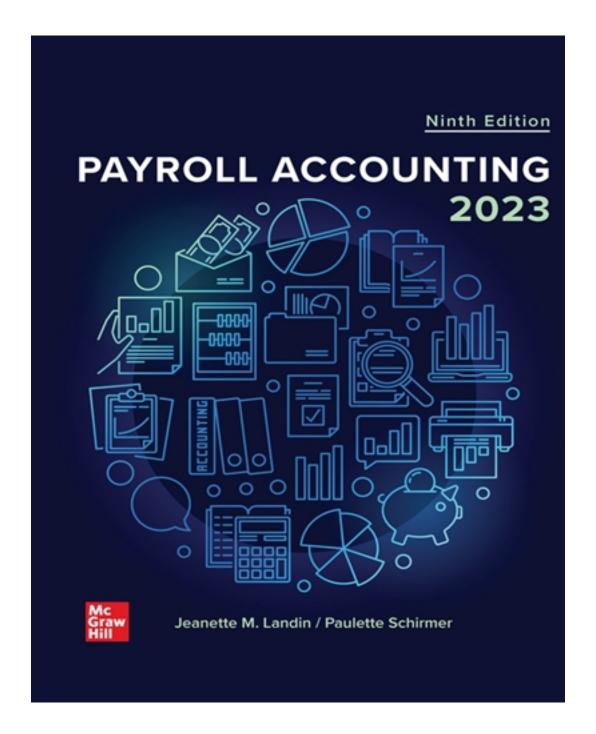
## Solutions for Payroll Accounting 2023 9th Edition by Landin

#### **CLICK HERE TO ACCESS COMPLETE Solutions**



# Solutions

#### SOLUTIONS MANUAL: CHAPTER 2 END OF CHAPTER ANSWERS

#### ANSWERS TO STOP AND CHECK EXERCISES

#### What's in the File?

- 1. A, B, D, E
- 2. B
- 3. D
- 4. A
- 5. C

#### Who Are You?

- 1. Student answers will vary. One possible way to prove both identity and employment is a current U.S. passport. Alternatively, a current state-issued driver's license and a Social Security card will work for the purposes of the I-9.
- 2. Student answers will vary. When evaluating the earnings of more than one job, the breakdown of includable amount by pay period is often overlooked.
- 3. Student answers will vary. Examples of statutory employees include: A driver who distributes beverages (other than milk) or meat, vegetable, fruit, or bakery products or who picks up and delivers laundry or dry cleaning, if the driver is a single company's agent or is paid on commission. A full-time life insurance sales agent whose principal business activity is selling life insurance or annuity contracts, or both, primarily for one life insurance company. An individual who works at home on materials or goods that a company supplies and that must be returned to that company or a designated agent in accordance with furnished specifications for the work to be done. A full-time traveling or city salesperson who works on a single company's behalf and turns in orders from wholesalers, retailers, contractors, or operators of hotels, restaurants, or other similar establishments. The goods sold must be merchandise for resale or supplies for use in the buyer's business operation. The work performed for that single company must be the salesperson's principal business activity.

#### Exempt vs. Nonexempt

- 1. Exempt workers are exempt from the overtime provisions of FLSA. Exempt workers tend to be employees in a company's managerial or other leadership functions, in which they may need to work more than 40 hours per week to complete their tasks. Exempt workers usually receive a fixed salary per period that is not based on the number of hours worked.
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Nonexempt workers tend to be compensated on an hourly basis and often do not have managerial or leadership responsibilities. It should be noted that some nonexempt workers do have managerial or leadership responsibilities and may receive a fixed salary; however, these employees are covered by the overtime provisions of FLSA.

- 2. C (40 hours)
- 3. The leased employee is a common-law employee of the firm, whereas the temporary employee is an employee of the temporary agency.

#### **Worker Facts**

- 1. Hourly workers and nonexempt employees are protected by the FLSA.
- 2. Exempt workers receive a fixed amount of money and generally direct the actions of other employees; nonexempt workers are eligible for overtime and generally have their work directed by a manager.
- 3. Commission workers are typically tied to sales completed by the individual; piece-rate pay is determined by the number of pieces the employee completes during a shift or period.
- 4. Student answers may vary but should include: Minimum hourly rate is set by the U.S. Federal government. Minimum wage rates can and do vary per state, and different parts of the same state may have different minimum wages. The minimum wage may differ from a "living wage," which is an amount needed to meet basic subsistence needs. A calculating tool was provided in the chapter for discussion on various location living wages.

#### Who Does Which Job?

Student answers will vary. The answer should reflect a clear separation of duties, cross-training, rotation of tasks, and security protocols.

#### **Internal Controls and Audits**

- 1. B
- 2. B, C
- 3. A, C, D
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#### **Destroy and Terminate**

- 1. Paper payroll records should be shredded or burned. Computer records should be purged from the server and all other storage devices.
- 2. Charlie should receive his final pay on October 11, and not later than October 12. His employer is not required to provide him with a severance package, although he may be eligible for his accrued vacation pay.

#### ANSWERS TO END-OF-CHAPTER MATERIALS

#### **REVIEW QUESTIONS**

- 1. What are necessary elements of internal controls for a payroll department?
  - a. Payroll system design, authorized signers, documentation, and review of the process
- 2. Why should more than one person prepare and verify payroll processing?
  - a. Internal controls and verification to avoid fraud or theft

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- 3. What documents should be included in all new-hire packets?
  - a. I-9 and W-4
- 4. Why are new hires required to be reported to the state's employment department?
  - a. The enforcement of child support and legal withholdings, ensuring immigrants are still eligible to work, verification of professional licensing/qualifications, administration of COBRA benefits
- 5. When must a terminated employee be paid his or her final paycheck for the state in which you live?
  - a. Student answers will vary. This is a state specific regulation time ranging from the point of discharge to no time requirements.
- 6. What are the five main payroll frequencies?
  - a. Daily, weekly, biweekly, semimonthly, monthly
- 7. How would you distinguish between exempt and nonexempt workers?
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- a. Use of the exemption status determinators provided by the Department of Labor: Executive, Administrative, or Professional.
- 8. What are two of the best practices in establishing a payroll system?
  - a. Student answers will vary but should include: keep any requests for leave with the related paystubs, file retention schedule, have more than one person responsible for the duties/verification, and separation of duties
- 9. What are the important considerations in setting up a payroll system?
  - a. Pay frequency, pay types, method of payment, benefits, manual/computerized/outsourced payroll processing, file security system
- 10. What are the different tasks involved in payroll accounting?
  - a. Entering the employees, entering the hours, calculation of gross wages, preparation of paychecks, payment of taxes, reporting requirements
- 11. What agencies or organizations can audit a company's payroll records?
  - a. The Internal Revenue Service (IRS)
  - b. Federal and State Departments of Labor COM
  - c. Department of Homeland Security
  - d. Other state and local agencies
  - e. Labor unions
- 12. How can a company protect itself from cybersecurity breaches?
  - a. Complex password requirements
  - b. Anti-virus or Anti-spyware software
  - c. Secured connections on servers
  - d. IP or VPN lockdown programs
- 13. How long should employee records be retained?
  - a. For a three-year period, with some records being required for up to six years
- 14. Why are independent contractors not paid through a company's payroll system?
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- a. Individuals classified as independent contractors are treated as vendors and paid outside of payroll.
- 15. What is the difference between termination and resignation?
  - a. An employee is terminated by the employer; when the employee initiates the separation, it is a resignation. Employees who resign will receive their final paycheck in the normal payroll cycle, whereas terminated employees may be required to receive theirs sooner.
- 16. Explain some of the differences in termination and resignation pay regulations.
  - a. Student answers may vary. Rules vary by state and can include shorter periods for paying employees that have been terminated than that of resignation.
- 17. What is the difference between weekly, biweekly, semimonthly, and monthly pay periods?
  - a. A weekly pay period is for one-week, biweekly pay period is two weeks long, semi-monthly pay period is twice a month, and monthly pay period is once a month.
- 18. What differentiates exempt and nonexempt employees?
  - a. Nonexempt employees are covered under the Fair Labor Standards Act (FLSA) and are typically in non-supervisory positions. Exempt employees are typically in managerial positions, are exempt from overtime pay requirements, and the FLSA.
- 19. What challenges does a company face when using cloud-based payroll and personnel records?
  - a. With information on cloud-based systems, the company does not have physical control of the assets. This can result in cyber-attacks, systematic downtime as the companies that maintain the databases perform maintenance windows, data may not be able to be accessed when needed for audit purposes or research.

#### **EXERCISES SET A**

E2-1A. Kira Tran, a nonexempt employee at Refurbished Woods, works a standard 7:00 a.m.— 4:00 p.m. schedule with an hour for lunch each day. Kira received overtime pay for hours in excess of 40 per week. During the week, she worked the following schedule:

How many hours of overtime did Kira work this week?

- 2. 0.50
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Day	Hours
Monday	9.25 hours
Tuesday	7.5 hours
Wednesday	8.75 hours
Thursday	6.75 hours
Friday	8.25 hours

Total 40.50 40.50-40.00=0.50

- E2-2A. Lillian Weatherby receives her pay every other week while working for the federal government. Which of the following choices describes her pay frequency?
  - 1. Biweekly
- E2-3A. Lila Rivera is a new employee for De Terra Glass. Which federal forms must be completed as part of the hiring process? (Select all that apply.)
  - 1. W-4
  - 4. I-9
- E2-4A. Wilbur Matthews, a resident of Texas, resigned from his employment with Grand Lake Cattle Farms on October 7, 2022. The next pay date for the company is October 14. By what date should he receive his final pay?
  - 2. October 14
- E2-5A. Charlene Kelley is a new nonexempt sales associate for Oyondo Retail Stores. She completes her time card for the pay period. To ensure proper internal control, what is the next step in the payroll review process?
  - 3. Submit the time card to her manager for review.
- E2-6A. Alfonso Silva needs additional filing space at the end of the year in the company's offsite, secured storage. He sees several boxes marked for the current year's destruction. What methods can Alfonso use to dispose of the payroll records? (Select all that apply.)
  - 1. Contact an off-site record destruction service.
  - 3. Shred the records, then dispose of the shredded paper.
  - 4. Incinerate the payroll records marked for destruction.
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E2-7A. Jacqueline Blue is a payroll clerk at Quaking Aspens Antiques. As she reviews employee files, what should be present in the employee information? (Select all that apply.)

- 2. Pay rate
- 3. Occupation

E2-8A. Ginger Klein is the payroll clerk for Neolane Transportation. A colleague who is classified as an independent contractor requests to be classified as an employee. What factors should Ginger consider? (Select all that apply.)

- 1. Relationship of the Parties
- 2. Behavioral Control
- 4. Financial Control

E2-9A. What are the forms of identification that establish *employment authorization* for the I-9? (Select all that apply.)

- 1. Native American Tribal document.
- 2. Social security card

E2-10A. What are the forms of identification that establish *identity* for the I-9? (Select all that apply.)

- 1. State-issued driver's license
- 2. U.S. Passport.
- 3. School record.

E2-11A. Jamie Patil is a candidate for the position of sales manager with Retrozz Furniture. She is going to be required to supervise several employees and can determine the direction in which she will complete the assignments given to her. What guidelines should she follow when classifying workers as exempt or nonexempt? (Select all that apply.)

- 2 FLSA
- 3. Department of Labor
- 4. IRS

E2-12A. Susana Robledo is the office manager for Wardley and Sons Auto Detailing. Because it is a small office, she is required to keep track of all employee records and pay both employees and contractors. Which of the following are legal factors that will differentiate between exempt and nonexempt employees? (Select all that apply.)

- 2. Type of work performed
- 4. Amount of supervisor-given direction

#### PROBLEMS SET A

P2-1A. Reuben Walker is a vice president of Sales at Fields Brothers Autos and earns a salary of \$59,000. What is Reuben's period pay for each of the following pay frequencies:

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a.	Biweekly	\$59,000/26 = \$2,269.23
b.	Semimonthly	\$59,000/24 = \$2,458.33
c.	Weekly	\$59,000/52 = \$1,134.62
d.	Monthly	\$59,000/12 = \$4,916.67

- P2-2A. Kabe Oni is a part-time worker for Senior Solvers who uses company equipment in the performance of the job duties. Kabe asks the payroll supervisor, Ikino Karn, to grant independent contractor status. What should Ikino tell Kabi?
  - a. Since Kabe uses the company's equipment in the performance of his duties, there he would not qualify for an independent contractor since he does not have financial control of the equipment.
- P2-3A. You are the new payroll supervisor for your company. Which payroll documentation control procedures are now your responsibility?
  - a. Payroll system security, Maintenance of paid time off (i.e., vacation, sick, etc.), Access to payroll data, Separation of duties, Training of payroll staff
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- P2-4A. Leona Figueroa is a new employee in the payroll department of Octolium Computers. After working at the company for one week, she asks you why it is so important to submit new hire documentation. What guidance will you offer her?
  - a. Reporting creates a registry to monitor child support obligations, tracks immigration to ensure individuals are legal to work in the United States, ensures that individuals in professions that can have sanctions are legally able to continue to work, finally to enable the tracking of COBRA benefits.
- P2-5A. You are the payroll accounting clerk for your company, Conose Advertising, which has 50 employees. The controller has recently switched the firm from an in-house payroll system to an outsourced payroll provider. What are your responsibilities within the company for payroll records and employee file issues?
  - a. Even with outsourced payroll the company is responsible for maintaining records, responsible retention periods, ensuring timely filing of tax and withholding amount, and document destruction.

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- P2-6A. Aaron Tallchief is a citizen of the Northern Pomo Indian Nation. In completing his I-9, he provides an official Northern Pomo Indian Nation birth certificate to establish identification and employment eligibility. Is this sufficient documentation? Why or why not?
  - a. Yes, these are acceptable since this would fulfill the requirements of items from type B and type C of the acceptable documents.
- P2-7A. Maria Rupert is the payroll supervisor at All Family Investments. Management is requesting to have the investment salespeople, who are paid on an hourly basis, be classified as exempt employees because their job duties occasionally require evening and weekend work. What tests should the investment salespeople meet to achieve exempt status?
  - a. The U.S. Department of Labor requires that employees meet all tests to achieve exempt status under one of the following: executive exemption, administrative exemption, and professional exemption. Since the investment salespeople do not meet the qualifications for exemption, they would need to stay non-exempt.
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P2-8A. Twinte Cars, a California corporation, has internal corporate requirements that stipulate a three-year payroll document retention period. They enter into a contract with an international company that mandates a six-year payroll document retention requirement. How should Twinte Cars balance these requirements?

a. The longer retention period would be appropriate to satisfy the record retention requirements under the contract.

P2-9A. Ted McCormick is a full-time life insurance agent with Centixo Insurance, a small insurance company. The company has classified him as an employee, and he feels that he should be classified as an independent contractor because he receives no company benefits and sets his own office hours. Should he be reclassified as an independent contractor? Why or why not?

a. Of the three tests, Ted does not meet the relationship of the parties and should be treated as an employee.

P2-10A. Evelyn Hardy is an employee of Polyent Plastics, a company with headquarters in Rock Island, Illinois. She lives and works in Doha, Qatar, and earns an annual salary of \$97,300. The company has been withholding U.S. federal income taxes from her pay, but Evelyn believes that she should be exempt because she is an expatriate. What course of action should Evelyn take?

a. Evelyn would need to file IRS Foreign Earned Income Exclusion

P2-11A. Complete the W-4 for employment at Plexivent Plastics starting 9/6/2022. The employer's address is 1 Plastics Way, Lincoln Valley, ND 58430, and EIN is 56-4658631.

