



APA

Exam Questions FPC-Remote

Fundamental Payroll Certification

About ExamBible

[Your Partner of IT Exam](#)

Found in 1998

ExamBible is a company specialized on providing high quality IT exam practice study materials, especially Cisco CCNA, CCDA, CCNP, CCIE, Checkpoint CCSE, CompTIA A+, Network+ certification practice exams and so on. We guarantee that the candidates will not only pass any IT exam at the first attempt but also get profound understanding about the certificates they have got. There are so many alike companies in this industry, however, ExamBible has its unique advantages that other companies could not achieve.

Our Advances

* 99.9% Uptime

All examinations will be up to date.

* 24/7 Quality Support

We will provide service round the clock.

* 100% Pass Rate

Our guarantee that you will pass the exam.

* Unique Gurantee

If you do not pass the exam at the first time, we will not only arrange FULL REFUND for you, but also provide you another exam of your claim, ABSOLUTELY FREE!

NEW QUESTION 1

- (Topic 1)

All of the following plans are deferred compensation plans EXCEPT:

- A. 401(k)
- B. 403(b)
- C. 457(b)
- D. 501(c)

Answer: D

Explanation:

Comprehensive and Detailed Explanation:Deferred compensation plansallow employees to deferincome taxationuntil retirement. These include:

? 401(k) (Option A)– A private-sector retirement savings plan.

? 403(b) (Option B)– A similar plan fornonprofits and schools.

? 457(b) (Option C)– Anonqualified deferred compensation planfor government employees.

? Option D (501(c)) is incorrectbecause it refers totax-exempt organizations under the IRS code, not a deferred compensation plan.

Reference:

IRS – Tax Treatment of Deferred Compensation Plans Payroll.org – Retirement Plan Payroll Compliance

NEW QUESTION 2

- (Topic 1)

Where should a firm??s business transactions FIRST be recorded?

- A. Balance Sheet
- B. General Ledger
- C. Journal
- D. Trial Balance

Answer: C

Explanation:

Comprehensive and Detailed Explanation:AJournal(Option C) is thefirst placewhere business transactions are recorded inchronological orderbefore posting to theGeneral Ledger.

? Option A (Balance Sheet)is incorrect because it is afinancial statement, not a transaction log.

? Option B (General Ledger)is incorrect because transactionsmust first be recorded in a journal before being posted.

? Option D (Trial Balance)is incorrect because it isa summary of ledger balances used for reconciliation.

Reference:

GAAP Accounting Principles – Transaction Recording Process Payroll.org – Payroll Accounting Workflow

NEW QUESTION 3

- (Topic 1)

Based on hours recorded for the 7-day workweek below, calculate the number of overtime hours, if any, under the FLSA.

Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
8 (Sick Paid)	10 (Vac Paid)	9	8	8	8	2

- A. 3
- B. 5
- C. 13

Answer: B

Explanation:

Comprehensive and Detailed Explanation:Under theFair Labor Standards Act (FLSA),overtimeis calculatedonly on actual hours workedbeyond40 hours per workweek.

? Paid leave hours (sick and vacation) do not count as "worked" hoursunder FLSA overtime rules.

? Calculate actual worked hours:

? Overtime hours = 45 - 40 = 5 overtime hours

Thus, the correct answer isB (3 overtime hours), based on hours worked exceeding 40, minus sick and vacation pay.

Reference:

Fair Labor Standards Act (FLSA) – Overtime Regulations Payroll.org – FLSA Compliance Guidelines

NEW QUESTION 4

- (Topic 1)

Using the following information from a payroll register, calculate the tax deposit liability for the payroll.

Category	Amount
FITW (Federal Income Tax Withholding)	\$2,000.00
Social Security Wages	\$40,000.00
Medicare Wages	\$35,000.00

- A. \$7,975.00
- B. \$4,987.50
- C. \$4,480.00
- D. \$2,507.50

Answer: A

Explanation:

Comprehensive and Detailed Explanation: The tax deposit liability includes federal income tax withholding (FITW), Social Security tax, and Medicare tax.

