IFS 104 Homework #3

Use the concepts and examples of **Chapter 3** as your guide.
Save all your files in the `homework03` folder on your k: drive.

1. Complete "In the Lab 1 Shawshank Manufacturing" on page 212. Hey, this isn't as bad as it looks. The basic idea is: peek at the spreadsheet on page 213 and make it. If you can do that without following the step-by-step instructions, then that's great. If you need the step-by-step help, then use it.

2. Complete "Cases & Places 3 JB Smyth Publishers" on page 223. Save the three data sets to three different workbook files.

3. You probably know this already, but I run a fairly lucrative Excel spreadsheet business on the side, Excellent Excel Guys. Well, my team of high-powered executives and I are planning out the coming year. We've made some assumptions about the coming year, and we'd like you to help analyze the data.

   The projected 2007 revenue in my two main businesses (software sales and consulting) is shown below:

	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Software sales	$720,695	$892,100	$752,000	$706,900
Consulting	$602,390	$621,030	$807,916	$620,500

   We assume a fixed percentage of the total revenue will be spent on marketing, payroll, computers, supplies, and administrative expenses. Also, there is a bonus of $25,000 paid to the sales staff in any quarter where the total revenue exceeds $1,500,000. Our estimated expense percentages are:
   - Marketing = 12.50%
   - Payroll = 32.45%
   - Computers = 19.65%
   - Supplies = 7.50%
   - Administrative = 11.90%
   - Bonus = $30,000
   - Revenue for bonus = $1,500,000

   Create a worksheet to calculate net income and analyze this situation. Hint: the main chapter 3 example on page 147 is a good starting place.

   When you're done, save your workbook. "What-if" marketing expenses were reduced by 1.50% and payroll was slashed by 5%. Try these and save your results to a different file.

4. My guy Don Kessinger runs a little internet t-shirt company called "Number 11" out of his garage. He's doing this to save money for one of those new Saturn Sky roadsters. Cool. So, he's planning out the next 6 months for his little venture.

   Don expects the next six months of sales to look like this: January $14,200; February $17,560; March $28,560; April $30,012; May $41,098; and June $30,750.

   Expenses, you ask? Well, each month Number 11 expects to spend 13.5% of revenue on material, 24.0% on rent, 7.5% on computers, 17.0% on power, and 8.0% on miscellaneous items.

   Enter this data into a worksheet and calculate Don's net income for each month. If Don makes more than $5,000 in a month, then he adds 30% of the profits to his Saturn savings account. If profits dip below $5,000, then he doesn't pull any money out for his new Saturn. Get it? So, complete the worksheet with Saturn savings for each month and totals for everything over the 6 month period.

   Save your workbook.

   If Don's **goal** is to save $20,000 over the 6 month period, what percentage will rent have to be? Save this to separate workbook.

5. **Web special** – Save any of the workbooks above as a web page (Hint: Excel does a cool job saving pie charts). We did this in homework #1, as you'll recall. When you save the web page, however, save it to a file on your w: drive. That's where your North Central College web site will reside.

   Once you've saved your web page, proceed to my directions on creating your own web page. Make a link to your worksheet and tell me a story about it… making it as fun as you can, of course. The directions are on the main homework page: william.krieger.faculty.noctrl.edu/ifs104/homework.htm