Henry Walker Pierce 2024 Denhoff Highway, Apartment 12 Lincoln Valley, ND 58430 SSN: 687-55-4658

Marital status: Married filing jointly with two dependents under 17

One job and spouse does not work

Does not require any additional amount to be withheld

W-4	L	Employee's	Withholding Certifi	cate	1	OMB No. 1545-0074		
Department of the Tr	easury	► Complete Form W-4 so that your employ ► Give Form		ral income tax from you	pay.	2022		
Internal Revenue Ser		irst name and middle initial	Last name	no.	(b) So	ocial security number		
Step 1:	Henry	/ W	Pierce			687-55-4658		
Enter Personal	Addre					your name match the		
Information		Denhoff Highway, Apartment 12			card?	on your social security If not, to ensure you get		
momadon	City o	r town, state, and ZIP code				redit for your earnings, contact SA at 800-772-1213 or go to		
	_	In Valley, ND 58430			www.s			
		Single or Married filing separately						
		✓ Married filing jointly or Qualifying widow(er)	ried and new more than half the costs	of kaoning up a home for us	umolf on	vd a qualificina indicidual \		
		Head of household (Check only if you're unmar	med and pay more than hair the costs	or keeping up a nome for yo	ursen an	id a qualifying individual.)		
•	•	4 ONLY if they apply to you; otherwis m withholding, when to use the estimat			n on e	ach step, who can		
Step 2:		Complete this step if you (1) hold mor			_			
Multiple Job	S	also works. The correct amount of wi	thholding depends on income	earned from all of th	ese joi	DS.		
or Spouse		Do only one of the following.						
Works		(a) Use the estimator at www.irs.gov/	• •					
		<ul><li>(b) Use the Multiple Jobs Worksheet withholding; or</li></ul>	on page 3 and enter the resu	It in Step 4(c) below f	or roug	ghly accurate		
		(c) If there are only two jobs total, yo option is accurate for jobs with sir	•					
		TIP: To be accurate, submit a 2022 F income, including as an independent			nave se	elf-employment		
•	•	4(b) on Form W-4 for only ONE of the you complete Steps 3-4(b) on the Form		•	s. (You	ur withholding will		
Step 3:		If your total income will be \$200,000	or less (\$400,000 or less if ma	rried filing jointly):				
Claim		Multiply the number of qualifying ch	hildren under age 17 by \$2,000	\$ 4000	1			
Dependents		Multiply the number of other depe	endents by \$500	<b>▶</b> <u></u> \$				
		Add the amounts above and enter the	e total here		3	\$ 4000		
Step 4		(a) Other income (not from jobs).	If you want tax withheld f	or other income you				
(optional):		expect this year that won't have w	-	of other income here.				
Other		This may include interest, dividend	ds, and retirement income .		4(a)	5		
Adjustments	6	(b) Deductions. If you expect to claim	deductions other than the st	andard deduction and				
		want to reduce your withholding, u	use the Deductions Workshee	t on page 3 and enter	·			
		the result here			4(b)	\$		
		(c) Extra withholding. Enter any addi	itional tay you want withhold a	ach pay paried	4/->			
		(c) Extra withholding. Enter any addi	monariax you want withheid e	acii pay period	4(c)	<b>)</b>		
Step 5:	Unde	er penalties of perjury, I declare that this cert	ificate, to the best of my knowled	tge and belief, is true, co	rrect, a	and complete.		
Sign		,	,	<b>3</b> ,	,			
Here		Hanry W Diance		<b>\</b> 0	9/06/	2022		
	F	Henry W Pierce mployee's signature (This form is not v	valid unless you sign it.)	Da'	9/06/: te	2022		
Formular	Free		,,	First data of	Cencie:	or Identification		
Employers		oyer's name and address rivent Plastics			Employ number	ver identification r (EIN)		
Only	_	astics Way				4		
		coln Valley, ND 58430		09/06/2022	56-46	58631		
For Privacy Act	and F	nd Paperwork Reduction Act Notice, see page 3. Cat. No. 10220Q Form W-4 (2						

P2-12A. Complete the I-9 for employment at Plexivent Plastics starting 9/6/2022. The employer's address is 1 Plastics Way, Lincoln Valley, ND 58430, and EIN is 56-4658631. Henry is starting work on 9/6/2022. Be sure to complete Section 2 of Form I-9.

Henry Walker Pierce 2024 Denhoff Highway, Apartment 12 Lincoln Valley, ND 58430 SSN: 687-55-4658 Marital status: Married Date of Birth: 8/15/1999

U.S. Citizen

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T B E Henry's North Dakota driver's license number is MKJ-462856 and expires on his

birthday in 2024.

Office Manager James MacMillan verified the information for the company.

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#### Employment Eligibility Verification

Department of Homeland Security U.S. Citizenship and Immigration Services USCIS Form I-9 OMB No. 1615-0047 Expires 10/31/2022

► START HERE: Read instructions carefully before completing this form. The instructions must be available, either in paper or electronically, during completion of this form. Employers are liable for errors in the completion of this form.

ANTI-DISCRIMINATION NOTICE: It is illegal to discriminate against work-authorized individuals. Employers CANNOT specify which document(s) an employee may present to establish employment authorization and identity. The refusal to hire or continue to employ an individual because the documentation presented has a future expiration date may also constitute illegal discrimination.

Section 1. Employee Information and Attestation (Employees must complete and sign Section 1 of Form I-9 no later

than the first day of employment, but not before accepting a job offer.)									
Last Name (Family Name)	First Nar	First Name (Given Name) Middle Initia					Other Last Names Used (if any)		
Pierce	Henry	Henry W							
Address (Street Number and Name)		Apt. Number	City	or Town			State	ZIP Code	
2024 Denhoff Highway		12	Lin	coln Valle	<del>!</del> y		ND +	58430	
Date of Birth (mm/dd/yyyy) U.S. Social Sec	curity Num	ber Emp	loyee's	E-mail Addr	ess	E	mployee's 1	Telephone Number	
08/15/1999 6 8 7 - 5	5 - 4 6	5 8							
I am aware that federal law provides for connection with the completion of this		nment and	or fine	es for false	e statements (	or use o	f false do	cuments in	
I attest, under penalty of perjury, that I	am (che	ck one of th	e follo	wing boxe	es):				
1. A citizen of the United States									
2. A noncitizen national of the United State	s (See ins	tructions)							
3. A lawful permanent resident (Alien Re	gistration l	Number/USC	IS Numb	ber):					
4. An alien authorized to work until (expir						_			
Some aliens may write "N/A" in the expir						-	0.0	Code - Section 1	
Aliens authorized to work must provide only of An Alien Registration Number/USCIS Number		_			•			t Write in This Space	
Alien Registration Number/USCIS Number:     OR	: <u> </u>				_				
2. Form I-94 Admission Number:					_				
OR 3. Foreign Passport Number:									
Country of Issuance:					_				
					_				
Signature of Employee Henry W Pier	~ce				Today's Dat 09/	e (mm/dd 06/202			
Preparer and/or Translator Certif	fication	(check o	ne):						
I did not use a preparer or translator.	A prepar	rer(s) and/or t	ranslator	r(s) assisted	the employee in	completin	g Section 1		
(Fields below must be completed and sign						-			
I attest, under penalty of perjury, that I is knowledge the information is true and of		isted in the	comp	letion of S	ection 1 of th	is form a	and that to	the best of my	
Signature of Preparer or Translator									
Last Name (Family Name)	Last Name (Family Name) First Name (Given Name)								
Address (Street Number and Name)	City or Town State ZIP Code   ▼						ZIP Code		



#### Employment Eligibility Verification Department of Homeland Security

U.S. Citizenship and Immigration Services

USCIS Form I-9 OMB No. 1615-0047 Expires 10/31/2022

Section 2. Employer or Author (Employers or their authorized representative must physically examine one document from of Acceptable Documents.")	e must c	omplete and	l sign Sect	ion 2 witl	nin 3 busine	ess day:	s of the en				
Employee Info from Section 1 Last Nat Pierce	me (Fam	ily Name)		First N Henr	lame <i>(Giv</i> e V	en Name		M.I. C V 1	itizen	ship/Immigration Stat	us
List A Identity and Employment Authorizatio	OR n			st B ntity		ΑN	ND		Emplo	List C syment Authorization	n
Document Title		Document T Priver's Lic		sued by	state/ter	rriton	Social S		tv Ca	ard (unrestricted)	
Issuing Authority		Issuing Auth Iorth Dak					Issuing A	Authorit	y	Iministration	
Document Number	11	Document N NKJ-4628					Docume 687-55-		ber		
Expiration Date (if any) (mm/dd/yyyy)		Expiration D 08/15/20	ate (if any	(mm/dd	<i>(</i> yyyy)		Expiration	on Date	(if any	/) (mm/dd/yyyy)	
Document Title	$\neg$ $\vdash$										
Issuing Authority	$\exists$	Additiona	l Informat	ion						ode - Sections 2 & 3 It Write in This Space	
Document Number	$\neg    $										
Expiration Date (if any) (mm/dd/yyyy)											
Document Title	$\neg$										
Issuing Authority											
Document Number	$\neg$										
Expiration Date (if any) (mm/dd/yyyy)											
Certification: I attest, under penalty of (2) the above-listed document(s) appea employee is authorized to work in the U The employee's first day of employn	r to be United S	genuine ar states.	nd to relat		employee	e name		) to the	e best	t of my knowledge	
Signature of Employer or Authorized Repres James MacMillan	sentative		Today's D	ate (mm			of Employe		thorize	ed Representative	
Last Name of Employer or Authorized Represent MacMillan		irst Name of ames	Employer o	r Authoriz	ed Represer	ntative	Employe Plexive			or Organization Name	е
Employer's Business or Organization Addre 1 Plastics Way	ss (Stree	t Number a	nd Name)		r Town In Valley	,		Stat ND		ZIP Code 58430	
Section 3. Reverification and Re	hires (	To be com	pleted an	d signe	d by empl						
A. New Name (if applicable)					A C 1 II - 1 - 2		B. Date of			olicable)	
Last Name (Family Name)	First Na	me (Given I	Vame)		Middle Ini	tiai	Date (mm	vaavyyy	y) 		
C. If the employee's previous grant of emplo continuing employment authorization in the s				d, provid	e the inform	nation fo	or the docu	ument o	r recei	ipt that establishes	
Document Title			Docun	nent Nun	ber			Expirat	tion Da	ate (if any) (mm/dd/yyy	y)
I attest, under penalty of perjury, that to the employee presented document(s),		_	_	-	-						if
Signature of Employer or Authorized Repres	sentative	Today's	Date (mm	/dd/yyyy	Name	e of Em	ployer or A	Authoriz	ed Re	presentative	

Form I-9 10/21/2019 Page 2 of 3

## LISTS OF ACCEPTABLE DOCUMENTS All documents must be UNEXPIRED

Employees may present one selection from List A or a combination of one selection from List B and one selection from List C.

	LIST A  Documents that Establish  Both Identity and  Employment Authorization	or	LIST B  Documents that Establish Identity  AN	<b>I</b> D	LIST C Documents that Establish Employment Authorization
3.	U.S. Passport or U.S. Passport Card Permanent Resident Card or Alien Registration Receipt Card (Form I-551) Foreign passport that contains a temporary I-551 stamp or temporary I-551 printed notation on a machine- readable immigrant visa Employment Authorization Document		Driver's license or ID card issued by a State or outlying possession of the United States provided it contains a photograph or information such as name, date of birth, gender, height, eye color, and address      ID card issued by federal, state or local government agencies or entities, provided it contains a photograph or information such as name, date of birth,		A Social Security Account Number card, unless the card includes one of the following restrictions:  (1) NOT VALID FOR EMPLOYMENT  (2) VALID FOR WORK ONLY WITH INS AUTHORIZATION  (3) VALID FOR WORK ONLY WITH DHS AUTHORIZATION  Certification of report of birth issued
5.	that contains a photograph (Form I-766)  For a nonimmigrant alien authorized to work for a specific employer because of his or her status:  a. Foreign passport; and b. Form I-94 or Form I-94A that has the following:		gender, height, eye color, and address 3. School ID card with a photograph 4. Voter's registration card 5. U.S. Military card or draft record 6. Military dependent's ID card 7. U.S. Coast Guard Merchant Mariner		by the Department of State (Forms DS-1350, FS-545, FS-240)  Original or certified copy of birth certificate issued by a State, county, municipal authority, or territory of the United States bearing an official seal  Native American tribal document
	(1) The same name as the passport; and (2) An endorsement of the alien's nonimmigrant status as long as that period of endorsement has not yet expired and the proposed employment is not in conflict with any restrictions or limitations identified on the form.		8. Native American tribal document 9. Driver's license issued by a Canadian government authority  For persons under age 18 who are unable to present a document listed above:	6.	U.S. Citizen ID Card (Form I-197)  Identification Card for Use of Resident Citizen in the United States (Form I-179)  Employment authorization document issued by the Department of Homeland Security
6.	Passport from the Federated States of Micronesia (FSM) or the Republic of the Marshall Islands (RMI) with Form I-94 or Form I-94A indicating nonimmigrant admission under the Compact of Free Association Between the United States and the FSM or RMI		10. School record or report card  11. Clinic, doctor, or hospital record  12. Day-care or nursery school record		

Examples of many of these documents appear in the Handbook for Employers (M-274).

Refer to the instructions for more information about acceptable receipts.

Form I-9 10/21/2019 Page 3 of 3

#### EXERCISES SET B

E2-1B. Howard Walters, a nonexempt employee of Consolidated Utilities, works a standard 10:00 a.m. to 7:00 p.m. schedule with an hour for lunch. Howard works in California, a state requiring overtime for hours exceeding 8 per day and for those over 40 in a week. During the week, he worked the following schedule:

Day	Hours
Monday	8.75 hours
Tuesday	7.75 hours
Wednesday	8.50 hours
Thursday	8.00 hours
Friday	8.25 hours

Based on the state's requirements, how much overtime has Howard worked during the period?

4. 2.75 hours

8.75 + 7.75 + 8.50 + 8.00 + 8.25 = 41.25 hours for 1.25 hours of overtime over 40 per week .75 + .50 + .25 = 1.5 hours over 8 per day for a total of 2.75 hours overtime in the period

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E2-2B. Micha Volkov is a salaried employee earning \$49,850 annually. Micha is paid twice per month. Which of the following best describes the pay frequency?

2. Semimonthly

E2-3B. On June 21, 2022, Dolores Goodman was terminated from her job at Black Diamond Sports in New Hampshire. Black Diamond pays its employees biweekly on Fridays, and the next payday is 7/8/2022. When must she receive her final paycheck?

4. Within 72 hours.

E2-4B. Leonard Andrews ended his employment at Atlas Inks on March 21, 2022. When is the earliest that Atlas Inks may destroy his payroll records?

3. March 22, 2025

- E2-5B. Elijah Brown is a new payroll accountant at Zata Imports, a company with 250 employees. He has completed entering all time card data for the pay period. What should Elijah's next step in the payroll review process be?
  - 3. Ask his supervisor to verify the accuracy of the payroll data.
- E2-6B. Juliana Oliveria needs additional filing space at the end of the year in the company's office and chooses to use off-site, secured storage. Upon arriving at the storage facility, she discovers that the unit is nearly full and sees several boxes marked for destruction at the end of the calendar year. What are Juliana's obligations regarding the destruction of the payroll records marked for destruction? (Select all that apply.)
  - 2. She should make arrangements to pulp or burn the payroll records marked for destruction.
  - 3. She should arrange to have a document destruction service pick up the boxes marked for destruction.
  - 4. She should bring a shredding machine to the storage facility and prepare to shred the records marked for destruction.

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- E2-7B. Gerardo Rogers is conducting a review of the payroll files for each employee at Meejo Games. Which of the following items must be present in the file? (Select all that apply.)
  - 1. Basis upon which compensation is paid.
  - 2. Overtime pay earned during each pay period.
  - 3. Hours worked during each pay period.
- E2-8B. Jane McCarthy is preparing to compute employee pay and needs to determine the amount of employee federal income taxes to be withheld. Which of the following should she consult?
  - 2. IRS Publication 15-T
- E2-9B. Judy Baker is a new employee of Farnsdel and Babcock, LLP. Which of the following will provide proof of *employment authorization* for the completion of the I-9? (Select all that apply.)
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- 1. U.S. Passport a U.S. Passport will establish both identity and employment authorization.
- 3. U.S. citizen identification card

E2-10B. Rupert Pelliere is completing the I-9 for his new employment with the state of New Mexico. Which of the following provides proof of his *identity*? (Select all that apply.)

- 3. New Mexico driver's license
- 4. U.S. passport a U.S. passport will establish both identity and employment authorization.
- E2-11B. Laverne Watkins is a candidate for the position of marketing manager with the promotions department of Paramba Productions, earning \$10.25 per hour. She will work occasional overtime in her new position and will not have managerial or supervisory duties as a regular part of her job description. Why should Laverne be classified as a nonexempt employee? (Select all that apply.)
  - 2. She has no supervisory or managerial duties. COM
- E2-12B. Rex Marshall manages a ski resort with year-round and seasonal employees. Assuming that the ski resort engages in interstate commerce, which are the FLSA requirement(s) that Rex should consider? (Select all that apply.)
  - 1. Hourly wages paid to employees
  - 3. Number of hours worked per week
  - 4. Employee age and weekly work schedule

#### PROBLEMS SET B

- P2-1B. Tasha Webb is an independent contractor for Antimbu Exports, where you are the payroll accountant. She feels that she should receive employee benefits because of the number of hours that she dedicates to the company. What guidance can you offer Tasha?
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- a. Independent contractors are most frequently treated as a vendor and would not be included in employee benefits. There are specific tests that determine the relationship between employer and employee; however, the number of hours committed is not one of the defining traits.
- P2-2B. Roland Wexler was terminated for cause from Santel Auto Parts in North Carolina on July 20, 2022. As of the date of his termination, he had worked 22 hours of regular time. Employees at Santel Auto Parts are paid semimonthly on the 15th and last day of the month. Roland would like to know when he will be paid for the accrued hours. What will you tell him?
  - a. North Carolina states that terminated employees should receive their paycheck on the next regularly scheduled payday, so it will be the end of the month.
- P2-3B. Ahanu Coahoma, a member of the Algonquin Indian Nation, is a new employee at Pactco Game Design. During the process of completing his I-9, he claims that the only way to prove his identity is the Algonquin Indian National official birth certificate. Is this document sufficient to prove employment authorization for the purposes of the I-9? Why or why not?
  - a. Yes, these are acceptable since this would fulfill the requirements of items from type B and type C of the acceptable documents.
- P2-4B. Abraham Manning is a new employee of Symity Batteries. He is curious about the purpose of the requirements for new hire documentation to be forwarded to government agencies. What should you tell him?
  - a. Reporting creates a registry to monitor child support obligations, tracks immigration to ensure individuals are legal to work in the United States, ensures that individuals in professions that can have sanctions are legally able to continue to work, finally to enable the tracking of COBRA benefits.
- P2-5B. Pedro Arturo wants to start his own company and hire employees. Because you are a seasoned payroll professional, he approaches you for guidance about the differences between exempt and nonexempt employees. What would you tell him?
  - a. Exempt employees must meet the requirements to be considered exempt: Executive exemption, administrative exemption, professional exemption. Exempt employees are not subject to FLSA wage and hour provisions and they typically work more than 40 hours
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per week. Nonexempt employees are covered by FLSA wage and hour provisions and do not meet the exceptions requirements.

