

EDUCATOR GUIDE



A LONG HISTORY

People Helping People.

Maine credit unions have a long history of providing financial education. Between volunteering to teach youth financial education in schools and hosting Financial Fitness Fairs, credit unions across the state collectively expose nearly 20,000 Maine students to financial literacy and money management concepts each year. Having long-believed the students of today are the community leaders of tomorrow, Maine credit unions recognize the importance of equipping the youth with the knowledge and skills they need to help them manage their money effectively.

Desjardins Financial Education Awards

CUNA created the Desjardins program to recognize leadership within the credit union movement on behalf of financial literacy for all ages. Naming the award after Alphonse Desjardins emphasizes the movement's longtime commitment to youth. Besides founding the first credit unions in Canada and the U.S., Desjardins pioneered youth savings clubs and in-school "banks," known as *caisses scolaires*. This award considers all activities supporting the personal finance education of members and non-members, including, but not limited to, face-to-face teaching using proprietary materials and curricula, as well as financial literacy leadership efforts.

In recognition of Maine credit unions' efforts, the Maine Credit Union League has been a consistent winner of the National Desjardins Youth Financial Education Award!



LESSON: **JOBS AND TAXES**

Introduction: (5 minutes)

Greet the students. Tell them your name, describe what you do for work at the credit union, and share some fun information about yourself.

Explain to the students that you're here volunteering on behalf of your credit union, an organization that is happy to teach people of all ages about saving and spending money. Additionally, explain that your credit union is also a place where people can safely keep their money.

Volunteer Tips

When speaking to young students, they often do best when seated on the floor in a semicircle around you.

Ask the students to raise their hands when answering a question or if they have something to say.



Write your introduction notes and/or talking points here:



Discussion: (5 minutes)

With the students sitting in a semicircle around you, write the word “Jobs” on the board. Ask the students if they can tell you what jobs are and why people have them. Either call on students raising their hands or ask each student in order of the semicircle. When it’s a certain student’s time to speak, ask them to stand and share their thoughts.

After listening to the students’ answers, tell them that jobs are work activities done in exchange for payment. People work at their jobs in order to earn money--that way they can pay for the things they need and want.

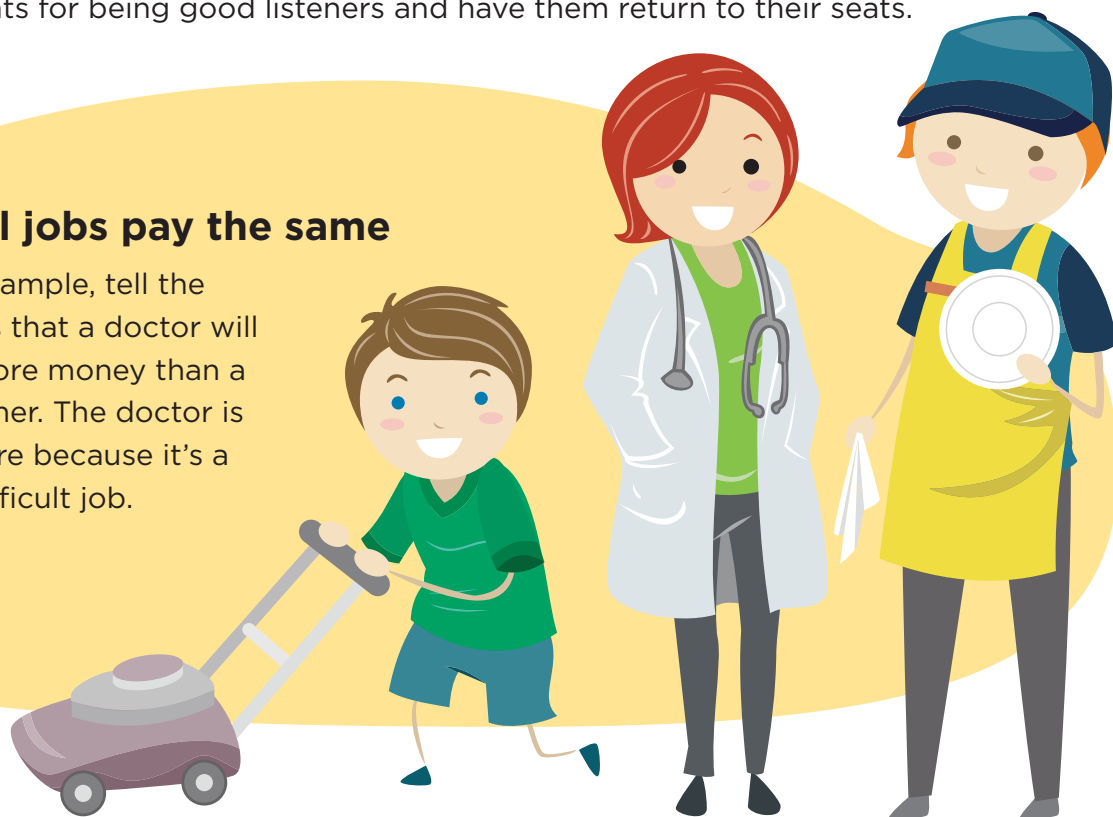
Next, ask the students if they can give an example of a job. Either call on students raising their hands or ask each student in order of the semicircle. When it’s a certain student’s time to speak, ask them to stand and share their example. After each example given, write the name of the job on the board.

