

PAYROLL ACCOUNTING (04)

Regional– 2009

Multiple Choice (15 @ 3 points each)	_____	(45 pts.)
Short Answers	_____	(19 pts.)
Production Portion		
Problem 1: Earnings Record	_____	(20 pts.)
Problem 2: Salary Expense Entry	_____	(16 pts.)
Problem 3: Payroll Tax Expense Entry	_____	(12 pts.)
TOTAL POINTS	_____	(112)

Failure to adhere to any of the following rules will result in disqualification:

- 1. Contestant must hand in this test booklet and all printouts. Failure to do so will result in disqualification.**
- 2. No equipment, supplies, or materials other than those specified for this event are allowed in the testing area. No previous BPA tests and/or sample tests or facsimile (handwritten, photocopied, or keyed) are allowed in the testing area.**
- 3. Electronic devices will be monitored according to ACT standards.**

No more than ten (10) minutes orientation

No more than 110 minutes testing time

No more than ten (10) minutes wrap-up

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Workplace Skills Assessment Program competition.

General Instructions

You have been hired as a Financial Assistant and will be keeping the accounting records for Professional Business Associates, located at 5454 Cleveland Avenue, Columbus, Ohio 43231. Professional Business Associates provides accounting and other financial services for clients. You will complete jobs for Professional Business Associates' own accounting records, as well as for clients.

You will have 90 minutes to complete your work. The test is divided into two parts. The multiple choice and short answer questions should be completed first, and then the accounting problems may be completed in any order.

Your name and/or school name should NOT appear on any work you submit for grading. Write your contestant number in the provided space. Staple all pages in order before you turn in your test.

Assumptions to make when taking this assessment:

- Round all calculations to two decimal places
- Assume employees earn overtime for any hours worked over 40 hours in a week unless otherwise instructed
- All time calculations are rounded to the nearest quarter hour
- Income Tax Withholding Tables are provided at the end of the assessment
- Use 6.2% for Social Security Tax and 1.45% for Medicare Tax
- Use 5.4% for State Unemployment Tax and 0.8% for Federal Unemployment Tax
- Assume that no employee has accumulated earnings in excess of the social security tax base

Multiple Choice:

Select the best answer and record the answer on the Scantron provided.

1. The money paid for employee services
 - a. Salary
 - b. Total earnings
 - c. Payroll
 - d. Base earnings

2. The total amount of pay due to an employee for a pay period before any deductions are taken
 - a. Salary
 - b. Net Pay
 - c. Gross Pay
 - d. Total Pay

3. The maximum amount of earnings on which a tax is calculated
 - a. Tax Base
 - b. Tax Max
 - c. Tax Limit
 - d. Tax Level

4. A federal tax paid for old-age, survivors, and disability insurance
 - a. Medicare Tax
 - b. Social Security Tax
 - c. Federal Income Tax
 - d. State Income Tax

5. A federal tax paid for hospital insurance
 - a. Medicare Tax
 - b. Social Security Tax
 - c. Federal Income Tax
 - d. State Income Tax

6. The business form used to record details affecting payment made to an employee
 - a. Employee Payroll Listing
 - b. Employee Payroll Register
 - c. Employee Earnings Record
 - d. Employee Salary Report

7. Information used to prepare the payroll check is taken from the
 - a. Payroll Register
 - b. Payroll Earning Record
 - c. Payroll Employee Salary Report
 - d. Payroll Salary Report

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8. The amount of an employee's earnings used to determine if certain payroll taxes will be deducted
 - a. Net Pay
 - b. Gross Pay
 - c. Accumulated Earnings
 - d. Quarterly Earnings

9. The number of withholding allowances of an employee affect
 - a. Social Security Taxes withheld
 - b. Medicare Taxes withheld
 - c. Federal Income Tax withheld
 - d. Federal Unemployment Tax withheld

10. Employee regular earnings are calculated as
 - a. Regular hours times the regular rate of pay
 - b. Regular hours divided by the regular rate of pay
 - c. Regular hours plus overtime hours
 - d. Regular hours minus overtime hours

11. Until the amount of taxes withheld from the employee salaries are paid by the employer, they are recorded as
 - a. Assets
 - b. Liabilities
 - c. Expenses
 - d. Revenue