P2-6B. Adriana Alvarez is a new payroll clerk for Remm Plumbing. She is curious about the purpose of the different steps in the payroll review process and asks you, her supervisor, for guidance. What would you tell her?

- a. The payroll review process is designed to verify the information so that employees are paid correctly, and the data is correct. Starting with the employee completing their timecard, the information is then verified by the manager. After the manager has agreed that the employee has accurately portrayed the hours worked, the payroll clerk will prepare the information for the manager to review and approve. Once the information has been approved, the payroll checks can be issued to the employees.
- P2-7B. Francesca Aldri started as a payroll accountant at Sticktoit Adhesives, a company with 100 employees. She soon notices that the former payroll accountant had been processing payroll manually and suggests that the company immediately switch to cloud-based payroll. What types of documentation must be maintained in employee records?

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- a. Employers retain physical copies of employees' time records, pay advice, and any other documentation processed with the paycheck. Some other types of documentation include: Request for a day off; reports of tardiness or absenteeism; detailed records of work completed during that day's shift.
- P2-8B. Tara Morris, a payroll clerk, has received a promotion and is now the payroll supervisor for Fligen Enterprises. What document control items could now become her responsibility?
  - a. Payroll system security, Maintenance of paid time off (i.e., vacation, sick, etc.), Access to payroll data, Separation of duties, Training of payroll staff
- P2-9B. Herman Watkins is in the payroll department of Neombee Plastics, a multistate company. The company has historically been filing employee information with each state. What alternative exists for multistate employers?
  - Multistate Employer Notification Form allows centralized reporting from the Office of Management and Budget
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 $\vdash$ 

P2-10B. Derek Allen is the payroll supervisor for Caposis Freight. His company is preparing to merge with another distribution company that has a different pay cycle. The president of the company wants to know the difference between biweekly and semimonthly pay cycles as far as pay dates and pay amounts. What should Derek tell him?

a. Moving between biweekly (26 pay periods per year with the possibility of 27) to a semimonthly system (24 pay periods per year) would cause individual to see increases per pay period since there are more days being covered on the pay period under semimonthly than on biweekly. This could also result in higher taxes per pay period.

P2-11B. Complete the W-4 for employment starting 5/23/2022 at Martel Semiconductors, located at 2445 Manchester Road, Lakehurst, NJ 08733, EIN of 26-4684136.

Terence A. Noren 221 First Street Lakehurst, NJ 08733 SSN: 785-56-4321 Single with no dependents No additional tax withholding

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Form W-4	ι	Employee's	Withholding Certifi	cate	1	OMB No. 1545-0074		
Department of the Tr			orm W-4 to your employer.		r pay.	20 <b>22</b>		
Internal Revenue Ser			ing is subject to review by the i	RS.				
Step 1:	(a) F	irst name and middle initial	Last name		(b) So	ocial security number		
Enter	Teren		Noren			785-56-4321		
Personal	Addre	988				s your name match the on your social security		
Information		irst Street			card? If not, to ensure you get credit for your earnings, contact			
		r town, state, and ZIP code			SSA at	800-772-1213 or go to		
	_	hurst, NJ 08733			www.s	sa.gov.		
		✓ Single or Married filing separately						
		Married filing jointly or Qualifying widow(er)	ried and now more than half the costs	of booning on a home for so		ad a sussificion instituidant		
		Head of household (Check only if you're unmar	ried and pay more than half the costs	or keeping up a nome for yo	ursen ar	id a qualifying individual.		
•	•	4 ONLY if they apply to you; otherwis m withholding, when to use the estimat			n on e	ach step, who can		
Step 2:		Complete this step if you (1) hold mor	e than one job at a time, or (2	2) are married filing jo	intly ar	nd your spouse		
Multiple Job	s	also works. The correct amount of wit	thholding depends on income	earned from all of the	iese jol	bs.		
or Spouse		Do only one of the following.						
Works		(a) Use the estimator at www.irs.gov/	W4App for most accurate wi	thholdina for this ster	(and	Steps 3-4); or		
		(b) Use the Multiple Jobs Worksheet withholding; or	• • • • • • • • • • • • • • • • • • • •					
		(c) If there are only two jobs total, you option is accurate for jobs with sir						
		TIP: To be accurate, submit a 2022 Fincome, including as an independent	orm W-4 for all other jobs. If y	you (or your spouse) I		_		
•	•	-4(b) on Form W-4 for only ONE of the you complete Steps 3-4(b) on the Form	-	•	s. (You	ur withholding will		
Step 3:		If your total income will be \$200,000 o	or less (\$400,000 or less if ma	rried filing jointly):				
Claim		Multiply the number of qualifying ch	nildren under age 17 by \$2,000	\$	_			
Dependents		Multiply the number of other depe	endents by \$500	▶ <u></u> \$	-			
		Add the amounts above and enter the	total here		3	\$		
Step 4		(a) Other income (not from jobs).	•	•				
(optional):		expect this year that won't have w	-	of other income here				
Other		This may include interest, dividend	ds, and retirement income .		4(a)	\$		
Adjustments	5	(b) Deductions. If you expect to claim	deductions other than the st	andard deduction and				
-		want to reduce your withholding, u						
		the result here			4(b)	\$		
		(c) Extra withholding. Enter any addi	tional tax you want withheld e	each pay period	4(c)	\$		
Step 5:	Unde	er penalties of perjury, I declare that this cert	Ificate, to the best of my knowled	ige and belief, is true, c	orrect, a	and complete.		
Sign			•			-		
Here	\ T	erence Noren		١. ٥	5/23/	2022		
11010	) E	mployee's signature (This form is not v	valid unless you sign it.)	——— ) <u>o</u>	5/23/ te	2022		
	_							
Employers		loyer's name and address rtel Semiconductors		First date of employment	Employ number	ver identification		
Only		5 Manchester Road		Griphoyment	Hambel	(Little)		
		ehurst, NJ 08733		05/23/2022	26-46	84136		
For Privacy Act		Paperwork Reduction Act Notice, see pag	e 3. Cat	No. 10220Q		Form <b>W-4</b> (2022		

P2-12B. Complete the I-9 for employment starting 5/23/2022 at Martel Semiconductors, located at 2445 Manchester Road, Lakehurst, NJ 08733, EIN of 26-4684136. Be sure to complete Section 2 of Form I-9.

Terence A. Noren 221 First Street Lakehurst, NJ 08733 SSN: 785-56-4321 Birthdate: 6/5/1998

C O Z

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T B E Terence presented his driver's license and Social Security card to the Human Resources

Manager, Bree Andrews, to review.

New Jersey driver's license #N15368497531246; expires on his birthday in 2024

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### Employment Eligibility Verification

Department of Homeland Security U.S. Citizenship and Immigration Services USCIS Form I-9 OMB No. 1615-0047 Expires 10/31/2022

► START HERE: Read instructions carefully before completing this form. The instructions must be available, either in paper or electronically, during completion of this form. Employers are liable for errors in the completion of this form.

ANTI-DISCRIMINATION NOTICE: It is illegal to discriminate against work-authorized individuals. Employers CANNOT specify which document(s) an employee may present to establish employment authorization and identity. The refusal to hire or continue to employ an individual because the documentation presented has a future expiration date may also constitute illegal discrimination.

Section 1. Employee Information and Attestation (Employees must complete and sign Section 1 of Form I-9 no later

man me nist day or emproyment, but not	perore a	iccepui	ng a job o	ier.)					
Last Name (Family Name)	First Name (Given Name) Middle Initial Other Last Names Used					Used (if any)			
Noren	Terence A								
Address (Street Number and Name)	s (Street Number and Name) Apt. Number City or Town						State		ZIP Code
221 First Street			L	.akehurst			NJ	_	08733
Date of Birth (mm/dd/yyyy) U.S. Social Sec	urity Nun	ber	Employee	's E-mail Addr	ress		Employe	e's '	Telephone Number
06/05/1998 7 8 5 - 5	6 - 4	3 2 1							
I am aware that federal law provides for connection with the completion of this		onmen	t and/or f	ines for fals	e statements o	r use	of false	do	cuments in
I attest, under penalty of perjury, that I	am (che	ck one	of the fo	llowing boxe	es):				
1. A citizen of the United States									
2. A noncitizen national of the United States	s (See ins	truction	s)						
3. A lawful permanent resident (Alien Re	gistration	Number	/USCIS Nu	ımber):					
4. An alien authorized to work until (expir Some aliens may write "N/A" in the expir						_			
Aliens authorized to work must provide only of An Alien Registration Number/USCIS Number							ı	QR Do No	t Code - Section 1 t Write in This Space
Alien Registration Number/USCIS Number:     OR	_				_				
2. Form I-94 Admission Number:									
OR									
3. Foreign Passport Number:					_				
Country of Issuance:					_				
Signature of Employee Terence No	ren				Today's Date 05/	e (mm/ 23/20			
Preparer and/or Translator Certif    I did not use a preparer or translator.  (Fields below must be completed and sign	A prepa	rer(s) ar	nd/or transla	tor(s) assisted	the employee in		_		
I attest, under penalty of perjury, that I is knowledge the information is true and of		sisted i	n the con	npletion of §	Section 1 of thi	s forn	n and th	at t	o the best of my
Signature of Preparer or Translator						Today	s Date (m	ım∕d	(d/yyyy)
Last Name (Family Name)				First Name	e (Given Name)				
Address (Street Number and Name)			City	y or Town			State	-	ZIP Code

Form I-9 10/21/2019 Page 1 of 3

STOP Employer Completes Next Page STOP



#### Employment Eligibility Verification Department of Homeland Security

U.S. Citizenship and Immigration Services

USCIS Form I-9 OMB No. 1615-0047 Expires 10/31/2022

Section 2. Employer or (Employers or their authorized repr must physically examine one docul of Acceptable Documents.")	resentative must ment from List A	t complete and I OR a combin	l sign Sectio	n 2 within 3	business da	ays of the		t from List C as listed on the "Lists
Employee Info from Section 1	Last Name (Fa Noren	amily Name)		First Name Terence	e (Given Na	me)	M.I. A	Citizenship/Immigration Status
List A Identity and Employment Aut	O horization	R	List Iden		,	AND		List C Employment Authorization
Document Title		Document T Driver's Li		ied by sta	te/territor		nent Tit I Secu	le urity Card (unrestricted)
Issuing Authority		New Jerse					g Autho I Secu	rity urity Administration
Document Number		Document N N1536849					nent Nu 6-432	
Expiration Date (if any) (mm/dd/yy	уу)	Expiration D 06/05/20	)ate (if any) ( )24	mm/dd/yyyy	()	Expira	tion Da	te (if any) (mm/dd/yyyy)
Document Title								
Issuing Authority		Additiona	l Informatio	n				QR Code - Sections 2 & 3 Do Not Write in This Space
Document Number								
Expiration Date (if any) (mm/dd/yy	уу)							
Document Title								
Issuing Authority							┞	
Document Number								
Expiration Date (if any) (mm/dd/yy	уу)							
Certification: I attest, under per (2) the above-listed document( employee is authorized to work	s) appear to b	e genuine ar			-			
The employee's first day of e	employment (	mm/dd/yyy	y): 05/23/	/2022	(See	instructi	ons fo	or exemptions)
Signature of Employer or Authorize  Bree And		ve	*	te (mm/dd/y 3 / 2022				Authorized Representative ces Manager
Last Name of Employer or Authorized Andrews		First Name of Bree			epresentative			usiness or Organization Name
Employer's Business or Organizati 2445 Manchester Road	ion Address ( <i>Str</i>		nd Name)	City or Tow Lakehurs		, marce	St	tate ZIP Code 08733
Section 3. Reverification	and Rehires	(To be com	pleted and	signed by	employer	or author	rized re	presentative.)
A. New Name (if applicable)						B. Date	of Rehi	ire (if applicable)
Last Name (Family Name)	First N	Name (Given I	Vame)	Mid	ldle Initial	Date (m	nm/dd/y	999)
C. If the employee's previous grant continuing employment authorization				provide the	information	n for the do	cumen	t or receipt that establishes
Document Title			Docume	ent Number			Expi	iration Date (if any) (mm/dd/yyyy)
I attest, under penalty of perjui the employee presented docur		_		_	_			-
Signature of Employer or Authorize			Date (mm/d					rized Representative

Form I-9 10/21/2019 Page 2 of 3

## LISTS OF ACCEPTABLE DOCUMENTS All documents must be UNEXPIRED

Employees may present one selection from List A or a combination of one selection from List B and one selection from List C.

	LIST A  Documents that Establish  Both Identity and  Employment Authorization	OR	LIST B  Documents that Establish Identity  AN	۱D	LIST C Documents that Establish Employment Authorization
2.	U.S. Passport or U.S. Passport Card Permanent Resident Card or Alien Registration Receipt Card (Form I-551) Foreign passport that contains a temporary I-551 stamp or temporary I-551 printed notation on a machine- readable immigrant visa		Driver's license or ID card issued by a State or outlying possession of the United States provided it contains a photograph or information such as name, date of birth, gender, height, eye color, and address      ID card issued by federal, state or local government agencies or entities,	1.	A Social Security Account Number card, unless the card includes one of the following restrictions:  (1) NOT VALID FOR EMPLOYMENT  (2) VALID FOR WORK ONLY WITH INS AUTHORIZATION  (3) VALID FOR WORK ONLY WITH DHS AUTHORIZATION
4.	Employment Authorization Document that contains a photograph (Form I-768)		provided it contains a photograph or information such as name, date of birth, gender, height, eye color, and address	2.	Certification of report of birth issued by the Department of State (Forms DS-1350, FS-545, FS-240)
5.	For a nonimmigrant alien authorized to work for a specific employer because of his or her status:  a. Foreign passport; and		School ID card with a photograph     Voter's registration card     U.S. Military card or draft record     Military dependent's ID card	3.	Original or certified copy of birth certificate issued by a State, county, municipal authority, or territory of the United States bearing an official seal
	Form I-94 or Form I-94A that has the following:     (1) The same name as the passport; and		U.S. Coast Guard Merchant Mariner Card		Native American tribal document U.S. Citizen ID Card (Form I-197)
	(2) An endorsement of the alien's nonimmigrant status as long as that period of endorsement has		Native American tribal document     Driver's license issued by a Canadian government authority	6.	Identification Card for Use of Resident Citizen in the United States (Form I-179)
	not yet expired and the proposed employment is not in conflict with any restrictions or limitations identified on the form.		For persons under age 18 who are unable to present a document listed above:	7.	Employment authorization document issued by the Department of Homeland Security
6.	Passport from the Federated States of Micronesia (FSM) or the Republic of the Marshall Islands (RMI) with Form I-94 or Form I-94A indicating nonimmigrant admission under the Compact of Free Association Between the United States and the FSM or RMI		10. School record or report card  11. Clinic, doctor, or hospital record  12. Day-care or nursery school record		

Examples of many of these documents appear in the Handbook for Employers (M-274).

Refer to the instructions for more information about acceptable receipts.

Form I-9 10/21/2019 Page 3 of 3

#### CRITICAL THINKING

- 2-1. When Omnimia Graphics was looking to implement a payroll accounting system, the manufacturing firm had several options. With only 40 employees, the manual preparation of payroll through spreadsheets and handwritten timecards was a comfortable option for the firm. Another option is to convince the senior management of Omnimia Graphics to implement a software program for payroll processing. How should the company handle maintenance of the current payroll records? What internal control issues should be addressed?
  - a. Student responses will vary. Key points that need to be included: confidentiality of records, retention period, separation of duties, verification of payroll.
- 2-2. You have been hired as a consultant for Semiva Productions, a company facing an IRS audit of their accounting records. During your review, you notice anomalies in the payroll system involving overpayments of labor and payments to terminated employees. What would you do?
  - a. When the anomalies are discovered, the management of the company should be made aware of the situation. Since the IRS audit is imminent, documenting the date of the find and attempts to rectify the error would be advisable. Depending upon the nature of the anomalies, the company or payroll employees may have made some serious errors.

#### IN THE REAL WORLD: CASE FOR DISCUSSION

Student response will vary.

#### **INTERNET ACTIVITIES**

Student response will vary.