? Social Security Tax:

? Medicare Tax:

? Total Tax Deposit Liability: Thus, the correct answer is A. \$7,975.00. Reference:

IRS Publication 15 – Employer's Tax Guide Payroll.org – Payroll Tax Calculation Best Practices

NEW QUESTION 5

- (Topic 1)

An employee hired on July 1, 2021, terminates employment on September 30, 2022. What is the earliest date the employer may dispose of the Form I-9?

- A. July 1, 2023
- B. July 1, 2024
- C. September 30, 2023
- D. September 30, 2024

Answer: D

Explanation:

Comprehensive and Detailed Explanation: Under Form I-9 retention rules, an employer must retain the form for the later of:

? Three years from the date of hire, or

? One year from the termination date.

? Employee hired on July 1, 2021 Three years from hire date = July 1, 2024

? Employee terminated on September 30, 2022 One year from termination = September 30, 2023

Since the latest date is September 30, 2024, that is the earliest date the employer may dispose of the Form I-9.

Reference:

U.S. Citizenship and Immigration Services (USCIS) – Form I-9 Retention and Storage Guidelines

Payroll.org – Employer Compliance for I-9 Forms

NEW QUESTION 6

- (Topic 1)

All of the following activities are examples of an internal control EXCEPT:

- A. Storing backup files on-site
- B. Segregating job duties
- C. Rotating job duties
- D. Restricting access to the system

Answer: A

Explanation:

Comprehensive and Detailed Explanation: Internal controls are processes used to ensure accuracy, security, and compliance in payroll operations. Effective internal controls include:

? Option B (Segregating job duties) Prevents fraud by ensuring no one person has full control over payroll.

? Option C (Rotating job duties) Reduces fraud risk and enhances cross-training.

? Option D (Restricting system access) Protects sensitive payroll data.

? Option A (Storing backup files on-site) is incorrect because internal control best practices recommend off-site or cloud backups to protect against data loss from disasters.

Reference:

Payroll.org – Payroll Internal Control Procedures IRS – Best Practices for Payroll Security

NEW QUESTION 7

- (Topic 1)

An employee's written notice of intent to take leave under the FMLA MUST be retained by the employer for a MINIMUM of:

- A. 2 years
- B. 3 years
- C. 4 years
- D. 5 years

Answer: B

Explanation:

Comprehensive and Detailed Explanation: The Family and Medical Leave Act (FMLA) requires employers to retain all leave-related records for at least 3 years. This includes:

- ? Employee requests for leave
- ? Employer's written responses
- ? Dates and duration of leave taken
- ? Premium payments for benefits during leave
- ? Option A (2 years) is incorrect because the minimum requirement is 3 years.
- ? Option C (4 years) and Option D (5 years) are incorrect because the law specifies a 3-year retention period.

Reference:

U.S. Department of Labor – FMLA Recordkeeping Requirements Payroll.org – Payroll Compliance for Employee Leave Records

NEW QUESTION 8

- (Topic 1)

To ensure net pay is correct and taxes are deposited timely, which items need to be reconciled?

- A. General ledger accounts and payroll register only
- B. Accounts payable payments and end-of-the-month balances only
- C. Accounts payable end-of-the-month balances and general ledger accounts
- D. Accounts payable payments and end-of-the-month balances; general ledger entries and payroll register

Answer: D

Explanation:

Comprehensive and Detailed Explanation: Payroll reconciliation ensures that payroll transactions match financial records to avoid errors in tax deposits, employee payments, and financial reporting.

The correct answer includes all necessary reconciliation points:

- ? Accounts payable payments (ensure wages were paid)
- ? End-of-the-month balances (cross-check payroll liabilities)
- ? General ledger entries (confirm correct postings)
- ? Payroll register (check against wage statements)
- ? Option A is incorrect because payroll must also be reconciled with accounts payable and monthly balances.
- ? Option B & C are incorrect because they exclude payroll register validation.

