

1. Perform the indicated operations. Reduce answers to lowest terms. (6 pts.)

(a.)  $18\frac{1}{3} - 4\frac{2}{5}$

(b.)  $\frac{6}{7} \div \frac{9}{14}$

2. Dale gets reimbursed \$0.235 per mile for business trips. He drove 215 miles on his last trip. How much did he get paid for mileage? (5 pts.)

3. Solve the following equations for x. (8 pts.)

(a.)  $x - 368 = 492$

(b.)  $8x + 20 = 92$

4. Fox Bank sent Kathy J. Miller a bank statement showing a balance of \$1624.38 . Kathy's checkbook showed a balance of \$1771.75 . The bank deducted a service charge of \$1.00 from Kathy's account. The bank also paid Kathy \$4.63 in interest. Kathy noticed that a \$200 deposit had not been credited to her account yet. She also noticed that two checks one for \$17.00 and one for \$32.00 had not cleared. Calculate the reconciled balance. (10 pts.)

5. Convert 45% to a fraction and reduce completely. (3 pts.)

6. Convert  $\frac{15}{16}$  to a percent. Do not round off. (3 pts.)

7. Bobbie put \$25,000 down on a house. She still owes 65% of the purchase price. What is the purchase price of the house? (6 pts.)

8. If the selling price of a CD player is \$325 and the percent markup based on cost is 40%, what is the cost and the markup amount? (6 pts.)

cost \_\_\_\_\_

markup amount \_\_\_\_\_

9. If the selling price of a blender is \$50 and the markup is \$20, what is the cost of the blender and the percent markup based on selling price? (6 pts.)

cost \_\_\_\_\_

% markup based on selling price \_\_\_\_\_

10. Calculate the final selling price of a computer which originally sells for \$3250 if it is first marked down 40% and later marked down an additional 15% and then marked up 25%. (6 pts.)

11. Calculate Karen's gross pay if she earns \$13.50 per hour and she gets time and a half for all hours over 40 per week. Karen worked the following hours: (6 pts.)

M  $8\frac{1}{4}$       T  $7\frac{3}{4}$       W  $6\frac{1}{2}$       Th  $10\frac{1}{4}$       F 9

12. Given the following payroll summary calculate the amount of state (assume 5.3%) and federal (assume 0.7%) unemployment tax the employer must pay for the first two quarters of this year. Assume the employer only has to pay these taxes on the first \$7000 an employee earns per year. (12 pts.)

	<u>Payroll Summary</u>		<u>amount the employer pays taxes on</u>	
	quarter 1	quarter 2	quarter 1	quarter 2
Miller	\$1900	\$2300	_____	_____
Higgins	\$4000	\$4000	_____	_____
Holley	\$7500	\$7500	_____	_____
	Totals:		_____	_____

answers:

	quarter 1	quarter 2
SUTA (state)		
FUTA (federal)		

13. Suppose Jerry takes out a short-term simple interest loan from his school to pay his tuition. He borrows \$500 at an annual simple interest rate of 8%. How much does he owe if he pays it back in 3 months? (6 pts.)

14. Becky puts \$10,000 into an account that pays 8% interest compounded quarterly. How much will she have in her account in five years if she doesn't make any deposits or withdrawals? (8 pts.)

rate used \_\_\_\_\_

# of periods \_\_\_\_\_

factor used \_\_\_\_\_

amount in her account in five years \_\_\_\_\_

15. Suppose a Hallmark outlet signed a 60 day note to a Christmas ornament wholesaler. The note has a maturity value of \$1500. The outlet owner signed the note on November 1. On November 15, the wholesaler discounted the note at Holiday Bank. (9 pts.)

(a.) How many days are in the discount period?

(b.) What is the bank's discount?

(c.) What are the wholesaler's proceeds?