PAYROLL ACCOUNTING

(125)

—Secondary—

REGIONAL – 2020

**Multiple Choice & Short Answer:**

Multiple Choice (15 @ 2 points each) (30 points)

Short Answers (15 @ 2 points each) (30 points)

**Production:**

Job 1: Salary Calculations (20 @ 2 points each) (40 points)

Job 2: Time Card (14 @ 2 points each) (28 points)

Job 3: Journalize Transactions (28 @ 1 point each) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (28 points)

***TOTAL POINTS (156 points)***

**Judge/Graders: Please double check and verify all scores and answer keys!**

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*Workplace Skills Assessment Program* competition.

# General Instructions

You have been hired as a Payroll Clerk 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.

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 decimals
* Assume employees earn an overtime rate of 1 ½ times for any hours worked over 40 in a week unless otherwise instructed (This includes Multiple Choice, Short Answer and Jobs)
* All time calculations are rounded to the nearest quarter hour
* Use 6.2% for Social Security Tax on the first $118,500 in wages
* Use 1.45% for Medicare Tax for all wages
* Use 5.4% for State Unemployment Tax and 0.8% ($7,000 ceiling) for Federal Unemployment Tax
* Assume that no employee has accumulated earnings in excess of the social security tax, SUTA, or FUTA base unless otherwise indicated.

**Multiple Choice: (15 @ 2 points each) = 30 points**

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

**Short Answer: (10 @ 2 points each)= 20 points**

1. A) **$21.60** B) **$28.80**

2. **$314.81**

3. A) **$3,050.40** B) **$713.40**

4. **$2,821.00**

5. A) **$2,953.85** B) **$36.92**  C) **$55.38**

6. **$ 441.60**

7. A) **$512.00** B) **$300.80** C) **$812.80**

8. **$937.95**

9. **$208.25**

**JOB 1: Salary (2 points per answer =20 points)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Annual**  **Salary** | **Monthly**  **Salary** | **Semimonthly**  **Salary** | **Biweekly**  **Salary** | **Weekly**  **Salary** |
| *$29,462.00* | **$2,455.17** | **$1,227.58** | **$1,133.15** | **$566.58** |
| *$38,924.00* | **$3,243.67** | **$1,621.83** | **$1,497.08** | **$748.54** |
| *$89,222.00* | **$7,435.17** | **$3,717.58** | **$3,431.62** | **$1,715.81** |
| *$56,471.00* | **$4,705.92** | **$2,352.96** | **$2,171.96** | **$1,085.98** |
| *$66,448.00* | **$5,537.33** | **$2,768.67** | **$2,555.69** | **$1,277.85** |

**JOB 2: Time Card (14 @ 2 points each bold = 28 points)**

**NOTE TO GRADER: ACCEPT ANSWER IF STUDENT USED FRACTIONS INSTEAD OF DECIMALS. EXAMPLE 9 ½ FOR 9.5**

|  |  |  |  |
| --- | --- | --- | --- |
| **TIME CARD** | | | |
| Employee No. 105275 | Week Ending December 20, 2019 | | |
| Name: Hill, Maria | Exemptions: 3 | | |
| SS#: 222-02-1202 | Hourly Rate: $11.52 | | |
|  |  |  |  |
| DAY | IN | OUT | **HOURS** |
| Monday | 8:00 AM | 4:43 PM | **8.25** |
| Tuesday | 7:59 AM | 4:32 PM | **8** |
| Wednesday | 7:57 AM | 5:03 PM | **8.5** |
| Thursday | 8:05 AM | 6:03 PM | **9.5** |
| Friday | 8:01 AM | 5:31 PM | **9** |
| Saturday | 9:01 AM | 1:33 PM | **4.5** |
|  |  |  |  |
|  | **HOURS** | **RATE** | **EARNINGS** |
| Regular | **40** | **11.52** | **460.80** |
| Overtime | **7.75** | **17.28** | **133.92** |
| Totals | **47.75** | **\*\*\*\*\*** | **594.72** |

**JOB 3: Journalize Transactions (28 @ 1 point each bold)**

***NOTE TO GRADER*: Accept *“Cash”* at the end of the entry. Also, each textbook has a different variation of the account titles, so accept them as long as they have the word *“payable”* or *“expense”* in the account title.**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| *GENERAL JOURNAL PAGE 5* | | | | | | |
| Date | | Account Title | Doc  No. | Post  Ref | Debit | Credit |
| **Dec** | **20** | **Salary Expense** | **C718** |  | **11,006.97** |  |
|  |  | **Cash** |  |  |  | **8,823.70** |
|  |  | **Employee Income Tax Payable** |  |  |  | **617.66** |
|  |  | **Social Security Tax Payable** |  |  |  | **688.25** |
|  |  | **Medicare Tax Payable** |  |  |  | **162.36** |
|  |  | **Health Insurance Premiums Payable** |  |  |  | **515.00** |
|  |  | **U.S. Savings Bonds Payable** |  |  |  | **200.00** |
|  |  |  |  |  |  |  |
|  | **20** | **Payroll Tax Expense** | **M39** |  | **1,467.11** |  |
|  |  | **Social Security Tax Payable** |  |  |  | **688.25** |
|  |  | **Medicare Tax Payable** |  |  |  | **162.36** |
|  |  | **Unemployment Tax Payable-Federal** |  |  |  | **88.18** |
|  |  | **Unemployment Tax Payable-State** |  |  |  | **528.32** |
|  |  |  |  |  |  |  |
| **(2 PTS)** | | **(12 POINTS)** | **(2 pts**) |  | **(2 Points)** | **(10 Points)** |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
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|  |  |  |  |  |  |  |