

Lesson Two: Making Money

Financial Literacy Project



First Bank
make life better



Career Planning Process

Whether you are seeking your first job, or considering changing to a different field, you must take various actions to obtain a job.

Phase 1

Assess your personal interests, abilities, and career goals.

Phase 2

Evaluate the current employment market.

Phase 3

Identify specific job opportunities.

Phase 4

Apply for employment positions with the use of a résumé or application letter.

Career Planning Process

Whether you are seeking your first job, or considering changing to a different field, you must take various actions to obtain a job.

Phase 5

Interview for available positions.

Phase 6

Obtain additional career training.



1. Research the organization.
2. Practice your interviewing skills.
3. Prepare questions that you plan to ask.
4. Prepare answers for potential questions.
5. Prepare proper dress and grooming.
6. Plan to arrive early at the interview.

1. Write down notes on how you can improve for your next interview.
2. Promptly send a thank-you letter to the person with whom you interviewed to express your appreciation for the opportunity to meet with them.

Before the Interview

After the Interview

During the Interview

Preparing for a job interview

1. Relax. Be yourself.
2. Answer questions completely and calmly.
3. Ask questions to help you better know the organization.
4. Ask when you might hear from the organization.

Questions Asked on Interviews

1. What activities have helped you expand your interests, abilities, and knowledge?
2. In what types of situations have you done your best work?
3. Describe the supervisors who motivated you the most.
4. Describe someone with whom you had difficulty working.
5. What are your major strengths?
6. What are your weaknesses? What have you done to overcome your weaknesses?
7. What do you know about our organization?
8. Who is someone you admire? Why do you admire that person?





ADDING UP THE BENEFITS

BENEFITS COST YOUR EMPLOYER, ON AVERAGE, AN EXTRA 33% - 50% OF YOUR PAY.

THESE MAY INCLUDE:

- Health, dental, and eye care insurance
- Life insurance/disability insurance
- Flexible spending account
- Health savings account
- Tax-deferred retirement plan
- Paid vacation
- Paid holidays
- Parental leave
- Stock purchase plan
- Employee assistance plans
- Employee fitness programs
- Employee discounts
- Tuition assistance or reimbursement

READING A PAY STUB

WAIST NOT WANT NOT!

PAYROLL ACCOUNT

EMPLOYEE JONATHAN R. DOE

SSN 123-45-6789

PAY PERIOD 3/04/19 TO 3/15/19

PAY DATE 3/15/19

CHECK NO. 060432

NET PAY \$644.41

EARNINGS			TAXES WITHHELD			OTHER DEDUCTIONS	
Description	Hrs.	Amount	Tax	Current	YTD	Description	Amount
Regular	80	800.00	Fed Income Tax	102.40	307.20	401(K)	35.00
Overtime	5	75.00	Social Sec	54.25	130.20		
			Medicare	2.69	30.45		
Current		875.00	State Income Tax	26.25	63.00		
YTD		2100.00					

FEDERAL INCOME TAX

Federal Income Tax is a progressive tax. A progressive tax is a type of tax where the effective tax rate (the tax amount expressed as a percentage) increases as the amount to which the rate is applied (a person's adjusted income) increases. Every year, the U.S. Federal Government changes the tax rates and income brackets. See the chart below for an example from 2019.

EXAMPLES OF PAYCHECK DEDUCTIONS

Marginal Tax Rate	Single	Married Filing Jointly or Qualified Widow(er)	Married Filing Separately	Head of Household
10%	\$0 to \$9,525	\$0 to \$19,050	\$0 to \$9,525	\$0 to \$13,600
12%	\$9,526 to \$38,700	\$19,051 to \$77,400	\$9,526 to \$38,700	\$13,601 to \$51,800
22%	\$38,701 to \$82,500	\$77,401 to \$165,000	\$38,701 to \$82,500	\$51,801 to \$82,500
24%	\$82,501 to \$157,500	\$165,001 to \$315,000	\$82,501 to \$157,500	\$82,501 to \$157,500
32%	\$157,501 to \$200,000	\$315,001 to \$400,000	\$157,501 to \$200,000	\$157,501 to \$200,000
35%	\$200,001 to \$500,000	\$400,001 to \$600,000	\$200,001 to \$300,000	\$200,001 to \$500,000
37%	\$500,001+	\$600,001+	\$300,001+	\$500,001+

Examples of Paycheck Deductions

Federal Insurance Compensation Act (FICA), the official name for Social Security and Medicare taxes

The Social Security tax rate is 6.2% on your gross income, but the amount is limited and you stop paying a greater amount once you reach a certain income. This limit, known as the Social Security Wage Base, changes each year as economic conditions change.

State and local income taxes

The tax rate ranges from 0% to close to 10% depending on the state and town in which you live

Tax-free and tax-deferred benefits

The U.S. federal government provides numerous plans that allow an employee to save for certain life events with pre-tax dollars. These savings plans allow a person to invest in their retirement, health care, childcare, and many other life events and receive a tax reduction or pay no tax at all on the money saved. Health Savings Accounts (HSAs), Flexible Spending Accounts (FSAs), 401(k) retirement plans, and many other "cafeteria plans" are examples of tax-advantaged benefits