COLLEGE PAYROLL ACCOUNTING

(130)

# —Post-secondary—

REGIONAL – 2019

**Multiple Choice & Short Answer Section:**

Multiple Choice (17 @ 2 points each) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (34 points)

Short Answers (18 @ 2 points each) (36 points)

**Production Portion:**

Problem 1: Payroll Items (16 points)

Problem 2: Gross Wage Calculation (40 points)

Problem 3: Hourly with OT Wage Calculation (32 points)

Problem 4: Journal Entry (22 points)

**TOTAL POINTS (180 points)**

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

Property of Business Professionals of America.

May be reproduced only for use in the Business Professionals of America

*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 ninety (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:

* Calculate all calculations to four (4) decimals, then round to the nearest cent.
* 2018 Payroll Tax Rules Apply
* Social Security (OASDI): 6.2% on the first $128,700
* Medicare (HI): 1.45%
* FUTA: .6% on first $7,000 of employee wages
* SUTA: Information is in each question
* Overtime paid as time and a half unless otherwise noted

**MULTIPLE CHOICE: (34 points, 2 each)**

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

**SHORT ANSWER QUESTIONS:**

1. **(14 POINTS, 2 POINTS EACH)**

Gross Wages 2,912.50

Social Security 180.58

Medicare 42.23

SUTA 93.20

FUTA 17.48

# of wks FUTA will be paid 13 weeks

# of wks SUTA will be paid 14 weeks

1. **(12 POINTS, 2 POINTS EACH)**

Gross Wages 640.60

Federal Tax WH 45.54 (must use percentage method)

Social Security 39.72

Medicare 9.29

State Tax WH 32.03

Net Pay 514.02

1. **(10 POINTS, 2 POINTS EACH)**

Hourly Pay – Week 1 472.50

Hourly Pay – Week 1 499.50

Hourly Pay – Week 1 560.25

Hourly Pay – Week 1 540.00

Commission Earned 22.50

**PROBLEMS:**

1. **(16 POINTS, 2 POINTS EACH)**

|  |  |  |  |
| --- | --- | --- | --- |
| **Payroll Items** | **Required** | **Voluntary** | **Neither** |
| **OASDI** | **X** |  |  |
| **HI** | **X** |  |  |
| **Federal Withholding** | **X** |  |  |
| **State Withholding** | **X** |  |  |
| **FUTA** |  |  | **X** |
| **Medical Insurance** |  | **X** |  |
| **401 (K)** |  | **X** |  |
| **Charitable Contributions** |  | **X** |  |

1. **(40 POINTS, 2 POINTS EACH)**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Employee** | **Annual Salary** | **Weekly** | **Bi-Weekly** | **Semi-Monthly** | **Monthly** |
| Mickey | $68,300.00 | **1,313.46** | **2,626.92** | **2,845.83** | **5,691.67** |
| Donald | $47,800.00 | **919.23** | **1,838.46** | **1,991.67** | **3,983.33** |
| Minnie | $37,600.00 | **723.08** | **1,446.15** | **1,566.67** | **3,133.33** |
| Daisy | $52,100.00 | **1,001.92** | **2,003.84** | **2,170.83** | **4,341.67** |
| Goofy | $42,400.00 | **815.38** | **1,630.77** | **1,766.67** | **3,533.33** |

1. **(32 POINTS, 2 POINTS EACH)**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Employee** | **Hourly Wage** | **Hours Worked** | **Overtime Rate** | **Regular Wages** | **Overtime Wages** | **Total Wages** |
| Huey | $14.27 | 42.25 | **21.41** | **570.80** | **48.17** | **618.97** |
| Dewy | $14.72 | 45.00 | **22.08** | **588.80** | **110.40** | **699.20** |
| Louie | $16.55 | 41.75 | **24.83** | **662.00** | **43.45** | **705.45** |
| Scrooge | $17.36 | 43.50 | **26.04** | **694.40** | **91.14** | **785.54** |

1. **PROBLEM #3 (22 POINTS, 2 POINTS EACH)**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **JOURNAL** |  | **PAGE 9** |
| DATE | ACCOUNT DESCRIPTION | DEBIT | CREDIT |
| **1/15/18** | **PAYROLL TAX EXPENSE** | **309.28** |  |
|  | **OASDI PAYABLE** |  | **174.17** |
|  | **HI PAYABLE** |  | **40.73** |
|  | **FUTA PAYABLE** |  | **16.85** |
|  | **SUTA PAYABLE** |  | **77.53** |