12. Employers are required by law to furnish each employee with a statement of annual earnings and deductions. This form is called
 - a. W-4 Form
 - b. W-2 Form
 - c. 941 Form
 - d. 1040 Form

13. Employers are required by law to furnish each employee with a statement of annual earnings and deductions no later than
 - a. December 31 of the current year
 - b. January 1 of the following year
 - c. January 15 of the following year
 - d. January 31 of the following year

14. The tax base is \$9,000.00 for unemployment taxes and an employee has accumulated earnings of \$8,200.00 on March 30. On April 15 the employee's gross earnings are \$1,300.00. How much of his April 15 earnings are subject to unemployment taxes?
 - a. \$ 1,300.00
 - b. \$ 8,200.00
 - c. \$ 800.00
 - d. None, he has exceeded the tax base

15. The amount of social security tax paid by an employer is
- Twice the employees rate of social security tax
 - The same as the employees rate of social security tax
 - Half the amount of the employees rate of social security tax
 - Employers are not required to pay social security tax

Short Answer:

1. Aiden James is paid bi-weekly. During the first week he works 47 hours and during the second week he works 38 hours. How many hours of overtime will the employee be paid?

2. Molly Alexander is paid every week. Her hourly rate of pay is \$6.25 per hour. Molly is expected to produce 120 units per day. For every unit produced over 120 she receives an incentive of \$1.20 per unit. Last week Molly produced the following and worked 40 hours:

Monday	Tuesday	Wednesday	Thursday	Friday	Total Regular Pay	Incentive Pay
125	119	130	123	118		

What were Molly's Total Earnings before taxes for the week?

3. Blake Manning recently accepted a job that pays a monthly salary of \$2,500 as well as a 15% commission on sales over \$10,000 per week. Blake is paid monthly, however, on the 10th of every month he receives a draw check of \$1000. Using the following information calculate Blake's gross earnings for the month of May.

Week	Total Sales
Week #1	\$15,000.00
Week #2	\$21,000.00
Week #3	\$11,000.00
Week #4	\$18,000.00

Blake's Total Commission _____

Blake's Total Earnings for the month _____

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4. You recently accepted a job that pays a salary of \$225.00 per week. Last week you worked 45 hours. How much overtime were you paid?

\$ _____

5. Using the following time card, calculate the regular, overtime and total earnings for Grace Tompkins. Grace is not paid for a 30 minute lunch period each day she works more than 5 hours.

Time Card			
Employee No. 191		Week Ending April 16, 2009	
Name: Tompkins, Grace		Exemptions: 4	
Social Security No.: 333-45-3321		Hourly Rate: \$6.75	
Day	In	Out	Hours
Monday	8:01 AM	4:29 PM	
Tuesday	7:56 AM	5:02 PM	
Wednesday	9:02 AM	6:03 PM	
Thursday	8:04 AM	7:03 PM	
Friday	8:02 AM	6:01 PM	
Saturday	9:01 AM	1:05 PM	
	Hours	Rate	Earnings
Regular			
Overtime			
Totals			

