

SOLUTIONS MANUAL: CHAPTER 2 END OF CHAPTER ANSWERS**ANSWERS TO STOP AND CHECK EXERCISES****What's in the File?**

1. A, B, D, E
2. B
3. D
4. A
5. C

Who Are You?

1. Student answers will vary. One possible way to prove both identity and employment is a current U.S. passport. Alternatively, a current state-issued driver's license and a Social Security card will work for the purposes of the I-9.
2. Student answers will vary. When evaluating the earnings of more than one job, the breakdown of includable amount by pay period is often overlooked.
3. Student answers will vary. Examples of statutory employees include: A driver who distributes beverages (other than milk) or meat, vegetable, fruit, or bakery products or who picks up and delivers laundry or dry cleaning, if the driver is a single company's agent or is paid on commission. A full-time life insurance sales agent whose principal business activity is selling life insurance or annuity contracts, or both, primarily for one life insurance company. An individual who works at home on materials or goods that a company supplies and that must be returned to that company or a designated agent in accordance with furnished specifications for the work to be done. A full-time traveling or city salesperson who works on a single company's behalf and turns in orders from wholesalers, retailers, contractors, or operators of hotels, restaurants, or other similar establishments. The goods sold must be merchandise for resale or supplies for use in the buyer's business operation. The work performed for that single company must be the salesperson's principal business activity.

Exempt vs. Nonexempt

1. Exempt workers are exempt from the overtime provisions of FLSA. Exempt workers tend to be employees in a company's managerial or other leadership functions, in which they may need to work more than 40 hours per week to complete their tasks. Exempt workers usually receive a fixed salary per period that is not based on the number of hours worked.

Nonexempt workers tend to be compensated on an hourly basis and often do not have managerial or leadership responsibilities. It should be noted that some nonexempt workers do have managerial or leadership responsibilities and may receive a fixed salary; however, these employees are covered by the overtime provisions of FLSA.

2. C (40 hours)
3. The leased employee is a common-law employee of the firm, whereas the temporary employee is an employee of the temporary agency.

Worker Facts

1. Hourly workers and nonexempt employees are protected by the FLSA
2. Exempt workers receive a fixed amount of money and generally direct the actions of other employees; nonexempt workers are eligible for overtime and generally have their work directed by a manager.
3. Commission workers are typically tied to sales completed by the individual; piece rate pay is determined by the number of pieces the employee completes during a shift or period.
4. Student answers may vary but should include: Minimum hourly rate is set by the U.S. Federal government. Minimum wage rates can and do vary per state, and different parts of the same state may have different minimum wages. The minimum wage may differ from a “living wage,” which is an amount needed to meet basic subsistence needs. A calculating tool was provided in the chapter for discussion on various location living wages.

Who Does Which Job?

Student answers will vary. The answer should reflect a clear separation of duties, cross-training, rotation of tasks, and security protocols.

Internal Controls and Audits

1. B
2. C

Destroy and Terminate

1. Paper payroll records should be shredded or burned. Computer records should be purged from the server and all other storage devices.

2. Charlie should receive his final pay on October 11, and not later than October 12. His employer is not required to provide him with a severance package, although he may be eligible for his accrued vacation pay.

ANSWERS TO END-OF-CHAPTER MATERIALS

REVIEW QUESTIONS

1. What are the necessary elements of internal controls for a payroll department?
 - a. Payroll system design, authorized signers, documentation, and review of the process
2. Why should more than one person prepare/verify payroll processing?
 - a. Internal controls and verification to avoid fraud or theft
3. What documents should be included in all new hire packets?
 - a. I-9 and W-4
4. Why are new hires required to be reported to the state's employment department?
 - a. The enforcement of child support and legal withholdings, ensuring immigrants are still eligible to work, verification of professional licensing/qualifications, administration of COBRA benefits
5. For the state in which you live, when must a terminated employee be paid his or her final paycheck?
 - a. Student answers will vary. This is a state specific regulation time ranging from the point of discharge to no time requirements.
6. What are the five main payroll frequencies?
 - a. Daily, weekly, biweekly, semimonthly, monthly
7. What are two of the best practices in establishing a payroll system?
 - a. Student answers will vary but should include: keep any requests for leave with the related paystubs, file retention schedule, have more than one person responsible for the duties/verification, and separation of duties
8. What are the important considerations in setting up a payroll system?

- a. Pay frequency, pay types, method of payment, benefits, manual/computerized/outsourced payroll processing, file security system
9. What are the different tasks involved in payroll accounting?
- a. Entering the employees, entering the hours, calculation of gross wages, preparation of paychecks, payment of taxes, reporting requirements
10. What agencies or organizations can audit a company's payroll records?
1. The Internal Revenue Service (IRS)
 2. Federal and State Departments of Labor
 3. Department of Homeland Security
 4. Other state and local agencies
 5. Labor unions
11. How long should employee records be retained?
- a. For a three-year period, with some records being required for up to 6 years
12. Why are independent contractors not paid through a company's payroll system?
- a. Individuals classified as independent contractors are treated as vendors and paid outside of payroll.
13. What is the difference between termination and resignation?
- a. An employee is terminated by the employer; when the employee initiates the separation it is a resignation. Employees who resign will receive their final paycheck in the normal payroll cycle, whereas terminated employees may be required to receive theirs sooner.
14. What are the differences between daily, weekly, biweekly, semimonthly, and monthly pay periods?
- a. A daily period is based on work performed in one 240hour period, weekly pay period is for one-week, biweekly pay period is two weeks long, semi-monthly pay period is twice a month, and monthly pay period is once a month.
15. What differentiates exempt and nonexempt employees?

- a. Nonexempt employees are covered under the Fair Labor Standards Act (FLSA) and are typically in non-supervisory positions. Exempt employees are typically in managerial positions, are exempt from overtime pay requirements, and the FLSA.
16. What challenges does a company face when using cloud-based payroll and personnel records?
- a. Cloud-based payroll and personnel systems can be compromised by hackers. Personnel information could be obtained by people outside the company and users may not be able to access their accounts.
17. What two regulations pertain to employee paycard use?
- a. Regulation E and Regulation Z

EXERCISES SET A

E2-1A. Krystal Valdez, a nonexempt employee at Misor Investments, works a standard 8:00–5:00 schedule with an hour for lunch. Krystal received overtime pay for hours in excess of 40 per week. During the week, she worked the following schedule:

4. 2.25

Monday	7.5 hours
Tuesday	8.25 hours
Wednesday	8 hours
Thursday	8.5 hours
Friday	10 hours

Total 42.25

$42.25 - 40.00 = 2.25$

E2-2A. Roger Ortega receives her pay twice per month working for Megaveo Enterprises. Which of the following choices describes his pay frequency?

2. Semimonthly

E2-3A. Lila Rivera is a new employee for Divera Glass. Which Federal forms must he complete as part of the hiring process?

1. W-4

4. I-9

E2-4A. Wilbur Matthews, a resident of Wisconsin, ended his employment with Bovill Farms on December 4, 2020. The next pay date for the company is December 18. By what date should he receive his final pay?

3. December 18

E2-5A. Charlene Kelley is a new nonexempt sales clerk for Oyondo Retail Stores. She completes her time card for the pay period. To ensure proper internal control, what is the next step in the payroll review process?

3. Submit the time card to her manager for review.

E2-6A. Alfonso Silva needs additional filing space at the end of the year in the company's offsite, secured storage. He sees several boxes marked for the current year's destruction. What methods can Alfonso use to dispose of the payroll records? (Select all that apply.)

1. Contact an offsite record destruction service.
3. Shred the records, then dispose of the shredded paper.
4. Incinerate the payroll records marked for destruction.

E2-7A. Ed Myers is verifying the accuracy and amount of information contained in the employee records for his employer, Genible Industries. Which of the following items should be present in the employee information? (Select all that apply)

1. Job title
2. Social Security number
4. Employee address

E2-8A. Ginger Klein is the payroll clerk for Neolane Transportation. A colleague who is classified as an independent contractor requests to be classified as an employee. What factors should Ginger consider? (Select all that apply.)

1. Relationship of the Parties
2. Behavioral Control

4. Financial Control

E2-9A. What are the forms of identification that establish *identity* for the I-9? (Select all that apply.)

1. Driver's License.
2. Native American Tribal document.
3. Voter's Registration card.

E2-10A. What are the forms of identification that establish *employment authorization* for the I-9? (Select all that apply.)

