

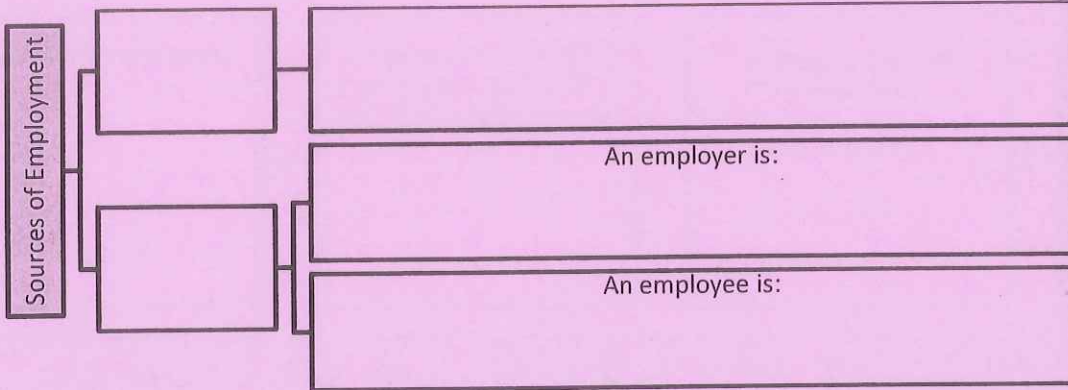
Getting Paid Note Taking Guide

	Total Points Earned
	Total Points Possible
	Percentage

Name _____

Date _____

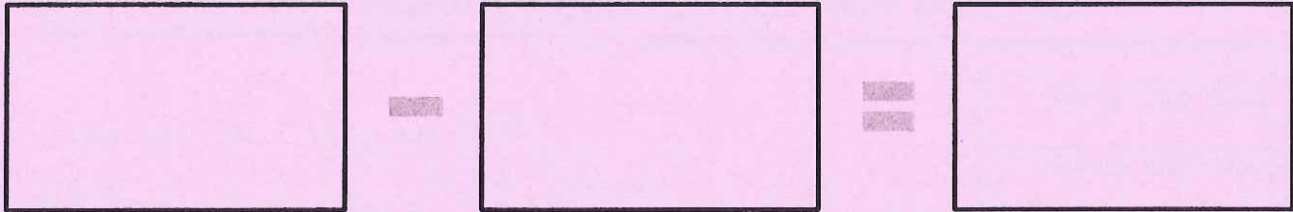
Class _____



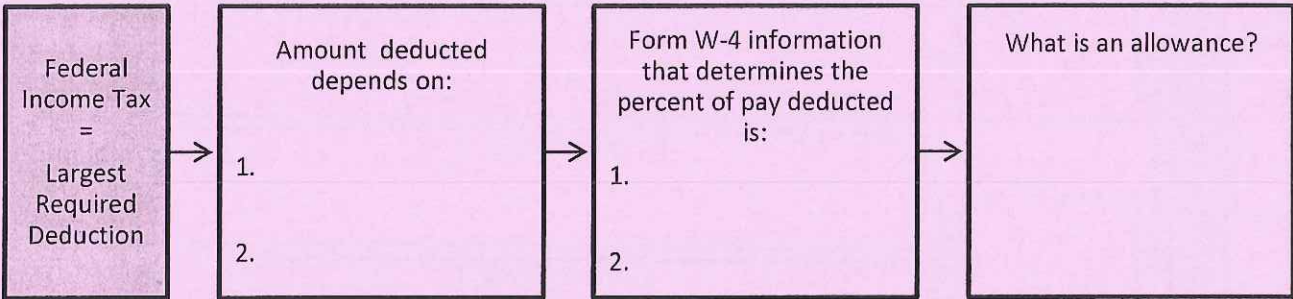
What is the difference between being paid an hourly wage vs. salary?

Paper Paycheck	Direct Deposit	Payroll Card
Description:	Description:	Description:
Pro:	Pro:	Pro:
Con:	Con:	Con:

Identify and define the payroll deduction process.



Mandatory Payroll Deductions



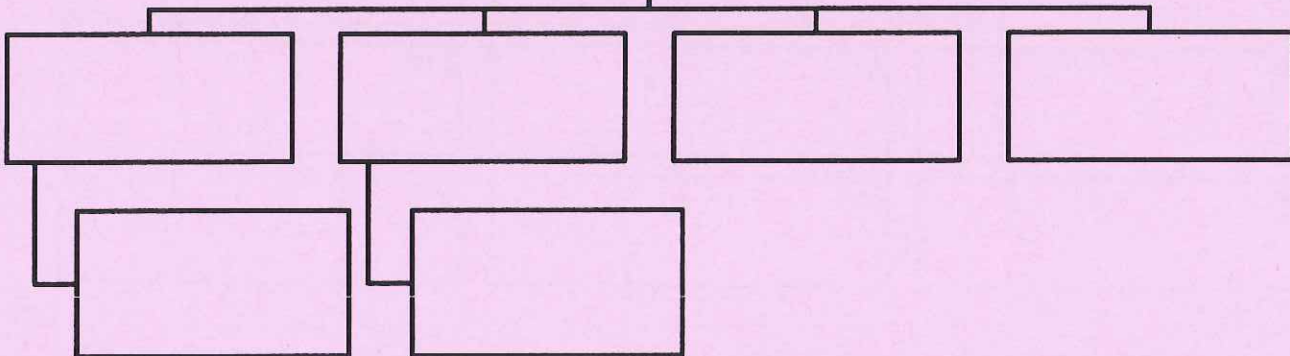
State Income Tax
 Two characteristics are...

