

I. CATALOG DESCRIPTION:

- A. Department Information:
Division: Business & Information Technology
Department: Accounting
Course ID: ACCT 090
Course Title: Payroll Accounting
Units: 3
Lecture: 3 Hours
Laboratory: None
Prerequisite: None
Departmental Advisory: ACCT 101 or ACCT 200
- B. Catalog and Schedule Description: Accounting aspects of the Social Security Act, the California Unemployment Insurance Act and the California Worker's Compensation Insurance Act.

II. NUMBER OF TIMES COURSE MAY BE TAKEN FOR CREDIT: One

III. EXPECTED OUTCOME FOR STUDENTS:

Upon completion of the course the student should be able to:

- A. Apply and understand Fair Labor Standards Act: effect on gross wages
- B. Define Employees vs. Non-employees, Exempt vs. Non-exempt
- C. Comprehend Anti-discrimination laws
- D. Analyze various timekeeping methods
- E. Calculate gross earnings under several pay structures
- F. Discuss and apply Taxable wages vs. Special wage related payments
- G. Calculate Exemption Allowances
- H. Determine FITW under several methods
- I. Compute SITW
- J. Cognize FICA
- K. Determine FICA wages
- L. Apprehend and compute Self - Employment tax
- M. Explain Contractual, Voluntary, Involuntary deductions
- N. Discuss and apply Child support, tax levies, garnishments
- O. Understand and apply FUTA, SUTA
- P. Prepare the Payroll register
- Q. Assess Employee earnings record & Payroll tax calculation
- R. Scrutinize security issues in payroll
- S. Interpret Methods of Payment of wages
- T. Discuss and create Payroll deposit coupons
- U. Define timely deposit/penalties
- V. Prepare forms 941, 945, W-2
- W. Understand the differences between Employee vs. Independent Contractor
- X. Apply the basic accounting procedures to payroll
- Y. Use payroll records to record transactions
- Z. Reconcile: Deposits, reporting requirements, records
- AA. Discuss the auditors examination of payroll
- BB. Review payroll systems
- CC. Explain internal control procedures for payroll
- DD. Determine the Relationship between payroll and personnel
- EE. Examine and investigate Payroll fraud
- FF. Discuss Payroll and Payroll tax savings
- GG. Implement Unemployment tax savings
- HH. Define and compute payroll tax penalties

- II. Solve a comprehensive payroll simulation requiring extensive written reporting and complicated calculation

IV. COURSE CONTENT:

- A. Employment and Payroll laws
 1. Fair Labor Standards Act: effect on gross wages
 2. Employees vs. Non-employees, exempt vs. Non-exempt
 3. Anti-discrimination laws
- B. Timekeeping and computing gross earnings
 1. Various timekeeping methods
 2. Gross earnings under several pay structures
 3. Taxable wages vs. Special wage related payments
- C. Exemption Allowances
 1. FITW under several methods
 2. Compute SITW
- D. FICA Taxes, Nontax Payroll deductions, and Unemployment taxes
Compute FICA
 1. Determine FICA wages
 2. Self- Employment tax
 3. Contractual, Voluntary, Involuntary deductions
 4. Child support, tax levies, garnishments
 5. FUTA, SUTA and Distributing the Payroll
- E. Preparation of the Payroll register
 1. Employee earnings record & Payroll tax calculation
 2. Security issues in payroll
 3. Methods of Payment of wages
- F. Deposit and Reporting Requirements
 1. Payroll deposit coupons
 2. Define timely deposit/penalties
 3. Prepare forms 941, 945, W-2
- G. Accounting Fundamentals and Procedures
 1. Apply the basic accounting procedures to payroll
 2. Use payroll records to record transactions
 3. Reconcile: Deposits, reporting requirements, records
- H. Payroll Systems and Control Procedures
 1. The auditors examination of payroll
 2. Review payroll systems
 3. Internal control procedures for payroll
 4. Relationship between payroll and personnel
 5. Payroll fraud
- I. Cost-saving Policies and Techniques
 1. Payroll and Payroll tax savings
 2. Unemployment tax savings
 3. Define and compute payroll tax penalties

V. METHODS OF INSTRUCTION:

- A. Reading Text
- B. Written Assignments
- C. Class and Group Discussions
- D. Lecture
- E. Exercise and problems

VI. TYPICAL ASSIGNMENTS:

- A. Reading, writing, problem solving, or performance
 1. Read chapter on *Learning Objectives* and answer questions.
- B. Written assignments

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1. What is defined as taxable wages by the Federal Unemployment Tax Act?
 2. Describe the factor that determines eligibility for Unemployment Compensation benefits.
- C. Class and Group Discussion
1. Class Discussion: What are the major impacts of State and Local Income Taxes on the Payroll Accounting Process.
 2. Group Discussion: After reading the coverage under Federal Income Tax Withholding Laws Answer the following questions:
 - a) Determine the employer-employee relationship
 - b) The kind of payments defined as wages
 - c) The kind of employment under the law
- D. Solving Exercises and Problems
1. Study Case Problem. Be prepared to discuss the case study in class.
 - a) Name the information needed to meet the FLSA requirements that employers must keep records of in respect to each employee's wages earned

VII. EVALUATION(S):

- A. Methods of Evaluation:
1. Problem solving Assignments
 2. Case Studies
 3. Projects
 4. Examinations and Quizzes (tests)
- B. Frequency of Evaluation:
1. Weekly Quizzes
 2. One Final Exam

VIII. TYPICAL TEXT(S):

Bieg, Bernard J., Klooster, and Allen. Payroll Accounting. Cincinnati: South-Western Educational Publishing, 2002. Giove, Frank C. A Complete Guide to Payroll. Boston: Houghton-Mifflin, 2002.

IX. OTHER SUPPLIES REQUIRED OF STUDENTS: None