1. U.S. Citizen I.D. Card.
2. U.S. Passport.
4. Certified copy of the birth certificate.

E2-11A. Jamie Patil is a candidate for the position of sales manager with Retrozz Furniture. She is going to be required to supervise several employees and can determine the direction in which she will complete the assignments given to her. What guidelines should she follow when classifying workers as exempt or nonexempt?

2. FLSA
3. Department of Labor
4. IRS

E2-12A. Susana Robledo is the office manager for Wardley and Sons Auto Detailing. Because it is a small office she is required to keep track of all employee records and pay both employees and contractors. Which of the following are legal factors that will differentiate between exempt and nonexempt employees? (Select all that apply.)

2. Type of work performed
4. Amount of supervisor-given direction

PROBLEM SET A

P2-1A. Henrietta Morales is a salaried employee earning \$75,000 per year. Calculate the standard gross salary per pay period under each of the following payroll frequencies:

- a. Biweekly $\$75,000/26 = \$2,884.62$
- b. Semimonthly $\$75,000/24 = \$3,125.00$
- c. Weekly $\$75,000/52 = \$1,442.31$
- d. Monthly $\$75,000/12 = \$6,250.00$

P2-2A. Beth Caldwell is in the payroll accounting department of Acerill Films. An independent contractor of the company requests that Social Security and Medicare taxes be withheld from future compensation. What advice should Beth offer?

- a. As an independent contractor they would be responsible for their own payments and these would not be withheld by the company

P2-3A. You are the new payroll supervisor for your company. Which payroll documentation control procedures are now your responsibility?

- a. Payroll system security, Maintenance of paid time off (i.e., vacation, sick, etc.), Access to payroll data, Separation of duties, Training of payroll staff

P2-4A. Leona Figueroa is a new employee in the payroll department of Octolium Computers. After working at the company for one week, she asks you why it is so important to submit new hire documentation. What guidance will you offer her?

- a. Reporting creates a registry to monitor child support obligations, tracks immigration to ensure individuals are legal to work in the United States, ensures that individuals in professions that can have sanctions are legally able to continue to work, finally to enable the tracking of COBRA benefits.

P2-5A. You are the payroll accounting clerk for your company, Conose Advertising, which has 50 employees. The controller has recently switched the firm from an in-house payroll system to

an outsourced payroll provider. What are your responsibilities within the company for payroll records and employee file issues?

- a. Even with outsourced payroll the company is responsible for maintaining records, responsible retention periods, ensuring timely filing of tax and withholding amount, and document destruction.

P2-6A. Aaron Tallchief is a citizen of the Northern Pomo Indian Nation. In completing his I-9, he provides an official Northern Pomo Nation birth certificate to establish identification and employment eligibility. Is this sufficient documentation? Why or why not?

- a. Yes, these are acceptable since this would fulfill the requirements of items from type B and type C of the acceptable documents.

P2-7A. Ian Burns is the new payroll accountant for ECG Marketing. Certain employees have been requesting changes in classification from nonexempt to exempt. How do the U.S. Department of Labor guidelines help him answer the employees' questions?

- a. The U.S. Department of Labor requires that employees meet all tests to achieve exempt status under one of the following: executive exemption, administrative exemption, and professional exemption.

P2-8A. Twinte Cars, a California corporation, has internal corporate requirements that stipulate a three-year payroll document retention period. They enter into a contract with an international company that mandates a six-year payroll document retention requirement. How should Twinte Cars balance these requirements?

- a. The longer retention period would be appropriate to satisfy the record retention requirements under the contract.
- b. The period for retention could be up to 8 years depending upon the circumstances.

P2-9A. Ted McCormick is a full-time life insurance agent with Centixo Insurance, a small insurance company. The company has classified him as an employee, and he feels that he should be classified as an independent contractor because he receives no company benefits and sets his own office hours. Should he be reclassified as an independent contractor? Why or why not?

- a. Of the three tests, Ted does not meet the relationship of the parties and should be treated as an employee.

P2-10A. Evelyn Hardy is an employee of Polyent Plastics, a company with headquarters in Rock Island, Illinois. She lives and works in Doha, Qatar, and earns an annual salary of \$97,300. The company has been withholding U.S. federal income taxes from her pay, but Evelyn believes that she should be exempt because she is an expatriate. What course of action should Evelyn take?

- a. Evelyn would need to file IRS Foreign Earned Income Exclusion

P2-11A. Complete the W-4 for employment at Superore Wheels starting 3/16/2020 the employers address is 6150 Speedtrack Road, Montrose, CO, 81401 and EIN is 91-1701225.

Erma Jane Grant
441 West Hill Road
Montrose, Colorado 81401
SSN: 432-55-6792
Marital Status: Single
Does not require any additional amount to be withheld

Form W-4 Department of the Treasury Internal Revenue Service	Employee's Withholding Certificate ▶ Complete Form W-4 so that your employer can withhold the correct federal income tax from your pay. ▶ Give Form W-4 to your employer. ▶ Your withholding is subject to review by the IRS.	OMB No. 1545-0074 <div style="font-size: 2em; font-weight: bold; margin-top: 10px;">2020</div>
Step 1: Enter Personal Information	(a) First name and middle initial Erma Jane Address 441 West Hill Road City or town, state, and ZIP code Montrose, CO 81401	Last name Grant (b) Social security number 432-55-6792 ▶ Does your name match the name on your social security card? If not, to ensure you get credit for your earnings, contact SSA at 800-772-1213 or go to www.ssa.gov.
	(c) <input checked="" type="checkbox"/> Single or Married filing separately <input type="checkbox"/> Married filing jointly (or Qualifying widow(er)) <input type="checkbox"/> Head of household (Check only if you're unmarried and pay more than half the costs of keeping up a home for yourself and a qualifying individual.)	
Complete Steps 2-4 ONLY if they apply to you; otherwise, skip to Step 5. See page 2 for more information on each step, who can claim exemption from withholding, when to use the online estimator, and privacy.		
Step 2: Multiple Jobs or Spouse Works	Complete this step if you (1) hold more than one job at a time, or (2) are married filing jointly and your spouse also works. The correct amount of withholding depends on income earned from all of these jobs. Do only one of the following. (a) Use the estimator at www.irs.gov/W4App for most accurate withholding for this step (and Steps 3-4); or (b) Use the Multiple Jobs Worksheet on page 3 and enter the result in Step 4(c) below for roughly accurate withholding; or (c) If there are only two jobs total, you may check this box. Do the same on Form W-4 for the other job. This option is accurate for jobs with similar pay; otherwise, more tax than necessary may be withheld. ▶ <input type="checkbox"/> TIP: To be accurate, submit a 2020 Form W-4 for all other jobs. If you (or your spouse) have self-employment income, including as an independent contractor, use the estimator.	
Complete Steps 3-4(b) on Form W-4 for only ONE of these jobs. Leave those steps blank for the other jobs. (Your withholding will be most accurate if you complete Steps 3-4(b) on the Form W-4 for the highest paying job.)		
Step 3: Claim Dependents	If your income will be \$200,000 or less (\$400,000 or less if married filing jointly): Multiply the number of qualifying children under age 17 by \$2,000 ▶ \$ _____ Multiply the number of other dependents by \$500 ▶ \$ _____ Add the amounts above and enter the total here	3 \$
Step 4 (optional): Other Adjustments	(a) Other income (not from jobs). If you want tax withheld for other income you expect this year that won't have withholding, enter the amount of other income here. This may include interest, dividends, and retirement income (b) Deductions. If you expect to claim deductions other than the standard deduction and want to reduce your withholding, use the Deductions Worksheet on page 3 and enter the result here (c) Extra withholding. Enter any additional tax you want withheld each pay period	4(a) \$ _____ 4(b) \$ _____ 4(c) \$ _____
Step 5: Sign Here	Under penalties of perjury, I declare that this certificate, to the best of my knowledge and belief, is true, correct, and complete. ▶ <i>Erma Jane Grant</i> Employee's signature (This form is not valid unless you sign it.)	
Employers Only	Employer's name and address Superore Wheels 6150 Speedtrack Road Montrose, CO 81401	First date of employment 03/16/2020 Employer identification number (EIN) 91-1701225
For Privacy Act and Paperwork Reduction Act Notice, see page 3. Cat. No. 10220Q Form W-4 (2020)		

P2-12A. Complete the I-9 for employment at Superore Wheels at 6150 Speedtrack Road, Montrose, Colorado 81401. Erma is starting 3/16/2020. Be sure to complete Section 2 of Form I-9.

