The AhaBulb Party Game

STUFF EVERY FOUNDER SHOULD KNOW

How to play (30 seconds)

1. The reader reads a card and its three answers out loud.
2. Everyone says "One, two, three, Goldilocks!" and holds up 1, 2, or 3 fingers.
3. The reader flips the card and reads the answer and the Why.
4. Everyone who was right takes a point.
5. The reader reads the joke with a straight face. Anyone laughs or groans? The reader takes a point. Nobody got it right? The reader takes a point.
6. Pass the deck left. Most points when the points run out wins.

What you need

These cards and the point tokens on the last two pages. No tokens? Use coins, buttons, pebbles, or marshmallows. 3 to 10 players, ages 8 and up.

Expert rule: Bet It

Before the reader flips the card, you may put one of your points on your answer. Right: take your normal point plus one extra. Wrong: your bet goes back to the pile. That's it.

Printing

Print single-sided, on cardstock if you have it. Cut on the dashed lines. Each card is a 3.5 x 5 inch index card. The answer half is upside down on purpose, so the table can't peek.

Cards 1 to 50 of 104. More cards and the free daily online game at sesk.info. Built 2026-10-14.

STARTING AND RUNNING A BUSINESS

How can a profitable business still run out of cash?

- **A** Customers have not paid yet
- **B** Profit always equals bank cash
- **C** Expenses disappear after a sale

FLIP FOR THE ANSWER

A Customers have not paid yet

WHY Accrual profit can include sales that customers have not paid yet. Bills still require available cash, so a profitable company can face a cash shortage.

STRAIGHT FACE
Why did profit bring a map? It could not find the bank account.

SESK.INFO #9310

STARTING AND RUNNING A BUSINESS

Which statement shows whether a business earned a profit?

- **A** Cash flow statement
- **B** Profit and loss statement
- **C** Customer invoice

FLIP FOR THE ANSWER

B Profit and loss statement

WHY A profit and loss statement measures revenue and expenses for a month, quarter, or year. Their difference shows profit or loss for that period.

STRAIGHT FACE
Why did the income statement study? It wanted a better bottom line.

SESK.INFO #9311

STARTING AND RUNNING A BUSINESS

What does cash flow measure?

- **A** Only sales promised
- **B** Only yearly profit
- **C** Cash received and cash paid

FLIP FOR THE ANSWER

C Cash received and cash paid

WHY Cash flow focuses on actual movement of cash. Positive net cash flow means more cash came in than went out during the period.

STRAIGHT FACE
Why is cash flow like a river? Both need careful banks.

SESK.INFO #9312

STARTING AND RUNNING A BUSINESS

How does a cash flow projection differ from a statement?

- **A** A projection estimates future cash
- **B** A statement predicts future prices
- **C** They always mean profit

FLIP FOR THE ANSWER

A A projection estimates future cash

WHY A projection estimates future cash receipts and payments. A cash flow statement is historical, although people sometimes use the terms loosely.

STRAIGHT FACE
Why did the forecast wear glasses? It wanted a clearer outlook.

SESK.INFO #9313

STARTING AND RUNNING A BUSINESS

In the FDIC Money Smart cash flow projection, where does an equipment purchase go?

- **A** Source of cash
- **B** Non-operating use of cash
- **C** Customer receivable

FLIP FOR THE ANSWER

B Non-operating use of cash

WHY The guide separates incoming cash, daily operating uses, and non-operating uses. Equipment purchases belong in the non-operating section.

STRAIGHT FACE
The new machine asked for a raise, but it already cost plenty.

SESK.INFO #9314

STARTING AND RUNNING A BUSINESS

What becomes next month's opening cash?

- **A** Gross profit
- **B** Unpaid invoices
- **C** Ending cash

FLIP FOR THE ANSWER

C Ending cash

WHY A monthly cash projection links one month to the next. After subtracting cash uses, the remaining ending cash carries forward as the next opening balance.

