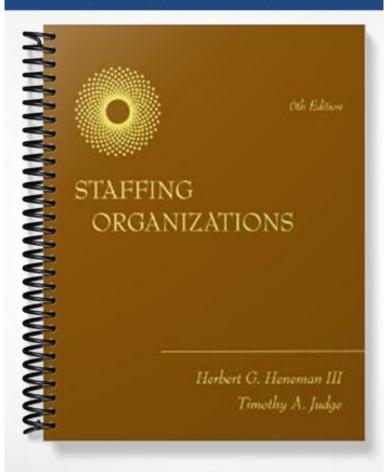
# TEST BANK



# Chapter 02 Legal Compliance

# **The Employment Relationship**

# **True / False Questions**

 $1.\ {
m The\ employee}$  relationship is the most prevalent type of employment relationship.

#### **TRUE**

2. Employment contracts may be written but not in oral form.

# **FALSE**

3. The specificity of the language used in an employment contract must be very extensive.

# **FALSE**

4. The formal agreement which specifies the employment terms and conditions for the employee and employer is called an employment contract.

## **TRUE**

5. An employer does not incur any legal responsibilities or liabilities regarding its employees.

# **FALSE**

6. The common law principle of employment-at-will says that, in the absence of any contract language to the contrary, either the employer or employee may terminate the employment relationship at any time, but for only for certain reasons.

7. There are some restrictions on employment-at-will	, such as statutory requirements for
nondiscriminatory termination.	

# **TRUE**

8. An independent contractor is legally considered an employee of the employer who hired him/her.

# **FALSE**

9. If an employer hires an independent contractor, it may reduce the employer's exposure to laws and regulations governing the employment relationship.

#### **TRUE**

10. Temporary employees are considered to be employees of the temporary help agency that obtained them through its own staffing process.

# **TRUE**

11. The purpose of laws and regulations is to give employees a reasonable power advantage in the employment relationship.

# **FALSE**

12. Negligent hiring of unsafe or dangerous employees that leads to harm or damages caused by them is an example of a staffing tort.

# **TRUE**

# **Multiple Choice Questions**

the contractor.

13. Regarding employment contracts,  A. both written and oral contracts are enforceable B. employment-at-will is defined under set-term contracts C. most employees have a contractual right to be discharged only for cause D. all of the above are correct
14. The most prevalent form of the employment relationship is  A. independent contractor  B. employer-employee C. temporary employee D. employer-employer
15. The common law principle which states that, in the absence of any contract language to the contrary, either the employer or employee may terminate the employment relationship at any time is called  A. employment-at-will B. affirmative action C. equal employment opportunity D. a consent decree
16. An example of an exception to the principle of employment-at-will is that  A. employers cannot discharge employees on the basis of poor performance  B. employers cannot discharge employees on the basis of race C. employers cannot discharge employees for stealing from the company without proof D. none of the above
17. Which of the following statements is true regarding independent contractors?  A. An independent contractor is a legal employee of the company which hired him/her.  B. Using an independent contractor increases the employer's exposure to laws and regulations governing the employment relationship.  C. Using an independent contractor frees an employer from the tax withholding and tax payment obligations it has for its employees.

D. Using an independent contractor substantially increases the right of the employer to control

- 18. Which of the following is true regarding temporary employees?
- A. Temporary employees are considered to be employees of the organization which is using their services, not the temporary help agency.
- B. During job assignments, temporary workers are on the payroll of the organization using their services.
- C. Use of temporary workers can often raise issues of "co-employment."
- D. All of the above are correct.

# **Laws and Regulations**

## **True / False Questions**

19. Employment laws and regulations exist, in part, to reduce or limit the employer's power in the employment relationship.

#### **TRUE**

20. Laws and regulations provide protections to employees that they could not possibly acquire individually in an employment contract.

#### **FALSE**

21. The Civil Rights Act specifically mentions employment practices that are permitted for employers.

#### **TRUE**

22. The majority of common law decisions are made at the federal level.

## **FALSE**

23. Constitutional law supersedes any other source of law or regulation.

#### **TRUE**

24. Agencies that enforce staffing laws typically do not rely on written documents to perform their functions.  FALSE
Multiple Choice Questions
<ul> <li>25. Which of the following statements is true regarding the laws and regulations which govern the employment relationship?</li> <li>A. Their purpose is to create a reasonable balance of power between the employer and employee.</li> <li>B. Their purpose is to create a reasonable power advantage for employees.</li> <li>C. Their purpose is to create a reasonable power advantage for employers.</li> <li>D. Their purpose is to provide protections for employees only.</li> </ul>
26. The primary source of common law in the United States is  A. the U.S. Constitution  B. federal statutes  C. past court decisions  D. federal agency guidelines
27. Due process rights have their primary source in  A. EEOC guidelines B. federal statutes C. state statutes D. the U.S. Constitution Amendments