Erma Jane Grant
 441 West Hill Road
 Montrose, Colorado 81401

SSN: 432-55-6792

Maiden Name: Grant

Marital Status: Single

Date of Birth: June 12, 1986

U.S. Citizen

Erma presented her passport for her employer to review.

Passport number 389049392, issued by the United States State Department, expires April 1, 2026.

Administrative assistant Samantha Cook verified the information for the company.



Employment Eligibility Verification
Department of Homeland Security
 U.S. Citizenship and Immigration Services

USCIS
Form I-9
 OMB No. 1615-0047
 Expires 10/31/2022

▶ **START HERE:** Read instructions carefully before completing this form. The instructions must be available, either in paper or electronically, during completion of this form. Employers are liable for errors in the completion of this form.


ANTI-DISCRIMINATION NOTICE: It is illegal to discriminate against work-authorized individuals. Employers CANNOT specify which document(s) an employee may present to establish employment authorization and identity. The refusal to hire or continue to employ an individual because the documentation presented has a future expiration date may also constitute illegal discrimination.

Section 1. Employee Information and Attestation *(Employees must complete and sign Section 1 of Form I-9 no later than the first day of employment, but not before accepting a job offer.)*

Last Name (Family Name) Grant		First Name (Given Name) Erma		Middle Initial J	Other Last Names Used (if any)	
Address (Street Number and Name) 441 West Hill Road			Apt. Number	City or Town Montrose		State CO
Date of Birth (mm/dd/yyyy) 06/12/1986		U.S. Social Security Number 432 - 55 - 6792		Employee's E-mail Address		Employee's Telephone Number

I am aware that federal law provides for imprisonment and/or fines for false statements or use of false documents in connection with the completion of this form.

I attest, under penalty of perjury, that I am (check one of the following boxes):

<input checked="" type="checkbox"/> 1. A citizen of the United States
<input type="checkbox"/> 2. A noncitizen national of the United States <i>(See instructions)</i>
<input type="checkbox"/> 3. A lawful permanent resident (Alien Registration Number/USCIS Number): <u>N/A</u>
<input type="checkbox"/> 4. An alien authorized to work until (expiration date, if applicable, mm/dd/yyyy): <u>N/A</u> Some aliens may write "N/A" in the expiration date field. <i>(See instructions)</i>
Aliens authorized to work must provide only one of the following document numbers to complete Form I-9: An Alien Registration Number/USCIS Number OR Form I-94 Admission Number OR Foreign Passport Number. 1. Alien Registration Number/USCIS Number: <u>N/A</u> OR 2. Form I-94 Admission Number: <u>N/A</u> OR 3. Foreign Passport Number: <u>N/A</u> Country of Issuance: <u>N/A</u>
QR Code - Section 1 Do Not Write in This Space 

Signature of Employee <i>Erma Jane Grant</i>	Today's Date (mm/dd/yyyy) 03/16/2020
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Preparer and/or Translator Certification (check one):
 I did not use a preparer or translator. A preparer(s) and/or translator(s) assisted the employee in completing Section 1.
(Fields below must be completed and signed when preparers and/or translators assist an employee in completing Section 1.)

I attest, under penalty of perjury, that I have assisted in the completion of Section 1 of this form and that to the best of my knowledge the information is true and correct.

Signature of Preparer or Translator		Today's Date (mm/dd/yyyy)	
Last Name (Family Name)		First Name (Given Name)	
Address (Street Number and Name)		City or Town	State
			ZIP Code

STOP *Employer Completes Next Page* STOP




Employment Eligibility Verification
Department of Homeland Security
 U.S. Citizenship and Immigration Services

USCIS
Form I-9
 OMB No. 1615-0047
 Expires 10/31/2022

Section 2. Employer or Authorized Representative Review and Verification

(Employers or their authorized representative must complete and sign Section 2 within 3 business days of the employee's first day of employment. You must physically examine one document from List A OR a combination of one document from List B and one document from List C as listed on the "Lists of Acceptable Documents.")

Employee Info from Section 1	Last Name (Family Name) Grant	First Name (Given Name) Emma	M.I. J	Citizenship/Immigration Status 1
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List A Identity and Employment Authorization	OR	List B Identity	AND	List C Employment Authorization
Document Title U.S. Passport		Document Title N/A		Document Title N/A
Issuing Authority U.S. Department of State		Issuing Authority N/A		Issuing Authority N/A
Document Number 389049292		Document Number N/A		Document Number N/A
Expiration Date (if any) (mm/dd/yyyy) 04/01/2026		Expiration Date (if any) (mm/dd/yyyy) N/A		Expiration Date (if any) (mm/dd/yyyy) N/A
Document Title N/A		Additional Information		QR Code - Section 2 Do Not Write In This Space 
Issuing Authority N/A				
Document Number N/A				
Expiration Date (if any) (mm/dd/yyyy) N/A				
Document Title N/A				
Issuing Authority N/A				
Document Number N/A				
Expiration Date (if any) (mm/dd/yyyy) N/A				
Document Title N/A				
Issuing Authority N/A				

Certification: I attest, under penalty of perjury, that (1) I have examined the document(s) presented by the above-named employee, (2) the above-listed document(s) appear to be genuine and to relate to the employee named, and (3) to the best of my knowledge the employee is authorized to work in the United States.

The employee's first day of employment (mm/dd/yyyy): 03/16/2020 (See instructions for exemptions)

Signature of Employer or Authorized Representative <i>Samantha Cook</i>		Today's Date (mm/dd/yyyy) 03/16/2020	Title of Employer or Authorized Representative Administrative Assistant	
Last Name of Employer or Authorized Representative Cook	First Name of Employer or Authorized Representative Samantha	Employer's Business or Organization Name Superore Wheels		
Employer's Business or Organization Address (Street Number and Name) 6150 Speedtrack Road		City or Town Montrose	State CO	ZIP Code 81401

Section 3. Reverification and Rehires (To be completed and signed by employer or authorized representative.)

A. New Name (if applicable)			B. Date of Hire (if applicable)	
Last Name (Family Name)	First Name (Given Name)	Middle Initial	Date (mm/dd/yyyy)	

C. If the employee's previous grant of employment authorization has expired, provide the information for the document or receipt that establishes continuing employment authorization in the space provided below.

Document Title	Document Number	Expiration Date (if any) (mm/dd/yyyy)
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I attest, under penalty of perjury, that to the best of my knowledge, this employee is authorized to work in the United States, and if the employee presented document(s), the document(s) I have examined appear to be genuine and to relate to the individual.

Signature of Employer or Authorized Representative	Today's Date (mm/dd/yyyy)	Name of Employer or Authorized Representative
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EXERCISE SET B

E2-1B. Stacy Romero, a nonexempt employee of Prosaria Publishers, works a standard 6:00–3:00 p.m. schedule with an hour for lunch. Stacy works in a state requiring overtime for hours over 8 per day and for those over 40 in a week. During the week, she worked the following schedule:

Monday	8.25 hours
Tuesday	8 hours
Wednesday	8.75 hours
Thursday	7 hours
Friday	9 hours

Based on the requirements above, how much overtime has Stacy worked during the period?

- 3 hours

$$8.25 + 8 + 8.75 + 7 + 9 = 41 \text{ hours for 1 hour of overtime}$$

$$1 + .25 + .75 + 1 = 3 \text{ hours total}$$

E2-2B. Grant Saunders is a salaried employee earning \$84,000 per year who receives pay every other week. Which of the following best describes the pay frequency?

- Biweekly

E2-3B. On October 30, 2020, Dolores Goodman quit her job after ten years with Omnivue Optics in Utah. Omnivue Optics pays employees weekly on Fridays. Upon quitting, Dolores had 38.5 hours of vacation accrued that she had not used, and she had worked 45 hours, 5 hours of which was subject to overtime. When must she receive her final paycheck?

- On the next pay date.

E2-4B. Adrienne Norman ended her employment with Univee Inc. on December 16, 2020. When is the earliest that Univee Inc. may destroy her payroll records?

- December 16, 2023

E2-5B. Elijah Brown is a new payroll clerk at Zata Imports, a company with 250 employees. He has completed entering all time card data for the pay period. What should Elijah's next step in the payroll review process be?