#### CONTINUING PAYROLL PROJECT: PREVOSTI FARMS AND SUGARHOUSE

Prevosti Farms and Sugarhouse pays its employees according to their job classification. The following employees make up Sugarhouse's staff:

Employee Number	Name and Address	Payroll information
A-Mille	Thomas Millen	Hire Date: 2-1-2022
	1022 Forest School Rd	DOB: 12-16-1992
	Woodstock, VT 05001	Position: Production Manager
	802-478-5055	PT/FT: FT, exempt
	SSN:031-11-3456	M/S: Married/Joint
	401(k) deduction: 3%	Pay Rate: \$35,000/year
	Section 125 deduction: \$155	Dependents under 17: 3
	Section 123 deduction. \$133	Dependents over 17: 1
		Step 4 information: none
A-Towle	Avery Towle	Hire Date: 2-1-2022
71 TOWIC	4011 Route 100	DOB: 7-14-2001
	Plymouth, VT 05102	Position: Production Worker
	802-967-5873	PT/FT: FT, nonexempt
	SSN:089-74-0974	M/S: Single
	401(1) 1 1 50/	Pay Rate: \$15.00/hour
	Section 125 deduction: \$\square\$ TBEXA	Dependents under 17: 0
	Section 123 deduction. \$100	Dependents over 17: 0
		Step 4 information: none
A-Long	Charlie Long	Hire Date: 2-1-2022
A-Long	242 Benedict Road S.	DOB: 3-16-1997
	Woodstock, VT 05002	Position: Production Worker
	802-429-3846	PT/FT: FT, nonexempt
	SSN: 056-23-4593	M/S: Married/Joint
	401(k) deduction: 2% Section 125 deduction: \$155	Pay Rate: \$15.00/hour
	Section 123 deduction, \$133	Dependents under 17: 2
		Dependents over 17: 0
D. Chang	Mary Changagay	Step 4 information: none Hire Date: 2-1-2022
B-Shang	Mary Shangraw	
	1901 Main Street #2	DOB: 8-20-1980
	Bridgewater, VT 05520	Position: Administrative Assistant
	802-575-5423	PT/FT: PT, nonexempt
	SSN: 075-28-8945	M/S: Single
	401(k) deduction: 3%	Pay Rate: \$15.00/hour
	Section 125 deduction: \$100	Dependents under 17: 0
		Dependents over 17: 1
D.I.	TZ	Step 4 information: none
B-Lewis	Kristen Lewis	Hire Date: 2-1-2022
	840 Daily Hollow Road	DOB: 4-6-1991

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	Bridgewater, VT 05523	Position: Office Manager
	802-390-5572	PT/FT: FT, exempt
	SSN: 076-39-5673	M/S: Married/Joint
	401(k) deduction: 4%	Pay Rate: \$32,000/year
	Section 125 deduction: \$155	Dependents under 17: 2
		Dependents over 17: 1
		Step 4 information: none
B-Schwa	Joel Schwartz	Hire Date: 2-1-2022
	55 Maple Farm Way	DOB: 5-23-1993
	Woodstock, VT 05534	Position: Sales
	802-463-9985	PT/FT: FT, exempt
	SSN: 021-34-9876	M/S: Married/Joint
	401(k) deduction: 5%	Pay Rate: \$32,000/year base plus 3%
	Section 125 deduction: \$100	commission per case sold
		Dependents under 17: 2
		Dependents over 17: 0
		Step 4 information: none
B-Prevo	Toni Prevosti	Hire Date: 2-1-2022
	820 Westminster Road	DOB: 9-19-1987
	Bridgewater, VT 05520	Position: Owner/President
	802-555-3456	PT/FT: FT, exempt
	SSN: 055-22-0443	M/S: Married/Joint
	401(k) deduction: 6%	Pay Rate: \$45,000/year
	Section 125 deduction: \$155 EX	Dependents under 17: 3
		Dependents over 17: 2
		Step 4 information: none

The Departments are as follows:

Department A: Agricultural Workers

Department B: Office Workers

1. You have been hired to start on February 1, 2022, as the new accounting clerk. Your employee number is B-STUDE, where "B" denotes that you are an office worker. Your Social Security number is 555-55-5555, you are full-time, nonexempt, and paid at a rate of \$34,000 per year. You have elected to contribute 2 percent of your gross pay to your 401(k) and will have \$100 per pay period for Section 125. Complete the W-4 and the I-9 to start your own employee file. You are single with only one job. You live at 1644 Smitten Road, Woodstock, VT 05001. Your phone number is (555) 555-5555. Your date of birth is 01/01/2001. You are a citizen of the United States and provide a Vermont driver's license #88110009 expiring 01/01/24 in addition to your Social Security card for verification of your identity. Mary Shangraw verified the information for the company.

Prevosti Farms and Sugarhouse is located at 820 Westminster Road, Bridgewater, Vermont, 05520. Prevosti has an EIN of 22-6654454.

W-4		Emp	1	OMB No. 1545-0074				
Department of the T	► Co reasury	mplete Form W-4 so tha	t your employer can withhold the con <ul> <li>Give Form W-4 to your employer</li> </ul>	rrect federal income tax from your pa oyer.	ay.	2022		
Internal Revenue Se	(7) ( ) ( ) ( ) ( ) ( ) ( ) ( ) ( ) ( )	ne and middle initial	our withholding is subject to review  Last name	A STATE OF TAXABLE PARTY.	a) So	cial security number		
Step 1:				,	THE SE			
Enter	Student Address		Success			555-55-5555 your name match the		
Personal	1644 Smitte	n Dood		n	ame o	n your social security		
Information		state, and ZIP code		a	redit fo	not, to ensure you get or your earnings, contact		
	Woodstock	VT 05001			SA at t	800-772-1213 or go to a.gov.		
		gle or Married filing separa	ately	111				
	☐ Mar	rried filing jointly or Qualify	ring widow(er)					
80	Hea	id of household (Check only	rif you're unmarried and pay more than hal	if the costs of keeping up a home for yours	elf and	d a qualifying individual		
	The second second second second		ou; otherwise, skip to Step 5. S the estimator at www.irs.gov/W		on ea	ch step, who can		
Step 2: Multiple Job	oloo		(1) hold more than one job at a t mount of withholding depends o		-			
or Spouse	Do	only one of the follow	ing.					
Works	(a)	Use the estimator at v	www.irs.gov/W4App for most acc	curate withholding for this step (a	and S	teps 3-4); <b>or</b>		
		Use the Multiple Jobs withholding; or	Worksheet on page 3 and enter	the result in Step 4(c) below for	rougl	hly accurate		
			bbs total, you may check this box jobs with similar pay; otherwise,					
			mit a 2022 Form W-4 for all other independent contractor, use the e		re se	If-employment		
A STATE OF THE PARTY OF THE PAR			ONE of these jobs. Leave thos on the Form W-4 for the highest		(You	r withholding will		
Step 3:	If yo	our total income will be	e \$200,000 or less (\$400,000 or l	ess if married filing jointly):				
Claim Dependents		Multiply the number of	qualifying children under age 17 b	oy \$2,000 ▶ <u>\$</u>				
Dependents	88 88500		f other dependents by \$500 .	<b>&gt;</b>	102270			
	8,000		and enter the total here		3	\$		
Step 4 (optional):		expect this year that v	from jobs). If you want tax wi won't have withholding, enter the rest, dividends, and retirement in	amount of other income here.	4(a)	s		
Other Adjustment			pect to claim deductions other th	STREET, OR SO RESIDENCE DE CO SO	-1(0)			
38			withholding, use the Deductions W					
	1	the result here			4(b)	\$		
	(c)	Extra withholding. Er	iter any additional tax you want w	vithheld each pay period	4(c)	\$		
Step 5:	Under pena	alties of perjury, I declare	that this certificate, to the best of m	y knowledge and belief, is true, corre	ect, ar	nd complete.		
Sign	Cr. I			2.0	5 98			
Here	Schae	Student Success  Employee's signature (This form is not valid unless you sign it.)  02/0  Date						
	Employ	ee's signature (This	form is not valid unless you sign	it.) Pate				
Employers	Employer's	name and address				er Identification		
Only	Prevosti l	Farms and Sugarho	use	employment nu	mber	(EIN)		
S.M. Stell	820 West	minster Road		Service residence and the service of				
		ter, VT 05520		02/01/2022		22-6654454		
FOR PRIVACY AC	and Papery	work Reduction Act No	TICA, SAA DAGA 3.	Cat. No. 10220Q		Form W-4 (2022		



#### Employment Eligibility Verification Department of Homeland Security

U.S. Citizenship and Immigration Services

USCIS Form I-9 OMB No. 1615-0047 Expires 10/31/2022

▶START HERE: Read instructions carefully before completing this form. The instructions must be available, either in paper or electronically, during completion of this form. Employers are liable for errors in the completion of this form.

ANTI-DISCRIMINATION NOTICE: It is illegal to discriminate against work-authorized individuals. Employers CANNOT specify which document(s) an employee may present to establish employment authorization and identity. The refusal to hire or continue to employ an individual because the documentation presented has a future expiration date may also constitute illegal discrimination.

Section 1. Employee Information than the first day of employment, but not				_	st complete an	d sign S	Section 1 o	f Form I-9 no later
Last Name (Family Name)	First Na	me (Given Nan	ne)		Middle Initial	Other	Last Names	s Used (if any)
Success	Studer							
Address (Street Number and Name)		Apt. Number	City	or Town			State	ZIP Code
1644 Smitten Road			Woo	dstock			VT	05001
Date of Birth (mm/dd/yyyy) U.S. Social Sec	urity Num	ber Empl	oyee's E	-mail Addr	ess	E	mployee's	Telephone Number
01/01/2001 5 5 5 - 5	5 - 5	5 5 5					(555) 5	55-5555
I am aware that federal law provides for connection with the completion of this	•	onment and/	or fines	for false	e statements (	or use o	of false do	ocuments in
I attest, under penalty of perjury, that I a	am (che	ck one of the	follow	ving boxe	es):			
1. A citizen of the United States								
2. A noncitizen national of the United States	•							
3. A lawful permanent resident (Alien Reg				· <u> </u>	N/A			
4. An alien authorized to work until (expiration     Some aliens may write "N/A" in the expiration				_	N/A	- [		
Aliens authorized to work must provide only on An Alien Registration Number/USCIS Number								R Code - Section 1 ot Write in This Space
Alien Registration Number/USCIS Number:     OR	N/	A			_			
2. Form I-94 Admission Number: N/A OR					_			
Foreign Passport Number: N/A  Country of Issuance: N/A					_			Elega, (Elega)
					_			
Signature of Employee Student Su	cces	a			Today's Dat 02/0	e (mm/d 1/202	(/yyyy) 22	
Preparer and/or Translator Certif	ication	ı (check o	ne):					
		•		s) assisted	the employee in	completi	ing Section	1.
(Fields below must be completed and sign							_	
I attest, under penalty of perjury, that I h knowledge the information is true and c		isted in the	comple	tion of S	ection 1 of th	is form	and that	to the best of my
Signature of Preparer or Translator	Today's	Date (mm/c	dd/yyyy)					
Last Name (Family Name)				First Name	e (Given Name)			
Address (Street Number and Name)			City or	Town			State	ZIP Code
	STOP	Employer Co	omplete	s Next Po	age STOP			

Form I-9 10/21/2019 Page 1 of 3



#### Employment Eligibility Verification Department of Homeland Security

U.S. Citizenship and Immigration Services

USCIS Form I-9 OMB No. 1615-0047 Expires 10/31/2022

Section 2. Employer or Auth	orized Re	present	ative R	eview a	and Verifi	cation							
(Employers or their authorized representa	tive must con	nplete and s	ign Section	n 2 within	3 business da	ys of the e							
must physically examine one document fr of Acceptable Documents.")	om List A OR	a combinat	ion of one	document	t from List B a	nd one do	cument	from L	ist C as listed on the "Lists				
Last	lame (Family	Name)		First Nan	ne (Given Nar	ne)	M.I.	Citizer	nship/Immigration Status				
Employee Info from Section 1 Succ	ess			Student	t `	•		1					
List A Identity and Employment Authoriza	OR tion		List Iden		A	ND		Emple	List C syment Authorization				
Document Title		ocument Title					ent Title	е .	-				
				ed by sta	ate/territory		Social Security Card (unrestricted)						
Issuing Authority	Ve	rmont				Social	Issuing Authority Social Security Administration						
Document Number		cument Nu 110009	mber				Document Number 555-55-5555						
Expiration Date (if any) (mm/dd/yyyy)	Ex	piration Dat /01/202		mm/dd/yy	yy)				y) (mm/dd/yyyy)				
Document Title	$\neg$												
Issuing Authority		Additional I	nformatio	n					Code - Sections 2 & 3 of Write In This Space				
Document Number													
Expiration Date (if any) (mm/dd/yyyy)													
Expiration Date (ii any) (minudayyyy)													
Document Title													
Issuing Authority													
Document Number													
Expiration Date (if any) (mm/dd/yyyy)	- $  $ $ $ L												
Certification: I attest, under penalty	of perjury, t	hat (1) I ha	ve exami	ned the	document(s)	presente	ed by t	he abo	ve-named employee,				
(2) the above-listed document(s) app employee is authorized to work in th	ear to be ge	enuine and				-							
The employee's first day of emplo	yment (mm	/dd/yyyy):	02/01/	2022	(See	instructio	ons fo	r exen	nptions)				
Signature of Employer or Authorized Rep Mary Shand	resentative JYAW	T	oday's Dat 02/01	te (mm/dd ./2022		of Emplo ministra	•		ed Representative nt				
Last Name of Employer or Authorized Repres Shangraw	entative Fin		mployer or /	Authorized	Representative	Employ	or Organization Name nd Sugarhouse						
Employer's Business or Organization Add	ress (Street I	Number and	(Name)	City or To	own			ate	ZIP Code				
820 Westminster Road				Bridgew			V	Τ <u>•</u>	05520				
Section 3. Reverification and I	Rehires (To	o be compl	leted and	signed b	y employer	or authori	ized re	preser	ntative.)				
A. New Name (if applicable)						B. Date							
Last Name (Family Name)	First Nam	Name (Given Name) Middle Initial					m/dd/yy	99)					
C. If the employee's previous grant of employees authorization in the	oloyment auth	norization ha	s expired,	provide th	ne information	for the do	cument	or rece	eipt that establishes				
continuing employment authorization in the Document Title	e space prov	ided below.	Docume	nt Numbe	r		Expir	ation D	ate (if any) (mm/dd/yyyy)				
I attest, under penalty of perjury, tha the employee presented document(s		-	-		-				•				
Signature of Employer or Authorized Rep	resentative	Today's D	ate (mm/d	ld/yyyy)	Name of E	mployer or	Author	ized Re	epresentative				
		•											
Form I-9 10/21/2019									Page 2 of 3				

## LISTS OF ACCEPTABLE DOCUMENTS All documents must be UNEXPIRED

Employees may present one selection from List A or a combination of one selection from List B and one selection from List C.

	LIST A  Documents that Establish  Both Identity and  Employment Authorization	or	LIST B  Documents that Establish Identity  AN	<b>I</b> D	LIST C Documents that Establish Employment Authorization
3.	U.S. Passport or U.S. Passport Card  Permanent Resident Card or Alien Registration Receipt Card (Form I-551)  Foreign passport that contains a temporary I-551 stamp or temporary I-551 printed notation on a machine- readable immigrant visa  Employment Authorization Document		Driver's license or ID card issued by a State or outlying possession of the United States provided it contains a photograph or information such as name, date of birth, gender, height, eye color, and address      ID card issued by federal, state or local government agencies or entities, provided it contains a photograph or information such as name, date of birth,		A Social Security Account Number card, unless the card includes one of the following restrictions:  (1) NOT VALID FOR EMPLOYMENT  (2) VALID FOR WORK ONLY WITH INS AUTHORIZATION  (3) VALID FOR WORK ONLY WITH DHS AUTHORIZATION  Certification of report of birth issued
5.	that contains a photograph (Form I-766)  For a nonimmigrant alien authorized to work for a specific employer because of his or her status:  a. Foreign passport; and b. Form I-94 or Form I-94A that has the following:		gender, height, eye color, and address 3. School ID card with a photograph 4. Voter's registration card 5. U.S. Military card or draft record 6. Military dependent's ID card 7. U.S. Coast Guard Merchant Mariner		by the Department of State (Forms DS-1350, FS-545, FS-240)  Original or certified copy of birth certificate issued by a State, county, municipal authority, or territory of the United States bearing an official seal  Native American tribal document
	(1) The same name as the passport; and  (2) An endorsement of the alien's nonimmigrant status as long as that period of endorsement has not yet expired and the proposed employment is not in conflict with any restrictions or limitations identified on the form.		8. Native American tribal document 9. Driver's license issued by a Canadian government authority  For persons under age 18 who are unable to present a document listed above:	6.	U.S. Citizen ID Card (Form I-197)  Identification Card for Use of Resident Citizen in the United States (Form I-179)  Employment authorization document issued by the Department of Homeland Security
6.	Passport from the Federated States of Micronesia (FSM) or the Republic of the Marshall Islands (RMI) with Form I-94 or Form I-94A indicating nonimmigrant admission under the Compact of Free Association Between the United States and the FSM or RMI		10. School record or report card  11. Clinic, doctor, or hospital record  12. Day-care or nursery school record		

Examples of many of these documents appear in the Handbook for Employers (M-274).