Reference:

Payroll.org – Payroll Reconciliation Best Practices IRS – Employer's Tax Guide (Publication 15)

NEW QUESTION 9

- (Topic 1)

Failure to create a payroll ACH file is a violation of which customer service principle?

- A. Empathy
- B. Reliability
- C. Responsiveness
- D. Tangibles

Answer: B

Explanation:

Comprehensive and Detailed Explanation: Reliability refers to a company's ability to provide accurate and timely service. In payroll, failing to create an ACH file results in missed payments, affecting employees and violating reliability standards.

- ? Option A (Empathy) is incorrect because it relates to understanding and addressing employee concerns, not payroll processing.
- ? Option C (Responsiveness) is incorrect because it deals with reaction speed rather than payroll execution.
- ? Option D (Tangibles) is incorrect because it refers to physical aspects of service (documents, appearance, etc.).

Reference:

Payroll.org – Payroll Service Principles NACHA – ACH Payroll Processing Standards

NEW QUESTION 10

- (Topic 1)

An upgrade to a payroll system can impact all of the following documentation within the payroll department EXCEPT:

- A. User manuals
- B. Union contracts
- C. Business continuity plans
- D. Standard operating procedures

Answer: B

Explanation:

Comprehensive and Detailed Explanation: A payroll system upgrade affects documentation related to payroll processing but does not change union contracts.

- ? Option A (User manuals): Correct – New system features require updated manuals for payroll staff.
 - ? Option C (Business continuity plans): Correct – System changes must be included in disaster recovery plans.
 - ? Option D (Standard operating procedures – SOPs): Correct – Payroll procedures need updates for new workflows.
- However, union contracts (Option B) remain unchanged unless a new agreement is negotiated.

Reference:

Payroll.org – Payroll System Implementation Best Practices IRS – Payroll System Compliance Requirements

NEW QUESTION 10

- (Topic 1)

Which of the following factors is NOT used to determine a SUTA state?

- A. Base of Operations
- B. Employee's Residency State
- C. Place of Direction or Control
- D. State of Incorporation

Answer: D

Explanation:

Comprehensive and Detailed Explanation: State Unemployment Tax Act (SUTA) liability is determined based on where an employee works and receives direction from, not necessarily where a company is incorporated.

The key factors for determining SUTA state include:

- ? Base of Operations (Option A) – Where the employee works.
- ? Employee's Residency (Option B) – If an employee works in multiple states, residency may be considered.
- ? Place of Direction or Control (Option C) – The state where the employer manages and directs the employee.
- ? Option D (State of Incorporation) is incorrect because SUTA is determined by work location, not company registration.

Reference:

U.S. Department of Labor – SUTA Tax Reporting Rules Payroll.org – State Unemployment Tax Guidelines

NEW QUESTION 15

- (Topic 1)

To identify an out-of-balance general ledger account, all of the following documents should be used EXCEPT:

- A. General Ledger Account Details
- B. Bank Account Statements
- C. Payroll Register Totals
- D. Copies of Paychecks

Answer: D

Explanation:

Comprehensive and Detailed Explanation: To find discrepancies in a general ledger, the following documents should be reviewed:

- ? General Ledger Account Details (A) – To track postings and adjustments.
- ? Bank Account Statements (B) – To ensure transactions reconcile with payroll expenses.
- ? Payroll Register Totals (C) – To compare wages and tax liabilities against general ledger accounts.
- ? Option D (Copies of Paychecks) is incorrect because physical paycheck copies do not verify account balances or identify out-of-balance errors.

Reference:

Payroll.org – Payroll Reconciliation Procedures

GAAP Accounting Standards – General Ledger Balancing

NEW QUESTION 19

- (Topic 1)

Which of the following wage attachments has the highest priority for withholding?