SINGLE Persons—WEEKLY Payroll Period												
(For Wages Paid in 20--)												
If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
The amount of income tax to be withheld is—												
\$0	\$55	0	0	0	0	0	0	0	0	0	0	0
55	60	1	0	0	0	0	0	0	0	0	0	0
60	65	2	0	0	0	0	0	0	0	0	0	0
65	70	2	0	0	0	0	0	0	0	0	0	0
70	75	3	0	0	0	0	0	0	0	0	0	0
75	80	4	0	0	0	0	0	0	0	0	0	0
80	85	5	0	0	0	0	0	0	0	0	0	0
85	90	5	0	0	0	0	0	0	0	0	0	0
90	95	6	0	0	0	0	0	0	0	0	0	0
95	100	7	0	0	0	0	0	0	0	0	0	0
100	105	8	0	0	0	0	0	0	0	0	0	0
105	110	8	1	0	0	0	0	0	0	0	0	0
110	115	9	1	0	0	0	0	0	0	0	0	0
115	120	10	2	0	0	0	0	0	0	0	0	0
120	125	11	3	0	0	0	0	0	0	0	0	0
125	130	11	4	0	0	0	0	0	0	0	0	0
130	135	12	4	0	0	0	0	0	0	0	0	0
135	140	13	5	0	0	0	0	0	0	0	0	0
140	145	14	6	0	0	0	0	0	0	0	0	0
145	150	14	7	0	0	0	0	0	0	0	0	0
150	155	15	7	0	0	0	0	0	0	0	0	0
155	160	16	8	0	0	0	0	0	0	0	0	0
160	165	17	9	1	0	0	0	0	0	0	0	0
165	170	17	10	2	0	0	0	0	0	0	0	0
170	175	18	10	3	0	0	0	0	0	0	0	0
175	180	19	11	3	0	0	0	0	0	0	0	0
180	185	20	12	4	0	0	0	0	0	0	0	0
185	190	20	13	5	0	0	0	0	0	0	0	0
190	195	21	13	6	0	0	0	0	0	0	0	0
195	200	22	14	6	0	0	0	0	0	0	0	0
200	210	23	15	8	0	0	0	0	0	0	0	0
210	220	25	17	9	1	0	0	0	0	0	0	0
220	230	26	18	11	3	0	0	0	0	0	0	0
230	240	28	20	12	4	0	0	0	0	0	0	0
240	250	29	21	14	6	0	0	0	0	0	0	0
250	260	31	23	15	7	0	0	0	0	0	0	0
260	270	32	24	17	9	1	0	0	0	0	0	0
270	280	34	26	18	10	2	0	0	0	0	0	0
280	290	35	27	20	12	4	0	0	0	0	0	0
290	300	37	29	21	13	5	0	0	0	0	0	0
300	310	38	30	23	15	7	0	0	0	0	0	0
310	320	40	32	24	16	8	1	0	0	0	0	0
320	330	41	33	26	18	10	2	0	0	0	0	0
330	340	43	35	27	19	11	4	0	0	0	0	0
340	350	44	36	29	21	13	5	0	0	0	0	0
350	360	46	38	30	22	14	7	0	0	0	0	0
360	370	47	39	32	24	16	8	0	0	0	0	0
370	380	49	41	33	25	17	10	2	0	0	0	0
380	390	50	42	35	27	19	11	3	0	0	0	0
390	400	52	44	36	28	20	13	5	0	0	0	0
400	410	53	45	38	30	22	14	6	0	0	0	0
410	420	55	47	39	31	23	16	8	0	0	0	0
420	430	56	48	41	33	25	17	9	2	0	0	0
430	440	58	50	42	34	26	19	11	3	0	0	0
440	450	59	51	44	36	28	20	12	5	0	0	0
450	460	61	53	45	37	29	22	14	6	0	0	0
460	470	62	54	47	39	31	23	15	8	0	0	0
470	480	64	56	48	40	32	25	17	9	1	0	0
480	490	65	57	50	42	34	26	18	11	3	0	0
490	500	67	59	51	43	35	28	20	12	4	0	0
500	510	68	60	53	45	37	29	21	14	6	0	0
510	520	70	62	54	46	38	31	23	15	7	0	0
520	530	72	63	56	48	40	32	24	17	9	1	0
530	540	75	65	57	49	41	34	26	18	10	3	0
540	550	78	66	59	51	43	35	27	20	12	4	0
550	560	81	68	60	52	44	37	29	21	13	6	0
560	570	83	69	62	54	46	38	30	23	15	7	0
570	580	86	72	63	55	47	40	32	24	16	9	1
580	590	89	74	65	57	49	41	33	26	18	10	2
590	600	92	77	66	58	50	43	35	27	19	12	4