After you’ve finished writing all the jobs on the board, ask the students to raise their hands if they’ve ever earned an allowance by doing chores around the house. Explain that they earned that money by completing a job. Tell the students that some chores are more difficult than others, so they may earn more money for doing those. Explain to the students that, for example, mowing the lawn may earn them a better allowance than vacuuming. Tell the students that the same concept applies to grown-up jobs, with some people earning more money than others. This is because some jobs are more difficult than others.

Thank the students for being good listeners and have them return to their seats.

Not all jobs pay the same

As an example, tell the students that a doctor will make more money than a dishwasher. The doctor is paid more because it’s a more difficult job.



Activity (10 minutes)

With the students in their seats, walk around the room while explaining that the businesses people work for offer either goods or services. Tell the students that goods are things that you can use or consume. Goods can be things like toys, food, and clothes. Explain that services are activities that someone does for you. Examples of services could include having your car repaired at a mechanic, or having someone mow your lawn and rake your leaves.

After explaining that grown-ups work at jobs that offer either goods or services, distribute a Maine Credit Unions' Money Book to each student. Ask the students to get either their crayons or colored pencils ready, and then have them open their Money Books to page 1.



Goods or Service?

Next, ask the students to list five examples of jobs where someone is offering a service and then five examples of jobs where someone is offering goods. After the students have finished listing their job examples, have the students raise their hands if they're willing to share their list with the class. Call on a few willing students to read their lists and then thank them for sharing.

Have the students put down their Money Books and return to the semicircle in front of the classroom.

On this page, ask the students to choose whether the pictured job is offering goods or services, and have them circle their choice. After they have made their choice, encourage the students to color in the picture. Walk around the room to discuss the students' choices and compliment them on their coloring.

After all the students have finished coloring, tell them that the dog walker is offering a service, as dog walking is an activity that someone is doing for another person. Next, tell the students that the car salesperson is offering goods, as a car is an object that can be used.



Goods or **Service**?

Discussion: (5 minutes)

After the students are gathered in a semicircle in front of the classroom, write the words “Human capital” on the board. Ask the students if they think they know what human capital means. Either call on students raising their hands or ask each student in order of the semicircle. When it’s a certain student’s time to speak, ask them to stand and share what they think human capital is.

After listening to the students answers, define human capital as the value of a worker’s experience and skills. Tell the students that if one worker has more skills, education, training, and loyalty than another worker, they may be of more value to a business--meaning they may get paid more. Explain that people improve their human capital when they go to college or trade school, when they practice to improve their skills, or when they learn how to use special tools or equipment. As people gain more and better human capital, they become more valuable to the business they work for and may earn more money.

Next, ask the students the question below. When it’s time for them to answer, either call on students raising their hands or ask each student in order of the semicircle.