3. Ask his supervisor to verify the accuracy of the payroll data.

E2-6B. Elaine Wheeler needs additional filing space at the end of the year in the company's office and chooses to use offsite, secured storage. Upon arriving at the storage facility, she discovers that the unit is nearly full and sees several boxes marked for destruction at the end of the calendar year. What are Elaine's obligations regarding the destruction of the payroll records marked for destruction? (Select all that apply.)

2. She should make arrangements to pulp or burn the payroll records marked for destruction.
3. She should arrange to have a document destruction service pick up the boxes marked for destruction.
4. She should bring a shredding machine to the storage facility and prepare to shred the records marked for destruction.

E2-7B. Gerardo Rogers is conducting a review of the payroll files for each employee at Meejo Games. Which of the following items must be present in the file? (Select all that apply.)

1. Basis upon which compensation is paid.
2. Overtime pay earned during each pay period.
3. Hours worked during each pay period.

E2-8B. Jane McCarthy is preparing to compute employee pay and needs to determine the amount of employee federal income taxes to be withheld. Which of the following should she consult?

2. IRS Publication 15-T

E2-9B. John Franklin is a new employee of the Camidel Clothiers. Which of the following will provide proof of *identity* for the completion of the I-9? (Select all that apply.)

1. U.S. Passport – a U.S. Passport will establish both identity and employment authorization.

2. U.S. Military Identification Card.
4. New York driver's license.

E2-10B. Sheri Jennings is completing the I-9 for her new employment at Insulend Tours. Which of the following provides proof of her *employment authorization*? (Select all that apply.)

1. Social Security Card.
2. Certificate of birth abroad, issued by the U.S. Department of State.
4. U.S. Passport – a U.S. Passport will establish both identity and employment authorization.

E2-11B. Laverne Watkins is a candidate for the position of marketing clerk with the promotions department of Paramba Productions, earning \$10.25 per hour. She will work occasional overtime in her new position and will not have managerial or supervisory duties as a regular part of her job description. Why should Laverne be classified as a nonexempt employee? (Select all that apply.)

2. She has no supervisory or managerial duties
3. She has the term *clerk* in her job title

E2-12B. Rex Marshall manages a ski resort with year-round and seasonal employees. Assuming that the ski resort engages in interstate commerce, which are the FLSA requirement(s) that Rex should consider?

1. Hourly wages paid to employees
3. Number of hours worked per week
4. Employee age and weekly work schedule

PROBLEM SET B

P2-1B. Tasha Webb is an independent contractor for Antimbu Exports, where you are the payroll accountant. She feels that she should receive employee benefits because of the number of hours that she dedicates to the company. What guidance can you offer Tasha?

- a. Independent contractors are most frequently treated as a vendor and would not be included in employee benefits. There are specific tests that determine the relationship between employer and employee; however, the number of hours committed is not one of the defining traits.

P2-2B. Joseph Lyons was terminated for cause from Teley Industries in Hawaii, on August 21, 2020. As of the date of his termination, he had worked 22 hours of regular time. Employees at Teley are paid semimonthly on the 15th and last day of the month. Joseph would like to know when he will be paid for the accrued hours. What will you tell him?

- a. Hawaii requires that when an employee is terminated their final pay is given at the time of termination or on the next business day if financially unable to issue the check.

P2-3B. Sara Northman, a member of the Algonquin Indian Nation, is a new employee at Predeo Game Design. During the process of completing her I-9, she claims that the only way to prove her identity is the Algonquin Indian National official birth certificate. Is this document sufficient to prove employment authorization for the purposes of the I-9? Explain.

- a. Algonquin Indian National official birth certificate would be adequate as it can fulfill both requirements for establishing identity and employment verification.

P2-4B. Abraham Manning is a new employee of Synity Batteries. He is curious about the purpose of the requirements for new hire documentation to be forwarded to government agencies. What should you tell him?

- a. Reporting creates a registry to monitor child support obligations, tracks immigration to ensure individuals are legal to work in the United States, ensures that individuals in professions that can have sanctions are legally able to continue to work, finally to enable the tracking of COBRA benefits.

P2-5B. Frances Perez wants to start her own company. As a seasoned payroll professional, she approaches you for guidance about the differences between weekly, biweekly, and semimonthly pay periods. What would you tell her?

- a. Weekly payroll is where individuals will receive 52 paychecks per year and are suited for companies that are small, such as construction or professional entities. Biweekly payroll is where individuals will receive 26 paychecks per year processed every two weeks and is one of the more common pay periods; occasionally this method may result in 27 pay periods. Semimonthly is where employees will receive 24 paychecks per year.

P2-6B. Katrina Wilkins is a new payroll clerk for Remm Plumbing. She is curious about the purpose of the different steps in the payroll review process and asks you, her supervisor, for guidance. What would you tell her?

- a. The payroll review process is designed to verify the information so that employees are paid correctly and the data is correct. Starting with the employee completing their time card, the information is then verified by the manager. After the manager has agreed that the employee has accurately portrayed the hours worked, the payroll clerk will prepare the information for the manager to review and approve. Once the information has been approved, the payroll checks can be issued to the employees.

P2-7B. George Andrews started as a payroll accountant at Portose Herbals, a company with 70 employees. He soon notices that the former payroll accountant had been processing payroll manually and suggests that the company immediately switch to cloud-based payroll. Although the company is switching to an electronic payroll processing system, what types of paper documentation must be maintained in employee records?

- a. Employers retain physical copies of employees' time records, pay advice, and any other documentation processed with the paycheck. Some other types of documentation include: Request for a day off; reports of tardiness or absenteeism; detailed records of work completed during that day's shift.

P2-8B. Tara Morris, a payroll clerk, has received a promotion and is now the payroll supervisor for Fligen Enterprises. What document control items could now become her responsibility?

- a. Payroll system security, Maintenance of paid time off (i.e., vacation, sick, etc.), Access to payroll data, Separation of duties, Training of payroll staff

P2-9B. Herman Watkins is in the payroll department of Neombee Plastics, a multistate company. The company has historically been filing employee information with each state. What alternative exists for multistate employers?

- a. Multistate Employer Notification Form allows centralized reporting from the Office of Management and Budget

P2-10B. Derek Allen is the payroll supervisor for Caposis Freight. His company is preparing to merge with another distribution company that has a different pay cycle. The president of the company wants to know the difference between biweekly and semimonthly pay cycles as far as pay dates and pay amounts. What should Derek tell him?

- a. Moving between biweekly (26 pay periods per year with the possibility of 27) to a semimonthly system (24 pay periods per year) would cause individual to see increases per pay period since there are more days being covered on the pay period under semimonthly than on biweekly. This would also result in higher taxes per pay period.

P2-11B. Complete the W-4 for employment at Equtri Farms located at 8541 Brook Road, Taylorville, IL 62556 with an EIN of 92-6643122, effective 6/17/2020:

Linda Ellen Marshall
8924 County Line Road
Taylorville, Illinois 62555
SSN: 129-53-2309

Married filing jointly

They do not wish to withhold additional amounts.

Linda earns \$32,000 at her primary job. She has a second job as a delivery driver for Tazio Labs, where she earns \$12,000/year.

Form W-4 Department of the Treasury Internal Revenue Service	<h3 style="margin: 0;">Employee's Withholding Certificate</h3> <p style="margin: 0;">▶ Complete Form W-4 so that your employer can withhold the correct federal income tax from your pay. ▶ Give Form W-4 to your employer. ▶ Your withholding is subject to review by the IRS.</p>	OMB No. 1545-0074 <h1 style="margin: 0;">2020</h1>
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Step 1:	(a) First name and middle initial Linda E	Last name Marshall	(b) Social security number 129-53-2309
Enter Personal Information	Address 8924 County Line Road City or town, state, and ZIP code Taylorville, IL 62555		▶ Does your name match the name on your social security card? If not, to ensure you get credit for your earnings, contact SSA at 800-772-1213 or go to www.ssa.gov .
	(c) <input type="checkbox"/> Single or Married filing separately <input checked="" type="checkbox"/> Married filing jointly (or Qualifying widow(er)) <input type="checkbox"/> Head of household (Check only if you're unmarried and pay more than half the costs of keeping up a home for yourself and a qualifying individual.)		

Complete Steps 2-4 ONLY if they apply to you; otherwise, skip to Step 5. See page 2 for more information on each step, who can claim exemption from withholding, when to use the online estimator, and privacy.