**SINGLE Persons—WEEKLY Payroll Period
(For Wages Paid in 20--)**

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$600	\$610	95	80	68	60	52	44	36	29	21	13	5
610	620	97	83	69	61	53	46	38	30	22	15	7
620	630	100	86	71	63	55	47	39	32	24	16	8
630	640	103	88	74	64	56	49	41	33	25	18	10
640	650	106	91	77	66	58	50	42	35	27	19	11
650	660	109	94	79	67	59	52	44	36	28	21	13
660	670	111	97	82	69	61	53	45	38	30	22	14
670	680	114	100	85	70	62	55	47	39	31	24	16
680	690	117	102	88	73	64	56	48	41	33	25	17
690	700	120	105	91	76	65	58	50	42	34	27	19
700	710	123	108	93	79	67	59	51	44	36	28	20
710	720	125	111	96	82	68	61	53	45	37	30	22
720	730	128	114	99	84	70	62	54	47	39	31	23
730	740	131	116	102	87	73	64	56	48	40	33	25
740	750	134	119	105	90	76	65	57	50	42	34	26
750	760	137	122	107	93	78	67	59	51	43	36	28
760	770	139	125	110	96	81	68	60	53	45	37	29
770	780	142	128	113	98	84	70	62	54	46	39	31
780	790	145	130	116	101	87	72	63	56	48	40	32
790	800	148	133	119	104	90	75	65	57	49	42	34
800	810	151	136	121	107	92	78	66	59	51	43	35
810	820	153	139	124	110	95	81	68	60	52	45	37
820	830	156	142	127	112	98	83	69	62	54	46	38
830	840	159	144	130	115	101	86	72	63	55	48	40
840	850	162	147	133	118	104	89	74	65	57	49	41
850	860	165	150	135	121	106	92	77	66	58	51	43
860	870	167	153	138	124	109	95	80	68	60	52	44
870	880	170	156	141	126	112	97	83	69	61	54	46
880	890	173	158	144	129	115	100	86	71	63	55	47
890	900	176	161	147	132	118	103	88	74	64	57	49
900	910	179	164	149	135	120	106	91	77	66	58	50
910	920	181	167	152	138	123	109	94	80	67	60	52
920	930	184	170	155	140	126	111	97	82	69	61	53
930	940	187	172	158	143	129	114	100	85	71	63	55
940	950	190	175	161	146	132	117	102	88	73	64	56
950	960	193	178	163	149	134	120	105	91	76	66	58
960	970	195	181	166	152	137	123	108	94	79	67	59
970	980	198	184	169	154	140	125	111	96	82	69	61
980	990	201	186	172	157	143	128	114	99	85	70	62
990	1,000	204	189	175	160	146	131	116	102	87	73	64
1,000	1,010	207	192	177	163	148	134	119	105	90	76	65
1,010	1,020	209	195	180	166	151	137	122	108	93	78	67
1,020	1,030	212	198	183	168	154	139	125	110	96	81	68
1,030	1,040	215	200	186	171	157	142	128	113	99	84	70
1,040	1,050	218	203	189	174	160	145	130	116	101	87	72
1,050	1,060	221	206	191	177	162	148	133	119	104	90	75
1,060	1,070	223	209	194	180	165	151	136	122	107	92	78
1,070	1,080	226	212	197	182	168	153	139	124	110	95	81
1,080	1,090	229	214	200	185	171	156	142	127	113	98	84
1,090	1,100	232	217	203	188	174	159	144	130	115	101	86
1,100	1,110	235	220	205	191	176	162	147	133	118	104	89
1,110	1,120	238	223	208	194	179	165	150	136	121	106	92
1,120	1,130	241	226	211	196	182	167	153	138	124	109	95
1,130	1,140	244	228	214	199	185	170	156	141	127	112	98
1,140	1,150	247	231	217	202	188	173	158	144	129	115	100
1,150	1,160	250	234	219	205	190	176	161	147	132	118	103
1,160	1,170	253	237	222	208	193	179	164	150	135	120	106
1,170	1,180	256	240	225	210	196	181	167	152	138	123	109
1,180	1,190	259	243	228	213	199	184	170	155	141	126	112
1,190	1,200	262	246	231	216	202	187	172	158	143	129	114
1,200	1,210	266	249	233	219	204	190	175	161	146	132	117
1,210	1,220	269	253	236	222	207	193	178	164	149	134	120
1,220	1,230	272	256	240	224	210	195	181	166	152	137	123
1,230	1,240	275	259	243	227	213	198	184	169	155	140	126
1,240	1,250	278	262	246	230	216	201	186	172	157	143	128

\$1,250 and over

Use Table 1(a) for a **SINGLE** person.