Refer to the instructions for more information about acceptable receipts.

Form I-9 10/21/2019 Page 3 of 3

2. Complete the headers of the employee earnings register for each employee. Enter the pay rate for each employee.

						Employe	ee Earnings F	Register							
NAME	Thomas N	lillen			Hire Date	, .	2/1/2022	-0		Depender	nt child <17			3	
ADDRESS	1022 Fores	st School R	oad	_	Date of Bi	rth	12/16/1992		_	Depender	nt other			1	
CITY/STATE/ZIP	Woodstoo	k, VT 0500	1	_	Position		Production	Manager	PT/FT	Step 4a W	-4 Info		no	ne	
TELEPHONE	802-478-50	055		_	Filing Stat	us	Married/Jo	int		Step 4b W		none			
SOCIAL SECURITY					Exempt/N	onexempt	Exempt		_	Step 4c W	-4 Info		no	one	
NUMBER	031-11-34	56		_	Pay Rate		\$35,000.00		_Hr/Wk/N	10 / Y					
Period	Hrs	Reg	ОТ		Gross	Social		Fed W/H	State			Total			
Ended	Worked	Pay	Pay	Comm	Pay	Sec Tax	Medicare	Tax	W/H Tax	401(k)	Sect 125	Deduc	Net Pay	YTD	
										1					
						Employe	o Fornings F	logistor							
NAME	Avery Tow	ılo.			Hire Date	Employe	ee Earnings F 2/1/2022	egister		Donondo	nt child <17			0	
ADDRESS	4011 Rout			-	Date of Bi	<del>rt</del> h	7/14/2001		-	Depender				0	
CITY/STATE/ZIP	Plymouth			-	Position		Production	Worker	PT/(FT)	Step 4a W			-	one	
TELEPHONE	802-967-5			-	Filing Stat	us	Single	Worker	- ' ' ' '	Step 4b W		none			
SOCIAL				_		onexempt	Non-exem	nt	_	Step 4c W		none			
SECURITY						onexempt		μι	_	•	-411110		- 110	ле	
NUMBER	089-74-09	74		-	Pay Rate	Pay Rate		\$15.00		1o / Yr					
Period	Hrs	Reg	ОТ		Gross	Social		Fed W/H	State			Total			
Ended	Worked	Pay	Pay	Comm	Pay	Sec Tax	Medicare	Tax	W/H Tax	401(k)	Sect. 125	Deduc	Net Pay	YTD	
						TBE.	XAM.	COM							
								1							
						Employe	ee Earnings F	Register							
NAME	Charlie Lo			_	Hire Date		2/1/2022		_		nt child <17			2	
ADDRESS	242 Bened			_	Date of Bi	rth	3/16/1997		-	Depender	0				
	Woodstoo		2	_	Position			Worker	_PT/(FT)	Step 4a W		none			
TELEPHONE	802-429-3	846		_	Filing Stat	us	Married/Jo	int	_	Step 4b W	-4 Info		none		
SOCIAL SECURITY					Exempt/N	onexempt	Non-exem	pt	_	Step 4c W	none				
NUMBER	056-23-459	93			Pay Rate		\$15.00	(	Hr Wk / N	10 / Yr					
				_				,							
Period	Hrs	Reg	ОТ		Gross	Social		Fed W/H	State			Total			
Ended	Worked	Pay	Pay	Comm	Pay	Sec Tax	Medicare	Tax	W/H Tax	401(k)	Sect 125	Deduc	Net Pay	YTD	
								1		1					
						Employe	ee Earnings F	Register							
NAME	Mary Shar			_	Hire Date		2/1/2022		_		nt child <17			0	
ADDRESS	1901 Main	Street #2		_	Date of Bi	rth	8/20/1980	45	_	Depender		1			
CITY/CTATE/7ID	Duideacos	VT 055	20		Danitian		Administra	tive	PT/IFT	Cham 40 141	41.4				
CITY/STATE/ZIP TELEPHONE	802-575-54		20	_	Position Filing Stat	uc	Assistant Single		PIDE	Step 4a W Step 4b W				one one	
SOCIAL	802-373-3	+23		-					-						
SECURITY					Exempt/N	onexempt	Non-exem	pt		Step 4c W	-4 Info		no	one	
NUMBER	075-28-89	45		_	Pay Rate		\$15.00		Hr Wk / N	lo / Yr					
Period	Hrs	Reg	ОТ		Gross	Social		Fed W/H	State			Total			
Ended	Worked	Pay	Pay	Comm	Pay	Sec Tax	Medicare	Tax	W/H Tax	401(k)	Sect 125	Deduc	Net Pay	YTD	
		-,		1				1	,	(15)				T	
		Ì		1		1	1		1	1			1		
_															
	1	1					1		1		1				

						Employe	e Earnings R	egister						
NAME	Kristen Le	wis			Hire Date 2/1/2022					Depender	nt child <17			2
ADDRESS	840 Daily H	Hollow Roa	d		Date of Birth Position		4/6/1991				nt other			1
CITY/STATE/ZIP	Bridgewat	er, VT 0552	!3				Office Manager PT		PT/(FT)	Step 4a W	-4 Info		no	one
TELEPHONE	802-390-5	572		_	Filing State	us	Married/Jo	int	_	Step 4b W	-4 Info		no	one
SOCIAL SECURITY					Exempt/N	onexempt	Exempt		_	Step 4c W-4 Info				one
NUMBER	076-39-56	73		=	Pay Rate		\$32,000.00		_Hr/Wk/N	lo / 🕜				
Period	Hrs	Reg	ОТ		Gross	Social		Fed W/H	State			Total		
Ended	Worked	Pay	Pay	Comm	Pay	Sec Tax	Medicare	Tax	W/H Tax	401(k)	Sect 125	Deduc	Net Pay	YTD
IAME	Joel Schwa				Hire Date	Employe	ee Earnings R 2/1/2022	egister		Donondor	nt child <17			2
DDRESS				-	Date of Bir		5/23/1993		_	Depender				0
	55 Maple I		i	_		tri			PT/FT					
ITY/STATE/ZIP	Woodstoo		,	-	Position	16	Sales Married/Jo	int	_P1/(F1)	Step 4a W		none		
TELEPHONE SOCIAL	802-463-99	185		-	Filing State			int	-	Step 4b W Step 4c W				one
SECURITY NUMBER	021-34-987	76			Exempt/Nonexempt Exempt  Pay Rate \$32,000 + Commiss H			− Hr/Wk/N	_	41110		none		
		1		-		1				, 0		1		
Period	Hrs	Reg	OT	C	Gross	Social	N d a all a a a a	Fed W/H	State	404(1.)	C + 125	Total	Nat Day	VED
Ended	Worked	Pay	Pay	Comm	Pay	Sec Tax	Medicare	Tax	W/H Tax	401(k)	Sect 125	Deduc	Net Pay	YTD
						Employe	o Earnings P	ogistor						
NAME	Toni Prevo	eti			Hire Date	Employe	2/1/2022	egister		Denender	nt child <17	,		3
ADDRESS	820 Westn		d		Date of Bir	th	9/19/1987		_	Depender				2
CITY/STATE/ZIP				-	Position	LII		cidont	PT/FT	Step 4a W				
ELEPHONE	802-555-34				Filing Statu	ıc	Owner/President Married/Joint		_^	Step 4b W		none		
OCIAL	002 333 3-	.50		-	-			// · · · ·	_					
SECURITY					Exempt/No	onexempt	Exempt		_	Step 4c W	-4 Into		n	one
NUMBER	055-22-044	13		•	Pay Rate		\$45,000.00		_Hr/Wk/N	10/m				
Period	Hrs	Reg	ОТ		Gross	Social		Fed W/H	State			Total		
Ended	Worked	Pay	Pay	Comm	Pay	Sec Tax	Medicare	Tax	W/H Tax	401(k)	Sect 125	Deduc	Net Pay	YTD
NAME	Student St	ICCOCC			Hire Date	Employe	ee Earnings R 2/1/2022	egister		Dononda	nt child <17			0
				-		th.			_					_
ADDRESS CITY/STATE/ZIP	Woodstoo			-	Date of Bir	u I	1/1/2001 Accounting	Clerk	PT/(FT)	Step 4a W				0 one
ELEPHONE	555-555-55			-		_		CICIN	_^_	Step 4a W				one one
OCIAL	333 333 3	,55		-	Filing Status		Single		_					
ECURITY					Exempt/N	onexempt	Non-exem	ot	_	Step 4c W	-4 Info		n	one
NUMBER	555-55-55	55		_	Pay Rate		\$34,000.00		_Hr/Wk/N	lo / 🕜				
Period	Hrs	Reg	OT		Gross	Social		Fed W/H	State			Total		
Ended	Worked	Pay	Pay	Comm	Pay	Sec Tax	Medicare	Tax	W/H Tax	401(k)	Sect 125	Deduc	Net Pay	YTD
														<u> </u>
						1	1		1	1	1	1	1	<u> </u>

### **Chapter 2: Payroll System Procedures**

#### **Instructor Notes**

This chapter presents procedures for preparation of payroll, treatment and requirement for new hires, employee files, and internal controls procedures. As this chapter progresses, the student will understand the forms required and how to implement the process of placing a new employee into the payroll journals. New hire reporting requirements are discussed along with document destruction and retention periods. The student will gain an understanding of the different forms for new hires, pay period frequencies, and the different pay methods that can be employed by a business.

Some questions to stimulate discussion on this chapter would include:

- How many different forms are required for newly hired employees?
- What pay frequencies are they familiar with?
- How should an employer pay their employees (direct deposit, check, paycards)?
- Why are internal controls and review necessary for payroll processes?

	Vocabulary Definitions
Biweekly payroll	A pay frequency in which employees are paid 26 times per year
Commission	Employee compensation paid upon completion of a task, often pertaining to sales-based activities
Daily payroll	A pay frequency in which employees are paid each business day
Document	The act of destroying documents that contain sensitive payroll and
destruction	employee information
Exempt	An employee who is not subject to the overtime provisions of the Fair Labor Standards Act
File maintenance	The application of all transactions, including any necessary modifications, to an employee's file
File security	The protection of sensitive payroll information by restricting access and securely storing files
Foreign Account Tax Compliance Act (FATCA)	Federal law that regulates the income tax withholdings of foreign employees
H-1B Visa	A program that allows employers to temporarily hire foreign workers who possess specialized expertise and have earned a bachelor's degree or higher
Hiring packet	Examination and analysis of accounting records to ensure accuracy and completeness
I-9	The Employment Eligibility Verification
Internal control	A firm's process of maintaining efficiency and effectiveness, work quality, accurate and reliable financial reports, and legal compliance
Leased employee	A person who provides services for a company subject to the provisions of IRS code section 414(n)

Monthly payroll	A pay frequency in which employees are paid 12 times per year
New-hire	A process by which a firm notifies governmental authorities of any new
reporting	hires shortly after the hire date
Nonexempt	An employee who is subject to all overtime provisions of the Fair Labor Standards Act; generally, an hourly employee
Pay period	The recurring period during which a firm collects employee labor data and pays employees in accordance with wage and/or salary agreements
Paycard	A debit card issued to employees that contains electronically transmitted wages
Payroll audit	An examination of a firm's payroll records to determine legal compliance
Payroll register	The payroll accountant's internal tool that helps ensure the accuracy of employee compensation
Payroll review	Verification of payroll accuracy for a period
Piece rate	Employee compensation based on production of unit or completion of an action during a specified time period
Resignation	Voluntary termination of employment
Review process	Examination and analysis of accounting records to ensure accuracy and completeness
Semimonthly payroll	The payroll frequency in which employees are paid 24 times per year
Separation of duties	An internal control method in which payroll duties are spread among two or more employees
Statutory employee	A special class of employees who run their own business but must be treated as employees for tax reasons
Temporary employee	A worker who is employed by a temporary staffing agency and works under the direction of the agency on a temporary basis for different companies
Termination	Ceasing employment with a firm
W-4	The Employee Withholding Allowance Certificate
Weekly payroll	The payroll frequency in which employees are paid 52 times per year

	Answers to Review Questions
1.	Payroll system design, authorized signers, documentation, and review of the process.
2.	Internal controls and verification to avoid fraud or theft.
3.	I-9 and W-4
4.	The enforcement of child support and legal withholdings, ensuring immigrants are still eligible to work, verification of professional licensing/qualifications, administration of
	COBRA benefits.
5.	Student answers will vary. This is a state specific regulation time ranging from the point of discharge to no time requirements.
6.	Daily, weekly, biweekly, monthly, semi-monthly.
7.	Exempt employees are not subject to the wage and hour provisions of FLSA;
	nonexempt employees are protected by the wage and hour provisions of FLSA

- 8. Keep any requests for leave with the related paystubs, file retention schedule, have more than one person responsible for the duties/verification, and separation of duties.
- 9. Pay frequency, pay types, method of payment, benefits, manual/computerized/outsourced payroll processing, file security system.
- 10. Student answers may vary but should include the following: Entering the employees, entering the hours, calculation of gross wages, determination of taxes, net pay, preparation of paychecks, payment of taxes, reporting requirements.

11.

- a. The Internal Revenue Service (IRS)
- b. Federal and State Departments of Labor
- c. Department of Homeland Security
- d. Other state and local agencies
- e. Labor unions
- 12. By identifying possible security gaps, applying multi-factor authentication tools, training employees, requiring employee password complexity, and maintaining updated antivirus and anti-spyware on company computers.
- 13. For a three-year period
- 14. It depends; some independent contractors are not included in the company's payroll, but are treated as vendors. Some independent contractors are considered statutory employees and would be included in the company's payroll.
- 15. An employee is terminated by the employer; when the employee initiates the separation it is a resignation. Employees who resign will receive their final paycheck in the normal payroll cycle, whereas terminated employees may be required to receive theirs sooner.

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- 16. Termination pay regulation involves state laws and may require employee pay disbursement within a short time period. When an employee resigns, their final pay will be disbursed on the next pay period.
- 17. A weekly pay period is for one week, biweekly pay period is two weeks long, semi-monthly pay period is twice a month, and monthly pay period is once a month.
- 18. Nonexempt employees are covered under the Fair Labor Standards Act (FLSA) and are in non-supervisory positions. Exempt employees are typically in managerial positions, are exempt from overtime pay requirements and the FLSA.
- 19. Challenges include ensuring data privacy, personnel record accuracy, access to payroll services, etc.

#### **Additional Exercises for Class Discussion**

1. Nabeeha is an accountant for a small company. As she reviews time records prior to processing the weekly payroll, she notices that LeBron, a nonexempt employee, has worked 46.75 hours. Jason's standard workweek is 40 hours, and his pay rate is \$16.48 per hour. What is his gross pay for the week?

#### Answer:

	Hours	Rat	te	Total
Regular	40	\$	16.48	\$ 659.20
Overtime	6.75	\$	24.72	\$ 166.86
	Total gro	oss p	ay	\$ 826.06

2. Padma earns \$45,000 per year. Compute his gross pay for each of the following pay frequencies: Weekly, Biweekly, Semimonthly, Monthly.

#### Answer:

	# of pay periods	Gross pay
Weekly	52	\$ 865.38
Biweekly	26	\$ 1,730.77
Semimonthly	24	\$ 1,875.00
Monthly	TREVAM COM	\$ 3,750.00

3. Complete Form W-4 with your students for the following employee:

Victoria Maria Schneider 1537 Old Town Avenue Buffalo, NY 14201

SSN: 672-39-0487

She is married filing jointly and her spouse is also employed. She has four children under the age of 17.

