

KERA's One Crisis Away Lesson Plan and Teacher Outline

Teacher Outline

Grade levels: 8th – 12th

Lesson objectives:

- Students will compare and contrast the lifestyles of a high-income salary and a low-income salary.
- Students will understand how one decision may have a lifelong impact.

Academic vocab:

- Budget
- Finances
- Net Pay
- Incarcerated
- Six Figures
- Withholding Taxes
- Child Support
- Texas Innocence Project
- Correctional Officer
- V-A (Veterans Affairs) Hospital
- Public Defender
- Ex-Offender
- Prison Policy Initiative

Pre-Activity

Initial activity

The teacher should guide students through the following steps to learn how to break down an annual salary. Afterward, teachers should guide students in the comparison activity of two salaries — \$20,000 and \$90,000.

Pre-activity (Technology required)

We will take a look at how different annual salaries can afford individuals a different lifestyle. We will compare two salaries, a \$20,000/year salary and a \$90,000/year salary. Please use the following website to answer these questions:

1. Log onto Neuvoo Salary Calculator ([click here](#) or go to neuvoo.com/tax-calculator/)
2. In the “Type your income” field, enter 20,000
3. Be sure the “Per” section is toggled to “Year”
4. Next, choose your state in the “Where do you work” section
5. Then click “Calculate”
6. Now answer the questions below:

\$20,000/year salary

1. What percentage of your total \$20,000 salary will go to “Total Tax” _____
2. What percentage of your total \$20,000 salary is “Net Pay” _____
3. How much of your salary will you take home monthly _____
(*In order to see this, click “Month” near the Deductions tab*)
4. How much of your monthly salary is “Net Pay” after taxes _____

\$90,000/year salary

1. What percentage of your total \$90,000 salary will go to “Total Tax” _____
2. What percentage of your total \$90,000 salary is “Net Pay” _____
3. How much of your salary will you take home monthly _____
(*In order to see this, click “Month” near the Deductions tab*)
4. How much of your monthly salary is “Net Pay” after taxes _____

What is your monthly take-home pay after taxes if making \$20,000/year: _____

What is your monthly take-home pay after taxes if making \$90,000/year: _____

Monthly Budget

For this next activity, the students will fill out a monthly budget for both the \$20,000 and \$90,000 salary jobs. The activity will allow students to see the benefits of a higher salary and the struggles of a \$20,000 salary.

Helpful tips:

- **Rent:** Normally, a rule of thumb is to not spend more than 30% of your *monthly* salary on rent
- **Transportation:** In this scenario, let's say you have a car and the car note is \$530/month (average car note for a new vehicle in the U.S.)

	\$20,000 Annual Salary	\$90,000 Annual Salary
Monthly Net Pay (after taxes)		
Rent (30% of your net pay)		
Transportation (car note or public transportation)	\$530	\$530
Food (budget \$100/week)		
Cell Phone Low: \$50 Mid-range: \$100 High: \$150		
Electricity (\$128.50 is the average monthly bill in Texas, so let's add \$128.50 in this category for both)	\$128.50	\$128.50
Child Care (may include child support) Low: \$300 Mid-range: \$800 High: \$1,500		
What is left?		

**To fill in "What is left," subtract all budgeted amounts from monthly net pay to see what you have left — or what you still need at the end of the month.*

Optional questions:

- The budget does not include categories for gasoline or insurance for a car, home or health. Ask students how they would cover those costs, if necessary. It can be an opportunity to research how insurance works, how much it costs and different sources for coverage (public or private for health insurance, state requirements for car insurance, etc.).
- The budget also does not include space for savings. Talk to students about structuring a plan to save for a big-ticket item, like a car, and discuss factors to consider when making decisions between immediate wants vs. long-term needs and between spending on items that are nice to have vs. ones that are essential.

KERA's One Crisis Away: The Price of Prison Lesson Outline

Resources needed:

- The text and audio for Chapter 5 in KERA's "One Crisis Away: The Price of Prison" series.
- Highlighter or pen for students to use to follow along and annotate.

Lesson plan layout guide:

1. Have students look up the vocabulary terms using classroom technology.
- If technology isn't available, the educator may want to provide the terms ahead of time for the students to research.
2. The teacher should conduct a check-for-understanding afterward to ensure all students have the correct definitions.
- The teacher can call on students to share their findings.
3. The students will listen to the KERA One Crisis Away story, "How Prison Keeps Personal Wealth Forever Out of Reach" ([click here](https://www.kera.org/stories/price-of-prison/wealth) or go to [stories.kera.org/price-of-prison/wealth](https://www.kera.org/stories/price-of-prison/wealth)).
- Ensure that students listen carefully.
4. For the second round, the teacher should pass out a printout of the story text ([click here](https://www.kera.org/stories/price-of-prison/wealth) or go to [stories.kera.org/price-of-prison/wealth](https://www.kera.org/stories/price-of-prison/wealth)). The students should follow along and highlight/underline key vocabulary terms they heard while listening to the story.
- The students should be looking for the terms they defined at the beginning of the lesson.
5. After the second round, the students should answer the One Crisis Away questions.
- The teacher should have students share out their responses after they have time to answer the questions.
6. Lastly, the students should respond to the reflection questions and the teacher may lead a discussion on final thoughts and takeaways.



Education resource by Elroy Johnson IV for KERA. For more education materials, visit [learn.kera.org](https://www.learn.kera.org).