



From the Editor: Thanks to the PwC Charitable Foundation, TIME For Kids is pleased to offer teachers, students, and their families a monthly financial-literacy magazine. —**Nellie Gonzalez Cutler, Editor, TIME For Kids**

Teaching the cover story

HOW I SPENT MY SUMMER

WHAT'S INSIDE

- Find out how three kids spent their summers building work skills.
- Pay stubs can be tricky. We break down a paycheck's parts for you on page 4.
- Financial expert Jean Chatzky explains how banks make money.
- Ever wondered why we pay taxes? Read "Meet Uncle Sam" on page 4.

SUMMARY

An 11-year-old ice-cream entrepreneur and two enterprising teens share tips on finding the perfect job and making the most of any work experience.

advice from the list and write a paragraph explaining how they might use the advice. Allow time for students to share their ideas with the class.

TEACHING TIPS

Before Reading

Make Real-World Connections

- Ask: Would you like to spend the summer working? How might you benefit from having a summer job? What would you have to give up?

Build Vocabulary

Define Words in Context

- Point out the power word *profitable*, on page 2. Read the definition aloud. Then read the paragraph in which the word appears. Ask: What does it mean that Diego's business is profitable? How did Diego make his business profitable? What are some other ways to build a successful business?

Build Comprehension

Critical Thinking

- After reading the cover story on pages 2 and 3, discuss each kid's summer job. Ask the following questions: What skills do you think are needed to do this job? What skills do you think he or she gained from the experience? How might those skills be helpful in the future?

Make Inferences

- Have students read the sidebar, "What I Learned During My Summer Vacation," on page 3. Tell them to choose one piece of

Extend Learning

Write a Persuasive Letter

- Have students make a list of jobs they could do over the summer. Have each student choose which job he or she would most like to do. Then have students write a letter to a potential employer explaining why they would be perfect for the job. Remind students to describe their skills, past experiences, and any other details that make them uniquely qualified.

FINANCIAL-LITERACY STANDARDS ADDRESSED

Grades K–12 I. Earning Income, III. Savings

COMMON CORE STATE STANDARDS ADDRESSED

Grade 4 RI.4.1, RI.4.4, SL.4.1, W.4.1, W.4.4



a note from Jean

Dear Teachers,

Welcome back to Your \$. We launch our second school year with our take on fun, profitable, and, we hope, discussion-provoking ways some interesting kids spent their summers. As we go forward, we would value your feedback. Please e-mail me personally at Jean@JeanChatzky.com to tell me what you'd like to see in Your \$. What's working? What's not? What could we be doing to help you more?

Thank you,
Jean

Your Name _____

Date _____

Teaching the story HOW TO READ A PAYCHECK

How to Read a Paycheck

Hours The number of hours you worked when the pay period ended.

Pay period The time period for which you are being paid.

Gross pay The amount you earned during the pay period before any deductions.

Federal tax Money subtracted from your pay for the IRS.

State tax Money subtracted from your pay for the state.

Local tax Money subtracted from your pay for the local government.

Social Security Money subtracted from your pay for Social Security.

Medicare Money subtracted from your pay for Medicare.

Health insurance Money subtracted from your pay for health insurance.

Retirement Money subtracted from your pay for retirement.

Net pay The amount of money you actually receive.

ASK JEAN Jean Charley is a money expert. How does a bank make money? A bank makes money when you deposit money in a bank account. The bank uses the money to make loans to other people. The bank charges interest on the loans. The bank uses the interest to make more money.

Meet Uncle Sam Uncle Sam is the symbol for the U.S. government. He is a man with white hair and a top hat. He is wearing a blue coat and red-and-white striped pants. He is holding a scroll that says '1776'.

TEACHING TIPS

Use these tips to support close reading of the infographic "How to Read a Paycheck," on page 4.

After Reading Apply Knowledge

- Have students complete the worksheet "Check Out a Paycheck" on page 4 of this guide to reinforce learning about the different parts of a pay stub.

Start a Discussion

Critical Thinking

- Ask: Why is it important to look closely at your paycheck and understand its different parts?