Step 2: Multiple Jobs or Spouse Works

Complete this step if you (1) hold more than one job at a time, or (2) are married filing jointly and your spouse also works. The correct amount of withholding depends on income earned from all of these jobs. Do **only one** of the following.

(a) Use the estimator at www.irs.gov/W4App for most accurate withholding for this step (and Steps 3-4); or

(b) Use the Multiple Jobs Worksheet on page 3 and enter the result in Step 4(c) below for roughly accurate withholding; or

(c) If there are only two jobs total, you may check this box. Do the same on Form W-4 for the other job. This option is accurate for jobs with similar pay; otherwise, more tax than necessary may be withheld

TIP: To be accurate, submit a 2020 Form W-4 for all other jobs. If you (or your spouse) have self-employment income, including as an independent contractor, use the estimator.

Complete Steps 3-4(b) on Form W-4 for only ONE of these jobs. Leave those steps blank for the other jobs. (Your withholding will be most accurate if you complete Steps 3-4(b) on the Form W-4 for the highest paying job.)

Step 3:	If your income will be \$200,000 or less (\$400,000 or less if married filing jointly):		
Claim Dependents	Multiply the number of qualifying children under age 17 by \$2,000 ▶ \$ _____		
	Multiply the number of other dependents by \$500 ▶ \$ _____		
	Add the amounts above and enter the total here	3	\$
Step 4 (optional): Other Adjustments	(a) Other income (not from jobs). If you want tax withheld for other income you expect this year that won't have withholding, enter the amount of other income here. This may include interest, dividends, and retirement income	4(a)	\$
	(b) Deductions. If you expect to claim deductions other than the standard deduction and want to reduce your withholding, use the Deductions Worksheet on page 3 and enter the result here	4(b)	\$
	(c) Extra withholding. Enter any additional tax you want withheld each pay period	4(c)	\$

Step 5:	Under penalties of perjury, I declare that this certificate, to the best of my knowledge and belief, is true, correct, and complete.		
Sign Here	▶ <u>Linda Ellen Marshall</u> Employee's signature (This form is not valid unless you sign it.)	▶ 06/17/2020 Date	

Employers Only	Employer's name and address Equtri Farms 8541 Brook Road Taylorville, IL 62556	First date of employment 06/17/2020	Employer identification number (EIN) 92-6643122
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P2-12B. Complete the I-9 for employment effective 7/23/2020 at Ecovee Energy located at 244 Winston Drive, Gretna, Virginia 24557. Be sure to complete Section 2.

Lloyd Gregory Flowers

SSN: 382-10-0392

Date of Birth: 11-20-1993

1298 Chantham Road

Gretna, Virginia 24557

U.S. Citizen

Lloyd presented his driver's license and Social Security card to the Human Resources Manager, Amanda Weeble, to review.

Virginia Driver's License #293034293, Expires 11/20/2023



Employment Eligibility Verification
Department of Homeland Security
 U.S. Citizenship and Immigration Services

USCIS
Form I-9
 OMB No. 1615-0047
 Expires 10/31/2022

▶ **START HERE:** Read instructions carefully before completing this form. The instructions must be available, either in paper or electronically, during completion of this form. Employers are liable for errors in the completion of this form.


ANTI-DISCRIMINATION NOTICE: It is illegal to discriminate against work-authorized individuals. Employers **CANNOT** specify which document(s) an employee may present to establish employment authorization and identity. The refusal to hire or continue to employ an individual because the documentation presented has a future expiration date may also constitute illegal discrimination.

Section 1. Employee Information and Attestation *(Employees must complete and sign Section 1 of Form I-9 no later than the first day of employment, but not before accepting a job offer.)*

Last Name (Family Name) Flowers		First Name (Given Name) Lloyd		Middle Initial G	Other Last Names Used (if any)	
Address (Street Number and Name) 1298 Chantham Road			Apt. Number	City or Town Gretna		State VA
Date of Birth (mm/dd/yyyy) 11/20/1993		U.S. Social Security Number 3 8 2 - 1 0 - 0 3 9 2		Employee's E-mail Address		Employee's Telephone Number

I am aware that federal law provides for imprisonment and/or fines for false statements or use of false documents in connection with the completion of this form.

I attest, under penalty of perjury, that I am (check one of the following boxes):

<input checked="" type="checkbox"/> 1. A citizen of the United States	
<input type="checkbox"/> 2. A noncitizen national of the United States (See instructions)	
<input type="checkbox"/> 3. A lawful permanent resident (Alien Registration Number/USCIS Number): <u>N/A</u>	
<input type="checkbox"/> 4. An alien authorized to work until (expiration date, if applicable, mm/dd/yyyy): <u>N/A</u> Some aliens may write "N/A" in the expiration date field. (See instructions)	
Aliens authorized to work must provide only one of the following document numbers to complete Form I-9: An Alien Registration Number/USCIS Number OR Form I-94 Admission Number OR Foreign Passport Number.	
1. Alien Registration Number/USCIS Number: <u>N/A</u> OR 2. Form I-94 Admission Number: <u>N/A</u> OR 3. Foreign Passport Number: <u>N/A</u> Country of Issuance: <u>N/A</u>	QR Code - Section 1 Do Not Write in This Space 

Signature of Employee <u>Lloyd Flowers</u>	Today's Date (mm/dd/yyyy) <u>07/23/2020</u>
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Preparer and/or Translator Certification (check one):
 I did not use a preparer or translator. A preparer(s) and/or translator(s) assisted the employee in completing Section 1.
(Fields below must be completed and signed when preparers and/or translators assist an employee in completing Section 1.)

I attest, under penalty of perjury, that I have assisted in the completion of Section 1 of this form and that to the best of my knowledge the information is true and correct.

Signature of Preparer or Translator		Today's Date (mm/dd/yyyy)	
Last Name (Family Name)		First Name (Given Name)	
Address (Street Number and Name)		City or Town	State
			ZIP Code

STOP *Employer Completes Next Page* STOP



Employment Eligibility Verification
Department of Homeland Security
 U.S. Citizenship and Immigration Services


USCIS
Form I-9
 OMB No. 1615-0047
 Expires 10/31/2022

Section 2. Employer or Authorized Representative Review and Verification

(Employers or their authorized representative must complete and sign Section 2 within 3 business days of the employee's first day of employment. You must physically examine one document from List A OR a combination of one document from List B and one document from List C as listed on the "Lists of Acceptable Documents.")

Employee Info from Section 1	Last Name (Family Name) Flowers	First Name (Given Name) Lloyd	M.I. G	Citizenship/Immigration Status 1
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List A
OR
List B
AND
List C
 Identity and Employment Authorization Identity Employment Authorization

Document Title N/A Issuing Authority N/A Document Number N/A Expiration Date (if any) (mm/dd/yyyy) N/A	Document Title Driver's license issued by state/territory Issuing Authority Virginia Document Number 293034293 Expiration Date (if any) (mm/dd/yyyy) 11/20/2023	Document Title Social Security card (unrestricted) Issuing Authority Social Security Administration Document Number 382100392 Expiration Date (if any) (mm/dd/yyyy) N/A
Document Title N/A Issuing Authority N/A Document Number N/A Expiration Date (if any) (mm/dd/yyyy) N/A	Additional Information	QR Code - Section 2 Do Not Write In This Space 
Document Title N/A Issuing Authority N/A Document Number N/A Expiration Date (if any) (mm/dd/yyyy) N/A		
Document Title N/A Issuing Authority N/A Document Number N/A Expiration Date (if any) (mm/dd/yyyy) N/A		

Certification: I attest, under penalty of perjury, that (1) I have examined the document(s) presented by the above-named employee, (2) the above-listed document(s) appear to be genuine and to relate to the employee named, and (3) to the best of my knowledge the employee is authorized to work in the United States.

The employee's first day of employment (mm/dd/yyyy): 07/23/2020 (See instructions for exemptions)

Signature of Employer or Authorized Representative <i>Amanda Weeble</i>	Today's Date (mm/dd/yyyy) 07/23/2020	Title of Employer or Authorized Representative Human Resources Manager	
Last Name of Employer or Authorized Representative Weeble	First Name of Employer or Authorized Representative Amanda	Employer's Business or Organization Name Ecovee Energy	
Employer's Business or Organization Address (Street Number and Name) 244 Winston Drive	City or Town Gretna	State VA	ZIP Code 24557

Section 3. Reverification and Rehires *(To be completed and signed by employer or authorized representative.)*

A. New Name (if applicable)			B. Date of Rehire (if applicable)
Last Name (Family Name)	First Name (Given Name)	Middle Initial	Date (mm/dd/yyyy)

C. If the employee's previous grant of employment authorization has expired, provide the information for the document or receipt that establishes continuing employment authorization in the space provided below.

