Lesson 2.8: Paycheck Detective

Unit: Unit 2, Me, My Goals, My Money (Individual Growth and Life Readiness) **Topic:** 2.3 Money Basics **Grade:** 6 to 8 (written at grade 7; see Differentiation for the grade 6 support and grade 8 stretch) **Days:** 1 class period of 40 minutes **Room:** Classroom or FACS lab; no kitchen needed

Standards

- NYS module line: NYS IGLR 4. Financial Readiness a) Identify sources of income
- CTE theme line: CTE FCL 1. Earning Income c) Analyze factors that affect gross and net income
- CTE theme line: CTE FCL 1. Earning Income d) Explain basic information found on pay stubs
- NYS FACS Learning Standard 3 (Intermediate), Key Idea: Students will understand and be able to manage personal resources of talent, time, energy, and money and make effective decisions in order to balance their obligations to work, family, and self.; Performance Indicator: Students understand the resources available to them, make informed decisions about the use of those resources, and know some ways to expand resources.
- CDOS Standard 3a Universal Foundation Skills: Basic Skills
- National FCS 3.0: 2.6.2 Use sound money management principles in personal and family finances.
- National FCS 3.0: 3.3.1 Explain how the economy shapes personal income, family security, and consumer choices.

Note on the National FCS lines: the task offered 2.6.1 or a 2.5 competency. The crosswalk row for IGLR 4. a) gives 2.6.2 (printed in the module block) and 3.3.1 (confirmed in the 3.0 text), so those two are cited. 2.5.1 ("Analyze the use of resources in making choices that satisfy needs and wants…") fits Lesson 2.7 better than this one.

Enduring understanding and essential question

Big idea: The number on the job posting is not the number that lands in your account. Money comes from more than one place, and every paycheck has a story printed on it if you know how to read it. **Essential question:** If you earn $17 an hour and work 24 hours, why do you not get $408?

Objectives

By the end of this lesson, students will be able to:

1. (Low) Given a list of ways a middle schooler or an adult gets money, identify at least six sources of income and label each as earned or not earned.
2. (Mid) Given a sample pay stub, compute gross pay from hours and rate, compute total deductions, and compute net pay, showing the math.

3. (High) Given the same stub, judge which deduction is the largest, explain what each of the four deductions pays for, and decide in two sentences whether the take-home pay would cover a stated monthly need.

Vocabulary

Tier 2 (general academic): source, deduction, compute, percent Tier 3 (FACS): income, wages, salary, gross pay, net pay, pay stub, Social Security, Medicare, withholding. See Vocabulary 02.md for Turkish, Portuguese, and Spanish.

Materials and setup

- Sample pay stub and detective sheet, one per student: Handout 02.08 - Sample Pay Stub and Detective Sheet.md
- Calculators, one per pair (phone calculators are fine if the room allows them)
- Slides: Slides 02.08 - Paycheck Detective
- Six index cards labeled with a source of income (allowance, dog walking, birthday money, hourly job, salary, interest on savings) for the do now sort
- Setup notes: the stub uses the Long Island minimum wage of $17.00 an hour for 2026, marked [update]. Check the number every September; the stub math changes if the wage changes. No food handled today.

Pre-assessment

The exit lines from Lesson 2.7 tell you who can sort needs from wants. Today's do now asks where money comes from; a student who lists only "a job" needs the six-card sort in Step 1. A student who lists four sources is ready to be a pair leader on the stub.

Do now and hook (Time: 4 min)

On the board: "List every way a person your age can get money. Then list every way an adult can. Two columns, as many as you can in two minutes."

Debrief: call out answers and write them under two headings, EARNED (you did work for it) and NOT EARNED (it came to you another way: a gift, an allowance with no chores, interest). Hook: hold up the sample stub. "This is a real-looking pay stub for a 16-year-old who works at a bagel shop. She was told she makes $17 an hour. She worked 24 hours. She did not get $408. Your job is to find out where the money went."