- A. Bankruptcy
- B. Child Support
- C. State Tax Levy
- D. Wage Assignment

Answer: A

Explanation:

Comprehensive and Detailed Explanation: The priority order for wage attachments is as follows:

- ? Bankruptcy orders (Option A) – Court-ordered payments under the U.S. Bankruptcy Code take top priority over all other wage deductions.
- ? Child support (Option B) – These second-highest priority under federal law, governed by the Consumer Credit Protection Act (CCPA).
- ? State tax levies (Option C) – Third in priority, varies by state.
- ? Wage assignments (Option D) – Lowest priority, usually voluntary agreements by employees.

Reference:

Consumer Credit Protection Act (CCPA) – Wage Garnishment Priorities Payroll.org – Wage Garnishment Guidelines

NEW QUESTION 24

- (Topic 1)

Using the following information from a payroll journal, calculate the total Social Security tax liability for the first payroll of the year:

Category	Amount
Gross Pay	\$32,500.00
Pre-Tax Health Insurance Deduction	\$1,200.00
401(k) Deferral Deduction	\$1,500.00
Post-Tax Saving Bonds Deduction	\$250.00

- A. \$3,664.20
- B. \$3,695.20
- C. \$3,881.20
- D. \$4,788.90

Answer: C

Explanation:

Comprehensive and Detailed Explanation: Social Security tax is 6.2% for both the employer and employee, so total liability is 12.4% of Social Security taxable wages.

? Calculate Social Security taxable wages:

? Calculate Social Security tax (12.4% total for employer & employee): Thus, the correct answer is C. \$3,881.20.

Reference:

IRS Publication 15 – Employer's Tax Guide Payroll.org – Social Security and Medicare Tax Rules

NEW QUESTION 29

- (Topic 1)

The FIRST action an employer should take when a natural disaster occurs is:

- A. Access payroll and employee information files
- B. Determine the well-being of employees
- C. Find temporary housing for employees
- D. Secure interim office space

Answer: B

Explanation:

Comprehensive and Detailed Explanation:

When a natural disaster occurs, the first priority of any employer should be to ensure the safety and well-being of employees.

Step 1: Confirm employee safety – Employers should account for all employees and provide immediate assistance if needed.

Step 2: Assess business operations impact – Once employees are safe, the employer can begin securing records and office space.

Option A is incorrect because accessing payroll records is important but secondary to employee safety.

Option C is incorrect because temporary housing is not the employer's primary responsibility.

Option D is incorrect because securing office space is a later step in disaster recovery.

Reference:

FEMA – Emergency Preparedness Guidelines for Businesses Payroll.org – Disaster Recovery for Payroll Operations

NEW QUESTION 31

- (Topic 1)

As of December 31, 2024, what is the MAXIMUM amount, if any, a 49-year-old employee can contribute to a 401(k) plan?

- A. \$7,500.00
- B. \$23,000.00
- C. \$30,500.00
- D. No Limit

Answer: B

Explanation:

Comprehensive and Detailed Explanation: For 2024, the 401(k) contribution limits:

? \$23,000.00 for employees under 50 years old.

? \$30,500.00 for employees 50 and older (includes \$7,500 catch-up contribution).

Since the employee is 49 years old, they do not qualify for the catch-up contribution, so the maximum contribution is \$23,000.00.

Reference:

IRS – 401(k) Contribution Limits for 2024 Payroll.org – Retirement Plan Payroll Compliance

NEW QUESTION 32

- (Topic 1)

The purpose of grossing-up an amount to an employee is to:

- A. Calculate and withhold taxes from payment per Form W-4
- B. Treat payment as tax-exempt
- C. Calculate and pay taxes on behalf of the employee
- D. Treat payment as a non-taxable benefit

Answer: C

Explanation:

Comprehensive and Detailed Explanation:Grossing upmeansincreasing the payment amountso that the employeereceives a specific net amountafter taxes are withheld. Employerspay the taxes on behalf of the employeein such cases.

This is commonly used for:

? Relocation reimbursements

? Bonus payments

? Tax equalization for expatriates

? Option Ais incorrect because grossing up is done to cover taxes, not to determine withholdings.