STRAIGHT FACE
Ending cash never says goodbye, it says see you next month.

SESK.INFO #9315

STARTING AND RUNNING A BUSINESS

What is the main purpose of a cash flow projection?

- **A** Plan whether cash covers bills
- **B** Settle every tax question
- **C** Replace all financial statements

FLIP FOR THE ANSWER

A Plan whether cash covers bills

WHY A cash projection helps a founder see whether enough cash should be available when bills come due. That gives time to adjust spending, collections, or financing.

STRAIGHT FACE
Why did the bill check the forecast? It wanted to know if cash was coming.

SESK.INFO #9316

STARTING AND RUNNING A BUSINESS

What does monthly burn rate usually measure?

- **A** Total lifetime sales
- **B** Average monthly net cash decrease
- **C** The highest product price

FLIP FOR THE ANSWER

B Average monthly net cash decrease

WHY Burn rate describes how quickly available cash is shrinking. Founders should state whether they mean gross spending or net burn after cash receipts.

STRAIGHT FACE
Why did burn rate carry a fire extinguisher? It was spending too hot.

SESK.INFO #9317

STARTING AND RUNNING A BUSINESS

How is gross profit calculated for a product business?

A Net sales minus cost of goods sold

B Cash plus accounts payable

C Price divided by inventory

FLIP FOR THE ANSWER

A Net sales minus cost of goods sold

WHY First subtract returns and allowances to get net sales. Then subtract cost of goods sold to get gross profit before other operating expenses.

STRAIGHT FACE
Gross profit cleaned up nicely after subtracting costs.

SESK.INFO #9319

STARTING AND RUNNING A BUSINESS

How do founders estimate cash runway in months?

A Burn divided by cash

B Revenue plus expenses

C Cash divided by monthly burn

FLIP FOR THE ANSWER

C Cash divided by monthly burn

WHY Runway estimates how many months current cash can support the present burn rate. It is a planning estimate because both cash receipts and spending can change.

STRAIGHT FACE
Why did cash visit the airport? It wanted a longer runway.

SESK.INFO #9318

STARTING AND RUNNING A BUSINESS

A $100 item sells for $150. What is its markup on cost?

A About 33 percent

B 150 percent

C 50 percent

FLIP FOR THE ANSWER

C 50 percent

WHY Markup divides the $50 gross profit by the $100 cost. Margin divides that same $50 by the $150 selling price, so the percentages differ.

STRAIGHT FACE
Why do cows make good shopkeepers? They always have outstanding stock.

SESK.INFO #9321

STARTING AND RUNNING A BUSINESS

What number is the denominator in gross margin percentage?

A Cost of goods sold

B Net sales

C Cash balance

FLIP FOR THE ANSWER

B Net sales

WHY Gross margin shows the share of each sales dollar left after cost of goods sold. Divide gross profit by net sales, then express the result as a percentage.

STRAIGHT FACE
Why did the baker open a store? Business was on the rise.

SESK.INFO #9320

STARTING AND RUNNING A BUSINESS

What most directly guides value-based pricing?

- **A** Only the founder's hours
- **B** What customers value
- **C** Only last year's cost

FLIP FOR THE ANSWER

B **What customers value**

WHY Value-based pricing considers the outcome or benefit the customer believes the offer provides. Costs still matter because the resulting price must support the business.

STRAIGHT FACE
Why did value get a price tag? Customers wanted the point.

SESK.INFO #9323

STARTING AND RUNNING A BUSINESS

What is the starting point for cost-plus pricing?

- **A** The cost to deliver the offer
- **B** What competitors charge
- **C** Last year's cash balance

FLIP FOR THE ANSWER

A **The cost to deliver the offer**

WHY Cost-plus pricing builds a price from the costs of making and delivering the product or service. The added amount must also support overhead and profit.

STRAIGHT FACE
Where do sheep get haircuts? At the baa-baa shop.