Procedure

Step	Teacher will	Students will	Time
1. Direct instruction: sources of income	Slides 2 to 4. Sources of income for a student now: allowance, chores paid by a relative, babysitting, dog	Sort the six index cards into earned and not earned on the desk. Copy the formula: hourly rate x hours = gross pay.	7 min

	walking, mowing, tutoring, selling things you made or no longer use, gifts. Sources for an adult: hourly wages, salary, tips, commission, overtime, a second job, a business, and later, interest and dividends from savings and investments (Topic 2.4). Explain the difference between wages (paid per hour) and salary (paid a set amount per year, split into paychecks). Show the math: hourly rate times hours equals gross pay.	Fill in Part A of the detective sheet (six sources, earned or not).	
2. Direct instruction: gross, net, and the four deductions	Slides 5 to 8. Gross pay is what you earned. Net pay is what you keep. The difference is deductions. The four on almost every stub: federal income tax (runs the national government: defense, highways, weather service, parks), New York State income tax (state roads, state schools aid, state parks), Social Security (6.2 percent of gross; pays retired and	Copy the four deductions and what each pays for into Part B. Answer the two check questions on slide 8 with a thumb vote.	7 min

	disabled workers now, and you later), Medicare (1.45 percent of gross; health coverage for people 65 and over). Some stubs also show health insurance, a retirement plan, or union dues; those are choices or job rules, not taxes. Say plainly: a student's first job stub in New York may show very little federal or state tax withheld because the income is low; the Social Security and Medicare lines are always there.		
3. Learning activity: Paycheck Detective	Pairs. Hand out calculators. Students read the stub and complete Part C: compute gross from hours and rate, add the four deductions, subtract to find net, check it against the printed net, find the percent taken out, and answer the four detective questions. Circulate with the clipboard checklist.	Read the stub. Do the math and show it. Answer: which deduction is largest, how much of every dollar goes to deductions, what net pay would be for a full year of these paychecks, and whether this take-home would cover the monthly need on the sheet.	14 min
4. Share and debrief	Take answers to the detective questions from three pairs. Put the percent on the board: about 17 cents of every dollar left before she saw	Report answers. Correct their sheet.	4 min

	it. Ask the deepen questions. Close the loop to Lesson 2.7: “Net pay is the number you budget with. Not gross. Tomorrow you build the budget.”		

Questions to ask

Monitor understanding:

- What is the difference between gross and net? Which one goes in your bank account?
- Which two deductions are a fixed percent of gross on every stub in the country?
- Hourly wage times what gives you gross pay?

Deepen learning:

- Social Security comes out of a 16-year-old’s paycheck and she will not see it for 50 years. Is that fair? Who is it paying now?
- Two people earn the same gross pay. Can their net pay be different? How?
- The economy changes: the minimum wage went up, or a job cut her hours. What happens to her net pay, and what happens to her budget?

Check for understanding

Clipboard checklist during Step 3: for each pair, yes or no on “gross computed from hours and rate,” “deductions added correctly,” and “net matches the printed net.” A pair with three yeses moves to the detective questions without help. A pair that subtracts only one deduction gets the prompt: “How many lines come out before net?”

Closure (Time: 4 min)

3-2-1 exit card on the bottom of the detective sheet: 3 sources of income you could have in the next two years, 2 deductions that come out of every paycheck in the country, 1 sentence: what does “net” mean? Three students read one line aloud. Collect. Sort into “got it” and “needs more.” The “needs more” pile decides whether Lesson 2.9 opens with the gross and net check on slide 1.

Differentiation and supports

- ELL: the stub on the handout has each line numbered and labeled in plain words next to it (“what you earned,” “what came out,” “what you keep”); the four deductions are on a word card in English, Turkish, Portuguese, and Spanish (see Vocabulary 02.md); sentence starters for the detective questions: "The largest deduction is ___ because **.**" "***Net pay is*** because gross minus deductions is ___."