Extend Learning

Draw Conclusions

- Tell students that they are going to determine whether John R. Doe could afford to live on his salary. Provide

students with the following monthly expenses: rent = \$500; electricity = \$30; cell phone = \$40; food = \$250; bus pass = \$50. First, students should total the monthly expenses. Then they should calculate how much John R. Doe earns per month. Finally, challenge students to answer the following questions: How much money will John R. Doe have left after he pays the bills? What other expenses might John R. Doe have, besides those provided? Do you think he makes enough to live comfortably on his own? Why or why not?

FINANCIAL-LITERACY STANDARDS ADDRESSED

Grades K-12 I. Earning Income

COMMON CORE STATE STANDARDS ADDRESSED

Grade 4 RI.4.1, RI.4.4, RI.4.10, W.4.2

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School / Home CONNECTION



Share these tips with your students' families.

- Have students work with a family member to brainstorm a list of businesses that students could start on their own. They should discuss the following: Which business idea would be most profitable? Why do you think so? Which would best suit students' skills and interests? How so? Which would you choose, and why?
- Encourage students to ask a family member to walk them through a recent pay stub and explain the deductions.
- Tell students to interview a family member about the summer jobs he or she worked as a young person. Students might ask the following: Which was your favorite summer job? What did you like about it? How did the experience help you later in life? What advice do you have for young people about how to choose a summer job that's right for them?

ADDITIONAL RESOURCES

councilforeconed.org/standards

Visit for free teaching resources and to download the K-12 national standards for financial literacy.

Better than a Lemonade Stand: Small Business Ideas for Kids

by Daryl Bernstein (Aladdin, 2012) This guide is packed with ideas for small businesses that kids can start on their own.

ANSWER KEY FOR WORKSHEETS

Get a Job!

1.-4. Answers will vary.

Check Out a Pay Check

What's the Word? 1. d 2. a 3. b 4. c

By the Numbers: 1. two weeks 2. 50 hours

3. \$9 per hour 4. \$32 5. \$550

Think It Through: 1.-2. Answers will vary.

Get a Job!

Which summer job is right for you? Complete the activity below to help you decide.

1. Which summer job would you most enjoy? Check one.

- Walk dogs Do yard work Run a lemonade stand
 Wash cars Sit for a pet Other _____

2. What skills would you need for that job? Explain your choices. _____

3. Which character traits would you need to do this job well?

Check all that apply.

- adventurous charming determined
 decisive careful caring
 creative friendly polite
 responsible studious trustworthy

Circle the character trait that you think is most important for this job.

Why did you choose that trait? _____

4. Why do you think you would be good at this job? Explain. _____

Bonus Think about how much money you would like to make doing this job. Write a plan for reaching your goal. Ask a family member for help.

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Check Out a Paycheck

When you're older, you'll receive a paycheck that looks like the one on page 4 of the magazine. Take a close look at it. Use the information from "How to Read a Paycheck" and "Meet Uncle Sam" to complete the activities below.

What's the WORD?

Match each word with its definition by writing the correct letters in the spaces.

- | | |
|--------------------|--|
| 1. _____ deduction | a. amount an employee is paid per hour |
| 2. _____ rate | b. amount earned after deductions are subtracted from pay |
| 3. _____ net pay | c. total amount earned in a pay period |
| 4. _____ gross pay | d. money, such as taxes, subtracted from gross pay |

By the NUMBERS

Write the correct numbers in the spaces.

- _____ The number of weeks the pay period covered
- _____ The number of hours John R. Doe worked this pay period
- _____ The amount John R. Doe is paid per hour
- _____ The difference between the gross pay and net pay for this pay period
- _____ John R. Doe's gross pay for this pay period, with a \$2 raise

THINK It Through

- Your friend says it's unfair that the government takes a portion out of our paychecks.

Do you agree? Why or why not? _____

- Your friend argues that his tax dollars shouldn't be used to pay for public pools because he can't swim. Do you agree? Why or why not? _____

Bonus If you still have questions about paychecks and deductions, write them on the back of this page. Talk them over with a family member.