SESK.INFO #9322

STARTING AND RUNNING A BUSINESS

How do you calculate break-even units for one product?

- **A** Fixed costs divided by unit contribution
- **B** Price divided by fixed costs
- **C** Variable cost times sales

FLIP FOR THE ANSWER

A **Fixed costs divided by unit contribution**

WHY Each unit's price minus variable cost contributes toward fixed costs. Dividing fixed costs by that amount estimates the units needed to break even.

STRAIGHT FACE
The calculator reached break-even and took an even break.

SESK.INFO #9325

STARTING AND RUNNING A BUSINESS

What happens at the break-even point?

- **A** Cash always doubles
- **B** Variable cost becomes zero
- **C** Total revenue equals total cost

FLIP FOR THE ANSWER

C **Total revenue equals total cost**

WHY At break-even, sales cover both fixed and variable costs. One more unit may add profit if its price exceeds its variable cost.

STRAIGHT FACE
Why was break-even so calm? It had nothing to gain or lose.

SESK.INFO #9324

STARTING AND RUNNING A BUSINESS

What is contribution margin per unit?

- **A** Unit price plus fixed cost
- **B** Unit price minus variable cost
- **C** Cash divided by customers

FLIP FOR THE ANSWER

B Unit price minus variable cost

WHY Contribution margin shows how much one sale contributes toward fixed costs and then profit. Costs that vary with the sale must be subtracted first.

STRAIGHT FACE
Contribution margin always brings something to the table.

SESK.INFO #9326

STARTING AND RUNNING A BUSINESS

What does customer acquisition cost measure?

- **A** Revenue from every customer
- **B** Cost to keep existing customers
- **C** Acquisition spending per new customer

FLIP FOR THE ANSWER

C Acquisition spending per new customer

WHY A simple CAC calculation divides acquisition spending by new customers acquired. Teams must define which marketing and sales costs they include so comparisons stay consistent.

STRAIGHT FACE
Why did marketing count customers? It wanted to know the cost of company.

SESK.INFO #9327

STARTING AND RUNNING A BUSINESS

What should customer lifetime value estimate?

- **A** Value across the customer relationship
- **B** Only the first invoice
- **C** Total revenue from all customers

FLIP FOR THE ANSWER

A Value across the customer relationship

WHY Lifetime value looks beyond the first purchase to expected value over the relationship. A useful model accounts for margin, retention, and an explicit time horizon.

STRAIGHT FACE
LTV packed a long lunch because it planned to stay awhile.

SESK.INFO #9328

STARTING AND RUNNING A BUSINESS

How is the LTV to CAC ratio calculated?

- **A** CAC divided by revenue
- **B** LTV divided by CAC
- **C** Cash divided by invoices

FLIP FOR THE ANSWER

B LTV divided by CAC

WHY The ratio compares expected customer value with the cost to acquire that customer. Both measures must use consistent definitions and comparable customer groups.

STRAIGHT FACE
LTV and CAC became a ratio because they wanted to compare notes.

SESK.INFO #9329

STARTING AND RUNNING A BUSINESS

Which detail belongs on a useful customer invoice?

- **A** Description and payment terms
- **B** The customer's credit score
- **C** Your profit margin on the job

FLIP FOR THE ANSWER

A Description and payment terms

WHY A complete invoice tells the customer who billed, what was supplied, what is owed, and when payment is due. Send it promptly and follow the agreed contract terms.

STRAIGHT FACE
Why was the invoice specific? It did not want to be misunderstood.

SESK.INFO #9331

STARTING AND RUNNING A BUSINESS

What does accounts receivable represent?

- **A** Cash already deposited
- **B** Bills owed to suppliers
- **C** Amounts customers owe

FLIP FOR THE ANSWER

C Amounts customers owe

WHY A credit sale creates an amount due from the customer. It is an asset, but it does not become cash until the customer pays.