Document Title	Document Number	Expiration Date (if any) (mm/dd/yyyy)
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I attest, under penalty of perjury, that to the best of my knowledge, this employee is authorized to work in the United States, and if the employee presented document(s), the document(s) I have examined appear to be genuine and to relate to the individual.

Signature of Employer or Authorized Representative	Today's Date (mm/dd/yyyy)	Name of Employer or Authorized Representative
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CRITICAL THINKING

- 2-1. When Omnimia Graphics was looking to implement a payroll accounting system, the manufacturing firm had several options. With only 40 employees, the manual preparation of payroll through spreadsheets and handwritten time cards was a comfortable option for the firm. Another option is to convince the senior management of Omnimia Graphics to implement a software program for payroll processing. How should the company handle the maintenance of the current payroll records? What internal control issues should be addressed?
- a. Student responses will vary. Key points that need to be included: confidentiality of records, retention period, separation of duties, verification of payroll.
- 2-2. You have been hired as a consultant for Semiva Productions, a company facing an IRS audit of their accounting records. During your review, you notice anomalies in the payroll system involving overpayments of labor and payments to terminated employees. What would you do?
- a. When the anomalies are discovered, the management of the company should be made aware of the situation. Since the IRS audit is imminent, documenting the date of the find and attempts to rectify the error would be advisable. Depending upon the nature of the anomalies, the company or payroll employees may have made some serious errors.

IN THE REAL WORLD: CASE FOR DISCUSSION

Student response will vary.

CONTINUING PAYROLL PROJECT: PREVOSTI FARMS AND SUGARHOUSE

Prevosti Farms and Sugarhouse pays its employees according to their job classification. The following employees make up Sugarhouse's staff:

Employee Number	Name and Address	Payroll information
A-Mille	Thomas Millen 1022 Forest School Rd Woodstock, VT 05001 802-478-5055 SSN:031-11-3456 401(k) deduction: 3% Section 125 deduction: \$155	Hire Date: 2-3-2020 DOB: 12-16-1982 Position: Production Manager PT/FT: FT, exempt M/S: Married/Joint Pay Rate: \$35,000/year Dependents under 17: 3 Dependents over 17: 1 Step 4 information: none
A-Towle	Avery Towle 4011 Route 100 Plymouth, VT 05102 802-967-5873 SSN:089-74-0974 401(k) deduction: 5% Section 125 deduction: \$100	Hire Date: 2-3-2020 DOB: 7-14-1991 Position: Production Worker PT/FT: FT, nonexempt M/S: Single Pay Rate: \$12.00/hour Dependents under 17: 0 Dependents over 17: 0 Step 4 information: none
A-Long	Charlie Long 242 Benedict Road S. Woodstock, VT 05002 802-429-3846 SSN: 056-23-4593 401(k) deduction: 2% Section 125 deduction: \$155	Hire Date: 2-3-2020 DOB: 3-16-1987 Position: Production Worker PT/FT: FT, nonexempt M/S: Married/Joint Pay Rate: \$12.50/hour Dependents under 17: 2 Dependents over 17: 0 Step 4 information: none
B-Shang	Mary Shangraw 1901 Main Street #2 Bridgewater, VT 05520 802-575-5423 SSN: 075-28-8945 401(k) deduction: 3% Section 125 deduction: \$100	Hire Date: 2-3-2020 DOB: 8-20-1994 Position: Administrative Assistant PT/FT: PT, nonexempt M/S: Single Pay Rate: \$10.50/hour Dependents under 17: 0 Dependents over 17: 1 Step 4 information: none

B-Lewis	Kristen Lewis 840 Daily Hollow Road Bridgewater, VT 05523 802-390-5572 SSN: 076-39-5673 401(k) deduction: 4% Section 125 deduction: \$155	Hire Date: 2-3-2020 DOB: 4-6-1960 Position: Office Manager PT/FT: FT, exempt M/S: Married/Joint Pay Rate: \$32,000/year Dependents under 17: 2 Dependents over 17: 1 Step 4 information: none
B-Schwa	Joel Schwartz 55 Maple Farm Way Woodstock, VT 05534 802-463-9985 SSN: 021-34-9876 401(k) deduction: 5% Section 125 deduction: \$100	Hire Date: 2-3-2020 DOB: 5-23-1985 Position: Sales PT/FT: FT, exempt M/S: Married/Joint Pay Rate: \$24,000/year base plus 3% commission per case sold Dependents under 17: 2 Dependents over 17: 0 Step 4 information: none
B-Prevo	Toni Prevosti 820 Westminster Road Bridgewater, VT 05520 802-555-3456 SSN: 055-22-0443 401(k) deduction: 6% Section 125 deduction: \$155	Hire Date: 2-3-2020 DOB: 9-18-1967 Position: Owner/President PT/FT: FT, exempt M/S: Married/Joint Pay Rate: \$45,000/year Dependents under 17: 3 Dependents over 17: 2 Step 4 information: none

The Departments are as follows:

Department A: Agricultural Workers

Department B: Office Workers

1. You have been hired to start on February 3, 2020, as the new accounting clerk. Your employee number is B-XXXXX, where “B” denotes that you are an office worker and “XXXXX” is the first five letters of your last name. If your last name is fewer than five letters, use the first few letters of your first name to complete the employee number. Your Social Security number is 555-55-5555, and you are full-time, nonexempt, and paid at a rate of \$34,000 per year. You have elected to contribute 2 percent of your gross pay to your 401(k) and will have \$100 per pay period for Section 125. Complete the W-4 and the I-9 to start your own employee file. You are single with only one job. You live at

1644 Smitten Road, Woodstock, VT 05001. Your phone number is (555) 555-5555. Your date of birth is 01/01/1991. You will not be claiming anything for section 4 of the W-4. You are a citizen of the United States and provide a Vermont driver's license #88110009 expiring 01/01/23 in addition to your Social Security card for verification of your identity. Mary Shangraw verified the information for the company. Prevosti Farms and Sugarhouse is located at 820 Westminster Road, Bridgewater, VT, 05520. Prevosti has an EIN of 22-6654454.

Form W-4		Employee's Withholding Certificate		OMB No. 1545-0074
Department of the Treasury Internal Revenue Service		<p>▶ Complete Form W-4 so that your employer can withhold the correct federal income tax from your pay. ▶ Give Form W-4 to your employer. ▶ Your withholding is subject to review by the IRS.</p>		2020
Step 1: Enter Personal Information	(a) First name and middle initial Student	Last name Success	(b) Social security number 555-55-5555	
	Address 1644 Smitten Road City or town, state, and ZIP code Woodstock, VT 05001		▶ Does your name match the name on your social security card? If not, to ensure you get credit for your earnings, contact SSA at 800-772-1213 or go to www.ssa.gov .	
(c) <input checked="" type="checkbox"/> Single or Married filing separately <input type="checkbox"/> Married filing jointly (or Qualifying widow(er)) <input type="checkbox"/> Head of household (Check only if you're unmarried and pay more than half the costs of keeping up a home for yourself and a qualifying individual.)				
Complete Steps 2-4 ONLY if they apply to you; otherwise, skip to Step 5. See page 2 for more information on each step, who can claim exemption from withholding, when to use the online estimator, and privacy.				
Step 2: Multiple Jobs or Spouse Works	<p>Complete this step if you (1) hold more than one job at a time, or (2) are married filing jointly and your spouse also works. The correct amount of withholding depends on income earned from all of these jobs. Do only one of the following. (a) Use the estimator at www.irs.gov/W4App for most accurate withholding for this step (and Steps 3-4); or (b) Use the Multiple Jobs Worksheet on page 3 and enter the result in Step 4(c) below for roughly accurate withholding; or (c) If there are only two jobs total, you may check this box. Do the same on Form W-4 for the other job. This option is accurate for jobs with similar pay; otherwise, more tax than necessary may be withheld. <input type="checkbox"/> TIP: To be accurate, submit a 2020 Form W-4 for all other jobs. If you (or your spouse) have self-employment income, including as an independent contractor, use the estimator.</p>			
Complete Steps 3-4(b) on Form W-4 for only ONE of these jobs. Leave those steps blank for the other jobs. (Your withholding will be most accurate if you complete Steps 3-4(b) on the Form W-4 for the highest paying job.)				
Step 3: Claim Dependents	<p>If your income will be \$200,000 or less (\$400,000 or less if married filing jointly): Multiply the number of qualifying children under age 17 by \$2,000 ▶ \$ _____ Multiply the number of other dependents by \$500 ▶ \$ _____ Add the amounts above and enter the total here 3 \$ _____</p>			
Step 4 (optional): Other Adjustments	(a) Other income (not from jobs). If you want tax withheld for other income you expect this year that won't have withholding, enter the amount of other income here. This may include interest, dividends, and retirement income		4(a) \$ _____	
	(b) Deductions. If you expect to claim deductions other than the standard deduction and want to reduce your withholding, use the Deductions Worksheet on page 3 and enter the result here		4(b) \$ _____	
	(c) Extra withholding. Enter any additional tax you want withheld each pay period		4(c) \$ _____	
Step 5: Sign Here	Under penalties of perjury, I declare that this certificate, to the best of my knowledge and belief, is true, correct, and complete.			
	▶ <i>Student Success</i> Employee's signature (This form is not valid unless you sign it.)		▶ 02/03/2020 Date	
Employers Only	Employer's name and address Prevosti Farms and Sugarhouse 820 Westminster Road Bridgewater, VT 05520	First date of employment 02/03/2020	Employer identification number (EIN) 22-8654454	