“If you were boarding a plane, would you want a professional pilot in the cockpit or someone who’s only flown a plane in a virtual reality environment?”

After listening to the students answers, tell them most people would rather have a professional pilot in the cockpit of the plane. This is because the professional pilot has done a lot of flight training, has a commercial pilot certificate, and has likely had a lot of experience. Tell the students that all of the skills and experience has increased the professional pilot’s human capital. Because the airline knows the value of the skills and training, the professional pilot is paid more and is ultimately given the job instead of the person who’s only experience was in a virtual reality flight environment.

Tell the students that they all have human capital. Have them think about what skills and attributes they have, and how they can continue to develop and improve them. Tell them the more human capital they have when they’re grown-ups, the more money they may make.

Thank the students for listening as you human capital and have them return to their seats.



Activity (10 minutes)

After the students are in their seats, have them open their Maine Credit Unions' Money Books to page 2. On this page, have the students complete a jobs-themed word search. Tell the students that all of the words they'll be searching for are spelled out either up and down or from side to side, and that none are spelled out diagonally.

WAGES
BUSINESS
JOB
EMPLOYER

SALARY
EMPLOYEE
INCOME
BOSS

GOODS
SKILLS
SERVICES
EDUCATION

G	A	M	X	H	F	Y	S	N	F	B	M	I	B
N	G	I	W	E	O	B	U	S	I	N	E	S	S
Y	H	P	K	M	S	N	Z	T	Y	O	Y	E	U
I	D	T	V	P	W	W	A	G	E	S	E	R	W
B	D	R	I	L	E	B	B	M	M	C	L	V	A
S	N	G	U	O	D	J	R	Q	Q	U	W	I	T
A	B	E	T	Y	U	E	R	P	U	V	L	C	R
L	G	Q	O	E	C	E	M	P	L	O	Y	E	R
A	I	K	B	E	A	L	Q	D	A	J	P	S	P
R	N	Z	O	U	T	K	H	A	J	O	H	R	J
Y	C	T	S	Z	I	S	Z	R	U	B	W	C	X
Y	O	A	S	N	O	V	K	O	U	I	B	M	P
J	M	Q	D	E	N	V	S	K	I	L	L	S	N
K	E	P	Q	G	O	X	T	Z	G	O	O	D	S

Walk around the room as students are completing the word search. If they seem stuck or need assistance, help them locate some of the words.

After all of the students have completed the word search, have them turn their Maine Credit Unions' Money Books to page 3.

Activity (10 minutes)

Once the students have turned their Maine Credit Unions' Money Books to page 3, explain to them what an entrepreneur is. Define an entrepreneur as someone who starts and develops a business. Tell the students that an entrepreneur may take on some financial risk when starting their business, but they may achieve financial success if their business grows in support and popularity.

Ask the students to raise their hands if they know any entrepreneurs, or someone that has started their own business. Call on a few students raising their hands and ask them to share with the class.

Next, ask the students to get either their crayons or colored pencils. Tell them to pretend to be entrepreneurs and have them draw a picture of a business idea. Walk around the room to discuss the students' business ideas and compliment them on their drawing. After all the students have finished drawing their business ideas, have them write a few sentences about why they think the business would be successful.

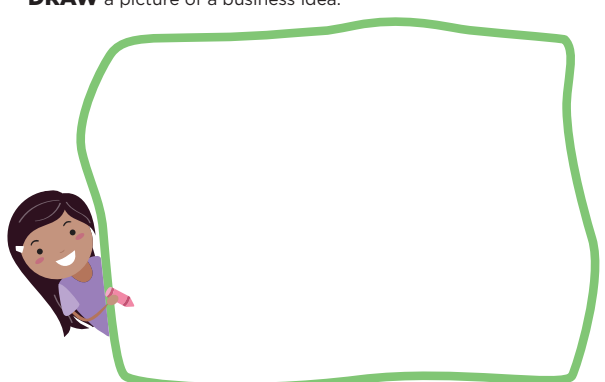
Once the students have all finished, have them turn their Maine Credit Unions' Money Books to page 4.



