



**MassHire Cape & Islands
Workforce Board
Personal Financial Literacy
Toolkit
For Grades 9-12**



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Introduction

Welcome to the ***MassHire Cape & Islands Workforce Board Personal Financial Literacy Toolkit***. This toolkit is an online guided instruction that consists of multiple interactive modules. Each of the modules explore the concepts of financial literacy. Students grades 9 through 12 will participate in this toolkit to enhance their knowledge of personal finance education. The toolkit can be completed individually by a young adult or as an addition to an educator's instruction. Activities included in the modules support English Language Arts, Math, Social Studies and Economics. The learning modules also align with the Personal Financial Literacy High School standards that are outlined in the Massachusetts Curriculum Frameworks (HHS.PFL). A detailed description of the education standards can be found at the end.

In this Toolkit you will find:

- § Guided modules that include problem solving and critical thinking activities that engage young adult learners in the exploration of key financial concepts.
- § Lesson plans that are designed to provide clear expectations and objectives. Most lessons include discussion questions, an interactive activity, and a suggestion for an extension piece. All lessons support Universal Design for Learning (UDL) to promote an inclusive learning environment.
- § A detailed answer key to all the activities included will be supplied at the end. Some answers may vary depending on the student's financial decision. In this case, an example will be provided.
- § Students will be introduced to new terms throughout each of the modules. For reference, a glossary is accessible at the end of the module.
- § Additional resources are organized at the end of the module. These are included for further research and to identify where the information provided throughout the module was located.
- § The education standards chart identifies which standards are met in each module. This chart exhibits a clear alignment with standards from HHS.PFL, ECON, ELA, and WIDA.



MassHire Cape & Islands Workforce Board Personal Financial Literacy Toolkit

MODULE 4: Freelancing, Entrepreneurship, and the Gig Economy

Recommended Procedure (Instructor Led or Self-Study):

1. Warm-up Exercise
 - Introduce the definition of *gig economy*. Review [The Gig Economy: How does it work, and will it work for you?](#) and reflect on the discussion questions on **page 5**.
2. Padlet Activity
 - Visit The Gig Economy Timeline Activity created on Padlet [HERE](#).
 - Create your own Padlet account.
 - Copy the timeline activity to your own account as a template.
 - Utilize these 2 YouTube videos to learn how to copy a Padlet:
 - [How to Clone or Copy a Padlet](#)
 - [Introducing the Remake Button](#)
3. Infographic Activity
 - Analyze the infographic activity on **page 6**.
 - Complete infographic activity questions on **page 7**. The **Answer Key** is located on **page 10**.
4. Case Study Activity
 - Review the [Three Sectors of the Gig Economy](#) chart on **page 8**.
 - Read the case studies presented on **page 9**.
 - Use the chart and case studies to discuss and answer questions on **page 9**. *All answers are subjective.*

Additional Curated Lessons, Simulations, and Interactive Activities

1. [Why Hasn't the Gig Economy Killed Traditional Work?](#)
2. [Gig Economy Podcast](#)
3. [The Gig Economy: Research and Policy Implications of Regional, Economic, and Demographic Trends](#)
4. [Rideshare Data Report in MA](#)
5. Possible Extension Activities:
 - Interview: Develop questions to ask a gig worker. Write, record, or film the interview.
 - Disruption: Uber disrupted the taxi service industry. Craig's List disrupted "For Sale" sections of newspapers. Can you think of a business that could be disrupted?
 - Data: The strength of app companies depends on data. Companies collect data on almost everything imaginable. Find articles that reveal what data is collected by app companies.

The Gig Economy: How does it work, and will it work for you?

Today's gig economy connects workers with consumers through an online platform. The workers perform tasks, or gigs, that are usually temporary in nature. Gig workers existed before online platforms, but this technology exponentially increased the number of people who engage in the gig world.

Consumers use the gig economy for transportation (e.g., Uber, Lyft), small work tasks (e.g., Task Rabbit, Thumbtack), and delivery services (e.g., Instacart, Grubhub, DoorDash). Workers perform gig work as their main source of income, to earn extra income, or to have flexible hours. These workers have access to very flexible, potentially autonomous work, but also deal with challenges caused by the nature of the work. Some of these challenges may include the precariousness and their relationships with the platform businesses.