STRAIGHT FACE
Receivables sent a reminder because they were tired of waiting.

SESK.INFO #9330

STARTING AND RUNNING A BUSINESS

Where does a business submit a normal SBA 7(a) application?

- **A** The IRS
- **B** A state licensing office
- **C** A participating lender

FLIP FOR THE ANSWER

C A participating lender

WHY SBA sets program rules and guarantees part of qualifying loans. The local participating lender receives the application, requests documents, and works with the borrower.

STRAIGHT FACE
Why did the application visit the bank? It knew the right address.

SESK.INFO #9333

STARTING AND RUNNING A BUSINESS

What is the maximum standard SBA 7(a) loan amount?

- **A** $500,000
- **B** $5 million
- **C** $5.5 million

FLIP FOR THE ANSWER

B $5 million

WHY The 7(a) program is SBA's primary business loan program. Its maximum loan amount is $5 million, although eligibility and lender underwriting still apply.

STRAIGHT FACE
Why did the loan bring seven A's? It studied for financing.

SESK.INFO #9332

STARTING AND RUNNING A BUSINESS

What is the maximum SBA 504 loan amount?

- **A** $5.5 million
- **B** $50,000
- **C** $500,000

FLIP FOR THE ANSWER

A $5.5 million

WHY The 504 program offers long-term, fixed-rate financing for major fixed assets. SBA lists the maximum loan amount as $5.5 million.

STRAIGHT FACE
Why did the building like 504 financing? It was a fixed-asset fan.

SESK.INFO #9334

STARTING AND RUNNING A BUSINESS

Which need cannot normally be financed with an SBA 504 loan?

- **A** Long-term equipment
- **B** Working capital
- **C** An eligible building

FLIP FOR THE ANSWER

B Working capital

WHY The 504 program is designed for qualifying fixed assets. A business seeking working capital or inventory financing should examine other products, such as eligible 7(a) options.

STRAIGHT FACE
Why did inventory miss the 504 bus? It was not a fixed asset.

SESK.INFO #9335

STARTING AND RUNNING A BUSINESS

What is the maximum SBA microloan?

- **A** $5 million from SBA directly
- **B** $500,000 from any bank
- **C** $50,000 through an intermediary

FLIP FOR THE ANSWER

C $50,000 through an intermediary

WHY SBA funds specially designated community intermediaries, which make microloans to eligible borrowers. The program maximum is $50,000, and the average loan is much smaller.

STRAIGHT FACE
Why was the microloan easy to spot? It made a small entrance.

SESK.INFO #9336

STARTING AND RUNNING A BUSINESS

Which owners must provide an unlimited personal guaranty for covered SBA loans?

- **A** Individuals owning 20 percent or more
- **B** Only employees with no ownership
- **C** Every customer

FLIP FOR THE ANSWER

A Individuals owning 20 percent or more

WHY For 7(a) and 504 programs, SBA's guarantee form says individuals with at least 20 percent ownership must provide an unlimited personal guaranty. That can expose personal assets if the business defaults.

STRAIGHT FACE
Why did the guaranty read every line? It was taking things personally.

SESK.INFO #9337

STARTING AND RUNNING A BUSINESS

What does SBA Lender Match do?

- **A** Guarantees loan approval
- **B** Connects businesses with lenders
- **C** Issues money immediately

FLIP FOR THE ANSWER

B Connects businesses with lenders

WHY Lender Match is a referral tool. A match or expression of interest is not approval, and the business still completes the lender's application and underwriting process.

STRAIGHT FACE
Why did the borrower try Lender Match? It wanted a finance connection.

SESK.INFO #9338

STARTING AND RUNNING A BUSINESS

What must a small business recordkeeping system clearly show?

- **A** Only total yearly sales
- **B** Only the owner's hours
- **C** Income and expenses

FLIP FOR THE ANSWER

C Income and expenses

WHY Keep transaction summaries and supporting documents that explain money earned and costs claimed. The records must be good enough to support figures reported on tax returns.