The blank W-4 follows

Does your name match the personal information   Does your name match the personal information   Does your name match the personal information   Does on th
Step 1:   (a)   Past name and middle initial   Last name   Last name   Does your name match the Personal Information   Does your name match the Personal City or town, state, and 2IP code   Does your name match the Code of Name o
Parsonal Information   Parsonal Informatio
c)   Single or Married filing separately   Married filing separately   Married filing jointly or Qualifying widow(or)   Hada of household (Chock only if you're urmarised and pay more than half the coots of keeping up a home for yourself and a qualifying individual Complete Steps 2-4 ONLY if they apply to you; otherwise, skip to Step 5. See page 2 for more information on each step, who car claim exemption from withholding, when to use the estimator at www.lrs.gov/W4App, and privacy.    Complete this step if you (1) hold more than one job at a time, or (2) are married filing jointly and your spouse also works. The correct amount of withholding depends on income earned from all of these jobs.    Do only one of the following.
Memoral filting jointhy or Qualifying widow(ex)   Head of household (Check only if you'ne urmarried and pay more than half the code of keeping up a home for yourself and a qualifying individual Complete Steps 2–4 ONLY if they apply to you; otherwise, skip to Step 5. See page 2 for more information on each step, who car claim exemption from withholding, when to use the estimator at www.irs.gov/W4App, and privacy.  Step 2:  Multiple Jobs or Spouse Works  Complete this step if you (1) hold more than one job at a time, or (2) are married filling jointly and your spouse also works. The correct amount of withholding depends on income earned from all of these jobs. Do only one of the following.  (a) Use the estimator at www.irs.gov/W4App for most accurate withholding for this step (and Steps 3–4); or (b) Use the Multiple Jobs Worksheet on page 3 and enter the result in Step 4(c) below for roughly accurate withholding, or (c) if there are only two jobs total, you may check this box. Do the same on Form W-4 for the other job. This option is accurate for jobs with similar pay; otherwise, more tax than necessary may be withheld > [TIP: To be accurate, submit a 2022 Form W-4 for all other jobs. If you (or your spouse) have self-employment income, including as an independent contractor, use the estimator.  Complete Steps 3–4(b) on Form W-4 for only ONE of these jobs. Leave those steps blank for the other jobs. (Your withholding will be most accurate if you complete Steps 3–4(b) on the Form W-4 for the highest paying job.)  Step 3: If your total income will be \$200,000 or less (\$400,000 or less if married filling jointly):  Claim  Dependents  Multiply the number of duel private dependents by \$500 \$ \$  Add the amounts above and enter the total here 3 \$  Step 4 (a) Other income (not from jobs). If you want tax withheld for other income here.  (b) Eductions. If you expect to claim deductions other than the standard deduction and want to reduce your withholding, use the Deductions Worksheet on page 3 and enter the r
Complete Steps 2-4 ONLY if they apply to you; otherwise, skip to Step 5. See page 2 for more information on each step, who car claim exemption from withholding, when to use the estimator at www.irs.gov/W4App, and privacy.  Step 2:  Multiple Jobs or Spouse  Works  Complete this step if you (1) hold more than one job at a time, or (2) are married filing jointly and your spouse also works. The correct amount of withholding depends on income earned from all of these jobs. Do only one of the following.  (a) Use the estimator at www.irs.gov/W4App for most accurate withholding for this step (and Steps 3-4); or (b) Use the Multiple Jobs Worksheet on page 3 and enter the result in Step 4(c) below for roughly accurate withholding, or  (c) If there are only two jobs total, you may check this box. Do the same on Form W-4 for the other job. This option is accurate for jobs with similar pay; otherwise, more tax than necessary may be withheld.  TIP: To be accurate, submit a 2022 Form W-4 for all other jobs. If you (or your spouse) have self-employment income, including as an independent contractor, use the estimator.  Complete Steps 3-4(b) on Form W-4 for only ONE of these jobs. Leave those steps blank for the other jobs. (Your withholding will be most accurate if you complete Steps 3-4(b) on the Form W-4 for the highest paying job.)  Step 3:  If your total income will be \$200,000 or less (\$400,000 or less if married filling jointly):  Multiply the number of qualifying children under age 17 by \$2,000 \( \rightarrow \) \$  Multiply the number of other dependents by \$500 \( \rightarrow \) \$  Add the amounts above and enter the total here  (b) Deductions. If you expect the otalim deductions other than the standard deduction and want to reduce your withholding, use the Deductions Worksheet on page 3 and enter the result here  (c) Extra withholding. Enter any additional tax you want withheld each pay period .  4(b) \$  Under penalties of perjuny, I declare that this certificate, to the best of my knowledge and belief, is true, corre
Step 2:  Multiple Jobs or Spouse  Works  (a) Use the estimator at www.lis.gow/W4App, and privacy.  Complete this step if you (1) hold more than one job at a time, or (2) are married filling jointly and your spouse also works. The correct amount of withholding depends on income earned from all of these jobs. Do only one of the following.  (a) Use the Multiple Jobs Worksheet on page 3 and enter the result in Step 4(c) below for roughly accurate withholding; or  (c) If there are only two jobs total, you may check this box. Do the same on Form W-4 for the other job. This option is accurate for jobs with similar pay; otherwise, more tax than necessary may be withheld \( \) TIP: To be accurate, submit a 2022 Form W-4 for all other jobs. If you (or your spouse) have self-employment income, including as an independent contractor, use the estimator.  Complete Steps 3-4(b) on Form W-4 for only ONE of these jobs. Leave those steps blank for the other jobs. (Your withholding will be most accurate if you complete Steps 3-4(b) on the Form W-4 for the highest paying job.)  Step 3:  If your total income will be \$200,000 or less (\$400,000 or less if married filling jointly):  Multiply the number of qualifying children under age 17 by \$2,000 \( \) \$  Multiply the number of other dependents by \$500 \( \) \$  Add the amounts above and enter the total here  (a) Other income not from jobs, if you want tax withholding or other income here. This may include interest, dividends, and retirement income.  (b) Deductions, if you expect to claim deductions other than the standard deduction and want to reduce your withholding, use the Deductions Worksheet on page 3 and enter the result here  (c) Extra withholding. Enter any additional tax you want withheld each pay period 4(a) \$  Under penalties of perjury, I declare that this certificate, to the best of my knowledge and belief, is true, correct, and complete.
Multiple Jobs or Spouse Works  (a) Use the estimator at www.irs.gov/W4App for most accurate withholding for this step (and Steps 3-4); or (b) Use the Multiple Jobs Worksheet on page 3 and enter the result in Step 4(c) below for roughly accurate withholding; or (c) if there are only two Jobs total, you may check this box. Do the same on Form W-4 for the other Job. This option is accurate tor Jobs with similar pay; otherwise, more tax than necessary may be withheld . ▶ □ TiP: To be accurate, submit a 2022 Form W-4 for all other Jobs. If you (or your spouse) have self-employment income, including as an independent contractor, use the estimator.  Complete Steps 3-4(b) on Form W-4 for only ONE of these Jobs. Leave those steps blank for the other Jobs. (Your withholding will be most accurate if you complete Steps 3-4(b) on the Form W-4 for the highest paying Job.)  Step 3: If your total income will be \$200,000 or less (\$400,000 or less if married filing Jointly):  Claim Dependents  Multiply the number of other dependents by \$500 . ▶ \$  Add the amounts above and enter the total here
(a) Use the estimator at www.irs.gow/W4App for most accurate withholding for this step (and Steps 3-4); or (b) Use the Multiple Jobs Worksheet on page 3 and enter the result in Step 4(c) below for roughly accurate withholding; or (c) if there are only two jobs total, you may check this box. Do the same on Form W-4 for the other job. This option is accurate for jobs with similar pay; otherwise, more tax than necessary may be withheld . ▶ □  TIP: To be accurate, submit a 2022 Form W-4 for all other jobs. If you (or your spouse) have self-employment income, including as an independent contractor, use the estimator.  Complete Steps 3-4(b) on Form W-4 for only ONE of these jobs. Leave those steps blank for the other jobs. (Your withholding will be most accurate if you complete Steps 3-4(b) on the Form W-4 for the highest paying job.)  Step 3: If your total income will be \$200,000 or less (\$400,000 or less if married filling jointly):  Claim
(b) Use the Multiple Jobs Worksheet on page 3 and enter the result in Step 4(c) below for roughly accurate withholding; or  (c) If there are only two jobs total, you may check this box. Do the same on Form W-4 for the other job. This option is accurate for jobs with similar pay; otherwise, more tax than necessary may be withheld . ▶ □  TIP: To be accurate, submit a 2022 Form W-4 for all other jobs. If you (or your spouse) have self-employment income, including as an independent contractor, use the estimator.  Complete Steps 3–4(b) on Form W-4 for only ONE of these jobs. Leave those steps blank for the other jobs. (Your withholding will be most accurate if you complete Steps 3–4(b) on the Form W-4 for the highest paying job.)  Step 3:  If your total income will be \$200,000 or less (\$400,000 or less if married filling jointly):  Multiply the number of qualifying children under age 17 by \$2,000 ▶ \$  Multiply the number of other dependents by \$500 . ▶ \$  Add the amounts above and enter the total here
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Step 3:  Claim Dependents  Multiply the number of qualifying children under age 17 by \$2,000 \subseteq \frac{\subseteq}{\subseteq} \subs
Claim Dependents  Multiply the number of qualifying children under age 17 by \$2,000 ▶ \$  Multiply the number of other dependents by \$500 ▶ \$  Add the amounts above and enter the total here
Multiply the number of other dependents by \$500
Add the amounts above and enter the total here
Step 4 (a) Other Income (not from Jobs). If you want tax withheld for other Income you expect this year that won't have withholding, enter the amount of other Income here. This may include interest, dividends, and retirement income
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Adjustments  (b) Deductions. If you expect to claim deductions other than the standard deduction and want to reduce your withholding, use the Deductions Worksheet on page 3 and enter the result here  (c) Extra withholding. Enter any additional tax you want withheld each pay period . 4(b) \$  Step 5:  Under penalties of perjury, I declare that this certificate, to the best of my knowledge and belief, is true, correct, and complete.  Sign Here
(c) Extra withholding. Enter any additional tax you want withheld each pay period 4(c) \$  Step 5: Under penalties of perjury, I declare that this certificate, to the best of my knowledge and belief, is true, correct, and complete.  Sign Here
Sign Here
Here
Employee's signature (This form is not valid unless you sign it.)
Employer's name and address Only  Employer's name and address First date of employment Employer identification number (EIN)
For Privacy Act and Paperwork Reduction Act Notice, see page 3. Cat. No. 10220Q Form W-4 (202

Form <b>W-4</b>		Employee's Withholding Certifi  ► Complete Form W=4 so that your employer can withhold the correct fede		pay.	OMB No. 1545-0074	
Department of the T Internal Revenue Se	reasury evice	<ul> <li>Give Form W-4 to your employer.</li> <li>Your withholding is subject to review by the</li> </ul>	IRS.		2022	
Step 1: Enter	(a) F	int name and middle initial Last name ria M Scnneider		(b) S	ocial security number 672-39-0487	
Personal Information	City of Buffa (e)	oss Old Town Avenue r town, state, and ZIP code Io, New York, 14201  ☑ Single or Married filing separately ☑ Married filing jointly or Qualifying widow(er)		name card? credit SSA a	s your name match the on your social securit if not, to ensure you get for your earnings, contributed on the contribute of the contribute	
	eps 2	→ Head of househeld (Check only if you're unmarried and pay more than half the costs  4 ONLY if they apply to you; otherwise, skip to Step 5. See page  m withholding, when to use the estimator at www.irs.gov/W4App, a  married  m withholding.  m with	2 for more information			
Step 2: Multiple Job or Spouse Works	os	Complete this step if you (1) hold more than one job at a time, or (also works. The correct amount of withholding depends on income Do only one of the following.  (a) Use the estimator at www.irs.gov/W4App for most accurate with the control of the following with the control of the following.	e earned from all of the	ese jo (and	bs, Steps 3–4); or	
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4. Complete an I-9 with your students for the following employee:

Karl Erik Hoffamann SSN: 374-02-4005 Date of birth: 9-23-1978 3234 Church Street Natchitoches, LA 71457

Louisiana Driver's license number 005738295, expires 9-23-2022

He is in possession of his social security card.

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 $\vdash$ 

Email address: Karlh@me.com Phone number: 318-555-6132

The blank Form I-9 follows:

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## Employment Eligibility Verification Department of Homeland Security

U.S. Citizenship and Immigration Services

USCIS Form I-9

OMB No. 1615-0047 Expires 10/31/2022

▶START HERE: Read instructions carefully before completing this form. The instructions must be available, either in paper or electronically, during completion of this form. Employers are liable for errors in the completion of this form.

ANTI-DISCRIMINATION NOTICE: It is illegal to discriminate against work-authorized individuals. Employers CANNOT specify which document(s) an employee may present to establish employment authorization and identity. The refusal to hire or continue to employ an individual because the documentation presented has a future expiration date may also constitute illegal discrimination.

.ast Name (Family Name)	First Name (Given Name	e)	Middle Initial	Other I	Last Names	Used (if any)
ddress (Street Number and Name)	Apt. Number	City or Town			State	ZIP Code
Date of Birth (mm/dd/yyyy)  U.S. Social Sec	curity Number Employ	_  yee's E-mail Addre	ss	E	l Employee's	    Felephone Number
am aware that federal law provides for		r fines for false	statements o	or use o	f false do	cuments in
attest, under penalty of perjury, that I	am (check one of the	following boxe	s):			
1. A citizen of the United States						
2. A noncitizen national of the United State	s (See instructions)					
3. A lawful permanent resident (Alien Re	gistration Number/USCIS	Number):				
4. An alien authorized to work until (expir	ation date, if applicable, m	nm/dd/yyyy):				
Some aliens may write "N/A" in the expir	ration date field. (See instr	ructions)		_	0.5	0.4. 0.4.
Aliens authorized to work must provide only of An Alien Registration Number/USCIS Number					Do No	Code - Section 1 t Write In This Space
Alien Registration Number/USCIS Number     OR	<u> </u>		-1			
2. Form I-94 Admission Number:						
OR			-			
3. Foreign Passport Number:			_			
Country of Issuance:			-			
Signature of Employee			Today's Date	e (mm/da	\$/yyyy)	
Preparer and/or Translator Certin	fication (check on A preparer(s) and/or tran	100	he employee in	completin	na Section 1	
Fields below must be completed and sign	<b>.</b>				1 <del>-</del> 1	
attest, under penalty of perjury, that I is nowledge the information is true and c		ompletion of Se	ection 1 of thi	s form	and that t	o the best of my
Signature of Preparer or Translator				Today's I	Date (mm/d	d/yyyy)
		First Name	(Given Name)			
.ast Name ( <i>Family Name</i> )		T II St I Valine				
	(	City or Town			State	ZIP Code
Last Name (Family Name) Address (Street Number and Name)		No. 0. 0. 0. 0. 0. 0. 0. 0. 0. 0. 0. 0. 0.	ge STOP		State	ZIP Code

2-8



# **Employment Eligibility Verification**

USCIS

Employee Info from Section 1	oloyee Info from Section 1 Last Name (Family			ne (Given Nar	ne)	M.I.	citizenship/Immigration St
			st B	-	ND		List C
Identity and Employment Author  Document Title	rization	Document Title	entity		Docum	ent Title	Employment Authorizati
Issuing Authority				-			
Issuing Authority		Issuing Authority				Authorit	
Document Number		Document Number			Docum	ent Num	per
Expiration Date (if any) (mm/dd/yyyy)		Expiration Date (if any	) (mm/dd/yy	yy)	Expiration Date (if any) (mm/dd/yyyy)		
Document Title							
Issuing Authority	-	Additional Informati	ion				QR Code - Sections 2 & 3 Do Not Write In This Space
Document Number							
Expiration Date (if any) (mm/dd/yyyy)							
Document Title	-						
Issuing Authority	-						
Document Number	-						
Expiration Date (if any) (mm/dd/yyyy)			1				
Certification: I attest, under pena (2) the above-listed document(s) a employee is authorized to work in The employee's first day of employer or Authorized F	alty of perjui appear to be the United ployment (i Representation	e genuine and to rela States. mm/dd/yyyy):  /e Today's [	e to the er	(See ///yyyy)   Title	ned, and (	(3) to the	e best of my knowledge exemptions) thorized Representative
Certification: I attest, under pena (2) the above-listed document(s) a employee is authorized to work in The employee's first day of em	alty of perjui appear to be the United ployment (i Representation	e genuine and to rela States. mm/dd/yyyy):	e to the er	(See ///yyyy)   Title	ned, and (	(3) to the	e best of my knowledge exemptions)
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## LISTS OF ACCEPTABLE DOCUMENTS All documents must be UNEXPIRED

Employees may present one selection from List A or a combination of one selection from List B and one selection from List C.

	LIST A Documents that Establish Both Identity and Employment Authorization	OR		LIST B  Documents that Establish Identity  AN	ID	LIST C Documents that Establish Employment Authorization
3.	U.S. Passport or U.S. Passport Card Permanent Resident Card or Alien Registration Receipt Card (Form I-551) Foreign passport that contains a temporary I-551 stamp or temporary I-551 printed notation on a machine- readable immigrant visa Employment Authorization Document			Driver's license or ID card issued by a State or outlying possession of the United States provided it contains a photograph or information such as name, date of birth, gender, height, eye color, and address  ID card issued by federal, state or local government agencies or entities, provided it contains a photograph or information such as name, date of birth,		A Social Security Account Number card, unless the card includes one of the following restrictions:  (1) NOT VALID FOR EMPLOYMENT  (2) VALID FOR WORK ONLY WITH INS AUTHORIZATION  (3) VALID FOR WORK ONLY WITH DHS AUTHORIZATION  Certification of report of birth issued
5.	that contains a photograph (Form I-766)  For a nonimmigrant alien authorized to work for a specific employer because of his or her status:  a. Foreign passport, and		4. 5.	gender, height, eye color, and address School ID card with a photograph Voter's registration card U.S. Military card or draft record	3.	by the Department of State (Forms DS-1350, FS-545, FS-240)  Original or certified copy of birth certificate issued by a State, county, municipal authority, or territory of the United States bearing an official seal
	<ul> <li>b. Form I-94 or Form I-94A that has the following:</li> <li>(1) The same name as the passport; and</li> <li>(2) An endorsement of the alien's</li> </ul>		7. 8.	Military dependent's ID card  U.S. Coast Guard Merchant Mariner Card  Native American tribal document	5.	Native American tribal document U.S. Citizen ID Card (Form I-197) Identification Card for Use of
	nonimmigrant status as long as that period of endorsement has not yet expired and the proposed employment is not in conflict with any restrictions or limitations identified on the form.		370.00	Driver's license issued by a Canadian government authority  or persons under age 18 who are unable to present a document listed above:	7.	Resident Citizen in the United States (Form I-179)  Employment authorization document issued by the Department of Homeland Security
6.	Passport from the Federated States of Micronesia (FSM) or the Republic of the Marshall Islands (RMI) with Form I-94 or Form I-944 indicating nonimmigrant admission under the Compact of Free Association Between the United States and the FSM or RMI		11.	School record or report card     Clinic, doctor, or hospital record     Day-care or nursery school record		

Examples of many of these documents appear in the Handbook for Employers (M-274).

