

FOUNDATIONS & PRE-CALCULUS 10

Seminar Notes Learning Guides 1 & 2

**FINANCIAL
LITERACY**

Topic 1

Difference between Gross and Net Pay

What is Gross Pay?

Example: Jacob works 40 hours and makes \$15.00 per hour. What is his gross pay?

What is Net Pay?

What are some examples of taxes and deductions?

Example: Jacob's gross pay for a pay period is \$600.00. After 25% income tax and 1.63% employment insurance (EI) deductions, what is his net pay?

Topic 2

Reading a Pay Stub



Show PowerPoint Presentation



CUCKOO CONES ICE-CREAM PARLOUR

STATEMENT OF EARNINGS

Peter Whitaker
1234 – 15th Street SW
Anytown, AB T4G 2C4

Pay Period: Jan. 15 20XX – Jan. 30 20XX
Pay Date: Jan. 30 20XX
Deposited to Account:000014568

Earnings			
Pay Rate:	# of Hours:	Gross Pay:	YTD:
\$17.00/hr.	25	\$425.00	\$850.00
Benefits Paid by the Employer on Your Behalf			
Employment Insurance (EI)		\$9.70	\$19.40
Canadian Pension Plan (CPP)		\$0.00	\$0.00
Taxes and Deductions Paid by Employee			
Employment Insurance (EI) – Employee		\$6.93	\$13.86
Canadian Pension Plan (CPP) – Employee		\$0.00	\$0.00
Taxes		\$106.25	\$212.50
Total Taxes and Deductions		\$113.18	\$226.36
Net Pay:		\$311.82	\$623.64

Instructions: Use the pay stub above to answer the questions below.

1. What is the pay period covered by this pay stub?
2. What date is the employee being paid?
3. How much money does the employee earn per hour?
4. How many hours did the employee work this pay period?
5. What is the employee’s gross pay for this pay period?
6. What is the employee’s gross pay for the year to date?
7. What benefit was paid for by the employer on the employee’s behalf? How much money did the employer contribute this pay period?
8. How much employment insurance (EI) premiums were deducted from the employee’s pay this pay period?
9. How much taxes were deducted from the employee’s gross pay this pay period?
10. How much taxes were deducted from the year to date?
11. What is the employee’s net pay for the pay period?
12. What is the employee’s net pay from the year to date?



Do Worksheet #1 & #2

Topic 3

What You Need to Buy a Car

Car Shopping Checklist

Hunting for cars can get complicated. Print this helpful worksheet and take it with you to the dealership. From asking about the car's accident history to negotiating financing options, this checklist makes it easy to stay on track while shopping for a car.

1. Set a target price – Start by looking at your budget. Decide on a target price for your new car. This is the price you ideally want to spend on the car, not the maximum amount you can possibly afford. Along with the total amount you would like to spend, calculate how much you want to pay each month for a loan and how long you want your loan term to last. Knowing these figures can help you avoid a dealer's attempt to sell you a more expensive car.

Target price: \$ _____
Monthly loan payment: \$ _____
Loan period: _____ months

2. Research car options – Take a few minutes to look online for cars that fit your price range. Sites like Consumer Reports and Kelly Blue Book provide a lot of free information about car features, rankings, and prices. You can also apply for online price quotes from dealers in your area through Credit.com. Look at the gas mileage and compare options for new and used cars. When you find a car that meets your needs, write the information down here along with the most important pros and cons:

Name	Manufacturer	Listed Price	Pros	Cons

3. Start shopping – Visit your local dealers to test drive the cars that interest you. Don't buy the car on your first visit; wait until you test-drive all of the potential contenders. Being determined not to buy on your first trip to the dealer will help you avoid high pressure sales tactics and will give you extra time to find the best deal. Investigate what deals the salesperson is willing to offer and take his or her business card with you for future reference. Ask for a CARFAX report to review the accident history of any used car. If the dealer declines, write down the VIN number so you can look it up online. If you find other cars that you may be interested in while you are shopping, add them to the list so that you can research them online at home. Make notes about the prices and features being offered for each car in the following chart:

Dealership	Salesperson	Dealer Price	Pros	Cons

4. Explore your financing options – While you think about which of the cars from Step 4 you should buy, start looking at financing options. First check your credit score to see where you stand. You'll usually get the best car loan deal from a credit union or online lender instead of a dealer. Without actually applying, you can calculate your best option by using the lender's online calculators. You can also call to ask about rates. Once you have found the best deal, apply for the loan. Most lenders will send a check for you to sign and give to the dealer when you buy your car. If you decide not to use the loan, you can destroy the check and notify the lender. Write down your loan terms here so you can compare them to a loan offered by the dealer:

Loan amount: \$ _____
Down payment: \$ _____
Interest rate: _____ %
Fees: \$ _____
Loan term: _____ months
Monthly payment: \$ _____

5. Negotiate and buy – Now that you have decided which car to buy and you have your loan, go back to the dealership and negotiate a good deal. Remember, you hold a lot of bargaining power at this point. You know exactly what car you want to buy and you have the loan ready to go. A salesperson would be crazy to let you walk away. Negotiate with the salesperson until you find a deal that works for you. Sign the papers, and congratulations! You just bought yourself a car!

Research

<https://www.autopayplus.com/6-best-car-review-sites-where-to-find-best-car-reviews/>



Hand out Car Project Outline

- Go over details
- Show example

To get your mark for LG 1&2:

- Hand in the 2 Worksheets, stapled with a Green Slip
- Email to your teacher your "Car Project"