Gig workers are also called contingent workers. Contingent workers are defined as freelancers, independent contractors, consultants, or other outsourced and non-permanent workers who are hired on a per-project basis. These workers also have the opportunity to work on site or remotely.

Contingent workers do not get some of the perks associated with regular employment, including healthcare benefits, retirement plans, and paid vacation time. The gig economy has also been referred to as the sharing economy. For example, people share their cars (Uber), their homes (Airbnb), etc.

“The gig economy comprises work that you can do in small chunks whenever you want, with nobody controlling when, where, or how you do your work.” – Johnathan Hall, Chief Economist & Director of Public Policy, Uber Technologies, Inc.

Discussion Questions

- What is a gig?
- What gig services have you used?
- Do you know people who have worked in the gig economy?
- What did you see as benefits and drawbacks of working in the gig economy?
- What hobbies or skills do you have that could earn money?

Infographic Activity

Ride Sharing in Massachusetts



A ridesharing company is a company that, via websites and mobile apps, matches passengers with drivers of vehicles for hire that, unlike taxicabs, cannot legally be hailed from the street.

Rides increased from 2017 to 2019

In MA, there were 91 million rides in 2019
That was a 12% increase from 2018 and a 40% increase from 2017!



Cities have the most riders

Boston had 35 million rides in 2017
42 million rides in 2018
and 45 million rides in 2019



Cape Cod increased ridership from 2017 to 2019

2017 rides from: Barnstable - 114,000, Sandwich - 7,000, Yarmouth - 29,000, Provincetown - 17,000



And in 2019...

Barnstable - 218,000, Sandwich - 14,000,
Yarmouth - 52,000, Provincetown - 55,000



Good news for Cape Cod towns!

Ten cents from every ride originating in Cape Cod municipalities is returned to the town.

Information Source:
<https://arc.ates.digital.mass.gov/>

Created by Miriam
Morgenstern for
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WorkForce Board



All numbers
have been
rounded

Infographic Activity Questions

1. What ride sharing companies have you used or heard of?
2. What are some advantages of using a ride sharing app instead of using a taxi service?
3. What are some advantages of using a taxi instead of a ride sharing app?
4. Why do you think the number of rides dramatically increased from 2017 to 2019 on the Cape?
5. If there was data from 202, what would you expect the data to show?
6. In Massachusetts, how many rides were there in 2019?
7. Approximately, how many rides were there in Massachusetts in 2018?
 - a. 90 million
 - b. 80 million
 - c. 70 million
 - d. 60 million
8. Approximately, how many rides were there in Massachusetts in 2017?
 - a. 75 million
 - b. 65 million
 - c. 55 million
 - d. 45 million
9. What was the percentage of ridership increase from 2017 to 2019 in Barnstable?
10. What was the percentage of ridership increase from 2017 to 2019 in Provincetown?
11. How much revenue did the town of Sandwich receive from rides in 2019?

Three Sectors of the Gig Economy

Sector	Gig Specific Apps	Platform and Marketplace	Temp/Contract Work
Definition	Customers request services via an app, and gig workers respond to these requests. Pay rate is determined by the app company.	Apps allow the ‘sellers’ to create a profile and set their own prices, essentially creating their own small business. The platform acts as a middleman, taking a commission in exchange for providing a platform.	Short-term assignments in a company or working in a trade. Work is temporary, although there are opportunities of long-term employment. Often hired through an agency where the employer pays a fee.
Examples	<ul style="list-style-type: none"> • Uber • DoorDash • Grubhub • Instacart 	<ul style="list-style-type: none"> • Etsy • eBay • Airbnb • Facebook Marketplace • Poshmark 	<ul style="list-style-type: none"> • PeopleReady • Tradesman International • HW Staffing Solutions
Disadvantages	<ul style="list-style-type: none"> • Pay own expenses • Wages vary • No benefits • No vacation pay • Tax liabilities 	<ul style="list-style-type: none"> • Work is not guaranteed • Some platforms take a large percentage of offerings • Often competition 	<ul style="list-style-type: none"> • No benefits • Must conform to company schedule • Work is temporary
Advantages	<ul style="list-style-type: none"> • Set own hours • Can work as many or as few hours as you like 	<ul style="list-style-type: none"> • Easy to work part-time • Can set your own rates for goods and/or services 	<ul style="list-style-type: none"> • Opportunity to work in a variety of settings • Can explore career options • Sometimes offered higher pay to offset lack of benefits

Case Study 1:

Maria is 24 years old and in three months she will have her master's degree in Network Engineering. She had a few setbacks while getting her degree. First, she got an internship during the summer of her junior year but had to stop working almost immediately because of health problems. During her last year of undergraduate school, Maria's father lost his job and she had to take out a larger loan, on top of the loans she already had, to complete her schooling. The university she attended for graduate school gave her a stipend, but she often found it difficult to make ends meet as she had accumulated some credit card debt. Since she started school, she had never worked outside of the university. Maria is healthy now and ready to begin her life.