? Option Bis incorrect becausegrossed-up amounts are taxable, not tax-exempt.

? Option Dis incorrect becausegrossed-up payments are always taxable. Formula:

Reference:

IRS Publication 15 – Employer??s Tax Guide Payroll.org – Gross-Up Calculation Methods

NEW QUESTION 33

- (Topic 1)

During open enrollment, the employee elects the following deductions. What is the total of the Section 125 Cafeteria Plan deductions?

Deduction Type	Amount
Charitable Organization	\$5.00
457(b) Deferral	\$100.00
Pre-tax Health Insurance Premiums	\$50.00
Pre-tax Dental Insurance Premiums	\$20.00

A. \$70.00

B. \$75.00

C. \$100.00

D. \$175.00

Answer: A

Explanation:

Comprehensive and Detailed Explanation:Section 125 Cafeteria Plan deductionsinclude onlypre-tax health and dental insurance contributions.

? Eligible Pre-Tax Deductions:

? Non-Eligible Deductions: Thus, the correct answer isA. \$70.00.

Reference:

IRS – Section 125 Cafeteria Plan Guidelines Payroll.org – Employee Benefit Deduction Compliance

NEW QUESTION 35

- (Topic 1)

An order for unpaid federal taxes is an example of a:

A. Bankruptcy Order

B. Creditor Garnishment

C. Voluntary Deduction

D. Wage Attachment

Answer: D

Explanation:

Comprehensive and Detailed Explanation:Awage attachment(also called awage levy) is alega withholdingfrom an employee??s paycheck to satisfy an outstanding debt.

? IRS tax leviesare a type ofwage attachmentused to collectunpaid federal taxesdirectly from an employee??s wages.

? Employersmust comply immediatelywhen notified by the IRS.

? Option A (Bankruptcy Order)is incorrect because bankruptcy payments are handled bycourt-appointed trustees, not wage levies.

? Option B (Creditor Garnishment)is incorrect because IRS tax leviesdo not require a court orderlike private creditor garnishments.

? Option C (Voluntary Deduction)is incorrect because IRS wage leviesare mandatory, not voluntary.

Reference:

IRS Publication 1494 – Wage Levy Exemptions and Employer Responsibilities Payroll.org – Wage Attachments and Tax Levies

NEW QUESTION 38

- (Topic 1)

Which of the following account types has a normal debit balance?

A. Asset

B. Capital

C. Liability

D. Revenue

Answer: A

Explanation:

Comprehensive and Detailed Explanation: In accounting, a normal balance refers to the side (debit or credit) that increases the account balance.

? Assets (Option A) normally have a debit balance because they represent resources

owned by the company (cash, accounts receivable, equipment, etc.).

? Liabilities (Option C) and Revenue (Option D) normally have credit balances, meaning they increase with credits.

? Capital (Option B) also has a normal credit balance, as it represents owner's

equity. Reference:

GAAP Accounting Principles – Normal Account Balances Payroll.org – Payroll Accounting Basics

NEW QUESTION 40

- (Topic 2)

Using the wage bracket method, calculate the employee's net pay. The employee's W-4 was completed in 2019 or earlier.

Pay Type	Amount
Rate of pay	\$15.00
Pay frequency	Weekly
Hours worked	40
401(k) deferral	\$50.00

A. \$589.70

B. \$651.45

C. \$685.45

D. \$686.45

Answer: B

Explanation:

? Gross pay: $\$15 \times 40 = \600.00

? 401(k) deduction: \$50.00 (Pre-tax)

? FITW, Social Security (6.2%), Medicare (1.45%) applied

? Using the IRS Wage Bracket Method, net pay is \$651.45 References:

? IRS Publication 15-T (Federal Income Tax Withholding Tables)

NEW QUESTION 44

- (Topic 2)

The reconciliation of an employee federal income tax withholding account occurs when which type of account is balanced?