Refer to the instructions for more information about acceptable receipts.

Form I-9 10/21/2019 Page 3 of 3

Answer:

**Employment Eligibility Verification** USCIS Form I-9 Department of Homeland Security OMB No. 1615-0047 U.S. Citizenship and Immigration Services Expires 10/31/2022 ▶START HERE: Read instructions carefully before completing this form. The instructions must be available, either in paper or electronically, during completion of this form. Employers are liable for errors in the completion of this form. ANTI-DISCRIMINATION NOTICE: It is illegal to discriminate against work-authorized individuals. Employers CANNOT specify which document(s) an employee may present to establish employment authorization and identity. The refusal to hire or continue to employ an individual because the documentation presented has a future expiration date may also constitute illegal discrimination. Section 1. Employee Information and Attestation (Employees must complete and sign Section 1 of Form I-9 no later than the first day of employment, but not before accepting a job offer.) Last Name (Family Name) First Name (Given Name) Middle Initial Other Last Names Used (if any) Hoffaman Karl Address (Street Number and Name) Apt. Number City or Town State ZIP Code 3234 Church Street Natchitoches 71457 LA U.S. Social Security Number Employee's E-mail Address Date of Birth (mm/dd/yyyy) Employee's Telephone Number 09/23/1978 karlh@me.com (318) 555-6132 I am aware that federal law provides for imprisonment and/or fines for false statements or use of false documents in connection with the completion of this form. I attest, under penalty of perjury, that I am (check one of the following boxes): 1. A citizen of the United States 2. A noncitizen national of the United States (See instructions) 3. A lawful permanent resident (Alien Registration Number/USCIS Number): 4. An alien authorized to work until (expiration date, if applicable, mm/dd/yyyy): Some aliens may write "N/A" in the expiration date field. (See instructions) QR Code - Section 1 Do Not Write In This Space Aliens authorized to work must provide only one of the following document numbers to complete Form I-9: An Alien Registration Number/USCIS Number OR Form I-94 Admission Number OR Foreign Passport Number. 1. Alien Registration Number/USCIS Number: N/A OR 2. Form I-94 Admission Number: N/AOR 3. Foreign Passport Number: N/A Country of Issuance: N/A Signature of Employee Today's Date (mm/dd/yyyy) Preparer and/or Translator Certification (check one): I did not use a preparer or translator. A preparer(s) and/or translator(s) assisted the employee in completing Section 1. (Fields below must be completed and signed when preparers and/or translators assist an employee in completing Section 1.) I attest, under penalty of perjury, that I have assisted in the completion of Section 1 of this form and that to the best of my knowledge the information is true and correct. Signature of Preparer or Translator Today's Date (mm/dd/yyyy) Last Name (Family Name) First Name (Given Name) State ZIP Code Address (Street Number and Name) City or Town STOP Employer Completes Next Page STOP Page 1 of 3 Form I-9 10/21/2019

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## **Employment Eligibility Verification**

USCIS

Employee Info from Section 1	Last Name	(Family Name)		First Name	(Given Nam	ne)	M.I.	Citizen	ship/Immigration Statu
List A	norraman	OR	List		A	ND	15	_	List C
Identity and Employment Aut	thorization		Iden	ntity				570	oyment Authorization
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Issuing Authority		Issuing Autho					ng Autho		
N/A Document Number		Document Nu	ımber				al Secu ment Nu		ministration
N/A		005738295					024005		
Expiration Date (if any) (mm/dd/yy N/A	vyy)	Expiration Da 09/23/202		(mm/dd/yyyy	)	Expir N/A	ation Da	ate ( <i>if an</i> )	y) (mm/dd/yyyy)
Document Title N/A									
Issuing Authority		Additional	Informatio	on					R Code - Section 2 of Write In This Space
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2-12

### **Critical Thinking Answers**

- 2-1. Key points that need to be included: ease of update for changes in tax laws, tax tables, and payroll regulations; ease of reporting; whether the employee self-service option would be eligible; confidentiality.
- 2-2. When the abnormalities are discovered, the management of the company should be made aware of the situation. Since the IRS audit is imminent, documenting the date of the find and attempts to rectify the error would be advisable. Depending upon the nature of the anomalies, the company or payroll employees may have made some serious errors.

### In the Real World—Guidelines for Discussion

Some questions that students should consider include Ms. Ledbetter's original access to confidential paperwork and the firm's internal controls.

- Should she have been able to gain access to such confidential records?
- What if the records had already been destroyed since the original statute of limitations had been exceeded?
- What are implications for employers' document retention policies in the aftermath of this case?
- Should the employer have followed up on discrimination charges when they were originally raised?
- Once a case of pay discrimination has been investigated, what should the employer do (if anything) about the other employees' pay?
- Should all employees receive the same raise to avoid charges of discrimination?
- Should records be retained longer than the current guidelines to avoid challenges like Ms. Ledbetter's case? If so, how long?

#### **Activities**

Assign students to work individually or in small groups to explore the following websites:

Using a search engine find examples of what would be included in "New hire packet" for at least three different companies, preferable in different industries.

Go to www.irs.gov and search for IRS e-file security. List the facts the IRS shows for why e-file is a secure service.

Assign students to work individually or in small groups to explore the following websites:

www.uscis.gov www.irs.gov/businesses/ www.archives.gov/federal-register/cfr/subject-title-26.html www.proshred.com www.ironmountain.com

What did the students find for payroll support? What internal controls are mentioned? Is there a payroll destruction company in their area?

#### Other classroom activities:

- Determine what new hire information should be shared between payroll and human resources.
- Should these two departments be used (in larger or midsized companies) to facilitate payroll internal controls and cross-verification?
- Using internet search engines, compare the options for a small business to outsource their payroll requirements.
- Split class into teams, some are managers, payroll accountants, outsourcing agencies, or external regulators. Determine the needs and if those needs are met by the payroll department.
- Check out the living wage calculator at <a href="http://livingwage.mit.edu">http://livingwage.mit.edu</a>.
- Check out the IRS's video about determining the correct amount of withholding allowances for your Form W-4 www.youtube.com/watch?v=6FSOvxkhxdM

## **Continuing Payroll Project**

The continuing project starts with the development of timecards and the payroll records for the company. Following this activity, the students should have their payroll files ready for the first actual payroll with annotated information on each employee's key facts.

<b>Employee</b>	Name and Address	Payroll Information
Number		
A-Mille	Thomas Millen	Hire Date: 2-1-2022
	1022 Forest School Rd	DOB: 12-16-1992
	Woodstock, VT 05001	Position: Production Manager
	802-478-5055	PT/FT: FT, exempt
	SSN:031-11-3456	M/S: M
	401(k) deduction: 3%	Pay Rate: \$35,000/year
		Dependents under 17: 3
		Dependents over 17: 1
		Step 4 information: none
A-Towle	Avery Towle	Hire Date: 2-1-2022
	4011 Route 100	DOB: 7-14-2001
	Plymouth, VT 05102	Position: Production Worker
	802-967-5873	PT/FT: FT, nonexempt
	SSN:089-74-0974	M/S: S
	401(k) deduction: 5%	Pay Rate: \$12.00/hour
		Dependents under 17: 0

	Section 125 deduction:	Dependents over 17: 0
	\$100	Step 4 information: none
A-Long	Charlie Long	Hire Date: 2-1-22
	242 Benedict Road	DOB: 3-16-1997
	S. Woodstock, VT	Position: Production Worker
	05002	PT/FT: FT, nonexempt
	802-429-3846	M/S: M
	SSN: 056-23-4593	Pay Rate: \$15.00/hour
	401(k) deduction: 2%	Dependents under 17: 2
	Section 125 deduction:	Dependents over 17: 0
	\$155	Step 4 information: none
B-Shang	Mary Shangraw	Hire Date: 2-1-22
	1901 Main Street #2	DOB: 8-20-1980
	Bridgewater, VT 05520	Position: Administrative Assistant
	802-575-5423	PT/FT: PT, nonexempt
	SSN: 075-28-8945	M/S: S
	401(k) deduction: 3%	Pay Rate: \$15.00/hour
	Section 125 deduction:	Dependents under 17: 0
	\$100	Dependents over 17: 1
		Step 4 information: none
B-Lewis	Kristen Lewis	Hire Date: 2-1-2022
	840 Daily Hollow Road	DOB: 4-6-1991
	Bridgewater, VT 05523	Position: Office Manager
	802-390-5572 TBEXA	PT/FT: FT, exempt
	SSN: 076-39-5673	M/S: M
	401(k) deduction: 4%	Pay Rate: \$32,000/year
	Section 125 deduction:	Dependents under 17: 2
	\$155	Dependents over 17: 1
		Step 4 information: none
B-Schwa	Joel Schwartz	Hire Date: 2-1-2022
	55 Maple Farm Way	DOB: 5-23-1993
	Woodstock, VT 05534	Position: Sales
	802-463-9985	PT/FT: FT, exempt
	SSN: 021-34-9876	M/S: M
	401(k) deduction: 5%	Pay Rate: \$32,000/year base plus 3%
	Section 125 deduction:	commission per case sold
	\$100	Dependents under 17: 2
		Dependents over 17: 0
		Step 4 information: none
B-Prevo	Toni Prevosti	Hire Date: 2-1-2022
	10520 Cox Hill Road	DOB: 9-18-1987
	Bridgewater, VT 05521	Position: Owner/President
	802-673-2636	PT/FT: FT, exempt
	SSN: 055-22-0443	M/S: M
	401(k) deduction: 6%	Pay Rate: \$45,000/year

Section 125 deduction:	Dependents under 17: 3
\$155	Dependents over 17: 2
	Step 4 information: none

The company has the following departments:

Department A: Agricultural Workers

Department B: Office Workers

1. You have been hired to start on February 1, 2022, as the new accounting clerk. Your employee number is B-STUDE, where "B" denotes that you are an office worker. Your Social Security number is 555-55-5555, you are full-time, nonexempt, and paid at a rate of \$34,000 per year. You have elected to contribute 2 percent of your gross pay to your 401(k) and will have \$100 per pay period for Section 125. Complete the W-4 and the I-9 to start your own employee file. You are single with only one job. You live at 1644 Smitten Road, Woodstock, VT 05001. You will not be claiming anything for section 4 of the W-4. Your phone number is (555) 555-5555. Your date of birth is 01/01/2001. You are a citizen of the United States and provide a Vermont driver's license #88110009 expiring 01/01/24 in addition to your Social Security card for verification of your identity. Mary Shangraw verified the information for the company. Prevosti Farms and Sugarhouse is located at 820 Westminster Road, Bridgewater, VT, 05520. Prevosti has an EIN of 22-6654454.

TBEXAM.COM

W-4	ľ	Emplo	yee's Withholding Cer	tificate	1	OMB No. 1545-0074					
Department of the T	reasury		our employer can withhold the correct  ► Give Form W-4 to your employer  If withholding is subject to review by		pay.	2022					
Step 1:	(a) F	irst name and middle initial	Last name		(b) So	ocial security number					
Enter	Stude	ent	Success			555-55-5555					
Personal	Addre	955				your name match the on your social security					
Information		Smitten Road			card?	If not, to ensure you get					
	100	r town, state, and ZIP code			SSA at 800-772-1213						
		Istock, VT 05001 Single or Married filing separate	he .		www.s	sa.gov.					
		Married filing jointly or Qualifyin	· 10 (20 0 - 20 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0								
			you're unmarried and pay more than half the	costs of keeping up a home for yo	urself an	d a qualifying individual					
	· ·		r; otherwise, skip to Step 5. See p he estimator at www.irs.gov/W4Ap		on e	ach step, who can					
Step 2: Multiple Joi	os		) hold more than one job at a time, ount of withholding depends on inc								
or Spouse		Do only one of the following	g.								
Works		(a) Use the estimator at ww	w.irs.gov/W4App for most accurat	te withholding for this step	(and S	Steps 3-4); or					
		<ul><li>(b) Use the Multiple Jobs V withholding; or</li></ul>	Vorksheet on page 3 and enter the	result in Step 4(c) below for	or roug	hly accurate					
			s total, you may check this box. Do bs with similar pay; otherwise, mor								
			t a 2022 Form W-4 for all other job ependent contractor, use the estim		ave se	elf-employment					
	T		ONE of these jobs. Leave those stone the Form W-4 for the highest pay		s. (You	r withholding will					
Step 3:		If your total income will be	\$200,000 or less (\$400,000 or less	if married filing jointly):	1						
Claim Dependents		Multiply the number of q	ualifying children under age 17 by \$2	2,000 ▶ \$							
Dependent		Multiply the number of o	other dependents by \$500	<b>&gt;</b> <u>\$</u>							
		Add the amounts above an	d enter the total here		3	\$					
Step 4 (optional):		expect this year that wo	om jobs). If you want tax withhe on't have withholding, enter the amost, dividends, and retirement income	ount of other income here.		s					
Other Adjustment	s	(b) Deductions. If you expe	ect to claim deductions other than the	he standard deduction and							
		want to reduce your with	hholding, use the Deductions Work								
		the result here			4(b)	\$					
		(c) Extra withholding. Ente	er any additional tax you want withh	eld each pay period	4(c)	\$					
		11.00				,					
Step 5:	Unde	er penalties of perjury, I declare to	nat this certificate, to the best of my kno	owledge and belief, is true, co	rrect, a	and complete.					
Sign Here	1.5	tudent Success		. 02	/01/2	2022					
11010	_		rm is not valid unless you sign it.)	Dat							
Employers	10000	ioyer's name and address rosti Farms and Sugarhous			Employ	er Identification					
Only	100000000000000000000000000000000000000	Westminster Road	~								
	10000	sewater, VT 05520		02/01/2022		22-6654454					
For Privacy Ac		Paperwork Reduction Act Notice	ce, see page 3.	Cat. No. 10220Q		Form W-4 (2022					



### Employment Eligibility Verification Department of Homeland Security

U.S. Citizenship and Immigration Services

USCIS Form I-9 OMB No. 1615-0047 Expires 10/31/2022

▶START HERE: Read instructions carefully before completing this form. The instructions must be available, either in paper or electronically, during completion of this form. Employers are liable for errors in the completion of this form.

ANTI-DISCRIMINATION NOTICE: It is illegal to discriminate against work-authorized individuals. Employers CANNOT specify which document(s) an employee may present to establish employment authorization and identity. The refusal to hire or continue to employ an individual because the documentation presented has a future expiration date may also constitute illegal discrimination.