What is an

Entrepreneur: Someone who starts and develops a business.

DRAW a picture of a business idea.



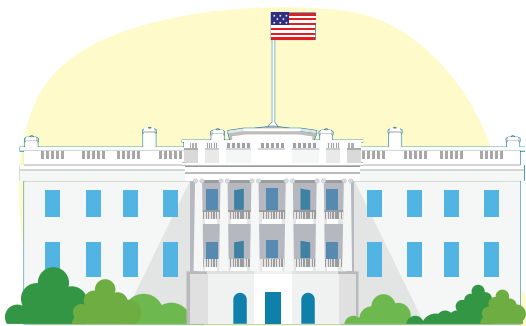
Write a few sentences about why you think this business would be successful.

MAINE CREDIT UNIONS MONEY BOOK

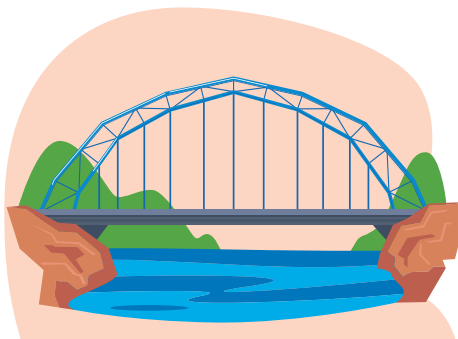
Discussion (5 minutes)

Once the students have turned to page 4 of their Maine Credit Unions' Money Books, tell them that when someone has a job, they need to pay income taxes. The federal government and the state the business is located in both take a percentage of the worker's pay. Explain that taxes are taken out of peoples' paychecks to pay for all sorts of government jobs and services.

Tell the students that federal taxes help pay the president, congress, and the military. The taxes also help fund major health programs, unemployment insurance, low-income housing assistance, and more. Tell the students that state taxes help pay for roads and bridges, the governor, prisons, and more. Local taxes help pay for schools, teachers, firefighters, and police.



**Federal
Income Tax**



**State
Income Tax**



**Local
Income Tax**

As an example, tell the students that someone who makes \$50,000 a year at their job will have to pay federal and state income tax. After having a percentage of their paycheck taken to pay their taxes, they'll end up with around \$38,000--which they can use to spend on all their wants and needs. Explain that while they don't take home the full \$50,000, the rest of the money is being used to pay for things that may benefit them--such as road repair or the employment of a firefighter.

Ask the students to raise their hands if they can tell you whether or not someone pays a firefighter when they receive assistance. Call on a few students raising their hands and ask them to share with the class.

Explain that if a firefighter put out a fire at your home, you wouldn't get billed for their services. Instead, you've already paid them through your income taxes. Tell the students that the same concept applies for the police, teachers, librarians, road workers, and other government-funded workers that provide you with a service.