**SINGLE Persons—WEEKLY Payroll Period
(For Wages Paid in 20--)**

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
The amount of income tax to be withheld is—												
\$600	\$610	95	80	68	60	52	44	36	29	21	13	5
610	620	97	83	69	61	53	46	38	30	22	15	7
620	630	100	86	71	63	55	47	39	32	24	16	8
630	640	103	88	74	64	56	49	41	33	25	18	10
640	650	106	91	77	66	58	50	42	35	27	19	11
650	660	109	94	79	67	59	52	44	36	28	21	13
660	670	111	97	82	69	61	53	45	38	30	22	14
670	680	114	100	85	70	62	55	47	39	31	24	16
680	690	117	102	88	73	64	56	48	41	33	25	17
690	700	120	105	91	76	65	58	50	42	34	27	19
700	710	123	108	93	79	67	59	51	44	36	28	20
710	720	125	111	96	82	68	61	53	45	37	30	22
720	730	128	114	99	84	70	62	54	47	39	31	23
730	740	131	116	102	87	73	64	56	48	40	33	25
740	750	134	119	105	90	76	65	57	50	42	34	26
750	760	137	122	107	93	78	67	59	51	43	36	28
760	770	139	125	110	96	81	68	60	53	45	37	29
770	780	142	128	113	98	84	70	62	54	46	39	31
780	790	145	130	116	101	87	72	63	56	48	40	32
790	800	148	133	119	104	90	75	65	57	49	42	34
800	810	151	136	121	107	92	78	66	59	51	43	35
810	820	153	139	124	110	95	81	68	60	52	45	37
820	830	156	142	127	112	98	83	69	62	54	46	38
830	840	159	144	130	115	101	86	72	63	55	48	40
840	850	162	147	133	118	104	89	74	65	57	49	41
850	860	165	150	135	121	106	92	77	66	58	51	43
860	870	167	153	138	124	109	95	80	68	60	52	44
870	880	170	156	141	126	112	97	83	69	61	54	46
880	890	173	158	144	129	115	100	86	71	63	55	47
890	900	176	161	147	132	118	103	88	74	64	57	49
900	910	179	164	149	135	120	106	91	77	66	58	50
910	920	181	167	152	138	123	109	94	80	67	60	52
920	930	184	170	155	140	126	111	97	82	69	61	53
930	940	187	172	158	143	129	114	100	85	71	63	55
940	950	190	175	161	146	132	117	102	88	73	64	56
950	960	193	178	163	149	134	120	105	91	76	66	58
960	970	195	181	166	152	137	123	108	94	79	67	59
970	980	198	184	169	154	140	125	111	96	82	69	61
980	990	201	186	172	157	143	128	114	99	85	70	62
990	1,000	204	189	175	160	146	131	116	102	87	73	64
1,000	1,010	207	192	177	163	148	134	119	105	90	76	65
1,010	1,020	209	195	180	166	151	137	122	108	93	78	67
1,020	1,030	212	198	183	168	154	139	125	110	96	81	68
1,030	1,040	215	200	186	171	157	142	128	113	99	84	70
1,040	1,050	218	203	189	174	160	145	130	116	101	87	72
1,050	1,060	221	206	191	177	162	148	133	119	104	90	75
1,060	1,070	223	209	194	180	165	151	136	122	107	92	78
1,070	1,080	226	212	197	182	168	153	139	124	110	95	81
1,080	1,090	229	214	200	185	171	156	142	127	113	98	84
1,090	1,100	232	217	203	188	174	159	144	130	115	101	86
1,100	1,110	235	220	205	191	176	162	147	133	118	104	89
1,110	1,120	238	223	208	194	179	165	150	136	121	106	92
1,120	1,130	241	226	211	196	182	167	153	138	124	109	95
1,130	1,140	244	228	214	199	185	170	156	141	127	112	98
1,140	1,150	247	231	217	202	188	173	158	144	129	115	100
1,150	1,160	250	234	219	205	190	176	161	147	132	118	103
1,160	1,170	253	237	222	208	193	179	164	150	135	120	106
1,170	1,180	256	240	225	210	196	181	167	152	138	123	109
1,180	1,190	259	243	228	213	199	184	170	155	141	126	112
1,190	1,200	262	246	231	216	202	187	172	158	143	129	114
1,200	1,210	266	249	233	219	204	190	175	161	146	132	117
1,210	1,220	269	253	236	222	207	193	178	164	149	134	120
1,220	1,230	272	256	240	224	210	195	181	166	152	137	123
1,230	1,240	275	259	243	227	213	198	184	169	155	140	126
1,240	1,250	278	262	246	230	216	201	186	172	157	143	128

\$1,250 and over

Use Table 1(a) for a **SINGLE** person.