Section 1. Employee Information than the first day of employment, but not				ot complete and	l sign S	ection 1 o	of Form I-9 no later	
Last Name (Family Name)	First Name (Given N			Middle Initial	Other	ast Name	s Used (if any)	
Success	Student					, ,		
Address (Street Number and Name)	Apt. Numbe	r City o	or Town			State	ZIP Code	
1644 Smitten Road	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		dstock			VI	05001	
Date of Birth (mm/dd/yyyy) U.S. Social Sec	urity Number Em	ployee's E	mail Addo	044	-		Telephone Number	
22 /22 /222	5 - 5 5 5 5	proyees	Tildii Addi	-			55-5555	
I am aware that federal law provides for connection with the completion of this	form.				r use o	f false do	ocuments in	
I attest, under penalty of perjury, that I	am (check one of t	he follow	ring boxe	rs):				
1. A citizen of the United States								
2. A noncitizen national of the United States	(See instructions)							
3. A lawful permanent resident (Alien Reg	gistration Number/USC	IS Numbe	r): N	I/A				
4. An alien authorized to work until (expira			_	I/A	-			
Some aliens may write "N/A" in the expira	•				H	9	R Code - Section 1	
Aliens authorized to work must provide only on An Alien Registration Number/USCIS Number					nber.	Do N	iot Wirte in This Space	
Alien Registration Number/USCIS Number:     OR	N/A			-				
2. Form I-94 Admission Number: N/A				_			10 St. 00	
OR				_				
Foreign Passport Number: N/A				_			Estato. (Estato	
Country of Issuance: N/A				_				
Signature of Employee Student Su	ccess			Today's Date 02/0	(mm/dd			
Preparer and/or Translator Certif	ication (check	one):						
	A preparer(s) and/or		s) assisted	the employee in o	completi	ng Section	1.	
(Fields below must be completed and sign	ed when preparers	and/or tra	nslators a	assist an emplo	yee in (	completin	g Section 1.)	
I attest, under penalty of perjury, that I h knowledge the information is true and c		e comple	tion of S	ection 1 of this	s form	and that	to the best of my	
Signature of Preparer or Translator				1	Today's	Date (mm/	dd/yyyy)	
Last Name (Family Name)			First Name	(Given Name)				
Address (Street Number and Name)		City or 1	Town			State	ZIP Code	
	STOP Employer	Complete	s Next Pa	ege Stop		•		

Form I-9 10/21/2019 Page 1 of 3 2-18



## Employment Eligibility Verification

Department of Homeland Security U.S. Citizenship and Immigration Services USCIS Form I-9 OMB No. 1615-0047 Expires 10/31/2022

Section 2. Employer or (Employers or their authorized repr must physically examine one docu of Acceptable Documents.")	recentative mus	t complete and	d sign Section	on 2 within 3	business day	s of the e			
Employee Info from Section 1	Last Name (F Success	amily Name)		First Nam Student	e (Given Nam	ne)	M.I.	Citize	nship/Immigration Status
List A Identity and Employment Aut	_	R	Lis Ider	t B ntity	Α	ND		Empl	List C loyment Authorization
Document Title		Document 1 Driver's lic		ed by sta	te/territory	Docume			ard (unrestricted)
Issuing Authority		Issuing Auti Vermont				Issuing	Autho	rity	dministration
Document Number		Document N 88110009				Docume 555-55			
Expiration Date (if any) (mm/dd/yy	yy)		ate (if any)	(mm/dd/yyy	N)				ny) (mm/dd/yyyy)
Document Title									
Issuing Authority		Additiona	I Information	on				QR Do N	Code - Sections 2 & 3 lot Write In This Space
Document Number									
Expiration Date (if any) (mm/dd/yy	200)								
Document Title									
Issuing Authority							ľ		
Document Number									
Expiration Date (if any) (mm/dd/yy	200)								
Certification: I attest, under po (2) the above-listed document employee is authorized to wor	(s) appear to t	oe genuine a				-			
The employee's first day of	employment	(mm/dd/yyy	y): 02/01	/2022	(See ii	nstructio	ns fo	r exer	mptions)
Signature of Employer or Authoriz Mary SV	ed Representat 1 ANG Y AW			ate (mm/dd/) 1/2022		of Employ ministrat			zed Representative int
Last Name of Employer or Authorized Shangraw	Representative	First Name of Mary	Employer or	Authorized R	epresentative				or Organization Name and Sugarhouse
Employer's Business or Organizat 820 Westminster Road	ion Address (St	reet Number a	nd Name)	City or Too Bridgewa				ate T 🕶	ZIP Code 05520
Section 3. Reverification	and Rehire	s (To be con	npleted and	d signed by	employer o	r authoriz	zed re	prese	ntative.)
A. New Name (if applicable)						B. Date o	f Rehi	re (if ap	oplicable)
Last Name (Family Name)	First	Name (Given I	Name)	Mic	idle Initial	Date (mr	n/dd/y	nn)	
<ul> <li>C. If the employee's previous grant continuing employment authorization</li> </ul>				l, provide the	information f	for the doc	cument	or rec	eipt that establishes
Document Title			Docum	ent Number			Expi	ration D	ate (if any) (mm/dd/yyyy)
I attest, under penalty of perju the employee presented docur									
Signature of Employer or Authoriz			s Date (mm/						depresentative
Form I-9 10/21/2019									Page 2 of

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# LISTS OF ACCEPTABLE DOCUMENTS All documents must be UNEXPIRED

Employees may present one selection from List A or a combination of one selection from List B and one selection from List C.

	LIST A  Documents that Establish  Both Identity and  Employment Authorization	OR	LIST B  Documents that Establish  Identity	ND.	LIST C Documents that Establish Employment Authorization
_	U.S. Passport or U.S. Passport Card  Permanent Resident Card or Alien Registration Receipt Card (Form I-551)	1	Driver's license or ID card issued by a State or outlying possession of the United States provided it contains a	1.	A Social Security Account Number card, unless the card includes one of the following restrictions:
3.	Foreign passport that contains a temporary I-551 stamp or temporary		photograph or information such as name, date of birth, gender, height, eye color, and address		(1) NOT VALID FOR EMPLOYMENT (2) VALID FOR WORK ONLY WITH INS AUTHORIZATION
	I-551 printed notation on a machine- readable immigrant visa	2	ID card issued by federal, state or local government agencies or entities,		(3) VALID FOR WORK ONLY WITH DHS AUTHORIZATION
4.	Employment Authorization Document that contains a photograph (Form I-766)		provided it contains a photograph or information such as name, date of birth, gender, height, eye color, and address	2.	Certification of report of birth issued by the Department of State (Forms DS-1350, FS-545, FS-240)
	For a nonimmigrant alien authorized	1	s. School ID card with a photograph	3.	
9.	to work for a specific employer	4	L. Voter's registration card	3.	certificate issued by a State,
	because of his or her status:		i. U.S. Military card or draft record		county, municipal authority, or territory of the United States
	a. Foreign passport; and b. Form I-94 or Form I-94A that has	6	. Military dependent's ID card		bearing an official seal
	the following:	7	. U.S. Coast Guard Merchant Mariner	4.	Native American tribal document
	(1) The same name as the passport; and	L	Card	5.	U.S. Citizen ID Card (Form I-197)
	(2) An endorsement of the alien's	8	Native American tribal document	6.	Identification Card for Use of
	nonimmigrant status as long as that period of endorsement has	9	Driver's license issued by a Canadian government authority		Resident Citizen in the United States (Form I-179)
	not yet expired and the proposed employment is not in conflict with any restrictions or limitations identified on the form.		For persons under age 18 who are unable to present a document listed above:	7.	Employment authorization document issued by the Department of Homeland Security
6.	Passport from the Federated States of Micronesia (FSM) or the Republic	1	School record or report card		
	of the Marshall Islands (RMI) with	1	1. Clinic, doctor, or hospital record		
	Form I-94 or Form I-94A indicating nonimmigrant admission under the Compact of Free Association Between the United States and the FSM or RMI	1	2. Day-care or nursery school record		

Examples of many of these documents appear in the Handbook for Employers (M-274).

Refer to the instructions for more information about acceptable receipts.

Page 3 of 3 2-2U

2. Complete the headers of the employee earnings register for each employee. Enter the pay rate for each employee.

						Employe	e Earnings R	egister								
NAME	Thomas M	illen		_	Hire Date		2/1/2022			Depender	nt child <17			3		
ADDRESS	1022 Fores	t School Ro	oad	_	Date of Bir	th	12/16/1992			Depender	nt other		-	1		
CITY/STATE/ZIP	Woodstoo	k, VT 05001		_	Position		Production		_PT/(FT)	Step 4a W	-4 Info		no	one		
TELEPHONE	802-478-50	)55		_	Filing State	ıs	Married/Jo	int	_	Step 4b W	-4 Info		no	one		
SOCIAL					Exempt/N	onexempt	Exempt			Step 4c W	-4 Info		no	one		
SECURITY NUMBER	031-11-345	56			Pay Rate		\$35,000.00		<del>-</del> Hr/Wk/N	10 / Vr						
IVOIVIBLIX	031 11 34	<del>,,,</del>		=	r ay nace		755,000.00		_'''' / ****/ '*	.07 .0						
Period	Hrs	Reg	ОТ		Gross	Social		Fed W/H	State			Total				
Ended	Worked	Pay	Pay	Comm	Pay	Sec Tax	Medicare	Tax	W/H Tax	401(k)	Sect 125	Deduc	Net Pay	YTD		
						Employe	e Earnings R	egister								
NAME	Avery Tow	le		_	Hire Date		2/1/2022		_	Depender	nt child <17			0		
ADDRESS	4011 Route			_	Date of Bir	th	7/14/2001		_	Depender				0		
CITY/STATE/ZIP	Plymouth,			_	Position		Production	Worker	_PT/(FT)	•	Step 4a W-4 Info Step 4b W-4 Info			one		
TELEPHONE	802-967-58	373		-	Filing State	ıs	Single		_	Step 4b W-4 Info			none			
SOCIAL SECURITY					Exempt/N	onexempt	Non-exem	pt	_	Step 4c W	Step 4c W-4 Info			one		
NUMBER	089-74-097	74			Pay Rate		\$15.00		Hr) Wk / N	1o / Yr						
				-	,					,						
Period	Hrs	Reg	ОТ		Gross	Social		Fed W/H	State			Total				
Ended	Worked	Pay	Pay	Comm	Pay	Sec Tax	Medicare	Tax	W/H Tax	401(k)	Sect. 125	Deduc	Net Pay	YTD		
						TEL	7 1/1	'OM								
						IDE.	AAI'I.	COM								
						Employe	e Earnings R	egister								
NAME	Charlie Lo			-	Hire Date		2/1/2022		_	•	nt child <17			2		
ADDRESS	242 Bened			-	Date of Bir	th	3/16/1997	Maden	- NT (FT	Depender				0		
CITY/STATE/ZIP	Woodstoo			-	Position		Production Married/Jo		_PT/FT	Step 4a W				one		
TELEPHONE	802-429-38	346		-	Filing State				_	Step 4b W				one		
SECURITY					Exempt/N	onexempt	Non-exem	pt	_	Step 4c W-4 Info			no	one		
NUMBER	056-23-459	93			Pay Rate		\$15.00	(	Hr / Wk / N	o / Yr						
	_			-												
Period	Hrs	Reg	ОТ		Gross	Social		Fed W/H	State			Total				
Ended	Worked	Pay	Pay	Comm	Pay	Sec Tax	Medicare	Tax	W/H Tax	401(k)	Sect 125	Deduc	Net Pay	YTD		
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	I	1		Ì	1	I	1	1		1	1	1	1	Ì		

						Employe	ee Earnings R	egister						
NAME	Mary Shar	igraw			Hire Date	· · ·	2/1/2022			Depender	nt child <17			0
ADDRESS	1901 Main	Street #2		-	Date of Bir	th	8/20/1980		_	Depender	nt other			1
				_			Administra	tive	_					
CITY/STATE/ZIP	Bridgewat	er, VT 0552	20	_	Position		Assistant		PT/)FT	Step 4a W	-4 Info		no	one
TELEPHONE	802-575-5	423		_	Filing State	ıs	Single		_	Step 4b W	/-4 Info		no	one
SOCIAL					Exempt/N	onexempt	Non-exem	ot		Step 4c W	-4 Info		no	one
SECURITY	075 20 00	45							Hr)Wk/N	•				
NUMBER	075-28-89	45		-	Pay Rate		\$15.00		HI WK / IV	10 / 11				
Period	Hrs	Reg	ОТ		Gross	Social		Fed W/H	State			Total		
Ended	Worked	Pay	Pay	Comm	Pay	Sec Tax	Medicare	Tax	W/H Tax	401(k)	Sect 125	Deduc	Net Pay	YTD
		- /	1		,					1			,	
	•				•									
						Employe	ee Earnings R	egister						
NAME	Kristen Le	wis			Hire Date	p.oyc	2/1/2022			Depender	nt child <17			2
ADDRESS		Hollow Roa	ıd	-	Date of Bir	th	4/6/1991			Depender				1
CITY/STATE/ZIP				_	Position		Office Man	ager	PT/(FT)	Step 4a W				one
TELEPHONE	802-390-5			_	Filing Statu	ıs	Married/Jo		_ '	Step 4b W				one
SOCIAL				_					_	•				
SECURITY					Exempt/N	onexempt	Exempt		_	Step 4c W	-4 IIII0		nc	one
NUMBER	076-39-56	73		_	Pay Rate		\$32,000.00		Hr/Wk/N	10 / (r				
David and	I	ln	Гот	1	Ic	C! - I		E114//11	C+-+-		1	T-4-1		1
Period	Hrs	Reg	OT		Gross	Social	N d a all a a a a	Fed W/H	State	404(1.)	C - + 425	Total	N. A. D.	VITE
Ended	Worked	Pay	Pay	Comm	Pay	Sec Tax	Medicare	Tax	W/H Tax	401(k)	Sect 125	Deduc	Net Pay	YTD
	1	1		ı	1				-1		1			
						Employe	ee Earnings R	egister						
NAME	Joel Schw			-	Hire Date		2/1/2022		_	•	nt child <17			2
ADDRESS	55 Maple			_	Date of Bir	th	5/23/1993			Depender				0
CITY/STATE/ZIP			+	-	Position		Sales		_PT/(FT)	Step 4a W				one
TELEPHONE	802-463-99	985		-	Filing Statu	JS	Married/Jo	Int		Step 4b W	/-4 Into		no	one
SOCIAL SECURITY					Exempt/N	onexempt	Exempt		_	Step 4c W	-4 Info		no	one
NUMBER	021-34-98	76			Pay Rate		\$32,000 + C	ommiss	Hr/Wk/N	10 / Yr				
				_	·				_ ' '					
Period	Hrs	Reg	ОТ		Gross	Social		Fed W/H	State			Total		
Ended	Worked	Pay	Pay	Comm	Pay	Sec Tax	Medicare	Tax	W/H Tax	401(k)	Sect 125	Deduc	Net Pay	YTD
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				ļ	1		1			1	1	ļ		ļ
	1			1	1		1	L	1	1	1	1		1
						Employe	ee Earnings R	egister						
NAME	Toni Prevo	osti		_	Hire Date		2/1/2022			Depende	nt child <17	,		3
ADDRESS	820 Westn	ninster Roa	ıd	_	Date of Birth		9/19/1987			Depende	nt other			2
CITY/STATE/ZIP	Bridgewat	er, VT 0552	20	_	Position		Owner/Pre	esident	PT/FT	Step 4a W	/-4 Info		no	one
TELEPHONE	802-555-34	156		_	Filing Statu	S	Married/Jo	int	_	Step 4b W	V-4 Info		no	one
SOCIAL					Exempt/No	nexempt	Exempt			Step 4c W	/-4 Info		no	one
SECURITY NUMBER	055-22-044	10			Pay Rate		\$45,000.00		— Hr / Wk / N					
NUIVIBER	055-22-044	+3		-	Pay Nate		\$45,000.00			VIO / (I)				
Period	Hrs	Reg	ОТ		Gross	Social		Fed W/H	State			Total		
Ended	Worked	Pay	Pay	Comm	Pay	Sec Tax	Medicare	Tax	W/H Tax	401(k)	Sect 125	Deduc	Net Pay	YTD
	1	1	1	1	1	1	1	1	,	- (-7	1			1
										İ				
		T T	1			1								1

						Employe	ee Earnings F	Register						
NAME	Student S	uccess			Hire Date		2/1/2022			Depende	nt child <17	•		0
ADDRESS	1644 Smit	ten Road			Date of B	rth	1/1/2001		_	Dependent other				0
CITY/STATE/ZIP	Woodstoo	ck, VT 0500	1		Position			Accounting Clerk Single		T Step 4a W-4 Info Step 4b W-4 Info			n	one
TELEPHONE	555-555-5	555			Filing Sta								n	one
SOCIAL SECURITY					Exempt/N	Nonexempt	Non-exem	pt	_	Step 4c W	/-4 Info	n	one	
NUMBER	555-55-55	55		_	Pay Rate		\$34,000.00		_Hr/Wk/N	Mo / T				
Period	Hrs	Reg	OT		Gross	Social	1	Fed W/H	State			Total		
Ended	Worked	Pay	Pay	Comm	Pay	Sec Tax	Medicare	Tax	W/H Tax	401(k)	Sect 125	Deduc	Net Pay	YTD
										1				1

#### EMPLOYEE EARNING RECORD

Name			Student Su			_	Hire Date		2/1/2018		
Address			1644 Smitti			_	Date of Bi		1/1/1991		
City/State			Woodstock	/VT/05001		_		lonexempt	Nonexempt		
Telephon			(555)555-55	555		_	Married/S	ingle	S		
Social Se	curity Numl	ber	555-55-555	5		_	No. of exe	emptions	2		
Position							Pay Rate		\$34,000/ye	ear	
Period	Hrs								Taxable Pay for	Taxable Pay for	
Ended	Worked	Reg Pay	OTPay	Holiday	Comm	Gross Pay	Ins	401(k)	Federal	FICA	
		1			+	+	1				
Taxable	Taxable	1		Ι	1	1	1			٦	
Pay for	Pay for	Fed Inc.	Social Sec.		State Inc.			YTD Net	YTD Gross		
Federal	FICA	Tax	Tax	Medicare	Tax	Total Deduc	Net pay	Pay	Pay		
	<u> </u>	<u> </u>			<del> </del>	<u> </u>	-			4	
		1			+	+				+	
										1	
										1	

## Appendix A

There are two versions of a full quarter, from start to finish, payroll project located within Appendix A. Starting in chapter 2, instructors may assign coinciding portions from the appendix to supplement the materials in the textbook. This project may be assigned using a three-month data set that starts on October 1 and runs through the year-end tax reporting. The other option is to assign the short version, which contains only the December transactions.