



**Section B—DIRECTIONS:** Solve the following problems and record the answers in the Answers column. Carry each hourly rate and each overtime rate to 3 decimal places and then round off to 2 decimal places. (6 points for each correct answer)

	Answers	For Scoring
1. Diane Duke works a standard 40-hour workweek. She is paid time and one-half for all hours over 40 in each workweek. Her regular hourly wage rate is \$10.90. One week, Duke worked 49 hours. Her total gross earnings for the week are $[(40 \times \$10.90) + (9 \times \$10.90 \times 1.5)]$ .....	\$ <u>583.15</u>	1. <u>    </u>
2. Charles Rollins earns \$2,400 each month and works 35 hours each week.		
(a) His hourly rate is $[(\$2,400 \times 12) \div 52 \div 35]$ .....	\$ <u>15.82</u> <small>(3 pts.)</small>	2a. <u>    </u>
(b) His overtime rate is $(\$15.82 \times 1.5)$ .....	\$ <u>23.73</u> <small>(3 pts.)</small>	2b. <u>    </u>
3. Ken Gorman is paid \$810.00 for a 37½-hour workweek. Overtime is paid at time and one-half for hours beyond 40 in each workweek. One week, Gorman works 48 hours. If he is paid his regular hourly rate for the first 40 hours, Gorman’s gross pay is $\$810 \div 37\frac{1}{2} = \$21.60/\text{hour}$ ; $[\$810 + (2.5 \times \$21.60) + (8 \times \$32.40)]$ .....	\$ <u>1,123.20</u>	3. <u>    </u>
4. Susan Tate receives an hourly wage of \$11.25 for a 40-hour week of 5 days, 8 hours daily. For Saturday work, she is paid 1½ times the regular rate. For Sunday work, she is paid 2 times the regular rate. One week, she worked 50 hours—4 hours of which were on Saturday and 6 hours on Sunday. Her total earnings for the week are $[(40 \times \$11.25) + (4 \times \$16.88) + (6 \times \$22.50)]$ .....	\$ <u>652.52</u>	4. <u>    </u>
5. Ronald Dowd receives an annual base salary of \$87,500 as a salesman in the Southern region, which has an annual sales quota of \$450,000. For all sales over this quota, Dowd receives a commission of 4½ percent. For the current year, sales in the Southern region total \$698,000. The amount of salary and commissions due to Dowd is $[\$87,500 + (\$248,000 \times 0.045)]$ .....	\$ <u>98,660</u>	5. <u>    </u>
6. Charles Geiger is a salaried employee who works fluctuating workweeks. He is paid \$1,520 per workweek. This week, he worked 50 hours. Determine Geiger’s total gross pay if his employer uses the special half-rate (based on total hours worked) for overtime pay. $(\$1,520 \div 50 = \$30.40 \times 0.5 = \$15.20 \times 10 = \$152.00 + \$1,520)$ .....	\$ <u>1,672.00</u>	6. <u>    </u>
7. Ron Morris earns \$11.80 per hour and worked 44 hours this week. In addition, he earned a production bonus of \$35.20 for the week. His gross pay for the week is $(44 \times \$11.80 = \$519.20 + \$35.20 = \$554.40 \div 44 = \$12.60 \times 0.5 = \$6.30 \times 4 = \$25.20 + \$554.40)$ .....	\$ <u>579.60</u>	7. <u>    </u>
8. Bob Knox is paid on a piece-rate basis. He is paid 30 cents for each unit he produces. For overtime work, he receives in addition to his piece-rate earnings a sum equal to one-half the regular hourly pay multiplied by the hours worked in excess of 40 in a week. During a particular week, Knox worked 45 hours and produced 1,890 units. His total earnings for the week are $(1,890 \times \$0.30 = \$567.00 \div 45 = \$12.60 \times 0.5 = \$6.30 \times 5 = \$31.50 + \$567.00)$ .....	\$ <u>598.50</u>	8. <u>    </u>
9. Carson Morris worked two separate jobs for Horwath Company during the week. Job A consisted of 36 hours at \$16.00 per hour; Job B entailed 14 hours at \$17.50 per hour. Determine his gross pay for that week if the employer uses the average rate basis for the overtime pay. $[(36 \times \$16.00) + (14 \times \$17.50) = \$821 \div 50 = \$16.42 \times 0.5 = \$8.21 \times 10 = \$82.10 + \$821.00]$ .....	\$ <u>903.10</u>	9. <u>    </u>
10. Cecil Green is a waiter who regularly receives \$90 each week in tips and works 40 hours each week. Green’s employer claims the maximum weekly tip credit that is allowed in this case. The gross weekly pay, <u>excluding tips</u> , that the restaurant should pay Green without violating the FLSA is $(40 \times \$7.25 = \$290.00 - \$90.00)$ .....	\$ <u>200.00</u>	10. <u>    </u>