

Chapter 1

base period	A fixed period of time that most states use in an unemployment insurance formula to determine weekly benefits.
benefits	Additional compensation from an employer; benefits can include health and dental insurance, child care, retirement, and travel expenses.
biweekly	Every two weeks.
childcare leave	An employee benefit that allows employees paid time off to care for sick children or newborns.
commission	A method of payment where an employee receives a percentage of the amount of sales produced by that employee.
direct deposit	Payroll or other types of checks that are directly and electronically deposited into a bank account.
discount	The amount that a charge, cost, or fee is lowered.
double-time pay	An overtime rate that is two times the hourly rate.
employee benefits	Value-added options that an employer may choose to offer employees; typically, benefits are in the forms of insurance (health, life, and disability), paid vacation time, paid holiday time, retirement plans, stock ownership plans, and childcare leave.
employment agency	A business that has lists of job openings and charges a fee to find jobs for people.
family health care	A type of health insurance that covers all members of the immediate family for health care bills to the extent outlines in the health care coverage plan.
Federal Insurance Contributions Act (FICA)	The federal act that established Social Security insurance.
fee paid	When the employer, instead of the employee, pays the fee to an employment agency.
FICA tax	Social Security and Medicare taxes both fall in this category; the money that an employee and employer contribute to Social Security and Medicare is used to pay current benefits to others.
Form W-4	A form that is filled out by a new employee that gives directions

Employee's Withholding Allowance Certificate	to the government on how much money in taxes to deduct from that employee's pay.
gross pay	The total pay, which is the sum of an employee's hourly pay and overtime pay.
hourly rate	A set amount that an employee is paid for each hour of work.
individual health care insurance	A type of health insurance that covers only the individual to the extent outlined in the health care coverage plan. A value-added benefit that employers may offer to employees, such as policies that cover medical, dental, life, and disability. Also see specific of type of insurances, i.e. automobile, car rental, collision, comprehensive, decreasing term, disability, emergency road service, group term life, homeowner's, increasing term, level term, no-fault, Old-age, Survivors, and Disability, term-life, unemployment, universal life, variable life, whole life
maximum taxable income	The maximum income on which a person must pay Social Security tax in a given year.
Medicare tax	The amount of Medicare tax an employee pays is a set percentage of their entire income with no maximum amounts; the amount paid is split between the employee and the employer.
minimum wage	The hourly rate that federal law allows as the lowest hourly rate to be paid to an employee in the United States.
monthly	Twelve times a year.
overtime hourly rate	The hourly wage an employee receives for any overtime hours.
overtime hours	The extra hours an employee works beyond their regular hours.
paid holiday time	Paid time off for holidays that an employer may offer to employees as an employee benefit.
paid vacation time	Paid time off that an employer may offer to employees as an employee benefit.
pension	A type of retirement plan where an employee receives compensation from an employer after retirement.

piecework rate	The set amount of money that a worker receives for each item individual produces.
pieceworker	A type of worker who is paid for each item the employee produces.
regular hours	The set number of hours that an employee is expected to work.
resume	A short accounting of a job-seeker's education and qualifications for employment.
retirement plans	A means that employers may offer a way to save for retirement; these types of plan may include pensions or 410(K)s.
royalty	Money that employees or others receive based on sales, for example an author or musician.
semimonthly	Two times a month.
Social Security	An insurance program is available through the United States government that provides income to people who retire, become disabled, or who receive survivors benefits.
Social Security number	A unique, nine-digit number that identifies a resident of the United States; this number is used to keep track of social security taxes that are paid.
Social Security tax	The amount of Social Security a worker pays depends on the Social Security percentage and the maximum taxable income for that year; the amount is split between the employee and the employer.
stock ownership plans	A plan that allows employees to buy or receive company stock; offered as an employee benefit.
time-and-a-half overtime	The hourly rate an employee usually gets paid for overtime hours.
unemployment insurance	A government program that offers benefits to eligible employees who, through no fault of their own, have become unemployed.
weekly	Once per week.
worker's compensation	Assistance to employees who are injured while working at their job. A program that is governed by state laws.