# Calculating Earnings Alternative Ways to Earn

Salary
Straight Commission
Salary & Commission

#### Salary

- a fixed earning based on a year, regardless of hours ex - \$60, 000/yr.

- could be paid out monthly, bimonthly or biweekly

**<u>ex</u>** How much is paid:

monthly - 12 pay periods,

\$60,000 ÷12

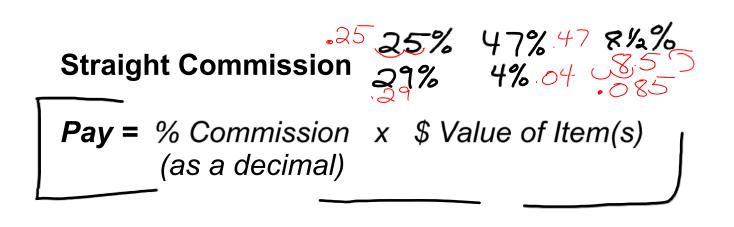
= \$5000/month

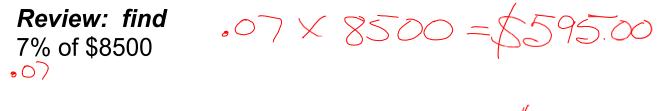
bimonthly  $-2 \times 12 = 24$  pay periods

\$60, 000 ÷ 24 = \$2500 twice a month

biweekly  $-52 \div 2 = 26$  pay periods

\$60,000 ÷ 26 = \$2307.69 every two weeks





$$2\frac{1}{2}\%$$
 of \$347 000  $\cdot$  025 x 347 000 = 8675.00

$$8\frac{1}{4}\% \text{ of $17500} = \frac{-0825 \times 17500}{17500} = \frac{1443.75}{1443.75}$$

## 0.155

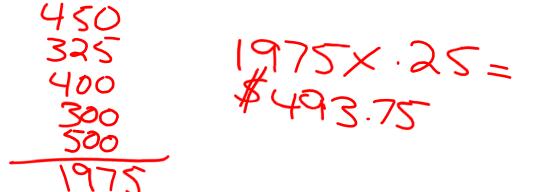
 $15.5\% \text{ of } \$1850 = \$155 \times 1850 = \$286.75$ 

Practice questions 0.05 1) 23% as a decimal, 2) 23% as a decimal 3) 16% as a decimal, 4) 36 1/2% as a 3650.365 decimal 5) 4% of \$1000 = 40.006)  $\cdot 18\%$  of \$66,4007) 21% of \$845 = 77.458) \$65,000 paid monthly = 12 - 5416.679) \$48,500 paid bi-monthly - 고식 - 고 0 ~ 83 10) \$57,000 paid bi-weekly = 26 = \$2/92.31

Ex 1) Kelsey receives 8% commission on the sale value of every car she sells. Last week she sold 5 cars for a total of \$164,350 in sales.

How much money did she earn?

•08×164350= \$ \$ 13148.00 Ex 2 Tara receives 25% commission on each life insurance policy she sells. Last week she sold 5 policies: \$450, \$325, \$400, \$300, and \$500. What was her gross pay for the week?



Ex 3 Joel receives  $5 \frac{\%}{4} \frac{75\%}{\%}$  commissions on the value of all houses he sells. On Friday, Colin sold a house valued at \$275 000. How much money in commission did he earn?

> 05,75% 0575 275000X.0575= \$15812.50

#### **Salary Plus Commission**

Gross Pay = Base Salary + Commission

Ex 1) Jenna works for an insurance company that pays her a base salary of \$350/week and 81/2% commission on her sales. If she sells \$2150 worth of insurance in a week, what is her pay?





Ex. 2 Brendan works at Sears and makes \$450.00 a week plus 6% commission. If he sells \$1975.00 worth of furniture, how much does he earn?

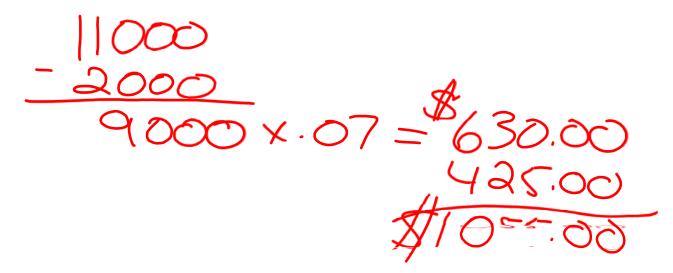
·06×1975=\$1/8.50 450.00 \$568.50

COMMISSION 0/ SOLD ITEMS 085×2150= 182.75 GROSS PAY G.P. 350.00+ 182.75= G.P. = 532.75

Commission 0.06x 1975.00 G.P= 450.00+118.50=

 $\begin{array}{c} |1,000-2,000=9,000\\ 0.07 \times 9000\\ = 630.00\\ 425.00+630.00\\ |055.00\\ \end{array}$ 

Ex. 3 Ed gets paid a weekly salary of \$425.00 and a commission rate of 7% for any goods sold over \$2000.00. If he sold \$11,000 worth of goods, what did he earn last week?



### Calculating Gross Earnings

Calculate the gross earnings for Michael, who worked the schedule below. Rate of pay is \$10.45 Overtime is paid at time and a half.

a) Calculate gross pay based on weekly overtime.

b) Calculate gross pay based on daily 8 hr.

M - 12 T - 12 W - 6 Th - 6 F - 4