- IEP and 504 (general): pairs; calculators for everyone; the detective sheet has the math set up in boxes (hours x rate = ***; gross minus deductions =***); extended time; a student may answer the detective questions orally to the teacher.
- Grade 6 support: Part C asks for gross, total deductions, and net only, with the percent question dropped; the detective questions are the first two.
- Grade 8 stretch: compute what Social Security and Medicare should be as percents of gross (6.2 percent and 1.45 percent) and check the stub for errors; then figure the gross pay needed to take home $500 in two weeks if 17 percent comes out (about $602). Preview of CTE FCL 1. b): compare this stub to a salaried job posting at $52,000 a year and find the pay per two-week period before deductions ($2,000).
- UDL checkpoint used: multiple means of representation (the stub, a labeled version of the stub, and the math in boxes) and multiple means of expression (written or oral answers to the detective questions).
- No-kitchen or no-machine alternative: not a lab; none needed. If there are no calculators, the stub numbers are chosen so the math works by hand with one decimal place.

Assessment

Objective	Standards met	Learning task	Assessment (formative or summative; tool)
1. Identify six sources of income, earned or not	IGLR 4. a); Std 3 PI B	Do now; Part A, Step 1	Formative; Part A checked for six sources with the earned or not earned label
2. Compute gross, deductions, and net from the stub	FCL 1. c) and d); CDOS 3a Basic Skills; National FCS 2.6.2	Paycheck Detective Part C, Step 3	Formative; clipboard checklist; summative on the Money Basics Quiz items 5 and 6 (Lesson 2.13)
3. Judge the largest deduction and whether net covers a need	FCL 1. c); National FCS 3.3.1; Std 3 PI B	Detective questions, Step 3; debrief, Step 4	Formative; detective questions scored complete, partial, or missing for daily work

Homework

None. Optional: ask an adult if you may look at one of their pay stubs (numbers covered is fine) and name the deductions you recognize. Do not bring the stub to school.

Connections

Math: percent of a whole and multi-step subtraction with decimals; the math teacher can use the same stub for a percent lesson the same week. Social studies: what federal and state taxes pay for. Community: *[Sal: a payroll or HR person from a local business, or a New York Life or bank contact from your own network, could visit for ten minutes in Lesson 2.12 and bring a blank stub.]*

Sources

- NYS Middle Level CTE FACS Content Module 01, Individual Growth and Life Readiness (nyctecenter.org, June 2018), line 4. a). Copy in 02 Standards/NYS Module PDFs/.
- NYS Middle Level CTE Theme Module 03, Financial and Consumer Literacy, lines 1. c) and 1. d). Same folder.
- NYS Learning Standards for Health, Physical Education, and Family and Consumer Sciences (1996), Standard 3, Intermediate. Wording per 02 Standards/STANDARDS SOURCES - web research.md.
- National Standards for Family and Consumer Sciences Education 3.0 (LEAD FCS Education, 2018), competencies 2.6.2 and 3.3.1.
- Social Security and Medicare rates (6.2 percent and 1.45 percent of gross for the employee) are the federal FICA rates; New York minimum wage of $17.00 for Long Island in 2026 per the NYS Department of Labor. *[Sal: confirm both each September.]*
- Sal's own materials: the Paycheck Detective activity in the Salary Secrets packet (Brentwood South, 2026, Lesson Dups/Unit_2_Career_Exploration/education_teachingwork_salary_secrets_2026_04.docx) and the first-paycheck story in the Taxes packet (Unit_4_Financial_Literacy/education_teachingwork_taxes_where_does_the_money_go_2026_04.docx). The stub was rebuilt with 2026 Long Island numbers and Medicare added as its own line.

Teacher notes

- If time runs short, cut the percent question in Part C and take one pair in Step 4. Never cut the net pay check against the printed number; that is where students find out they added wrong.
- Common mistake: students subtract the deductions one at a time and lose one. Have them add all four first, then subtract once.
- Second common mistake: "Social Security" gets called "savings." It is not the worker's savings account. Say it as "a tax that pays today's retired workers; someone will pay yours."
- The stub shows a small federal and state withholding on purpose so students see the lines. In real life a low-income teen may see $0 on those lines. Say so; a student who gets their first job will notice.
- *[Sal: you sold insurance and hold a Series 6. Tell the class in one minute what a commission stub looked like for you. It makes "sources of income" real.]*