A. Asset

B. Equity

C. Expense

D. Liability

Answer: D

Explanation:

? Payroll taxes withheld from employees are considered liabilities until they are remitted to the IRS or state agencies.

? Liability accounts track amounts owed, including federal income tax, Social Security, and Medicare withholdings.

? Expense accounts (C) track company payroll expenses but are not used for withholding reconciliations.

References:

? IRS Payroll Accounting Guidelines

? Payroll Tax Reconciliation Guide (Payroll.org)

NEW QUESTION 47

- (Topic 2)

Which of the following record-keeping storage methods does NOT offer increased confidentiality?

A. Paper

B. Cloud

C. Micromedia

D. Media imaging

Answer: A

Explanation:

? Paper records (A) pose a higher security risk due to physical access and loss potential.

? Cloud, micromedia, and media imaging offer encryption, access control, and audit trails. References:

? Payroll Record Security Best Practices (Payroll.org)

NEW QUESTION 52

- (Topic 2)

Using the percentage method for automated payroll systems, calculate the federal income tax withholding based on the following information:

Pay Type	Amount
Weekly salary	\$384.62
Holiday pay	\$76.92
Production bonus	\$38.46
2019 Form W-4	Single, 0 allowances

- A. \$18.65
- B. \$26.92
- C. \$39.04
- D. \$41.69

Answer: C

Explanation:

? Total taxable wages: \$384.62 + \$76.92 + \$38.46 = \$500.00

? Using IRS percentage method tables, withholding = \$39.04 References:

? IRS Publication 15-T (Tax Withholding Tables)

NEW QUESTION 53

- (Topic 2)

The monthly account reconciliation should include all of the following procedures EXCEPT:

- A. Balance the payroll tax liabilities
- B. Reconciling the payroll bank account
- C. Balance the payroll deduction liabilities
- D. Reconcile the payroll register to source documents

Answer: D

Explanation:

? Payroll account reconciliation ensures all financial data is accurate and balanced.

? Payroll register reconciliation (D) is a separate process used for payroll audits, not monthly account reconciliation.

References:

? Payroll Reconciliation Procedures (Payroll.org)

? IRS Payroll Recordkeeping Guidelines

NEW QUESTION 57

- (Topic 2)

When testing a payroll business continuity plan, all of the following tasks are critical to issuing payments to employees EXCEPT:

- A. Validating system access.
- B. Adding a new cost center.
- C. Creating the ACH file.
- D. Printing paychecks.

Answer: B

Explanation:

A payroll business continuity plan (BCP) is designed to ensure payroll processes continue during a disruption. Critical tasks include validating system access, creating ACH files, and printing paychecks. Adding a new cost center is NOT critical to issuing payroll, as it primarily affects financial reporting rather than payment processing. Payroll.org recommends focusing on system access, banking functions, and ensuring payroll runs smoothly.

References:

? Payroll.org, Business Continuity and Disaster Recovery Guidelines

? IRS Publication 15 (Employer's Tax Guide)

NEW QUESTION 58

- (Topic 2)

Workers' compensation payments are excluded from gross income and employment taxes EXCEPT when the amounts received:

- A. Are related to injuries suffered on the job.
- B. Are not related to illnesses suffered on the job.
- C. Do not exceed the benefits provided under the state workers' compensation law.
- D. Do not exceed the benefits provided under the federal workers' compensation law.

Answer: B

Explanation:

- ? Workers?? compensation benefits are tax-exempt if they are paid for work-related injuries or illnesses.
- ? If payments are received for non-work-related illnesses (B), they become taxable.
- ? Amounts that do not exceed federal or state limits (C & D) remain tax-exempt. References:
- ? IRS Publication 525 (Taxable and Nontaxable Income)

NEW QUESTION 63

- (Topic 2)

All of the following preventative measures would help protect personally identifiable information EXCEPT:

- A. Locking files containing employee information.
- B. Signed confidentiality agreements for staff.
- C. Reviewing system security periodically.
- D. Limiting communications to e-mail.

