

Intermediate Payroll Concepts Course Outline*

2

Worker Classification Exemptions

- Statutory employees and nonemployees
- Section 530 – reasonable basis test
- Penalties for misclassification of employees
- Verification of employment eligibility using E-Verify

Fair Labor Standards Act Issues

- Workweek exceptions
 - Compensatory time
 - Fire protection and law enforcement exception
- Compensable time issues
 - Travel time
 - On-call time
 - Sleep time
 - Principal activities
 - Meetings and training sessions
 - Medical treatment and sick leave
 - Volunteer work
- FLSA limitations on employer deductions from pay
 - Employer deductions
 - Union dues
 - Board, lodging, and other facilities
 - Loans to employees
 - Uniforms
 - Salary advances and overpayments
 - Docked pay for missed work
 - Insurance bonds
 - Cash shortages

Taxable/Nontaxable Compensation

- Fair market value
- Frequency of payment
- Special accounting rule
- Tips, tip reporting, and tip allocation
- Personal use of company aircraft

- Educational assistance
 - Job-related
 - Non job-related
 - Scholarships and tuition reduction
- Sick pay
 - Third-party sick pay
 - Form W-4S
 - Taxation and reporting
 - Form 8922, *Third-Party Sick Pay Recap*
- Memberships
- Conventions and entertainment
- Workers' compensation
- Military differential payments
- Retiree group-term life insurance
- Leave sharing plans
- Outplacement services
- Back pay awards
- Gift cards
- Employer-provided meals and lodging

Multi-state Taxation Rules

- Nexus
 - State income taxation
 - State of residence
 - Reciprocity
- State unemployment taxes
 - Employees working in more than one state
 - Experience rating methods
 - Wage bases
 - Voluntary contributions
 - Joint or combined accounts

Benefits' Impact on Payroll

- COBRA
- Cafeteria plans
 - Qualified and nonqualified benefits
 - Deferral of compensation
 - Flexible spending arrangements
 - Grace periods and carryover plans
 - Health flexible spending arrangements
 - Dependent care assistance plans

- Deferred compensation plans
 - Defined benefit plans
 - Defined contribution plans
 - 401(k) plans
 - Profit sharing plans

Federal Tax Reporting

- Form W-2 reporting health coverage
- The effect of bankruptcy proceedings
- Form 945

Public Sector Employer Issues

- FLSA exception issues
 - White collar exemptions
 - Occasional and sporadic employment
 - Substitution and early relief
- 457(b) plans
- 403(b) plans
- Election workers
- Jurors
- Elected officials
- Social security and Medicare taxes
 - Section 218 agreements
 - Mandatory Medicare taxation
 - Student FICA exception

Payroll Accounting

- Reconciliations
- Employee benefit cost statements
- Financial statements
 - Balance sheet
 - Income statement
 - Statement of cash flow
 - Notes to financial statements

Payroll Relationship Dynamics

- Team development
- Personality types
- Building a successful payroll team
- Influential communication
- Managing diversity
- Communicating in meetings