

# PAYS 101 – Payroll Foundations

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## Comprehensive Outline

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### Course Overview

PAYS 101 introduces the core concepts, documents, and workflows used to run payroll accurately and professionally. Students learn payroll terminology, pay cycles, timekeeping fundamentals, employee setup basics, and the “gross-to-net” concept at an introductory level—plus essential confidentiality, recordkeeping, and internal controls.

### Learning Outcomes

By the end of PAYS 101, students will be able to:

- Explain the payroll cycle from time capture to pay delivery and reporting
- Identify key payroll terms (pay period, FLSA, exempt/nonexempt, gross vs. net, etc.)
- Set up employee payroll records using common onboarding documents
- Perform basic gross pay calculations for hourly and salaried employees
- Describe common deductions/withholdings at a foundational level
- Apply payroll accuracy checks, documentation standards, and confidentiality rules

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### Course Structure at a Glance

Item	Details
Level	Beginner / Foundations
Recommended Time	6–10 hours per week
Format	Lessons + practice sets + quizzes + mini payroll case
Key Deliverables	Timecard review, payroll checklist, basic payroll calculation set, mini payroll run packet

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## Module 1 — Payroll Fundamentals & the Payroll Cycle

### Topics

- What payroll is (and why accuracy + compliance matters)
- Payroll stakeholders: HR, payroll, accounting, management
- The payroll cycle: collect time → calculate gross → apply deductions/taxes → pay → record → retain

#### Practice

- Identify payroll process steps in the correct order
- Payroll glossary drill (20 key terms)

### Mini Example: Payroll Cycle Snapshot

Step	What Happens	Output
Time collection	Employee hours/PTO submitted & approved	Approved timecard
Calculation	Gross pay computed	Earnings detail
Withholding	Taxes/deductions applied	Net pay
Payment	Direct deposit/check issued	Pay statement
Recordkeeping	Payroll register + journal summary	Payroll packet

## Module 2 — Pay Schedules, Pay Periods & Pay Methods

### Topics

- Weekly, biweekly, semi-monthly, monthly schedules
- Pay period vs pay date (what can go wrong)
- Direct deposit vs checks; pay statements

#### Practice

- Map pay period dates to a pay date
- Identify which schedule best fits different business scenarios

## Example: Pay Period vs Pay Date

Pay Schedule	Pay Period	Pay Date	What It Means
Biweekly	Jan 5–Jan 18	Jan 23	Pay issued after the period ends
Semi-monthly	Jan 1–Jan 15	Jan 20	Two fixed pay periods per month

## Module 3 — Employee Classification Basics (Payroll View)

### Topics

- Employee vs independent contractor (high-level overview)
- Exempt vs nonexempt (high-level overview)
- Hourly vs salary—what changes in processing

**Practice**

- Classify worker scenarios (with payroll risk flags)
- Identify what data payroll must have before paying someone

### Payroll Data Checklist

Required for Payroll Setup	Examples
Identity & work eligibility	Name, address, SSN/TIN, I-9 completion confirmation
Tax setup	W-4, state withholding forms (if applicable)
Pay setup	Pay rate/salary, pay frequency, job/department
Payment method	Direct deposit details or check address
Deductions	Benefit elections, garnishment orders (if any)

## Module 4 — Timekeeping Foundations & Timecard Audits

### Topics

- Timekeeping methods (timeclock, manual, scheduling apps)
- Common timecard issues: missed punches, unapproved OT, PTO errors
- Supervisor approvals and audit trails

### Practice

- Timecard audit exercise using a sample time sheet
- Identify “exceptions” that require follow-up

### Example: Timecard Audit Table

Employee	Mon	Tue	Wed	Thu	Fri	PTO	Total Hours	Flags
A. Lee	8	8	8	8	8	0	40	None
J. Diaz	8	9	10	8	7	0	42	OT? confirm policy
K. Patel	8	0	8	8	8	8	40	Tue missing punch

## Module 5 — Payroll Math I: Hourly Pay (Foundations)

### Topics

- Calculating gross pay: hours  $\times$  rate
- Overtime concept introduction (basic)
- Rounding and documentation standards

**Practice**

- 10-problem hourly pay calculation set

### Example: Hourly Gross Pay

- Employee rate: **\$18.50/hr**
- Hours worked: **38.25**
- Gross pay =  $38.25 \times 18.50$
- $18.50 \times 38 = 703.00$
- $18.50 \times 0.25 = 4.625$
- **Total gross = \$707.63** (rounded to cents)

## Module 6 — Payroll Math II: Salary Pay, Proration & Pay Changes (Intro)

### Topics

- Salary per pay period (annual  $\div$  # pay periods)
- Proration basics (partial period)
- Rate changes effective mid-period (intro concept)

#### Practice

- Convert annual salary to biweekly & semi-monthly pay
- Proration mini-set

### Example: Salary per Pay Period

- Annual salary: **\$52,000**
- Biweekly pay periods: **26**
- $52,000 \div 26 = \$2,000$  **gross per pay period**

### Example: Simple Proration

- Salary per biweekly period: **\$2,000**
- Worked 8 of 10 workdays in the pay period
- $2,000 \times (8/10) = \$1,600$  **gross** (basic proration model)

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## Module 7 — Intro to Deductions, Withholdings & Net Pay

### Topics (Foundational, non-advanced)

- Gross pay vs net pay
- Common deductions: benefits, retirement, garnishments (overview)
- Withholding basics: federal/state (concept), FICA (concept)
- Pre-tax vs after-tax (conceptual introduction)

**Practice**

- Identify which items reduce taxable wages vs reduce net pay only (intro level)

### Example: Basic Gross-to-Net (Simplified for Training)

*Note: This is a learning example, not a tax calculation guide.*

Item	Amount
Gross Pay	\$1,200.00
Health Insurance (pre-tax example)	-\$75.00
401(k) (pre-tax example)	-\$60.00
Estimated Taxes (placeholder)	-\$180.00
Net Pay	<b>\$885.00</b>

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## Module 8 — Payroll Documentation, Controls & Payroll Packet (Mini-Capstone)

### Topics

- Payroll packet contents: time approvals, change forms, registers, audit notes
- Common controls: dual approval, separation of duties, exception reports
- Record retention (general best practices), confidentiality, secure handling

#### Capstone Deliverable

- Assemble a “Mini Payroll Packet” from provided documents:
  - Approved timecards
  - Employee change form (rate or deduction change)
  - Gross pay calculation sheet
  - Payroll checklist + sign-off page

## Payroll Processing Checklist (Sample)

Stage	Check	Complete
Pre-process	Timecards approved & exceptions resolved	<input type="checkbox"/>
Pre-process	New hires set up with correct pay rate	<input type="checkbox"/>
Calculation	Gross pay totals reviewed for outliers	<input type="checkbox"/>
Review	Deductions/withholdings validated (basic)	<input type="checkbox"/>
Finalize	Approval obtained & payroll submitted	<input type="checkbox"/>
Post-process	Register saved + secure retention	<input type="checkbox"/>

## Assignments & Assessments (Suggested)

Assessment	What It Measures	Suggested Weight
Weekly quizzes (x6)	Key terms + workflow comprehension	30%
Practice sets (x4)	Hourly/salary calculations, audits	30%
Mini payroll packet (capstone)	End-to-end foundations	30%
Participation	Discussion + scenario responses	10%