Name: ___________________ Date: ______________
Period: ______________ Notes

**AIM: Students will teach each other about commission**

Do Now: What is commission? Write an explanation and think of jobs in which people would get paid by commission? Why are most commission paid as a percentage?

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**Directions for today's task:**

**Learning Group** - This is the first group you are in. You need to learn how to do the problem you are doing well enough to TEACH it to other students.

**Teaching Group** - It is now your responsibility to teach what you learned in the previous group to your new group members at the conclusion of this group you need to be finished with the entire packet.
Finding the Commission of Sales

One way that people earn money is by commission. A **commission** is a percentage of sales or profit of items or services being sold, or a fixed amount per sale. For example, a person selling books may earn 10% of every book sold. If $1000 of books are sold, then $100 in commissions are earned. Types of jobs that often include a commission include car sales, real estate, etc. Commissions are used as a way for companies to motivate employees.

**Example:** Ms. Harris sold a house for $200,000. If she makes a 3% commission on every house she sells, how much money did she make for this sale?

**Step One:** Write 3% as a decimal.  
**Step Two:** Multiply the price by the decimal.  

$$200,000 \times 0.03 = 6,000$$

So, Ms. Harris made $6,000 on the house.

*Often sales people are paid a commission plus a regular salary.  
The total pay is a percent of the sales they make plus a salary.*

1) A real estate agent receives a 3% commission for selling a house. Find the commission that the agent earned for selling a house for $131,000.

2) The owner of the Carousel Art Gallery receives a commission of 20% on paintings that are sold on consignment (they sell it for someone else). Find the commission on a painting that sold for $22.50.

3) A stockbroker receives a commission of 1.5% of the price of stock that is bought or sold. Find the commission on 100 shares of stock that were bought for $5,600.

4) Nicole receives a salary of $250 per week plus a commission of 15% on all sales over $1500. Find her earnings during a week in which sales totaled $3,000.
Finding the Percent of Commission

One way that people earn money is by commission. A **commission** is a percentage of sales or profit of items or services being sold, or a fixed amount per sale. For example, a person selling books may earn $100 of every $1000 worth of books sold. That person is earning 10% commission. Types of jobs that often include a commission include car sales, real estate, etc. Commissions are used as a way for companies to motivate employees.

**Example:** Ms. Harris sold a house for $200,000. She made $6,000 in commission. What percent commission does she make when she sells a house?

1) Write as part over whole: 6000/200,000
2) Turn decimal into a percentage: 0.03 = 3%

So, Ms. Harris made 3% commission on the house.

*Often sales people are paid a commission plus a regular salary.
The total pay is a percent of the sales they make plus a salary.*

1) Robert receives a commission of $296 on sales of $3,700. What is his commission rate?

2) Josephine receives a commission of $8.05 on a sale of $230. What is his commission rate?

3) The sales representative at The Geek Padd made a sale of $191 and a commission of $13.37. What is the commission rate?

4) What is the commission rate on a sale of $8,100 where the salesperson receives a commission rate of $445.50?
Finding the Sales based on the Commission

One way that people earn money is by commission. A commission is a percentage of sales or profit of items or services being sold, or a fixed amount per sale. For example, a person selling books may earn $100 when given 10% commission. That person made $1000 worth of sales. Types of jobs that often include a commission include car sales, real estate, etc. Commissions are used as a way for companies to motivate employees.

Example: Ms. Harris made $6,000 in commission on the sale of a house. She earns a commission rate of 3%. How much did she sell the house for?

Step One: Write the equation .03x = 6000
Step Two: Solve the equation x = 200,000

So, Ms. Harris sold a house worth $200,000

*Often sales people are paid a commission plus a regular salary. The total pay is a percent of the sales they make plus a salary.

1) Steven makes a 5% commission selling cars. He earned $1,500 on his last sale. How much did he sell his last car for?

2) Betsy made $25 on her last rug sale. If she gets a 25% commission on her sales, what was the price of the rug she sold?

3) If Glen is making 15% commission and made $600 on his last sale. What was the sales price of the last item he sold?

4) Charlie made 3% on sales under $300 and 5% on sales over $300. If he made $25 on his last commission, what percent commission did he make?
Exit Card

1) Jason sold a car for $25,000 and makes 3% commission on it. How much commission did he make?

2) Maggie made $300 on a $5,000 sale. What percent commission did she make?