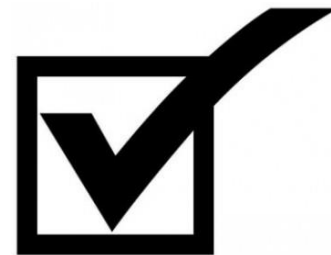


**BUSINESS  
PROFESSIONALS**  
of **AMERICA**  
Giving Purpose to Potential



# PAYROLL ACCOUNTING

## (125)

## REGIONAL 2023

### CONCEPT KNOWLEDGE:

Matching (10 @ 2 points each) \_\_\_\_\_ (20 points)

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

### APPLICATION KNOWLEDGE:

Job 1 – Time Cards (44 @ 1 point each) \_\_\_\_\_ (44 points)

Job 2 – Gross Earnings (12 @ 3 points each) \_\_\_\_\_ (36 points)

Job 3 – Payroll Taxes (12 @ 3 points each) \_\_\_\_\_ (36 points)

***TOTAL POINTS*** \_\_\_\_\_ ***(166 points)***

**Test Time: 60 minutes**

## GENERAL GUIDELINES:

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

1. Contestant must hand in this test booklet and all printouts if any.
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 (handwritten, photocopied, or keyed) are allowed in the testing area.
3. Electronic devices will be monitored according to ACT standards.

## EXAM GUIDELINES:

You have been hired as a Financial Assistant and will be keeping the accounting records for Digital Solutions, located at 700 Morse Road, Suite 201, Columbus, Ohio 43214.

Digital Solutions provides accounting and other financial services for clients. You will complete jobs for Digital Solutions' own accounting records, as well as for clients.

You will have 60 minutes to complete your work. The test is divided into two parts: concept knowledge and application knowledge.

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

Assumptions to make when taking this assessment:

- Round all percentages to two decimal places unless otherwise indicated.
- Assume all employees earn overtime for any hours worked over 40 hours in a week unless otherwise instructed.
- All calculations regarding time should be rounded to the nearest quarter hour.
- Use 6.2% for Social Security Tax on the first \$100,000 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 no employee has accumulated earnings in excess of the social security tax, SUTA, or FUTA base unless otherwise indicated.

**Matching: 20 points total; 2 points each**

1. H
2. C
3. D
4. I
5. J
6. A
7. B
8. F
9. G
10. E

**Multiple Choice: 30 points total; 2 points each**

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

**Job 1 – Time Cards (1 point each blank = 44)**

Using the two time cards, calculate regular, overtime and total earnings for Employees 3 & 4.

Any hours worked over 8 hours a day is considered overtime. – Graders, please allow the different ways shown for partial hours.

Employee No. <u>3</u>				
Name <u>Brynlee Hernandez</u>				
Pay Period Ended <u>01/15/ 20-</u>				
DAY	IN	OUT	REG	OT
Mon 3	7:54	5:02	8	1
Tue 4	11:52	5:02	5 ¼ or 5.25 or 5:15	0
Wed 5	10:03	6:06	8	0
Thu 6	12:58	10:10	8	1 ¼ or 1.25 or 1:15
Fri 7	8:00	5:02	8	1
Mon 10	7:56	6:01	8	2
Tue 11	8:01	4:53	8	1
Wed 12	8:01	6:06	8	2
Thu 13	7:58	5:00	8	1
Fri 14	10:05	1:05	3	0
PERIOD TOTALS			72 ¼ or 72.25 or 72:15	9 ¼ or 9.25 or 9:15
APPROVED BY _____				

Employee No. <u>4</u>				
Name <u>Daniel Day</u>				
Pay Period Ended <u>01/15/ 20-</u>				
DAY	IN	OUT	REG	OT
Mon 3	11:57	7:54	8	0
Tue 4	10:06	8:00	8	2
Wed 5	11:55	8:00	8	0
Thu 6	12:01	10:03	8	2
Fri 7	11:50	5:45	6	0
Mon 10	7:30	5:15	8	1 ¾ or 1.75 or 1:45
Tue 11	5:55	3:00	8	1
Wed 12	5:52	3:30	8	1 ½ or 1.5 or 1:30
Thu 13	6:15	2:00	7 ¾ or 7.75 or 7:45	0
Fri 14	6:00	2:00	8	0
PERIOD TOTALS			77.75 or 77:45 or 77 ¾	9.25 or 9 ¼ or 9:15
APPROVED BY _____				

**Job 2 – Calculating Gross Earnings (3 points each blank = 36 pts)**

Complete the following Gross Earnings for each employee per hourly pay using the Time Cards from Job 1.

Employee Number	Hours Worked		Regular Rate	Earnings		Total Gross Earnings
	Regular	Overtime		Regular	Overtime	
1	80	6	\$9.30	<b>\$744.00</b>	<b>\$83.70</b>	<b>\$827.70</b>
2	80	5.5	14.00	<b>1,120.00</b>	<b>115.50</b>	<b>1,235.50</b>
3	80	5	12.50	<b>1,000.00</b>	<b>93.75</b>	<b>1,093.75</b>
4	80	7.5	10.00	<b>800.00</b>	<b>112.50</b>	<b>912.50</b>

**Job 3 – Payroll Taxes (3 points each blank – 36 total)**

Calculate employee payroll taxes by using information from Job 2. Federal income tax is a flat rate of 13%.

Employee Number	Marital Status	No. of Allowances	Total Earnings	Federal Income Tax Withholding	Social Security Tax Withholding	Medicare Withholding
1	M	3	<b>\$827.70</b>	<b>\$107.60</b>	<b>\$51.32</b>	<b>\$12.00</b>
2	S	2	<b>1,235.50</b>	<b>160.62</b>	<b>76.60</b>	<b>17.91</b>
3	M	2	<b>1,093.75</b>	<b>142.19</b>	<b>67.81</b>	<b>15.86</b>
4	S	1	<b>912.50</b>	<b>118.63</b>	<b>56.58</b>	<b>13.23</b>

**GRADER: Only score the amounts in the last three columns**