28. The term which refers to employment practices which are "facially neutral" is

A. EEO
B. affirmative action

C. quotas

D. union contracts

29. The principle purpose of affirmative action is to  A. mandate quotas for protected classes  B. establish future guidelines for hiring  C. rectify past discriminatory practices  D. substitute minorities for non-minority job incumbents
30. Agencies that regulate fair employment practice exist at which level?  A. federal  B. state  C. local  D. all of the above
EEO/AA Laws: General Provisions and Enforcement
True / False Questions
31. Whether an organization is covered by the Civil Rights Act, Age Discrimination in Employment Act (ADEA), and Americans With Disabilities Act (ADA) depends on its number of employees.  TRUE
32. When determining if an organization large enough to be covered by ADA law, only full time employees should be included in the employee count.  FALSE
33. Company officials and individual managers can be held personally liable for discrimination under the Civil Rights Act, the ADA, or the ADEA.  FALSE
34. Employers are required to post notices to all employees advising them of their rights under the laws EEOC enforces and their right to be free from retaliation.  TRUE

35. Claims of disparate treatment focus on the effect of employment practices, rather than on the motive or intent underlying them.

#### **FALSE**

36. Claims of disparate impact focus on the effect of employment practices, rather than on the motive or intent underlying them.

## **TRUE**

37. Applicant flow statistics look at differences in selection rates (proportion of applicants hired) among different groups for a particular job.

#### **TRUE**

38. The EEOC's preferred method of settlement for employment discrimination claims is a lawsuit.

# **FALSE**

39. In disparate treatment cases, the employee attempts to demonstrate that the defendant's stated reasons for a practice are a pretext, or smoke screen, for the discriminatory intent of practice.

### **TRUE**

40. The consent decree usually contains only an agreement to halt certain practices, and seldom extends to providing monetary relief or AA programs.

#### **FALSE**

41. Enforcement mechanisms used by the OFCCP closely mirror those used by the EEOC.

# **FALSE**

# **Multiple Choice Questions**

42. Which of the following is(are) true regarding federal EEO/AA laws?  A. They are very narrow in their coverage of employers.  B. Specific agencies exist which regulate administration and enforcement.  C. They cover only women, minorities, and certain religious groups.  D. None of the above are true.
43. Disparate treatment focuses on  A. allegations and evidence about the effects of discriminatory actions  B. allegations and evidence about intentions to discriminate  C. adverse impact  D. quotas
44. The initial burden of proof in discrimination claims lies  A. with the defendant B. with the court C. equally with the court and the federal agency  D. with the plaintiff
45. When using stock statistics in job selection discrimination cases, the comparison being made is  A. differences in proportions of groups hired  B. percentages of groups concentrated in certain job categories  C. percentages of groups in job categories relative to their availability in the population.  D. percentages of union versus non-unionized employees
46. The key to a successful rebuttal in a disparate treatment case is  A. to prove adverse impact  B. to provide nondiscriminatory reasons for the practice(s) in question  C. to show the presence of a "mixed motive"  D. to prove discrimination

47. In EEOC cases, a consent decree is  A. mandated by law  B. court approved C. limited to non-monetary relief D. limited to affirmative action remedies
48. Enforcement mechanisms used by the OFCCP  A. rarely involve employer site visits  B. are identical to those used by the EEOC  C. are unrelated to specific AA plans  D. may involve conciliation agreements
EEO/AA Laws: Specific Staffing Provisions
True / False Questions
49. Staffing practices that may seem unfair, outrageous, or of dubious value to the employer, but that do not cause adverse impact, are legal.  TRUE
50. If an employer has a selection system in which applicants first take a written test and those who pass it are interviewed, the plaintiff must show adverse impact for the two components combined.  FALSE
51. A prison with mostly male inmates might successfully use the concept of BFOQ to argue that it is a business necessity to hire only male prison guards on the grounds that by doing so it ensures the safety, security, and privacy of inmates.  TRUE

52. Although civil rights legislation does not explicitly mention the use of tests in staffing, most courts have found that the use of such tests is permissible.

53. Employers can adjust the scores of employment-related tests on the basis of race, color, religion, sex, or national origin.

#### **FALSE**

54. The Civil Rights Act of 1964 explicitly permits the use of seniority and merit systems as a basis for applying different terms and conditions to employees.

#### **TRUE**

55. The Age Discrimination Act of 1967 prohibits all discrimination on the basis of age.

# **FALSE**

56. It is permissible to use terms or phrases that express a preference for older workers, such as "over age 60," "retirees," or "supplement your pension" in employment advertising.