**MARRIED Persons—WEEKLY Payroll Period
(For Wages Paid in 20--)**

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
The amount of income tax to be withheld is—												
\$0	\$125	0	0	0	0	0	0	0	0	0	0	0
125	130	1	0	0	0	0	0	0	0	0	0	0
130	135	1	0	0	0	0	0	0	0	0	0	0
135	140	2	0	0	0	0	0	0	0	0	0	0
140	145	3	0	0	0	0	0	0	0	0	0	0
145	150	4	0	0	0	0	0	0	0	0	0	0
150	155	4	0	0	0	0	0	0	0	0	0	0
155	160	5	0	0	0	0	0	0	0	0	0	0
160	165	6	0	0	0	0	0	0	0	0	0	0
165	170	7	0	0	0	0	0	0	0	0	0	0
170	175	7	0	0	0	0	0	0	0	0	0	0
175	180	8	0	0	0	0	0	0	0	0	0	0
180	185	9	1	0	0	0	0	0	0	0	0	0
185	190	10	2	0	0	0	0	0	0	0	0	0
190	195	10	2	0	0	0	0	0	0	0	0	0
195	200	11	3	0	0	0	0	0	0	0	0	0
200	210	12	4	0	0	0	0	0	0	0	0	0
210	220	14	6	0	0	0	0	0	0	0	0	0
220	230	15	7	0	0	0	0	0	0	0	0	0
230	240	17	9	1	0	0	0	0	0	0	0	0
240	250	18	10	3	0	0	0	0	0	0	0	0
250	260	20	12	4	0	0	0	0	0	0	0	0
260	270	21	13	6	0	0	0	0	0	0	0	0
270	280	23	15	7	0	0	0	0	0	0	0	0
280	290	24	16	9	1	0	0	0	0	0	0	0
290	300	26	18	10	2	0	0	0	0	0	0	0
300	310	27	19	12	4	0	0	0	0	0	0	0
310	320	29	21	13	5	0	0	0	0	0	0	0
320	330	30	22	15	7	0	0	0	0	0	0	0
330	340	32	24	16	8	0	0	0	0	0	0	0
340	350	33	25	18	10	2	0	0	0	0	0	0
350	360	35	27	19	11	3	0	0	0	0	0	0
360	370	36	28	21	13	5	0	0	0	0	0	0
370	380	38	30	22	14	6	0	0	0	0	0	0
380	390	39	31	24	16	8	0	0	0	0	0	0
390	400	41	33	25	17	9	2	0	0	0	0	0
400	410	42	34	27	19	11	3	0	0	0	0	0
410	420	44	36	28	20	12	5	0	0	0	0	0
420	430	45	37	30	22	14	6	0	0	0	0	0
430	440	47	39	31	23	15	8	0	0	0	0	0
440	450	48	40	33	25	17	9	1	0	0	0	0
450	460	50	42	34	26	18	11	3	0	0	0	0
460	470	51	43	36	28	20	12	4	0	0	0	0
470	480	53	45	37	29	21	14	6	0	0	0	0
480	490	54	46	39	31	23	15	7	0	0	0	0
490	500	56	48	40	32	24	17	9	1	0	0	0
500	510	57	49	42	34	26	18	10	3	0	0	0
510	520	59	51	43	35	27	20	12	4	0	0	0
520	530	60	52	45	37	29	21	13	6	0	0	0
530	540	62	54	46	38	30	23	15	7	0	0	0
540	550	63	55	48	40	32	24	16	9	1	0	0
550	560	65	57	49	41	33	26	18	10	2	0	0
560	570	66	58	51	43	35	27	19	12	4	0	0
570	580	68	60	52	44	36	29	21	13	5	0	0
580	590	69	61	54	46	38	30	22	15	7	0	0
590	600	71	63	55	47	39	32	24	16	8	1	0
600	610	72	64	57	49	41	33	25	18	10	2	0
610	620	74	66	58	50	42	35	27	19	11	4	0
620	630	75	67	60	52	44	36	28	21	13	5	0
630	640	77	69	61	53	45	38	30	22	14	7	0
640	650	78	70	63	55	47	39	31	24	16	8	0
650	660	80	72	64	56	48	41	33	25	17	10	2
660	670	81	73	66	58	50	42	34	27	19	11	3
670	680	83	75	67	59	51	44	36	28	20	13	5
680	690	84	76	69	61	53	45	37	30	22	14	6
690	700	86	78	70	62	54	47	39	31	23	16	8
700	710	87	79	72	64	56	48	40	33	25	17	9
710	720	89	81	73	65	57	50	42	34	26	19	11
720	730	90	82	75	67	59	51	43	36	28	20	12
730	740	92	84	76	68	60	53	45	37	29	22	14



