

# Payroll 201

## Payroll Administration

### COURSE OUTLINE

#### Are They Employees? (1.0 hour)

- Employee/non-employee
- Immigration Reform and Control Act of 1986
  - I-9 process
  - Using E-Verify

#### Paying Your Employees (6.0 hours)

- Review of the FLSA
- White collar exemptions, including the duties and salary test
- FLSA and your employees
  - Calculation of pay
  - Identification of hours worked
  - Effects of company policies
- FLSA issues for hospitals and governmental organizations
- Overview of withholding tax issues
- Federal income tax issues
  - W-4 issues
  - Flat rate methods vs. aggregate method
- Social security/Medicare issues
  - Wage base and tax rates
  - Related corporations/common paymaster
  - Additional Medicare Tax

#### What Compensation Is Subject to Taxation? (5.5 hours)

- IRS definition of wages
- Taxation issues
  - Nontaxable fringe benefits
- Taxable fringe benefits (valuation, reporting, and withholding issues)
- Other payment taxation issues (identification, timing, recording, reporting, and withholding)
  - Backpay awards

- Employer-paid taxes/grossing-up
- Loans
- Stock and stock options
- Tips
- Overview of taxation issues when paying aliens and U.S. citizens abroad
  - Federal income tax
  - Social security/Medicare taxes
  - Resident/nonresident alien status

#### Benefits (4.0 hours)

- Affordable Care Act
  - Applicable Large Employer reporting
  - Forms 1095-C and 1094-C
  - Employer shared responsibility payments
- FMLA issues
  - Eligible employees
  - Intermittent leave
  - Health benefit continuation
- Cafeteria plans
  - Plan and participation requirements
  - Benefits
  - Election revocation
  - Flexible spending arrangements
- Dependent care assistance programs
- Retirement plans
  - Defined benefit plans
  - Defined contribution plans
  - Deferred compensation plans
  - Nonqualified deferred compensation plans
- COBRA
- Sick pay

#### Unemployment Taxes (1.0 hour)

- Federal unemployment tax
- Covered wages
  - Tax rate and wage base
  - Deposit rules
  - Reporting on Form 940

#### Depositing and Reporting Tax Issues (3.0 hours)

- Social security numbers
- Employer identification numbers

- Electronic Federal Tax Payment System
- When to deposit
  - Federal taxes
- Quarterly reporting
  - Form 941
  - Reconciliation
- Annual reporting – Form W-2
  - Reconciliation/IRS and SSA
- Electronic reporting
- Corrections
  - Identifying and making corrections
  - Forms W-2c, W-3c, and 941-X

#### Deductions From an Employee's Pay (2.5 hours)

- Voluntary assignments
- Involuntary deductions
  - Child support withholding
  - Tax levies
  - Garnishments
  - Student loans
  - Bankruptcy orders
  - Wage and hour restrictions

#### Your Payroll System (2.5 hours)

- Understanding the processes in the system
- Selecting your system
- Ongoing review and maintenance
- Disaster recovery
- Employee/manager self-service
- Security and controls

#### Payroll Accounting (0.5 hour)

- Components of financial statements
- Controlling source documents
- Reconciling general ledger payroll-related accounts

#### Managing Your Payroll Department (2.0 hours)

- Management/planning skills
  - Ethics and accountability
  - Identifying/improving your management skills
  - Building your leadership skills

#### Payroll's Future (1.0 hour)

- Emerging technologies