

Main topic: Pay stubs and payroll deductions – you don't get to keep all your paycheck!

Money Coming In
Reading Your Pay Stub, What's a W-4 for? Why a W-2, too?

Writing opportunity: Please email student writing and photos for consideration on the Friday financial “your space” so they can share their thoughts and get others involved in financial literacy.

* Look for articles about budgets: federal, state, and local and for examples of how your government spends money. **How can government operate “in the red,” spending money that is not in its treasury? Why is the practice acceptable for government but not for citizens?**

* Watch for editorials, op-eds, and letters to the editor about government budgets. Where do you see self-interest conflicting with the public good? Formulate an opinion about a fair way to balance the needs of government at one level, local; state; or federal. Write a letter to “your space” with your solution. E-mail it to: nie@timesnews.com

Each Friday except Friday 11/23, 12/28, 1/18, 3/21, and 4/18 you will receive newspapers from Erie Times-Newspaper in Education program paid for by our sponsors (see below)

Friday newspaper includes weekly financial literacy topics and weekly activities, your space for student writing, a S³ trivia bonus question and newspaper activities to help students make the connections to the real world by using the newspaper as their resource.

See below for this week and for more resources.

Activity of week:

Analyze a paycheck stub and become familiar with types of payroll deductions. Visit <http://finance.yahoo.com/taxes> for current tax rates, standard deductions and personal exemptions. For state rates visit www.taxadmin.org/fta/rate/ind_inc.html

Please be sure to stress The number of allowances claimed on W-4 tax forms. Many young people are lost when it comes time to decide how many allowances they should claim – 0, 1 or more.

Newspaper Activity: Action Steps

Unit Three

Budget: Don't Go Broke!

Overview: What is a budget?

13. How does a government generate income?
- Look through the newspaper for examples of how your government spends money. (E.g., An article about a house fire might suggest the cost of purchasing fire trucks, their fuel and paying operating costs. A firehouse requires electricity, water, etc. Firefighters require training, benefits, salary, etc., and the municipality probably contributes to health insurance, pension funds, etc. Police officers also assist, and so on.)
14. Look through your newspaper for articles about budgets: federal, state, and local.
- What is the relationship between taxes and government expenditures?
 - Which budget items cause controversy?
 - How does the balance of taxation vs. budget affect citizens?
 - What arguments seem shortsighted or selfish?
 - How are budget/taxation conflicts being resolved?
15. Formulate an opinion about a fair way to balance the needs of government at one level, local; state; or federal.
- Ask someone whose opinion you respect to review and evaluate your opinion.
 - Write a letter to the editor in which you propose your solution.
16. Watch for editorials, op-eds, and letters to the editor about government budgets. Where do you see self-interest conflicting with the public good?
17. How can government operate “in the red,” spending money that is not in its treasury? Why is the practice acceptable for government but not for citizens?
- WEEKLY QUIZ Question:** Visit www.cccr.psu.edu to play the S³ Online Game - Save•Spend•Succeed. Your students can use the online game to practice for the Live S³ Game Show available from JA and Penn State Behrend. Two teams will compete for prizes at Penn State Behrend during the year. They will be treated to lunch and will be given a tour of the college. Stay tuned f
November 2nd

When developing a personal budget, which piece of information do you need to know first?

- A. Net income
- B. Gross income
- C. Total wages
- D. Total deductions

Responses:

A. Correct! Because net income is the total amount you have available to spend, you should begin your budget with this amount.

B. Incorrect. Gross income does not include payroll deductions. It does not represent the amount you have available to spend, so you should not use this amount to start your budgeting.

C. Incorrect. Total wages are the same as gross income and do not include payroll deductions. This amount therefore does not represent the amount you have available to spend, and you should not use this to start your budget.

D. Incorrect. Total deductions are what have been taken out of gross income to get net income, but that is not the correct amount to begin your budget.

PRESENT

Partner WEBSITES for more information

www.erie.ja.org

www.cccr.psu.edu

www.riefcu.org

www.unitedwayerie.org

Financial Literacy Website Resources

NEFE – National Endowment for Financial Education

<http://hsfpp.nefe.org/home/>

<http://www.nefe.org/pages/educational.html>

www.smartaboutmoney.org

<http://www.smartaboutmoney.org/nefe/pages/content.asp?page=1730#Top>

<http://www.cooperativalatina.org/education/curriculum.htm>

NEFE – Teen Resource Bureau Website

<http://www.ntrbonline.org/>

The Jump Start Coalition for Personal Financial Literacy

<http://www.jumpstart.org/>

Money Instructor

<http://www.moneyinstructor.com/>

<http://www.moneyinstructor.com/checks.asp>

Financial Literacy in a Box

http://www.mcul.org/Financial_Literacy_In_A_Box_658.html

Pennsylvania Office of Financial Education – Pennsylvania Department of Banking

<http://www.moneysbestfriend.com/>

CUNA – Credit Union National Association

<http://www.creditunion.coop/>

<http://www.precision-info.com/quiz/quiz.cgi?c=1056147613&t=coop>

Thrive By Five - http://www.creditunion.coop/pre_k/

NCUA – National Credit Union Administration

<http://www.mymoney.gov/>

Money Matters

<http://www.smartcredittips.com/>

National Youth Involvement Board

<http://www.nyib.org>

www.riefcu.org

Treasure Club Kid's Account - <http://www.riefcu.org/savings/treasure-club/>

CU Succeed – For Teens 13 – 18 <http://www.riefcu.org/savings/financial-literacy/>

Scholarships for college students - <http://www.riefcu.org/loans/student-loans/>

“Guides to Independence” Online Interactive Educational Teen Program

<http://www.riefcu.org/savings/financial-literacy/>