PAYROLL ACCOUNTING (04)

Regional—2009

KEY

Multiple Choice (15 @ 3 points each)	_____	(45 pts.)
Short Answers	_____	(19 pts.)
Production Portion		
Problem 1: Earnings Record	_____	(20 pts.)
Problem 2: Salary Expense Entry	_____	(16 pts.)
Problem 3: Payroll Tax Expense Entry	_____	(12 pts.)
TOTAL POINTS	_____	(112)

Judges/Graders:

Please double-check and verify all scores!

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Workplace Skills Assessment Program competition.



General Instructions

You have been hired as a Financial Assistant and will be keeping the accounting records for Professional Business Associates, located at 5454 Cleveland Avenue, Columbus, Ohio 43231. Professional Business Associates provides accounting and other financial services for clients. You will complete jobs for Professional Business Associates' own accounting records, as well as for clients.

You will have 90 minutes to complete your work. The test is divided into two parts. The multiple choice and short answer questions should be completed first, and then the accounting problems may be completed in any order.

Your name and/or school name should NOT appear on any work you submit for grading. Write your contestant number in the provided space. Staple all pages in order before you turn in your test.

Assumptions to make when taking this assessment:

- Round all calculations to two decimal places
- Assume employees earn overtime for any hours worked over 40 hours in a week unless otherwise instructed
- All time calculations are rounded to the nearest quarter hour
- Income Tax Withholding Tables are provided at the end of the assessment
- Use 6.2% for Social Security Tax and 1.45% for Medicare Tax
- Use 5.4% for State Unemployment Tax and 0.8% for Federal Unemployment Tax
- Assume that no employee has accumulated earnings in excess of the social security tax base



Multiple Choice:

1. A
2. C
3. A
4. B
5. A
6. C
7. A
8. C
9. C
10. A
11. B
12. B
13. D
14. C
15. B

Short Answer:

1. Aiden James is paid bi-weekly. During the first week he works 47 hours and during the second week he works 38 hours. How many hours of overtime will the employee be paid? (1 pt.)

7 Hours

2. Molly Alexander is paid every week. Her hourly rate of pay is \$6.25 per hour. Molly is expected to produce 120 units per day. For every unit produced over 120 she receives an incentive of \$1.20 per unit. Last week Molly produced the following and worked 40 hours:

Monday	Tuesday	Wednesday	Thursday	Friday	Total Regular Pay	Incentive Pay
125	119	130	123	118	250.00	21.60

What were Molly's Total Earnings before taxes for the week? (3 pts.)

\$ 271.60



3. Blake Manning recently accepted a job that pays a monthly salary of \$2,500 as well as a 15% commission on sales over \$10,000 per week. Blake is paid monthly, however, on the 10th of every month he receives a draw check of \$1000. Using the following information calculate Blake's gross earnings for the month of May. (2 pts.)

Week	Total Sales
Week #1	\$15,000.00
Week #2	\$21,000.00
Week #3	\$11,000.00
Week #4	\$18,000.00

Blake's Total Commission **\$ 3,750.00**

Blake's Total Earnings for the month **\$ 6,250.00**

4. You recently accepted a job that pays a salary of \$225.00 per week. Last week you worked 45 hours. How much overtime were you paid? (1 pt.)

