

Planning and Pay Schedules

MAY

S	M	T	W	Th	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

$$52 \div 2 = 26 \text{ times a year}$$

Robyn gets paid bi-weekly. She is paid on the first and third Friday of the month. Why she have a hard time paying her rent which is due on May 31st?

she might not have enough money left.

1.4 Understanding Different Pay Schedules

VOCABULARY: Add these words to your glossary on pages 3-5

Fixed Expenses: Expenses that do not change from month to month (e.g. Rent)

Financial Planning: Planning how and where to spend money

Non salaried: Employees who do not earn a set salary. The opportunity to work overtime can help them make decisions about when to pay bills, make large purchases, or save extra money.

Overtime: Extra pay for working extra hours of statutory holidays.

Time-and-a-Half: One and a half times the regular pay rate (X 1.5)

Double Time: Twice the regular pay rate (X 2)

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Robyn gets paid bi-weekly. She is paid on the first and third Friday of the month.

1. Why might she have a hard time paying her rent which is due on May 31st?

Maitham is 26 year's old and lives alone. For the past 2 years he has worked as a basketball instructor for the city of Ottawa. He earns \$17 per 1-hour lesson and he is paid for the week's work on the following Friday.

MAY

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31	1	2	

JUNE

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

1.

a) Complete the table to determine Maitham's earnings for the month of May.

Week Beginning	Number of Lessons	Earnings	Date Paid
May 1	48	$48 \times 17 = 816$	MAY 12
May 8	53	$53 \times 17 = 901$	May 19th
May 15	57	$57 \times 17 = 969$	MAY 26th
May 22	41	$41 \times 17 = 697$	June 2
May 29	45	$45 \times 17 = 765$	June 9th
Monthly Total	244	4148	

b) On the calendars above, circle Maitham's pay dates.

a) When was he first paid in May? He was first paid on May 12th.

Maitham's rent is due on the 1st of each month and his credit card bill is due on the 2nd of each month.

2. Why does he have to watch the calendar and always plan for these expenses?

Because he might not have saved enough from his other paychecks to cover his rent and his credit card bill

3. Would being paid bi-weekly make Maitham's planning any easier? EXPLAIN.

It might make it a bit easier since he would have had a bigger deposit made to his bank account on May 26th which would make paying rent/credit card easier

4. Would being paid on the last day of each month make Maitham's planning easier? EXPLAIN.

Yes, because he would use his pay check to FIRST pay for his big bills - rent and credit card - and then use the rest to live for the rest of the month.

twice a month , $2 \times 12 = 24$ times a year

Brittany is a daycare worker who is paid semi-monthly. She is paid on the 1st and 16th of each month. Each pay she receives is about \$1500.

5. Calculate Brittany's approximate pay per month.

Total Monthly Earnings = $2 \times 1500 = \$3000$ / Month

6. a) Calculate the total of Brittany's fixed monthly expenses by looking at the table below.

b) Suggest the day of the month that Brittany might consider having each fixed expense deducted from her bank account. Give a reason.

Fixed Expenses	Amount	Date Chosen for Payment	Reason
Car Payment	\$278	16 th	
Rent	\$850	1 st	
Home and Car Insurance	\$106	16 th	
Student Loan	\$198	16 th	
Life Insurance	\$95	16 th	
Total 278 + 850 + 106 + 198 + 95 = 1527			

1500 - 850 = \$650

7. Why is this type of financial planning easier for someone who is paid semi-monthly than someone who is paid weekly?

It might be hard because no one paycheck will cover a big expense like RENT. She would be paid \$750 a week and rent is \$850.

- week 1 - \$750
- week 2 - \$750
- week 3 - \$750
- week 4 - \$750

8. List other expenses that she might have.

- groceries - variable expense
- miscellaneous
- health prescriptions
- pet supplies/food
- diapers
- bus tickets/ parking/gas

9. Imagine that you work at Tim Horton's and you make \$13.50/hour. You are asked to work on New Year's Eve and are told that you will be paid time-and-a-half.

a) What will your hourly rate be?

Hourly Rate = 13.50 + 6.75 = \$20.25/hour
 Hourly Rate = 13.50 x 1.5 = \$20.25

b) How much will you make if you work 5 hours.

Earnings = \$20.25 x 5 = \$101.25

They also ask you to work on Christmas Day and tell you they will pay you double time.

10. What will your hourly rate be?

$$\text{Earnings} = 13.50 \times 2 = \$27.00/\text{hour}$$

11. Complete the time-and-a-half table below.

Regular Hourly Rate	Overtime Hourly Rate (Time-and-a-Half) $\times 1.5$
a) 10.80	$10.80 \times 1.5 = 16.20$
b) 12.40	$12.40 \times 1.5 = 18.60$
c) 18.50	$18.50 \times 1.5 = 27.75$
d) 22.48	$22.48 \times 1.5 = 33.72$

12. Jesse normally earns \$14.64/hour at Home Depot. He worked 40 hours last week plus 10 hours of overtime and earned time-and-a-half for those hours.

- a) How much did he earn last week?
Time and a half = $14.64 \times 1.5 = 21.96$

$$40 \times 14.64 = 585.60$$

$$10 \times 21.96 = 219.60$$

$$\text{TOTAL} = 585.60 + 219.60 = \$805.20$$

- b) How much extra did he earn by working overtime?

He earned \$219.60 extra because of overtime!