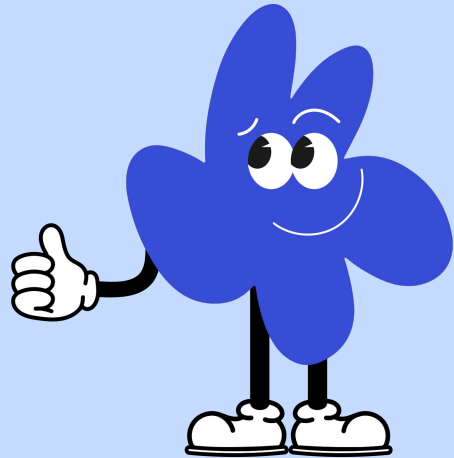


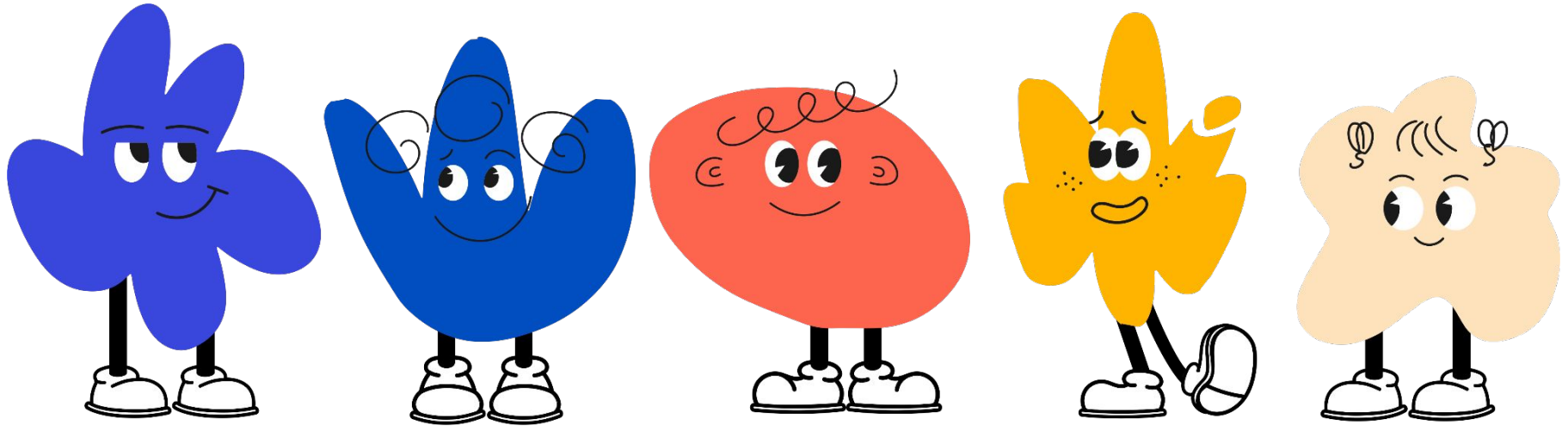
Second Grade

Financial Literacy

Lesson 4
Types of Income

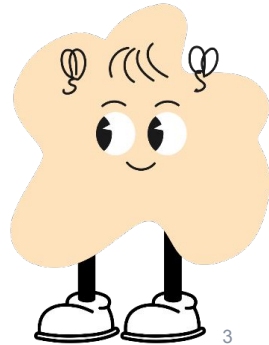


Learning Target: I can explain the different ways people can be paid for the work that they do.



Essential Question

What are different ways people can be paid for the work that they do?



Key Vocabulary

income

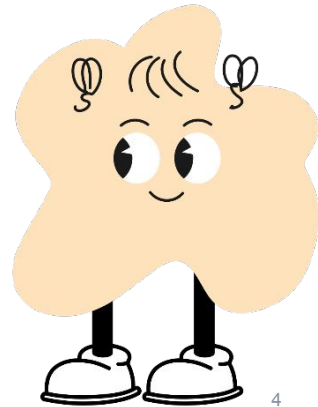
compensation

salary

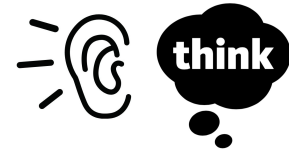
wage

commission

tips



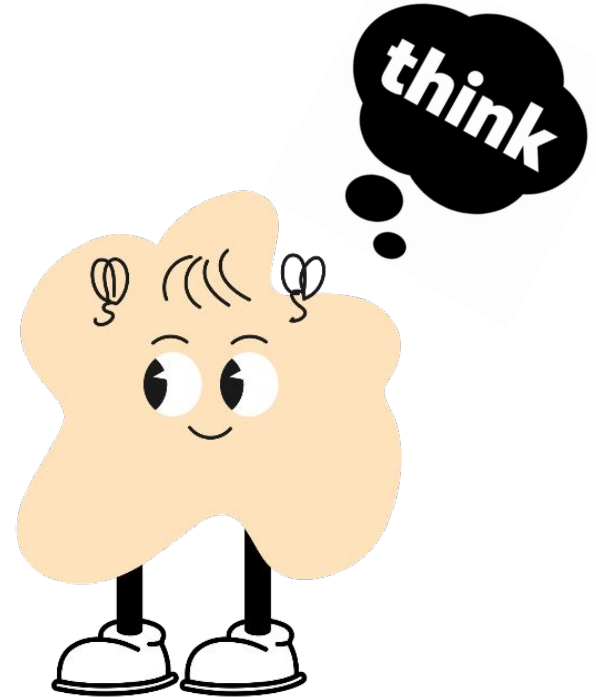
Launch the Learning!