Case Study 2:

Leon is 19. He started college after he graduated from high school, but decided it wasn't for him. He left college at the end of his freshman year. He had always liked fixing things around his parents' house, and he even helped some of his neighbors with small jobs. He knew he needed to learn a trade, but he wasn't sure which trade he should focus on, so he began working as an extra set of hands at some construction jobs. He had some student loans to pay off, and although he lived at home, he had to pay for his own expenses, such as his car, phone, and clothes. After a few months, he decided he wanted to be an electrician and decided to get an apprenticeship.

Case Study 3:

Dena is from Falmouth and attends Boston University (BU) on a full scholarship. She has always been an excellent student and a hard worker. She dreams of going to medical school and possibly becoming a surgeon. She wants to stay at BU this summer and work in the lab because she knows she'll gain valuable experience. The lab only pays the minimum wage, so Dena is concerned about how she can afford staying in Boston over the summer.

Case Study Questions

**Answer each question separately per case study.*

-
1. What problem(s) is/are presented in the case study?
 2. Would you recommend entering the gig economy? Why or why not?
 3. Which sector would you recommend?
 4. What advice would you give to each case study character?

Answer Key

Infographic Activity Questions *(Some of these questions are based upon student opinions. Therefore, there is no right or wrong answer.)*

1. Students may answer Uber or Lyft.
2. Advantages for ridesharing apps may include on demand, convenient to use app, reasonable prices, drivers are rated, etc.
3. Advantages for taxi service may include call ahead service, does not require a phone or app, in some cases it might be quicker to wave over a taxi than wait for a rideshare, etc.
4. As more drivers and riders recognized the advantages of ridesharing, it became much more convenient to use the apps.
5. COVID-19 decimated the ridesharing industry. Fewer people needed rides, and people were concerned and uncomfortable to go in someone else's vehicle.
6. 91 million rides
7. B. 80 million
8. C. 55 million
9. Percentage Increase = $[(\text{Final Value} - \text{Starting Value}) / [\text{Starting Value}]] \times 100$

$$218,000 - 114,000 = 104,000$$

$$104,000/114,000 = .91$$

$$.91 \times 100 = 91$$

Answer is 91%

Percent increase calculator can be found [HERE](#).

10. 223% (220% is also acceptable)
11. $\$1,400.00$ (14,000 rides) $\times (.10) = 1,400.00$

Glossary

Bank: A financial institution and business that accepts deposits, makes loans, and handles other financial transactions.

Budget: A plan that outlines what money you expect to earn or receive (your income) and how you will save it or spend it (your expenses) for a given period of time; also called a spending plan.

Certificate of Deposit (CD): An account in which you deposit funds for a set term (e.g., six months or one, two, or five years), with a financial institution, with the promise of a set interest rate. For most CDs you cannot make deposits or withdrawals to the account during this term.

Checking Account: An account at a bank (sometimes called a share draft account at a credit union) that allows you to make deposits, pay bills, and make withdrawals.

Compound Interest: Interest credited daily, monthly, quarterly, semi-annually, or annually on both principal and previously credited interest.

Consumer: A person who buys or receives goods or services for personal needs or use and not for resale.

Credit Card Statement: A summary of how you have used your credit card for a billing period.

Credit Card: Amount of money a creditor is willing to loan another to purchase goods and services, based the expectation that the money will be repaid as promised with interest.

Credit Limit: A limit set by the credit card company on how much you can charge on the card it issued to you. You can use your credit card to make purchases up to your credit limit.

Credit Score: A measure of creditworthiness based on an analysis of the consumer's financial history, often computed as a numerical score, using the FICO or other scoring systems to analyze the consumer's credit. A creditor's evaluation of a person's willingness and ability to pay debts as judged by character, capacity, and capital; a mathematical model used by lenders to predict the likelihood that bills will be paid as promised.

