

## Final Review- Chapters 1-3

### Short Answer

- As a summer job, Randall Jui can work at the amusement park earning \$8.75 an hour for 20 hours a week, or as a busboy at a restaurant. As a busboy he'd be earning \$8.00 an hour for a 20-hour week. How much more would Jui earn at the amusement park compared to the restaurant in one week?
- Colin Katz works at his father's restaurant eight hours a day, earning \$10.75 an hour. He is asked to work two additional hours at time and a half to help prepare for a banquet. How much will he earn for these two hours of overtime?
- At Up, Up, and Away employees earn time and a half for any hours worked in addition to their usual 35-hour week. Nicolas Bieser's time card is below. For how many hours will he earn time and a half?

DAY	HOUR S
Monday	$9\frac{1}{4}$
Tuesday	$7\frac{3}{4}$
Wednesda y	$8\frac{1}{2}$
Thursday	$9\frac{1}{4}$
Friday	$8\frac{1}{2}$

- Roxanne Lytle is a cook at Paxton Middle School. What were her total hours for the week?

DAY	HOURS
Monday	$4\frac{1}{2}$
Tuesday	$7\frac{1}{4}$
Wednesday	$5\frac{3}{4}$
Thursday	$4\frac{3}{4}$
Friday	$5\frac{1}{4}$

- Jon Lyons refinishes furniture. He is paid \$22.50 for each cabinet he refinishes. How much will Lyons earn if he refinishes the following number of cabinets?

DATE	NO. OF CABINETS
8/14	3
8/15	4
8/16	1
8/17	5
8/18	3

- Roberto Herrera is a systems analyst. His annual salary is \$132,624. What is his monthly salary?

7. Nancy Greene is a high school principal. Her annual salary is \$62,788. What is her weekly salary?
8. Marianna Martinez sells copy paper to local schools. She earns a 13 percent straight commission on all sales. In November her sales totaled \$28,540. What was her commission?
9. Ethel Meyer sells wheelchairs. She earns an 11 percent commission on the first \$5,000 and 14 percent on all sales over \$5,000. How much commission will she earn on \$14,000 in sales?
10. Diana Little's gross pay is \$46,300. She takes a married exemption of \$3,000. Her state income tax rate is 5.5 percent. How much will she pay annually in state tax?
11. Franklin Waters' annual gross pay is \$54,400. He takes a married exemption of \$3,000. His state income tax rate is 3.5 percent. How much should he set aside monthly for state tax?

**Figure 2.6. Use this table with the question(s) below, as needed.**

PERSONAL EXEMPTIONS	
Single	\$1,500
Married	3,000
Each Dependent	750
STATE TAX	
Annual Gross Pay	Tax Rate
First \$3,500	3.0%
Next \$3,500	4.5%
Over \$7,000	7.0%

12. Use Figure 2.6. Mack Saunders's annual salary is \$139,400. He takes a married exemption and one for his daughter, Pattie. How much will he pay annually for state tax?
13. Use Figure 2.6. Madelyn Sanchez's annual salary is \$99,400. She takes a married exemption. How much will she pay annually for state tax?
14. Roland Feltz is employed at Paxton Community College. He has family medical coverage through the group medical plan that the community college provides for its employees. The annual cost of Feltz's family membership is \$3,942. The college pays 62 percent of the cost. How much is deducted from his weekly paycheck for medical insurance?
15. Christopher Matson's gross weekly pay is \$823. His earnings to date for the year total \$11,494. What amount is deducted from his pay this week for Social Security, which is taxed at 6.2 percent? For Medicare, which is taxed at 1.45 percent?
16. Peggy Carson's gross weekly salary is \$915. Her weekly federal withholding is \$55. The Social Security tax is 6.2 percent of the first \$84,900. The Medicare tax is 1.45 percent of gross pay. The state tax is 1.5 percent of gross pay. Each week she pays \$12.40 for medical insurance. How much is deducted from Carson's weekly wages for Social Security, state tax, and Medicare tax combined?
17. The Conwell family bought a new camper. How much more or less is the amount they spent than the amount they budgeted?  
  
**Budgeted:** \$12,456.90                      **Spent:** \$11,465.90
18. Joseph Kitavich wants to determine his average phone bill. In October, November, and December his bills were \$89.87, \$45.67, and \$34.56. What is the average monthly expense?
19. Olivia Lamb wants to determine the average amount she spends on clothing each month. In June she spent \$435.67. In July she spent \$56.78. In August she spent \$99.78. What is the average monthly amount she spent?

20. The Lee family's expenditures for food, household, and transportation are shown below. How much more or less did they spend in July than they budgeted?

**EXPENDITURES FOR THE MONTH OF JULY**

Expenses	Amount Budgeted	Actual Amount Spent
<b>Food</b>	\$220.00	\$165.70
<b>Household</b>		
Electric bill	35.00	34.35
Telephone bill	35.00	41.20
Heating fuel	50.00	24.00
Water bill	24.50	21.70
Cable TV bill	25.00	45.00
<b>Transportation</b>		
Gasoline purchases	96.00	191.70
Parking/tolls	25.00	17.00

21. Melanie Montez is an airline ticket agent. She tracks her transportation expenses to and from the airport. Her expense sheet looks like this:

Gas/Oil	\$26.00
Parking	35.00
Tolls	33.00
Commuting	76.50

Montez budgets \$175 per month for transportation. How much more or less are her expenses than the \$175 budgeted?

**Critical Thinking**

22. Describe a fixed expense and give some examples.
23. What are the benefits of recordkeeping?