Social Security
 The purpose is...

Medicare
 The purpose is..

How do optional employee benefits benefit an employee?

What are four ways employers further support employees?



What is a pay stub?

Employee Information				Pay Date: 6/11/2013	
Name	Identification Number	Address	Pay Rate	Pay Period	
Joe Beakens	00112233	293 Michael Grove	\$15.00	5/1 – 5/31/2013	
Summary					
	Gross Income	Total Personal Deductions	Net Income		
Current	\$2,400.00	\$747.00	\$1,653.00		
YTD	\$12,000.00	\$3,735.00	\$8,265.00		
Earnings					
Type	Rate	Hours	Current	YTD	
Regular	\$15.00	160	\$2,400.00	\$12,000.00	
Overtime	0	0	0	0	
Deductions					
Type	Personal Deduction		Employer Contribution		
Federal income tax	\$249.40		0		
State income tax	\$100.00		0		
Social Security and Medicare	\$183.60		\$183.60		
Retirement plan	\$144.00		\$144.00		
Health insurance	\$100.00		\$400.00		
Workers' compensation	0		\$13.80		
Unemployment insurance	0		\$6.26		
Employee Leave Balances					
Type	Beginning balance current	Beginning balance YTD	Used Current	Used YTD	Ending Balance
Personal	10	15	0	5	10
Sick	5	5	0	0	5

How is pay period different than pay date?

Describe year-to-date

How do employer contributions benefit the employee?

What are two reasons it is important to have income and payroll taxes deducted from wages paid in cash?

Sample Pay Stub

Employee Information				Pay Date: 6/11/2013	
Name	Identification Number	Address	Pay Rate	Pay Period	
Joe Beakens	00112233	293 Michael Grove	\$15.00	5/1 – 5/31/2013	
Summary					
	Gross Income		Total Personal Deductions		Net Income
Current	\$2,400.00		\$777.00		\$1,623.00
YTD	\$12,000.00		\$3,885.00		\$8,115.00
Earnings					
Type	Rate	Hours	Current	YTD	
Regular	\$15.00	160	\$2,400.00	\$12,000.00	
Overtime	0	0	0	0	
Deductions					
Type	Personal Deduction		Employer Contribution		
Federal income tax	\$249.40		0		
State income tax	\$100.00		0		
Social Security and Medicare	\$183.60		\$183.60		
Retirement plan	\$144.00		\$144.00		
Health insurance	\$100.00		\$400.00		
Workers' compensation	0		\$13.80		
Unemployment insurance	0		\$6.26		
Employee Leave Balances					
Type	Beginning balance current	Beginning balance YTD	Used Current	Used YTD	Ending Balance
Personal	10	15	0	5	10
Sick	5	5	0	0	5



The Ways We Are Paid

	Total Points Earned
15	Total Points Possible
	Percentage

Name _____

Date _____

Class _____

Directions: Learn about Tom in the scenario below and use the information to answer the questions that follow.

Tom has been a full time firefighter for six years. He loves every shift spent at the firehouse. A few months ago, while working, Tom fell through the floor of the burning home. After a trip to the emergency room, Tom was told he had a broken leg that required surgery. Tom made it through surgery fine but had to wear a cast and walk on crutches for the next six weeks. In addition, he needed four weeks of physical therapy after the cast was removed.

Since his injury occurred while he was working, his medical expenses qualified for workers' compensation. Tom filed a workers' compensation claim as soon as his injury was diagnosed. Workers' compensation paid for all of his medical expenses - a grand total of \$31,365 between the emergency room visit, surgery, doctor's visits, a short hospital stay, and physical therapy.

Tom's employer gave him a light duty assignment while he recuperated. Therefore, Tom only missed two weeks of work, rather than the entire ten weeks while he was on crutches and receiving physical therapy. As one of his employment benefits, Tom had accumulated 35 paid sick days over the last six years. He was able to use these sick days during his recovery period, so he didn't lose any income during his two weeks of not working and the additional 5 days missed for follow up exams and physical therapy. This totaled \$2,500 in wages that would have been lost without paid sick days.

Thanks to workers' compensation and sick leave provided by his employer, Tom had a quick recovery and returned to fighting fires with no financial hardships from medical bills and lost wages. This helped him avoid stress during his recovery and his quick return to work enhanced Tom's well-being.



