

# Payroll Practice and Management

## Program Outline

### I. Wage and Hour Law

- A. Introduction to the Fair Labor Standards Act
  - i. History of Act
  - ii. Rules of Coverage
  - iii. Jurisdiction
- B. Classification of Workers
  - i. Employees
  - ii. Independent Contractor
  - iii. Form SS-8
  - iv. Statutory Employees
  - v. Statutory Non-employees
  - vi. Leased Employees
- C. White Collar Exemptions
  - i. Definition of Exempt and Nonexempt
  - ii. Four Categories of Exempt
  - iii. Salary Basis Requirements
  - iv. Other Categories of Exempt-Federal
- D. Calculating Gross Pay
  - i. Constructive Receipt
  - ii. Minimum Wage
  - iii. Regular Rate of Pay
  - iv. Overtime and Hours Worked Definitions and Calculations
  - v. Defining the Legal Workweek
  - vi. Defining the Legal Workday
  - vii. State Requirements
- E. Other FLSA Requirements
  - i. Posting Requirements
  - ii. Meals and Rest Periods

- iii. Deductions From Pay
- iv. Compensatory Time Off
- F. Specialized Payrolls, Employees, or Regulations
  - i. Overview of Other Federal Wage and Hour Acts
  - ii. Public Sector Employees
  - iii. Hospital Employees
  - iv. Agricultural Employees
  - v. New Hire Reporting
  - vi. Child Labor
    - a. Maximum Hours
    - b. Legal Days
    - c. Minimum Wage
    - d. Legal Ages
    - e. Other Requirements (States)

## **II. Taxation and Compensation**

- A. Federal Payroll Taxes
- B. State Payroll Taxes
- C. Multistate Taxation
- D. Employee Withholding Allowance Certificate
  - i. Form W-4
  - ii. State Form W-4 Equivalents
- E. Wages and Compensation
  - i. What Are Wages?
  - ii. Other Compensation
- F. Supplemental Wages and Pay Periods
- G. Special Compensation and Wages
  - i. Business Expenses
  - ii. Tips
  - iii. Deceased Employee Wages
- H. Reporting
  - i. Wage and Tax Reports

- ii. Federal Form 941
- iii. Schedule B
- iv. State Equivalent
- v. Multiple Worksite Reports

### **III. Fringe Benefits, Compensation, and Taxation**

- A. Deferred Compensation
- B. Section 125 Plans
- C. Section 129 Plans
- D. Flexible Spending Accounts
- E. Third-party Sick Pay
- F. Group Term Life Insurance
- G. Personal Use of a Company Vehicle
- H. Relocation
- I. Incentive Stock Options
- J. Nonqualified Stock Options
- K. Employee Stock Option Plans
- L. Nonqualified Deferred Comp Plans
- M. Expatriate Employees
- N. Resident and Nonresident Aliens

### **IV. Payroll Management and Year-end Reporting**

- A. Payroll Procedures
- B. Manual Check Policy
- C. Staff Training
- D. Internet Resources
- E. Dealing With the IRS
- F. Garnishments and Levies
- G. Record Retention
- H. Direct Deposit
- I. Earned Income Credit
- J. Year-end Form Review
- K. Submission of Forms W-2

## L. Preparing For Year End