Employment Eligibility Verification
Department of Homeland Security
 U.S. Citizenship and Immigration Services

USCIS
Form I-9
 OMB No. 1615-0047
 Expires 10/31/2022

▶ **START HERE:** Read instructions carefully before completing this form. The instructions must be available, either in paper or electronically, during completion of this form. Employers are liable for errors in the completion of this form.

ANTI-DISCRIMINATION NOTICE: It is illegal to discriminate against work-authorized individuals. Employers CANNOT specify which document(s) an employee may present to establish employment authorization and identity. The refusal to hire or continue to employ an individual because the documentation presented has a future expiration date may also constitute illegal discrimination.

Section 1. Employee Information and Attestation (Employees must complete and sign Section 1 of Form I-9 no later than the first day of employment, but not before accepting a job offer.)


Last Name (Family Name) Success		First Name (Given Name) Student		Middle Initial	Other Last Names Used (If any)	
Address (Street Number and Name) 1644 Saitten Road			Apt. Number	City or Town Woodstock		State VT
Date of Birth (mm/dd/yyyy) 01/01/1991		U.S. Social Security Number 888-55-5555		Employee's E-mail Address		Employee's Telephone Number

I am aware that federal law provides for imprisonment and/or fines for false statements or use of false documents in connection with the completion of this form.

I attest, under penalty of perjury, that I am (check one of the following boxes):

<input checked="" type="checkbox"/> 1. A citizen of the United States	
<input type="checkbox"/> 2. A noncitizen national of the United States (See Instructions)	
<input type="checkbox"/> 3. A lawful permanent resident (Alien Registration Number/USCIS Number): N/A	
<input type="checkbox"/> 4. An alien authorized to work until (expiration date, if applicable, mm/dd/yyyy): N/A Some aliens may write "N/A" in the expiration date field. (See Instructions)	

Aliens authorized to work must provide only one of the following document numbers to complete Form I-9:
 An Alien Registration Number/USCIS Number OR Form I-94 Admission Number OR Foreign Passport Number.

1. Alien Registration Number/USCIS Number: N/A OR 2. Form I-94 Admission Number: N/A OR 3. Foreign Passport Number: N/A Country of Issuance: N/A	QR Code - Section 1 Do Not Write In This Space 
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Signature of Employee <i>Student Success</i>	Today's Date (mm/dd/yyyy) 02/03/2020
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Preparer and/or Translator Certification (check one):
 I did not use a preparer or translator. A preparer(s) and/or translator(s) assisted the employee in completing Section 1.
 (Fields below must be completed and signed when preparers and/or translators assist an employee in completing Section 1.)

I attest, under penalty of perjury, that I have assisted in the completion of Section 1 of this form and that to the best of my knowledge the information is true and correct.

Signature of Preparer or Translator		Today's Date (mm/dd/yyyy)	
Last Name (Family Name)		First Name (Given Name)	
Address (Street Number and Name)		City or Town	State
			ZIP Code



Employment Eligibility Verification
Department of Homeland Security
 U.S. Citizenship and Immigration Services

USCIS
Form I-9
 OMB No. 1615-0047
 Expires 10/31/2022

Section 2. Employer or Authorized Representative Review and Verification				
(Employers or their authorized representative must complete and sign Section 2 within 3 business days of the employee's first day of employment. You must physically examine one document from List A OR a combination of one document from List B and one document from List C as listed on the "Lists of Acceptable Documents.")				
Employee Info from Section 1	Last Name (Family Name) <i>Success</i>	First Name (Given Name) <i>Student</i>	M.I.	Citizenship/Immigration Status <i>1</i>
List A Identify and Employment Authorization	OR	List B Identify	AND	List C Employment Authorization
Document Title <i>N/A</i>		Document Title <i>Driver's license issued by state/territory</i>		Document Title <i>Social Security card (unrestricted)</i>
Issuing Authority <i>N/A</i>		Issuing Authority <i>Vermont</i>		Issuing Authority <i>Social Security Administration</i>
Document Number <i>N/A</i>		Document Number <i>88110009</i>		Document Number <i>55555555</i>
Expiration Date (If any) (mm/dd/yyyy) <i>N/A</i>		Expiration Date (If any) (mm/dd/yyyy) <i>01/01/2023</i>		Expiration Date (If any) (mm/dd/yyyy) <i>N/A</i>
Document Title <i>N/A</i>		Additional information		QR Code - Section 2 Do Not Write in This Space
Issuing Authority <i>N/A</i>				
Document Number <i>N/A</i>				
Expiration Date (If any) (mm/dd/yyyy) <i>N/A</i>				
Document Title <i>N/A</i>				
Issuing Authority <i>N/A</i>				
Document Number <i>N/A</i>				
Expiration Date (If any) (mm/dd/yyyy) <i>N/A</i>				
Certification: I attest, under penalty of perjury, that (1) I have examined the document(s) presented by the above-named employee, (2) the above-listed document(s) appear to be genuine and to relate to the employee named, and (3) to the best of my knowledge the employee is authorized to work in the United States. The employee's first day of employment (mm/dd/yyyy): <u>02/05/2020</u> (See instructions for exemptions)				
Signature of Employer or Authorized Representative <i>Mary Shangraw</i>		Today's Date (mm/dd/yyyy) <i>02/05/2020</i>	Title of Employer or Authorized Representative <i>Administrative Assistant</i>	
Last Name of Employer or Authorized Representative <i>Shangraw</i>	First Name of Employer or Authorized Representative <i>Mary</i>	Employer's Business or Organization Name <i>Prevostl Farms and Sugarhouse</i>		
Employer's Business or Organization Address (Street Number and Name) <i>820 Westminster Road</i>	City or Town <i>Bridgewater</i>	State <i>VT</i>	ZIP Code <i>05520</i>	
Section 3. Reverification and Rehires (To be completed and signed by employer or authorized representative.)				
A. New Name (If applicable)			B. Date of Rehire (If applicable)	
Last Name (Family Name)	First Name (Given Name)	Middle Initial	Date (mm/dd/yyyy)	
C. If the employee's previous grant of employment authorization has expired, provide the information for the document or receipt that establishes continuing employment authorization in the space provided below.				
Document Title	Document Number	Expiration Date (If any) (mm/dd/yyyy)		
I attest, under penalty of perjury, that to the best of my knowledge, this employee is authorized to work in the United States, and if the employee presented document(s), the document(s) I have examined appear to be genuine and to relate to the individual.				
Signature of Employer or Authorized Representative		Today's Date (mm/dd/yyyy)	Name of Employer or Authorized Representative	