1. Complete the chart below:

	How did the program or benefit help Tom?	What monetary benefit (dollar value) did Tom receive from each benefit/program?	How much did Tom contribute financially to have each benefit/program available to him?	If the benefits/programs were not available, what would it have cost Tom out of pocket?
Workers' compensation				
Paid sick leave				Lost wages:

- How much did Tom have to pay to recover from his injury? Explain. (2 points)
- What would have happened to Tom's income if he didn't have the benefit of paid sick days?
- Do you believe Tom would have had the same outcome and quick recovery without workers' compensation and sick leave? Provide at least two reasons to support your answer. (2 points)
- Employers pay their employees in different ways. What is one way Tom was "paid" by his employer without receiving a direct wage?
- Using Tom's story as an example, write a short paragraph comparing the benefits of having a job with employer provided benefits to being paid cash by your employer.

Getting Paid Math

	Total Points Earned
30	Total Points Possible
	Percentage

Name _____

Date _____

Class _____

Directions: Answer the following questions to provide information for the paycheck.

*Hint: A way to double check your work is to add your deductions and your net income.
 If they do not equal your gross income, then you need to recalculate.
 Gross Income = Net Income + Deductions*

Part 1: Joe's Hourly Pay Stub

In the last pay period, Joe worked 80 hours earning \$12 per hour. Use the work space and math tips to answer questions 1-5 to calculate Joe's pay stub amounts.

Pay stub categories	Work Space & Math Tips	Pay stub amounts
What is Joe's gross pay ?	80 hours x \$12 per hour =	1.
What is Joe's Social Security deduction (6.2% of gross pay)?	Gross pay _____ x .062 =	2.
What is Joe's Medicare deduction (1.45% of gross pay)?	Gross pay _____ x .0145 =	3.
In addition to Social Security and Medicare if Joe had \$46 in Federal Income Tax, \$21 in State Income Tax and \$65 in employee benefits withheld from his paycheck, what were Joe's total deductions ?	Social Security _____ + Medicare _____ + \$46 Federal Income Tax + \$21 State Income Tax + \$65 employee benefits =	4.
What was Joe's net pay ?	Gross pay _____ - total deductions _____	5.

How much will Joe's employer pay per pay period for Medicare and Social Security?

Part 2: Edwin's Salary Pay Stub

Edwin has a \$60,000 annual salary and is paid monthly. Use the work space and math tips to answer questions 6-10 to calculate Edwin's March pay stub amounts. Then, calculate the year-to-date amounts.

Pay stub categories	Work Space & Math Tips	March Pay stub amounts
What is Edwin's monthly gross pay ?	\$60,000 annual salary / 12 months per year =	6.
What is Edwin's Social Security deduction (6.2% of gross pay)?	Gross pay _____ x .062 =	7.
What is Edwin's Medicare deduction (1.45% of gross pay)?	Gross pay _____ x .0145 =	8.
In addition to Social Security and Medicare if Edwin had \$413 in Federal Income Tax, \$209 in State Income Tax and \$250 in employee benefits withheld from his paycheck, what were Edwin's total deductions ?	Social Security _____ + Medicare _____ + \$413 Federal Income Tax + \$209 State Income Tax + \$250 employee benefits =	9.
What was Edwin's net pay ?	Gross pay _____ - total deductions _____	10.

Edwin is paid monthly. He earns the same amount and has the same deductions each month. Use the answers calculated in questions 6-10 to determine his year-to-date in each category. This is Edwin's 3rd paycheck of the year.

Pay stub categories	Work space	Year-to-date amounts in Edwin's March pay stub
Gross pay		11.
Social Security		12.
Medicare		13.
Total deductions		14.
Net pay		15.

Part 3: Zoe's Pay Stub

Zoe began working January 1 and her employer needs your assistance to complete the calculations for her pay stub. Because Zoe works part-time, her employer does not offer benefits including health insurance, retirement and accruing employee leave time. Complete the calculations for her pay stub to fill in the paystub below. Use information from the pay stub to answer questions 16-20.

Employee Information				Pay Date 4/11/2013
Name	Identification Number	Address	Pay Rate	Pay Period
Zoe Dashwood	0012345	7961 North Road	\$13.50	3/1 – 3/31/2013 (monthly)
Summary				
	Gross Income	Total Personal Deductions	Net Income	
Current				
YTD				
Earnings				
Type	Rate	Hours	Current	YTD
Regular	\$13.50	80		
Overtime	0	0	0	0
Deductions				
Type	Personal Deduction	Employer Contribution		
Federal income tax	\$58.43	0		
State income tax	\$26.00	0		
Social Security and Medicare		\$82.62		
Workers' compensation	0	\$6.21		
Unemployment insurance	0	\$2.81		

16. What is Zoe's gross pay?

17. What is Zoe's year-to-date gross pay?

18. What is Zoe's Social Security and Medicare deduction?

19. What are Zoe's total deductions?

20. What is Zoe's net pay?