Answer: D

Explanation:

- ? E-mail is NOT a secure methodfor protecting sensitive payroll and HR data.
- ? Best practices includedata encryption, access control, and employee training. References:
- ? Data Security Standards (Payroll.org)
- ? IRS Data Protection Guidelines

NEW QUESTION 68

- (Topic 2)

A semiweekly depositor accumulates a payroll tax liability of \$49,000.00 on Thursday. The next day, the company has bonus payroll with a tax liability of \$120,200.00. Calculate the amount of tax deposit and its due date.

- A. \$120,200.00 on the following Friday; \$49,000.00 on the following Wednesday
- B. \$120,200.00 on the following Monday; \$49,000.00 on the following Wednesday
- C. \$169,200.00 on the following Monday
- D. \$169,200.00 on the following Wednesday

Answer: C

Explanation:

- ? As a semiweekly depositor, if the tax liability exceeds \$100,000 in a single day, the employer must deposit the full amount by the next business day.
- ? The combined liability of \$169,200 must be deposited on Monday.
- References:
- ? IRS Publication 15 (Federal Deposit Rules)

NEW QUESTION 71

- (Topic 2)

Using the table of taxable wages below, calculate the employer'sFICA tax liabilityon the first check of the year:

Employee	Taxable Wages
Employee 1	\$5,000.00
Employee 2	\$10,000.00
Employee 3	\$7,500.00
Employee 4	\$1,000.00
Employee 5	\$15,000.00

- A. \$2,387.00
- B. \$2,945.25
- C. \$5,890.50
- D. \$11,415.25

Answer: B

Explanation:

- ? Total Taxable Wages:
- ? Social Security Tax (6.2%)
- ? Medicare Tax (1.45%)
- ? Total FICA Tax (Employer??s share) References:
- ? IRS Publication 15 (Employer??s Tax Guide)

NEW QUESTION 72

- (Topic 2)

The due date for filing Form 941 is the:

- A. Last day of the current quarter
- B. 15th of the month following the end of the quarter
- C. Last day of the month following the end of the quarter
- D. First day of the month following the end of the quarter

Answer: C

Explanation:

- ? Form 941 is due on the last day of the month following the end of the quarter.
- ? Example: References:
- ? IRS Form 941 Instructions

NEW QUESTION 77

- (Topic 2)

Based on the following Section 125 Cafeteria Plan contributions, calculate the employee's biweekly deductions.

Pay Type	Amount
Annual Salary	\$125,000.00
Annual Health Insurance	\$1,500.00
Monthly Life Insurance	\$15.00
Biweekly Dental	\$5.00

- A. \$69.61
- B. \$75.42
- C. \$77.69
- D. \$82.92

Answer: A

Explanation:

- ? Health Insurance (Biweekly) = $(\$1,500 \div 26) = \57.69
- ? Life Insurance (Biweekly) = $(\$15 \div 12 \div 26) = \6.92
- ? Dental Insurance = \$5.00
- ? Total Biweekly Deduction = $\$57.69 + \$6.92 + \$5.00 = \69.61 References:
- ? IRS Section 125 Cafeteria Plan Rules

NEW QUESTION 78

- (Topic 2)

An out-of-balance condition in the general ledger could be caused by:

- A. A direct deposit error
- B. Increased overtime
- C. Vacation payout
- D. High turnover

Answer: A

Explanation:

- ? Direct deposit errors (A) may result in payroll mismatches and unrecorded transactions, causing the general ledger to be out of balance.
- ? Other options (B, C, D) impact payroll costs but do not directly affect ledger balancing. References:
- ? Payroll Accounting Reconciliation Standards

NEW QUESTION 80

- (Topic 2)

Which of the following considerations is NOT needed when implementing a shared services environment?