# **TRUE**

57. Recovering former drug users and recovering alcoholics are covered by the Americans with Disabilities Act.

## **TRUE**

58. A broken arm or leg would be considered a covered, short-disability for ADA coverage purposes.

# **FALSE**

59. The Americans with Disabilities Act does not cover individuals with psychiatric disorders, such as depression or schizophrenia.

60. Examples of reasonable accommodations under the Americans with Disabilities Act include work schedule changes, modifications to company policy, adjusting supervisory methods, and medication monitoring.

# **TRUE**

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61. The essence of a BFOQ is that  A. it is always illegal  B. it reduces discrimination  C. it justifies discrimination based on reasonable necessity of the job  D. it prohibits selection through use of a protected characteristic (e.g., gender)
62. Regarding the use of tests in staffing, it can be said that  A. they are permitted by law B. they are illegal C. they should be adjusted by protected characteristics to be fair D. they should be "race normed" for fairness
63. The legal status of seniority and merit systems is that  A. seniority systems are legal  B. merit systems are legal.  C. both are legal  D. both are illegal
64. The Age Discrimination In Employment Act (1967) prohibits discrimination against individuals who are years or older.  A. 40 B. 50 C. 18 D. 65

<ul> <li>65. Where the Americans with Disabilities Act is concerned,</li> <li>A. the law only applies to disabled individuals who are otherwise qualified</li> <li>B. the law requires the hiring of all disabled applicants</li> <li>C. the law prohibits consideration of disability status from any hiring decision</li> </ul>
D. the law provides advantages to disabled people
66. Where reasonable accommodations for disabled individuals are concerned, it can be said that .
A. accommodation is always required for an otherwise qualified individual  B. specific examples of accommodations are rarely indicated in laws and regulations  C. the issue of "undue hardship" to the employer is not addressed by the law  D. the need to accommodate often hinges on whether or not a given job function is necessary or essential
67. Which of the following is not prohibited by the ADA?  A. Medical exams of job applicants  B. Asking a job applicant is he/she is disabled  C. Asking a job applicant to undergo a medical exam after a job offer has been made  D. Refusing to interview a person who is disabled
D. Refusing to interview a person who is disabled
68. Executive Order 11246 covers  A. local government employers  B. private employers with under 15 employees  C. federal contractors with contracts in excess of \$10,000  D. private employers with 20 or more employees
Other Staffing Laws
True / False Questions
69. Substantive assessment methods are used to reduce the applicant pool to candidates. <b>FALSE</b>

70. It is unlawful to recruit an unauthorized alien for employment in the United States. **TRUE** 

71. The Immigration Reform and Control Act prohibits employment discrimination on the basis of national origin or citizenship status.

## **TRUE**

72. Nearly everyone who wishes to work in the United States is eligible for an H-1B visa. **FALSE** 

73. Those who get an H-1B are typically employed in professional occupations such as architect, engineer, computer programmer, accountant, doctor, and professor.

# TRUE

74. Most private employers cannot legally require applicants or employees to take a polygraph test, except in special circumstances.

# TRUE

75. Polygraphs cannot be used to investigate theft, embezzlement, or sabotage that causes economic loss to the employer.

#### **FALSE**

76. Employers are allowed to take actions like terminating or demoting members of the uniformed services if they have to serve for an extended period of time overseas.

77. Some state laws prohibit discrimination on the basis of sexual orientation and gender identity or expression.

#### **TRUE**

78. Both private and public employers have a legal mandate to test applicants only for KSAOs that are directly job related.

#### **FALSE**

79. Applicants for jobs covered by civil service laws and regulations often have rights to appeal hiring decisions, testing processes, or test contents and methods.

# **TRUE**

## **Multiple Choice Questions**

80. Noncompliance with the Immigration Reform and Control Act (1986) could result in

- **A.** imprisonment for up to six months
- B. fines equal to \$50,000 for each unauthorized alien employed
- C. summary closing of a business
- D. imprisonment of the alien for up to five years
- 81. Which of the following is true regarding EEO laws?
- A. State (but not local) government employees are immune from lawsuits by employees who allege violation of ADA or ADEA.
- B. States must pursue age and disability discrimination claims under applicable state laws.
- C. A foreign company which is owned or controlled by an American employer and is doing business overseas generally also must comply with Title VII, the ADA, and the ADEA.
- **D.** All of the above

- 82. Which of the following is true regarding H-1B visas?
- A. Employers may apply for permanent H-1B visas for foreign workers.
- B. There is a cap of 50,000 workers per year who can obtain such visas.
- C. H-1B visa holders may not change jobs as soon as their employer files an approval petition and they are restricted to their current geographic area.
- **D.** None of the above