul style="list-style-type: none"> <li><a href="#">View Lesson</a></li> </ul>	6 min.
Read Article	Home Work	How to Choose an internship <ul style="list-style-type: none"> <li><a href="#">View Lesson</a></li> </ul>	10 min.

## Unit 4.5 - Building & Sharing Wealth

Activity	Type	Summary	Time
Class Discussion	Lecture	<u>Slideshow</u> <ul style="list-style-type: none"> <li>Follow through the slides for Unit 4.5</li> </ul>	20 min.
Read Article	In-Class	Building Wealth <ul style="list-style-type: none"> <li><a href="#">View Lesson</a></li> </ul>	8 min.
Read Article	Home Work	Charitable Giving <ul style="list-style-type: none"> <li><a href="#">View Lesson</a></li> </ul>	10 min.
In-Class Activity	In-Class	Stock Game: Check-In <ul style="list-style-type: none"> <li><a href="#">Refer to teacher packet</a></li> </ul>	15 min.
Interactive Activity	In-Class	Saving to be a Millionaire <ul style="list-style-type: none"> <li><a href="#">View Lesson</a></li> </ul>	12 min.
Read Lesson	Home Work	Planning for Retirement <ul style="list-style-type: none"> <li><a href="#">View Lesson</a></li> </ul>	14 min.

## Unit 4.6 - Responsible Income and Spending Behaviors

Activity	Type	Summary	Time
Class Discussion	Lecture	<u>Slideshow</u> <ul style="list-style-type: none"> <li>Follow through the slides for Unit 4.6</li> </ul>	15 min.
Read Article	In-Class	Tax Credits and Deductions <ul style="list-style-type: none"> <li><a href="#">View Lesson</a></li> </ul>	11 min.
Read Article	In-Class	Tax Additions <ul style="list-style-type: none"> <li><a href="#">View Lesson</a></li> </ul>	8 min.
Interactive Activity	In-Class	Play 1 month of the Budget Game	15 min.
Read Lesson	Home Work	Product Classification <ul style="list-style-type: none"> <li><a href="#">View Lesson</a></li> <li><a href="#">View Slides</a></li> </ul>	10 min.
Read Article	Home Work	Consumer Right and Responsibilities <ul style="list-style-type: none"> <li><a href="#">View Lesson</a></li> </ul>	8 min.

By the end of the lesson, students will:

- Define different types of income
  - Understand consumer and employment rights and responsibilities
  - Understand debit cards and bank accounts
  - Have a basic understanding of income tax
  - Know how to develop a career plan that supports their long-term financial goals
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## Key Glossary Terms

The key terminology is covered in each of the sub-units, here is a complete list of all the terms introduced in the Employment and Income Unit.

Direct Compensation	The compensation that an employee receives directly from his or her place of work. This includes the base salary and any incentive pay.
Indirect Compensation	Includes non-monetary benefits provided to workers, such as pension funds, mobile phones, company cars, health and life insurance, overtime pay, and annual leave. From legally obligated health insurance to social security, childcare, and more.
Equity Compensation	Non-cash pay that is offered to employees, and may include options, restricted stock, and performance shares; all these investment vehicles represent ownership in the firm.
Employee	A worker who gets paid an hourly wage or annual salary for a set job. Not all hourly workers are employees. They have certain protections and obligations that differ from other types of workers.
Contractor	A person or company that undertakes a contract to provide materials or labor to perform a service or do a job.
Bank	For-profit corporations with a charter issued at the local, state, or national level. Generally, they specialize in commercial loans – making loans to businesses to help them get started or expand.
Credit Union	Non-profit organizations, almost exclusively local, and are owned by the people who make deposits. Every member who

	<p>makes a deposit at a credit union is a part-owner and can vote on issues relating to the institution.</p>
Account Fees	<p>An annual fee charged for having a checking account at your banking institution. This fee will usually go up or down depending on your checking account type – account types that give you more flexibility with your debit card are usually more expensive.</p>
Usage Limits	<p>The number of times you can use your debit card per month (which can be as low as 10 transactions). If you go over this limit, you will typically be charged a fee per transaction.</p>
Overdraft fees	<p>When you spend more on your debit card than you had in your checking account. Your checking account may or may not allow overdraft.</p>
Progressive Tax	<p>Imposes a higher percentage rate on taxpayers who have higher incomes.</p>
Regressive Tax	<p>A type of tax where lower-income earners pay a higher tax rate than high-income earners. An example is sales tax - low earners usually spend most of their income, while high earners typically save or invest a lot of income. This means that as a total percentage of income, more of a low-income earner's income will be spent on sales tax.</p>
Income Tax	<p>A state or federal government's levy on individuals as personal income tax and on the earnings of corporations as corporate income tax.</p>
Audit	<p>A formal examination of an organization's or individual's accounts or financial situation.</p>
Internship	<p>The position of a student or trainee who works in an organization, sometimes without pay, to gain work experience or satisfy requirements for a qualification.</p>
Resume	<p>A short account of one's career and qualifications prepared typically by an applicant for a position, also known as a curriculum vitae or CV.</p>
Objective Statement	<p>A brief, targeted statement that clearly outlines your career direction while simultaneously positioning you as someone who fits what the employer is looking for exactly.</p>

Qualifications	An official record of achievement awarded on the successful completion of a course of training or passing of an exam. Especially, one that provides the individual with the credentials to perform a particular job or task.
Wealth	An accumulation of valuable economic resources that can be measured in terms of either real goods or money value. Contrary to income, wealth measures the value at a point in time.
Career Plan	The process of enhancing an individual's future value in the workforce through on-the-job experience, qualifications and personal development that matches their goals and skills to opportunities in the marketplace.
Consumer	People or organizations that purchase products or services. The term also refers to hiring goods and services. Purchase things, but consumers use them. A customer is not always the consumer.
Warranty	Promises by a manufacturer, made to the consumer purchasing the manufacturer's product, that the product will serve the purpose for which it was designed.
Customer Protection Laws	Federal and state statutes governing sales and credit practices involving consumer goods. Such statutes prohibit and regulate deceptive or unconscionable advertising and sales practices, product quality, credit financing and reporting, debt collection, leases, and other aspects of consumer transactions.