NONE

5. Using the following time card, calculate the regular, overtime and total earnings for Grace Tompkins. Grace is not paid for a 30 minute lunch period each day she works more than 5 hours. (14 pts.)

Time Card			
Employee No. 191 16, 2009		Week Ending April	
Name: Tompkins, Grace		Exemptions: 4	
Social Security No.: 333-45-3321		Hourly Rate: \$6.75	
Day	In	Out	Hours
Monday	8:01 AM	4:29 PM	8
Tuesday	7:56 AM	5:02 PM	8.5
Wednesday	9:02 AM	6:03 PM	8.5
Thursday	8:04 AM	7:03 PM	10.5
Friday	8:02 AM	6:01 PM	9.5
Saturday	9:01 AM	1:05 PM	4
	Hours	Rate	Earnings
Regular	40	6.75	270.00
Overtime	9	10.13	91.17
Totals	49		351.04

3 pts.

2 pts.

9 pts.



Problem #1

Use the information below to complete the first quarter Employee Earnings Record for Linda Morris. Linda is a sales manager and she is a salaried employee. Her social security number is 345-44-8577. The weekly pay period ended February 15, 2009. (1 pt. per bold entry, 20 total)

Employee No.	Employee Name	Marital Status	No. of Allowances	Earnings		Deductions	
				Regular	Overtime	United Way Deductions	Health Insurance
121	Morris, Linda	S	1	\$789.00		\$15.00	
122	Moyer, Elizabeth	M	4	\$845.00	\$36.00	\$25.00	\$36.00
123	Nethers, Porter	M	2	\$978.00	\$78.00		\$48.00
124	Russ, George	S	0	\$576.00			\$28.00

EARNINGS RECORD FOR QUARTER ENDED March 31, 20XX											
Employee No. 121		Morris		Linda		Marital S		Withholding 1			
		Last Name		First		Status		Allowances			
Rate of Pay 789.00		Social Security No. 345-44-8577				Position Sales Manager					
Pay Period	Earnings			Deductions						Accumulated Earnings	
											2,367.00
No	Ended	Regular	Over time	Total	Federal Income Tax	Social Security Tax	Medicare Tax	Other	Total	Net Pay	
121	2/15/xx	789.00	—	789.00	130.00	48.92	11.44	15.00	205.36	583.64	3,156.00



Problem #2

Journalize the payment of the April 30 payroll on Page 6 of the General Journal provided. Use the current year. Check #315: Source documents are Check 315 and memorandum 135. (16 pts.)

Date of payment: April 30, 2009
 Total Payroll \$2,971.00
 Federal Income Tax Withheld \$ 268.00
 Social Security Tax Withheld \$ 184.00
 Medicare Tax Withheld \$ 43.08
 United Way Donations \$ 10.00
 U.S. Savings Bonds \$ 15.00

GENERAL JOURNAL

Date 20xx		Account Title	Doc No.	Post Ref.	Debit					Credit				
Apr	30	Salary Expense	C315		2	9	7	1	00					
		Fed. Inc. Tax Payable								2	6	8	00	
		Soc. Sec. Tax Payable								1	8	4	00	
		Med. Tax Payable									4	3	08	
		United Way Don. Pay.									1	0	00	
		U.S. Savings Bonds Pay.									1	5	00	
		Cash								2	4	5	0	92

1 pt. 7 pts. 1 pt. 1 pt. 6 pts.

NOTE TO GRADER: Account title abbreviations may be used and order of entries may vary.



Problem #3

Using the information provided in Problem #2, journalize the Employer's Payroll Taxes on Page 7 of the General Journal provided. (12 pts. Total)

GENERAL JOURNAL

Page 7

Date 200X		Account Title	Doc No.	Post Ref.	Debit				Credit				
<i>Apr</i>	30	Payroll Tax Expense	M135		4	1	1	28					
		Fed Unemp. Tax Payable								2	3	77	
		State Unemp. Tax Pay.							1	6	0	43	
		Soc. Sec. Tax Payable							1	8	4	00	
		Medicare Tax Payable								4	3	08	

1 pt.

5 pts.

1 pt.

1 pt.

4 pts.

NOTE TO GRADER: Account title abbreviations may be used and order of entries may vary.