

THINK CRITICALLY

Handwrite your responses in the space below; 2 sentences each.

1. What does the term minimum wage mean? Why do people often have to start a new job for minimum wage?
2. What is overtime pay? How much is overtime pay compared to regular pay?
3. How is being paid a salary different from being paid hourly wages?
4. Give an example of a worker whose pay may include tips.
5. What are some advantages of self-employment? What are some disadvantages?
6. What are employee benefits? Give two examples. Why are employee benefits important to employees?
7. Give three examples of pay without work.
8. Why is educational reimbursement a valuable benefit for employees?
9. Give two examples of perks that employees might want.

10. Why are employees at many companies expected to help pay for the cost of health insurance?
11. Describe two types of retirement plans offered by companies as a benefit.
12. How does a health flexible spending arrangement (FSA) benefit employees?



EXCEL PROBLEMS

Use Excel to solve the problems below and email the spreadsheet as an attachment.
MAKE SURE TO USE FORMULAS IN YOUR WORK!
(don't just type the answers)

Compute Gross Pay

Gross pay is the amount of salary or wages a worker receives before deductions are made. Deductions may be taken for taxes and some benefits, such as health insurance premiums. Tips and commissions are included in gross pay. To calculate gross pay, multiply the hourly rate times the number of hours worked. If tips or commissions are included, add them to the total salary or hourly wages earned.

1. Kim Chin works for an hourly rate of \$8.50. This week Kim worked 39 hours. What is Kim's gross pay for this week?
2. Juan Perez is paid a monthly salary of \$500. He is also paid a 10 percent commission on sales he makes. This month, Juan made \$7,575 in sales. What is Juan's gross salary for this month?
3. Alice Jones worked 32 hours this week. She is paid \$4.05 per hour. She also earned \$250 in tips. What is Alice's gross pay for this week?
4. John O'Malley worked 40 regular hours and 10 overtime hours this week. His regular rate of pay is \$9.50. For overtime pay, he earns 1.5 times his regular pay. What is John's gross pay for this week?
5. Gloria Adams is starting a new job. She will be paid \$10.50 per hour. She plans to work 40 hours per week for 50 weeks a year. What will her gross yearly pay be? The value of the benefits Gloria will receive amounts to 30 percent of her gross pay. What will the value of her benefits be? What is the total value of the pay and benefits Gloria will receive?