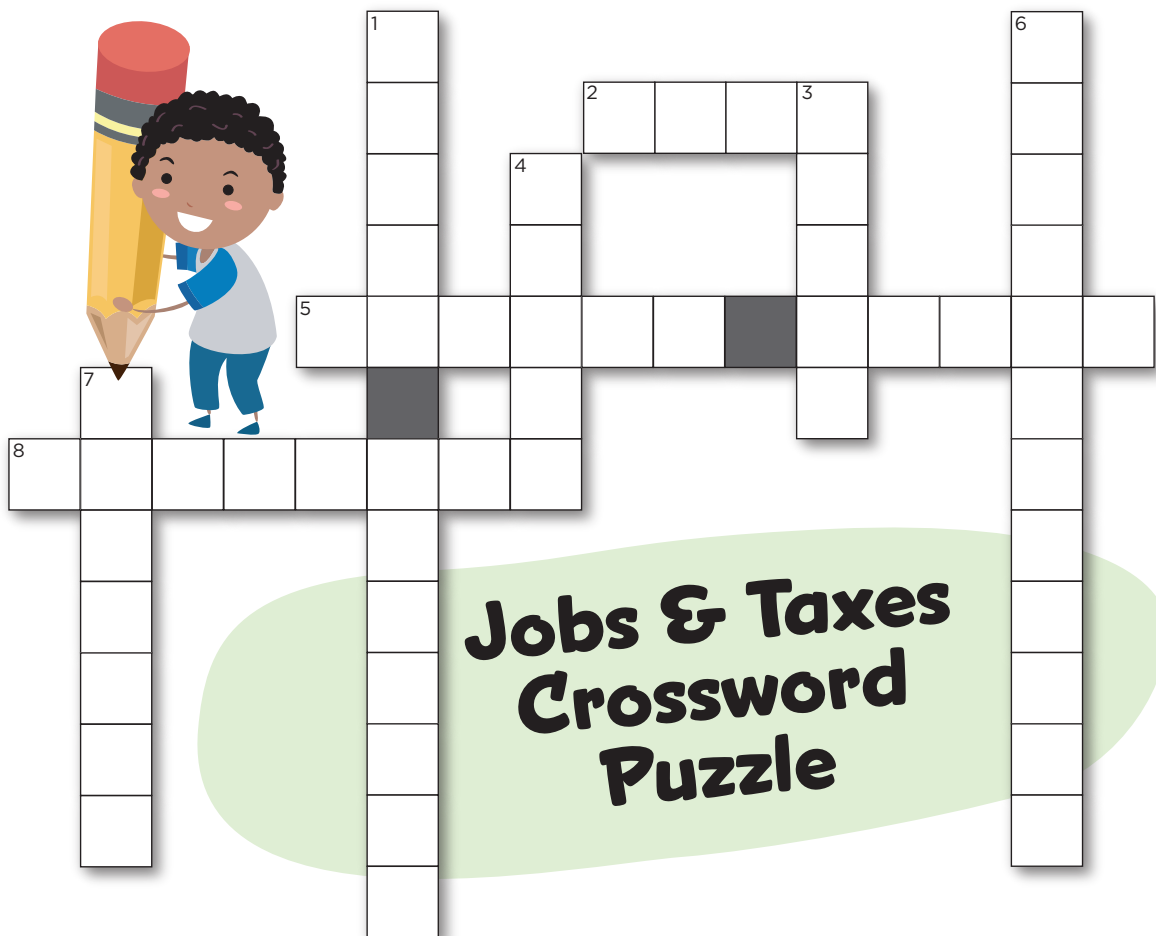
Next, ask the students to turn their Maine Credit Unions' Money Books to page 5.

Activity (10 minutes)

Tell the students that on page 5 of the Maine Credit Unions' Money Book, they will be testing the knowledge they learned today by completing a jobs and taxes-themed crossword puzzle. Explain that they will need to solve the puzzle by matching the listed words in the word bank with the correct definitions.

Walk around the room as the students work on their crossword puzzles. If a student looks like they are stuck or need assistance, help them get started by solving one puzzle with them.

After all the students have completed their crossword puzzles, thank them for participating and encourage them to share their Maine Credit Unions' Money Books at home.



ACROSS

2. Work activities done in exchange for payment.
5. A percentage of someone's paycheck that is used to pay for federal, state, and local government jobs and services.
8. Activities that someone does for you.
Examples could include: having your car repaired at a mechanic or having someone mow your lawn.

DOWN

1. The value of a worker's experience and skills.
3. Taxes that help pay for roads and bridges, the governor, and prisons.
4. Things that you can use or consume.
Examples could include: toys, food, and clothes.
6. Someone who starts and develops a business.
7. Taxes that help pay the president, congress, and the military.

Thank the students for participating today and encourage the students to share their Maine Credit Unions' Money Books at home.



LOOKING AHEAD



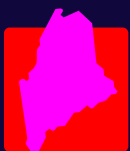
GRADE 4

In this upcoming lesson, students in the 4th Grade will learn about the concepts associated with comparison shopping and making money-smart decisions. By evaluating different choices when buying something, avoiding impulse purchases, and grasping opportunity cost, the students will learn how to be well-informed consumers.



THANK YOU, CREDIT UNION VOLUNTEERS!

Your time and commitment to financial education are important and appreciated.



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