

YEARLY EARNINGS

Activity Overview

When you receive a paycheck, it is important to examine the "pay stub/'an attachment that shows the total pay earned and any deductions such as taxes, social security. Medicare, and IRA's (Individual Retirement Accounts). The amount you earn before taxes and deductions are made to your paycheck is known as your "gross pay" The amount you actually are paid, or "take home," 'is known as your "net pay."

The following activity illustrates how spreadsheets can be used to calculate a person's weekly and annual gross and net pay. **Note:** In this activity, the employee is paid an hourly rate plus overtime. Overtime is calculated at time and one-half. Or, the hourly rate multiplied by 1.5. To view the headings near the top of a large spreadsheet while scrolling down, it is helpful to freeze the headings. This is known as "Freeze Panes." You will be applying this feature in this activity.

In this activity, you will practice how to:

1. *Freeze panes in a spreadsheet.*

Instructions

1. Create a NEW spreadsheet.

Note: Unless otherwise stated, the font should be set to Arial, the font size to 10 point.

2. Type the data as shown. Type your name in cell A1.
3. Bold rows 1 - 5 and row 33.
4. Underline row 5.
5. Format the width of column A to 12.0 and left align.
6. Format cells A7 - A32 as dates showing mm/dd/yyyy.
7. Format the width of columns B and D to 10.0 and center align.
8. Format the width of column C to 10.0 and center align.
9. Format cells C7 - C32 as numbers displaying 2 decimal places.
10. Format the width of column E to 10.0 and center align.
11. Format the width of columns F - L to 10.0 and right align.
12. Format cells E7 - L33 as numbers displaying 2 decimal places.
13. To make the column headings visible while scrolling down, apply Freeze Panes to the spreadsheet. To do this, place your mouse pointer on cell A6 and choose Window, Freeze Panes.

14. Compute the formulas for the first pay date as follows:
 - a. OVERTIME RATE=HOURLY RATE * 1.5 -> In cell E7, type =C7*1.5
 - b. GROSS PAY=(HOURS WORKED * HOURLY RATE) + (OVERTIME HOURS * OVERTIME RATE)
-> In cell F7, type =(B7*C7)+(D7*E7)
 - c. FEDERAL TAX=GROSS PAY * 15 % -> In cell G7, type =F7*15%
 - d. SOCIAL SECTAX=GROSS PAY * 6.2 % -> In cell H7, type =F7*6.2%
 - e. MEDICARE TAX=GROSS PAY * 1.45 % -> In cell I7, type =F7*1.45%
 - f. STATE TAX=GROSS PAY * 4 % -> In cell J7, type =F7*4%
 - g. 401K PLAN=GROSS PAY * 10% -> In cell K7, type =F7*10%
 - h. NET PAY=GROSS PAY - Total Deductions -> In cell L7,type =F7-SUM(G7:K7)
15. Use the AutoFill feature to copy the formulas down for the remaining employees.
16. Enter formulas to compute the Totals for columns F - L.
17. Bold row 33.
18. Insert a header that shows:
 - a. Left Section Activity 41 -Student Name
 - b. Center Section YEARLY EARNINGS
 - c. Right Section Current Date
19. Insert a footer that shows:
 - a. Center Section PAGE number
20. Display formulas in your spreadsheet by using <CTRL> + * to check for accuracy.
21. Carefully proofread your work for accuracy.
22. Save the spreadsheet as YEARLY EARNINGS.
23. Analyze the changes made to the data in the spreadsheet.
24. Set the Print Area to include all cells containing data in the spreadsheet.
25. Print Preview and adjust the Page Setup so that the spreadsheet fits on one page. Set the page orientation to landscape.
26. Print a copy of the spreadsheet if required by your instructor.