STRAIGHT FACE
Why did the receipt stay organized? It wanted to make a good record.

SESK.INFO #9339

STARTING AND RUNNING A BUSINESS

How long should records supporting a bad debt deduction be kept?

- **A** Three years
- **B** Seven years
- **C** Thirty days

FLIP FOR THE ANSWER

B Seven years

WHY The IRS lists a seven-year retention period for a claim involving worthless securities or a bad debt deduction. Preserve documents that show the debt and why it became worthless.

STRAIGHT FACE
Why did the bad debt file stay longer? It had a seven-year engagement.

SESK.INFO #9340

STARTING AND RUNNING A BUSINESS

What should customer terms clearly explain before acceptance?

- **A** The deal and payment obligations
- **B** Only the company's marketing claims
- **C** Terms revealed after purchase

FLIP FOR THE ANSWER

A The deal and payment obligations

WHY Terms of service should let a customer understand what is offered, what each side must do, and when payment is due. Applicable consumer and state laws can limit contract wording.

STRAIGHT FACE
Why did the contract use plain language? It wanted clear terms.

SESK.INFO #9341

STARTING AND RUNNING A BUSINESS

Why should a customer contract define scope and deliverables?

- **A** It guarantees every project succeeds
- **B** It defines promised work
- **C** It removes all customer duties

FLIP FOR THE ANSWER

B It defines promised work

WHY A scope should identify deliverables, responsibilities, acceptance, and timing. A written change process can adjust price and schedule when requested work changes.

STRAIGHT FACE
Why did scope carry binoculars? It wanted clear boundaries.

SESK.INFO #9342

STARTING AND RUNNING A BUSINESS

What does a limitation of liability clause try to do?

- **A** Guarantee no one can sue
- **B** Erase every legal duty
- **C** Limit defined contractual exposure

FLIP FOR THE ANSWER

C Limit defined contractual exposure

WHY A limitation clause can cap or exclude defined liabilities, but it is not magic immunity. Enforceability and permitted exceptions vary by law, conduct, and contract type.

STRAIGHT FACE
Why did liability draw a line? It wanted a clear limit.

SESK.INFO #9343

STARTING AND RUNNING A BUSINESS

The IRS sorts evidence about whether a worker is an employee into which three categories?

- **A** Behavioral, financial and type of relationship
- **B** Hours, pay rate and job title
- **C** Age, education and years of experience

FLIP FOR THE ANSWER

A Behavioral, financial and type of relationship

WHY The IRS looks at behavioral control (how the work is done), financial control (pay, expenses, tools) and the type of relationship (contracts, benefits, permanence). Together they show how much control the business has.

STRAIGHT FACE
Why did the contractor bring a ruler? To make sure every detail measured up.

SESK.INFO #9344

STARTING AND RUNNING A BUSINESS

A worker does your tasks from home, but you control what they do and how. To the IRS, they are usually what?

- **A** An independent contractor, because they work from home
- **B** An employee, because you control the details
- **C** A volunteer, because there is no office

FLIP FOR THE ANSWER

B An employee, because you control the details

WHY Under IRS common-law rules, a remote worker is your employee if you can control what will be done and how. Where they sit does not matter; your right to control the details does.

STRAIGHT FACE
Why did the computer go to work? It had a hard drive.

SESK.INFO #9345

STARTING AND RUNNING A BUSINESS

Under the Labor Department's economic reality test, what is the main question about a worker?

- **A** Do they have a college degree?
- **B** Did they sign a 1099 agreement?
- **C** Are they dependent on you, or in business for themselves?

FLIP FOR THE ANSWER

C Are they dependent on you, or in business for themselves?

WHY The Department of Labor uses the economic reality test to decide who is an employee under the Fair Labor Standards Act. Workers who depend on you for work are employees; people truly running their own business are contractors.