- A. System needs
- B. Processes affected
- C. Employee acceptance
- D. Cost of implementation

Answer: C

Explanation:

- ? System needs (A), processes affected (B), and cost of implementation (D) are critical factors in designing a shared services model.
- ? Employee acceptance (C) is valuable but not a primary technical or financial consideration. References:
- ? Payroll Process Improvement Guidelines (Payroll.org)

NEW QUESTION 81

- (Topic 2)

Payroll system security violations may result in:

- A. Data entry errors
- B. Unauthorized access
- C. Validation edit failures
- D. Unreconciled accounts

Answer: B

Explanation:

? Unauthorized access (B) is a direct result of security breaches.

? Other options (A, C, D) may result from human error but not security violations. References:

? Payroll Security Guidelines (Payroll.org)

NEW QUESTION 82

- (Topic 2)

When a payer receives a ??B?? Notice, it must send a copy of the notification to the payee within:

- A. 15 days.
- B. 30 days.
- C. 60 days.
- D. 90 days.

Answer: B

Explanation:

? A "B" Notice (Backup Withholding Notice) is sent by the IRS when a payee's taxpayer ID does not match records.

? The employer must notify the payee within 30 days to correct their details.

? Failure to comply results in backup withholding of 24% on future payments. References:

? IRS Publication 1281 (Backup Withholding Notices)

NEW QUESTION 84

- (Topic 2)

The lowest priority is given to which of the following time management categories?

- A. Urgent and important
- B. Not urgent but important
- C. Urgent but not important
- D. Not urgent and not important

Answer: D

Explanation:

The Eisenhower Matrix is a time management framework that categorizes tasks by urgency and importance:

? Urgent & Important: Must be done immediately (e.g., payroll processing).

? Not Urgent but Important: Planning and strategic tasks (e.g., compliance training).

? Urgent but Not Important: Tasks that may be delegated (e.g., responding to non-critical emails).

? Not Urgent & Not Important: These tasks have the lowest priority as they do not contribute significantly to productivity (e.g., unnecessary meetings).

References:

? Eisenhower Matrix Time Management Framework

? Payroll Management Best Practices (Payroll.org)

NEW QUESTION 89

- (Topic 2)

A paycheck that is never collected by the employee is considered:

- A. Voided.
- B. Written off.
- C. Accounts payable.
- D. Abandoned property.

Answer: D

Explanation:

? Unclaimed wages are classified as abandoned property under escheatment laws.

? Employers must remit unclaimed wages to the state after a certain period.

? Voiding (A) and writing off (B) apply only when payroll errors occur. References:

? Unclaimed Property Laws (State Escheatment Regulations)

? Payroll Compliance Guide (Payroll.org)

NEW QUESTION 92

- (Topic 2)

The journal is commonly referred to as the record of:

- A. Cross-reference
- B. Final entry
- C. Original entry

D. Secondary entry

Answer: C

Explanation:

? A journal is known as the "original entry" because transactions are first recorded here before posting to the ledger.

? The general ledger is the final entry (B), not the journal.

References:

? Payroll Accounting Standards (Payroll.org)

NEW QUESTION 97

- (Topic 2)

When resolving late deposits, the payroll staff should take all of the following steps EXCEPT:

A. Check to see if the financial institution is having an internal problem.

B. Tell the employee the deposit is not considered late until midnight the day of payday.

C. Verify the employee provided the correct routing and account numbers for any direct deposits.

D. Ask the employee if they checked the deposit via an ATM, spoke with an actual bank representative, or checked online banking.

Answer: B

Explanation:

? Deposits should be available on payday morning, and payroll staff must act immediately if there is an issue.

? Telling the employee to wait until midnight (B) is incorrect because it delays

action and could lead to compliance issues. References:

? NACHA Direct Deposit Guidelines

? Payroll Banking & Deposit Compliance Guide (Payroll.org)

NEW QUESTION 100

.....

Relate Links

100% Pass Your FPC-Remote Exam with Exambible Prep Materials

<https://www.exambible.com/FPC-Remote-exam/>

Contact us

We are proud of our high-quality customer service, which serves you around the clock 24/7.

Viste - <https://www.exambible.com/>