2. Complete the headers of the employee earnings register for each employee. Enter the pay rate for each employee.

Employee Earnings Register													
NAME	Thomas Millen			Hire Date	2/3/2020			Dependent child <17	3				
ADDRESS	1022 Forest School Road			Date of Birth	12/16/1982			Dependent other	1				
CITY/STATE/ZIP	Woodstock, VT 05001			Position	Production Manager PT / FT			Step 4a W-4 Info	none				
TELEPHONE	802-478-5055			Filing Status	Married/Joint			Step 4b W-4 Info	none				
SOCIAL SECURITY NUMBER	031-11-3456			Exempt/Nonexempt	Exempt			Step 4c W-4 Info	none				
				Pay Rate	\$35,000.00			Hr / Wk / Mo / Yr	Yr				
Period Ended	Hrs Worked	Reg Pay	OT Pay	Gross Pay	Social Sec Tax	Medicare	Fed Inc Tax	State Inc Tax	401(k)	Sect 125	Total Deduc	Net Pay	YTD

Employee Earnings Register													
NAME	Avery Towle			Hire Date	2/3/2020			Dependent child <17	0				
ADDRESS	4011 Route 100			Date of Birth	7/14/1991			Dependent other	0				
CITY/STATE/ZIP	Plymouth, VT 05102			Position	Production Worker PT / FT			Step 4a W-4 Info	none				
TELEPHONE	802-967-5873			Filing Status	Married/Joint			Step 4b W-4 Info	none				
SOCIAL SECURITY NUMBER	089-74-0974			Exempt/Nonexempt	Non-exempt			Step 4c W-4 Info	none				
				Pay Rate	\$12.00			Hr / Wk / Mo / Yr	Hr				
Period Ended	Hrs Worked	Reg Pay	OT Pay	Gross Pay	Social Sec Tax	Medicare	Fed Inc Tax	State Inc Tax	401(k)	Sect. 125	Total Deduc	Net Pay	YTD

Employee Earnings Register													
NAME	Charlie Long			Hire Date	2/3/2020			Dependent child <17	2				
ADDRESS	242 Benedict Road S.			Date of Birth	3/16/1987			Dependent other	0				
CITY/STATE/ZIP	Woodstock, VT 05002			Position	Production Worker PT / FT			Step 4a W-4 Info	none				
TELEPHONE	802-429-3846			Filing Status	Married/Joint			Step 4b W-4 Info	none				
SOCIAL SECURITY NUMBER	056-23-4593			Exempt/Nonexempt	Non-exempt			Step 4c W-4 Info	none				
				Pay Rate	\$12.50			Hr / Wk / Mo / Yr	Hr				
Period Ended	Hrs Worked	Reg Pay	OT Pay	Gross Pay	Social Sec Tax	Medicare	Fed Inc Tax	State Inc Tax	401(k)	Sect 125	Total Deduc	Net Pay	YTD

Employee Earnings Register													
NAME	Mary Shangraw			Hire Date	2/3/2020			Dependent child <17	0				
ADDRESS	1901 Main Street #2			Date of Birth	8/20/1994			Dependent other	1				
CITY/STATE/ZIP	Bridgewater, VT 05520			Position	Administrative Assistant PT / FT			Step 4a W-4 Info	none				
TELEPHONE	802-575-5423			Filing Status	Single			Step 4b W-4 Info	none				
SOCIAL SECURITY NUMBER	075-28-8945			Exempt/Nonexempt	Non-exempt			Step 4c W-4 Info	none				
				Pay Rate	\$11.00			Hr / Wk / Mo / Yr	Hr				
Period Ended	Hrs Worked	Reg Pay	OT Pay	Gross Pay	Social Sec Tax	Medicare	Fed Inc Tax	State Inc Tax	401(k)	Sect 125	Total Deduc	Net Pay	YTD

Employee Earnings Register

NAME	<u>Kristen Lewis</u>	Hire Date	<u>2/3/2020</u>	Dependent child <17	<u>2</u>
ADDRESS	<u>840 Daily Hollow Road</u>	Date of Birth	<u>4/6/1960</u>	Dependent other	<u>1</u>
CITY/STATE/ZIP	<u>Bridgewater, VT 05523</u>	Position	<u>Office Manager</u> PT / <input checked="" type="radio"/> FT	Step 4a W-4 Info	<u>none</u>
TELEPHONE	<u>802-390-5572</u>	Filing Status	<u>Married/Joint</u>	Step 4b W-4 Info	<u>none</u>
SOCIAL SECURITY NUMBER	<u>076-39-5673</u>	Exempt/Nonexempt	<u>Exempt</u>	Step 4c W-4 Info	<u>none</u>
		Pay Rate	<u>\$32,000.00</u> Hr / Wk / Mo <input checked="" type="radio"/> Yr		

Period Ended	Hrs Worked	Reg Pay	OT Pay	Gross Pay	Social Sec Tax	Medicare	Fed Inc Tax	State Inc Tax	401(k)	Sect 125	Total Deduc	Net Pay	YTD

Employee Earnings Register

NAME	<u>Joel Schwartz</u>	Hire Date	<u>2/3/2020</u>	Dependent child <17	<u>2</u>
ADDRESS	<u>55 Maple Farm Way</u>	Date of Birth	<u>5/23/1985</u>	Dependent other	<u>0</u>
CITY/STATE/ZIP	<u>Woodstock, VT 05534</u>	Position	<u>Sales</u> PT / <input checked="" type="radio"/> FT	Step 4a W-4 Info	<u>none</u>
TELEPHONE	<u>802-463-9985</u>	Filing Status	<u>Married/Joint</u>	Step 4b W-4 Info	<u>none</u>
SOCIAL SECURITY NUMBER	<u>021-34-9876</u>	Exempt/Nonexempt	<u>Exempt</u>	Step 4c W-4 Info	<u>none</u>
		Pay Rate	<u>\$24,000 + Commiss</u> Hr / Wk / Mo <input checked="" type="radio"/> Yr		

Period Ended	Hrs Worked	Reg Pay	OT Pay	Gross Pay	Social Sec Tax	Medicare	Fed Inc Tax	State Inc Tax	401(k)	Sect 125	Total Deduc	Net Pay	YTD

Employee Earnings Register

NAME	<u>Toni Prevosti</u>	Hire Date	<u>2/3/2020</u>	Dependent child <17	<u>3</u>
ADDRESS	<u>820 Westminster Road</u>	Date of Birth	<u>9/19/1967</u>	Dependent other	<u>2</u>
CITY/STATE/ZIP	<u>Bridgewater, VT 05521</u>	Position	<u>Owner/President</u> PT / <input checked="" type="radio"/> FT	Step 4a W-4 Info	<u>none</u>
TELEPHONE	<u>802-555-3456</u>	Filing Status	<u>Married/Joint</u>	Step 4b W-4 Info	<u>none</u>
SOCIAL SECURITY NUMBER	<u>055-22-0443</u>	Exempt/Nonexempt	<u>Exempt</u>	Step 4c W-4 Info	<u>none</u>
		Pay Rate	<u>\$45,000.00</u> Hr / Wk / Mo <input checked="" type="radio"/> Yr		

Period Ended	Hrs Worked	Reg Pay	OT Pay	Gross Pay	Social Sec Tax	Medicare	Fed Inc Tax	State Inc Tax	401(k)	Sect 125	Total Deduc	Net Pay	YTD

Employee Earnings Register

NAME	<u>Student Success</u>	Hire Date	<u>2/3/2020</u>	Dependent child <17	<u>0</u>
ADDRESS	<u>1644 Smitten Road</u>	Date of Birth	<u>1/1/1991</u>	Dependent other	<u>0</u>
CITY/STATE/ZIP	<u>Woodstock, VT 05001</u>	Position	<u>Accounting Clerk</u> PT / <input checked="" type="radio"/> FT	Step 4a W-4 Info	<u>none</u>
TELEPHONE	<u>555-555-5555</u>	Filing Status	<u>Single</u>	Step 4b W-4 Info	<u>none</u>
SOCIAL SECURITY NUMBER	<u>555-55-5555</u>	Exempt/Nonexempt	<u>Non-exempt</u>	Step 4c W-4 Info	<u>none</u>
		Pay Rate	<u>\$34,000.00</u> Hr / Wk / Mo <input checked="" type="radio"/> Yr		

Period Ended	Hrs Worked	Reg Pay	OT Pay	Gross Pay	Social Sec Tax	Medicare	Fed Inc Tax	State Inc Tax	401(k)	Sect 125	Total Deduc	Net Pay	YTD