STRAIGHT FACE
Why did the duck get a job? To pay his bills.

SESK.INFO #9349

STARTING AND RUNNING A BUSINESS

If you treat an employee as a contractor with no reasonable basis, what can the IRS hold you liable for?

- **A** Nothing, if the worker signed a contract
- **B** The employment taxes for that worker
- **C** Only a $50 late form fee

FLIP FOR THE ANSWER

B The employment taxes for that worker

WHY Employers must withhold and pay Social Security, Medicare and other employment taxes for employees. Misclassify someone with no reasonable basis and you may owe those taxes yourself, without the IRS relief provisions.

STRAIGHT FACE
Why did the payroll clerk carry a pencil and eraser? To fix every mistake before tax day.

SESK.INFO #9348

STARTING AND RUNNING A BUSINESS

Who can file IRS Form SS-8 to ask the IRS to decide if a worker is an employee or a contractor?

- **A** Either the business or the worker
- **B** Only the business
- **C** Only the worker's tax preparer

FLIP FOR THE ANSWER

A Either the business or the worker

WHY Form SS-8 asks the IRS to officially determine a worker's status. Either side can file it, and the IRS reviews the facts. It can take at least six months to get an answer.

STRAIGHT FACE
Why did the form go to the party? It wanted to fill in.

SESK.INFO #9347

STARTING AND RUNNING A BUSINESS

How many IRS factors must point to "employee" before a worker counts as an employee?

- **A** Exactly 20 of the factors
- **B** More than half of the factors
- **C** No set number; weigh the whole relationship

FLIP FOR THE ANSWER

C No set number; weigh the whole relationship

WHY The IRS says there is no magic number of factors and no single factor decides it. You look at the entire relationship and how much right you have to direct and control the worker.

STRAIGHT FACE
Why did the worker bring a ladder to the IRS test? To see if the job was over their head.

SESK.INFO #9346

STARTING AND RUNNING A BUSINESS

After an employee signs Form W-4, what does the employer do with it?

A Keep it on file for at least 4 years

B Mail it to the IRS within 10 days

C Give it back to the employee to keep

FLIP FOR THE ANSWER

A Keep it on file for at least 4 years

WHY The IRS says employers keep each signed W-4 for at least 4 years and have it ready for inspection. The IRS may direct an employer to send certain Forms W-4.

STRAIGHT FACE
Why did the paper clip apply for the job? It wanted to hold things together.

SESK.INFO #9353

STARTING AND RUNNING A BUSINESS

What does a new employee's Form W-4 tell the employer?

A Whether the employee may legally work in the US

B How much federal income tax to withhold

C The employee's bank account for direct deposit

FLIP FOR THE ANSWER

B How much federal income tax to withhold

WHY Form W-4, the Employee's Withholding Certificate, gives filing status, other jobs, credits and deductions. The employer uses it to figure federal income tax withholding from each paycheck.

STRAIGHT FACE
I'd tell you a joke about withholding, but I'm keeping a little back for later.

SESK.INFO #9351

STARTING AND RUNNING A BUSINESS

A new employee never turns in a completed Form W-4. How must the employer withhold federal income tax?

A No federal income tax until the form arrives

B As married filing jointly with two children

C As single or married filing separately, no other entries

FLIP FOR THE ANSWER

C As single or married filing separately, no other entries

WHY The IRS says if an employee does not give you a properly completed W-4, you withhold as if they are single or married filing separately with nothing in steps 2, 3 or 4. That usually means more tax withheld.

STRAIGHT FACE
Why did the paycheck hide behind Form W-4? It did not want too much taken out.

SESK.INFO #9352

STARTING AND RUNNING A BUSINESS

You pay a worker on a 1099 and they sign a contractor agreement. Does that make them a contractor under the FLSA?