**Why do
people spend
money?**

**What do they
buy?**

How do people get money to pay for things they **need** or **want**?

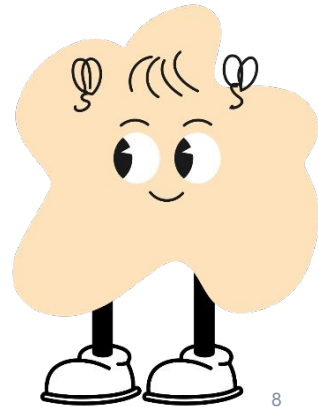


Income is money earned for doing work.
People can be paid, or compensated, for the work they do in different ways.



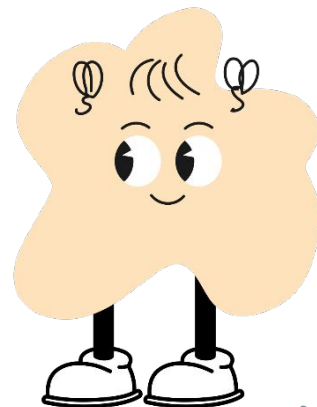
Salary

- guaranteed weekly wage
- no overtime pay
- benefits from an employer, such as healthcare coverage, paid sick days, and paid vacation days
- harder to separate work from personal time
- comes with a feeling of job security



Hourly Wage

- pay varies based on the total hours you work
- overtime pay for generally given for each hour worked over 40 hours
- the employee may be responsible for their own health insurance coverage
- may not be paid when not working
 - *(ex. you are absent because you are sick)*
- can leave work behind when not on the job
- employers can more easily cut your hours when they want to

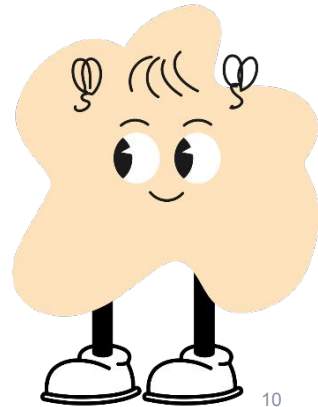


Commission

- employee receives a small part of the cost of the item that was sold
- an employee who earns a commission is often in sales
- pay varies based on what an employee sells

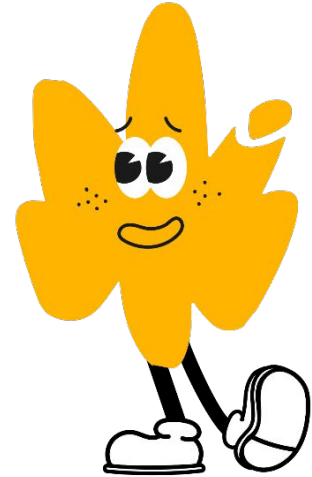
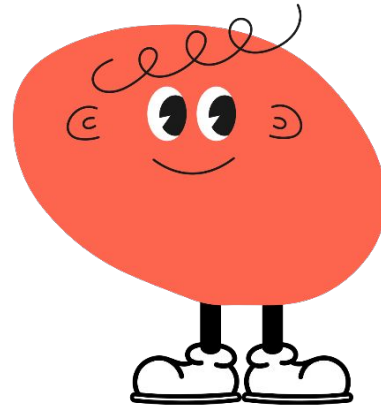
Tips

- money a customer pays in appreciation for a service provided

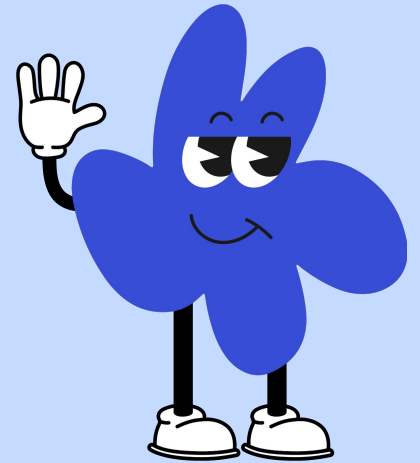


SHOW WHAT YOU KNOW!

Learning Target: I can explain the different ways people can be paid for the work that they do.



thanks.



APPENDIX: Resources and Activity Worksheets

Slide 5: Launch the Learning

Start this lesson by reviewing what the students know at this point. Encourage all responses!

- Why do people spend money?
- What do people buy?

Include the following big ideas in the discussion:

- People buy things that they need and want.
- People buy goods and services. Goods are objects people buy to use or keep. Services are jobs that you pay someone else to do for you.
- People who grow or make goods or provide services are producers.
- People who buy goods and services are consumers.

APPENDIX: Resources and Activity Worksheets

Slides 8-10: Explaining Relevant Terms

On slides 8-10, you'll find definitions for key terms that relate to earning money. For each definition, provide relevant examples that your students can relate to. Such as:

- A doctor or teacher generally earns a **salary**
- A server at a restaurant generally earns an **hourly wage**
- A realtor or car salesperson generally earns **commission** on the price of they sell.
- A nail technician or server at a restaurant will generally receive **a tip** for their work or service.

APPENDIX: Resources and Activity Worksheets

Slide 11: Show What You Know

For this final activity, let's discuss what type of income you would like to be paid and why? Using that attached cards (that can be cut out), students will order the different types of income from what they would most want to what they would least want and explain why.

NOTE: Depending on your teaching style, choose from partner or small group discussion, a written response, or the four-corners strategy.

salary

salary

wage

wage

commission

commission

tips

tips

salary

wage

commission

tips