Credit: Amount of money a creditor is willing to loan another to purchase goods and services, based the expectation that the money will be repaid as promised with interest.

Debit Card: A card used to pay for goods and services directly from a checking account by transferring funds electronically from one's checking account to the store's account to pay for a purchase; also called check cards.

Debt: The entire amount of money owed to lenders.

Direct Deposit: Money electronically sent to your bank account, credit union account, or prepaid card.

Fixed Expenses: Expenses that cost the same amount every time.

Glossary

Fraud: An illegal act that occurs when people try to trick you out of your personal information and your money.

Gig Economy: Generally, an informal term for situations where people are hired for single projects or tasks or for short-term jobs, often through a digital marketplace.

Gross Income: Total pay before taxes and other deductions are taken out.

Income: Any money an individual receives.

Interest Rate: A percentage of a sum borrowed that is charged by a lender or merchant for letting you use its money. A bank or credit union may also pay you an interest rate if you deposit money in certain types of accounts.

Interest: Interest is the additional amount you will pay to a lending institution to borrow money. In terms of savings, interest is the additional amount you will earn for having your money in a bank account or other savings vehicle.

Investment: Setting aside money for future income, benefit, or profit to meet long-term goal; using savings to earn a financial return.

Loan: Money that needs to be repaid by the borrower, generally with interest.

Opportunity Cost: Cost of the next best use of your money or time when you choose to buy or do one thing rather than another.

Overdraft: An overdraft occurs when you don't have enough money in your account to cover a transaction, but the bank pays the transaction anyway.

Paycheck: A check for your salary or wages made out to you.

Principal: In the lending context, principal is the amount of money that you originally received from the creditor and agreed to pay back on the loan with interest. In the investment context, it is the amount of money you contribute with the expectation of receiving income.

Salary: Compensation received by an employee for services performed. A salary is a fixed sum paid for a specific period of time worked, such as weekly or monthly.

Sales Tax: A tax on retail products based on a set percentage of the retail price.

Savings Account: An account at a bank (sometimes called a share savings account at a credit union) used to set aside money and that pays you interest.

Taxes: Required payments of money to governments, which use the funds to provide public goods and services for the benefit of the community as a whole.

Wage: Compensation received by employees for services performed. Usually, wages are computed by multiplying an hourly pay rate by the number of hours worked.

Resources¹

- <https://web.stanford.edu/~diamondr/UberPayGap.pdf>
- <https://www.hcmworks.com/blog/author/julia-fourrier>
- <https://globalizationandhealth.biomedcentral.com/articles/10.1186/s12992-018-0444-8>

¹ Utilize these additional resources to research further information on financial literacy and to identify where we have gathered the information provided throughout this module.

Education Standards

High School Standards for Personal Financial Literacy

Source: [Personal Financial Literacy in the Massachusetts Curriculum Frameworks](#)

2018 History and Social Science Curriculum Framework

HSS.PFL.T1. Earning and spending income.

HSS.PFL.T1.1. Explain that people choose jobs for which they are qualified based on a variety of factors, such as job satisfaction, independence, salary, opportunities to learn and grow, benefits such as health insurance coverage, retirement plans, and location.

HSS.PFL.T2. Saving money.

HSS.PFL.T2.4. Research and report on government policies such as individual retirement accounts and educational savings plans, analyzing their effectiveness as incentives for saving.

HSS.PFL.T2.6. Formulate a savings or financial investment plan for a future goal (e.g., college or retirement).

HSS.PFL.T3. Using credit and making investments.

HSS.PFL.T3.6. Formulate a credit plan for purchasing a major item such as a car or home, comparing different interest rates.

HSS.PFL.T3.7. Explain what a financial asset is (e.g., bank deposit, stocks, bonds, mutual funds, real estate) and explain why the worth of assets can go up or down over time.

HSS.PFL.T3.8. Explain how buyers and sellers in financial markets determine the prices of financial assets and therefore influence the rate of return on those assets.

HSS.PFL.T3.9. Analyze the role of diversification – having an investment portfolio with different kinds of assets – in lowering risk for the individual investor.

HSS.PFL.T4. Protecting and insuring assets.

HSS.PFL.T4.1. Explain the purpose of various types of insurance (e.g., health, disability, life, property, and casualty); research the costs and coverage of a particular type of insurance from several different companies and analyze which company provides the best option for a particular type of consumer (e.g., a young family, a retiree).