A No, the real working relationship decides

B Yes, a signed agreement settles it

C Yes, if you file a 1099 every year

FLIP FOR THE ANSWER

A No, the real working relationship decides

WHY The Labor Department says what a worker is called does not matter, and getting a 1099 or signing a contractor agreement does not make someone a contractor. The economic facts of the job decide.

STRAIGHT FACE
Why did the contract feel confused? Everyone kept saying it was just a formality.

SESK.INFO #9350

STARTING AND RUNNING A BUSINESS

By when must a new employee fill out Section 1 of Form I-9?

- **A** Within 30 days of starting
- **B** No later than their first day of work for pay
- **C** Before they apply for the job

FLIP FOR THE ANSWER

B No later than their first day of work for pay

WHY The employee completes Section 1 (their information and attestation) by the first day they work for pay. You may not ask someone to fill it out before they have accepted a job offer.

STRAIGHT FACE
Why did the pencil get the job? It had a good point.

SESK.INFO #9354

STARTING AND RUNNING A BUSINESS

How long does an employer have to complete Section 2 of Form I-9 after a new employee starts work?

- **A** Ten calendar days
- **B** Until the first payday
- **C** Three business days

FLIP FOR THE ANSWER

C Three business days

WHY Within three business days, the employer examines acceptable documents or a receipt and completes Section 2. Most inspect originals in person, while eligible E-Verify employers may use DHS's remote alternative procedure.

STRAIGHT FACE
Why are calendars always so tired? Their days are numbered.

SESK.INFO #9355

STARTING AND RUNNING A BUSINESS

After you complete a new hire's Form I-9, where does it go?

- **A** Mailed to USCIS within 10 days
- **B** In your own files, ready for inspection
- **C** Uploaded to the IRS with Form W-4

FLIP FOR THE ANSWER

B In your own files, ready for inspection

WHY Employers keep completed Forms I-9 themselves. USCIS says never mail them to USCIS or ICE. Officials from DHS, the Justice Department or the Labor Department may ask to inspect them.

STRAIGHT FACE
What did the envelope say to the mail carrier? Don't push me, I'm already stamped.

SESK.INFO #9357

STARTING AND RUNNING A BUSINESS

How long must an employer keep a former employee's Form I-9?

- **A** 3 years after hire or 1 year after leaving, if later
- **B** 7 years after hire, no matter what
- **C** Until the employee's last paycheck clears

FLIP FOR THE ANSWER

A 3 years after hire or 1 year after leaving, if later

WHY Federal rules say keep each Form I-9 for three years after the hire date or one year after the job ends, whichever date comes later. Short jobs mean three years; long jobs mean one year after they leave.

STRAIGHT FACE
What do you call a dinosaur that does payroll? A Tyrannosaurus Checks.

SESK.INFO #9356

STARTING AND RUNNING A BUSINESS

Under federal law, which employers must use E-Verify?

- **A** Federal contractors with the FAR E-Verify clause
- **B** Every business with one or more employees
- **C** Only businesses with over 500 workers

FLIP FOR THE ANSWER

A Federal contractors with the FAR E-Verify clause

WHY E-Verify is a voluntary program for most employers. Businesses with federal contracts or subcontracts that contain the Federal Acquisition Regulation E-Verify clause must enroll and use it as a condition of the contract.

STRAIGHT FACE
I joined a club for people who check paperwork.
Membership is verified.

SESK.INFO #9359

STARTING AND RUNNING A BUSINESS

What does E-Verify do?

- **A** Runs a criminal background check
- **B** Verifies a worker's past employers
- **C** Checks I-9 information against government records

FLIP FOR THE ANSWER

C Checks I-9 information against government records

WHY E-Verify is an online system that compares what the employer enters from an employee's Form I-9 to Homeland Security and Social Security records to confirm the person can work in the US.

STRAIGHT FACE
Why did the employee sit on the clock? They wanted to work overtime.

SESK.INFO #9358

1
AhaBulb POINT

1
AhaBulb POINT