BRING THIS TO YOUR NEXT PAYROLL DEMO

# 16 Questions to Ask Before You Sign

A practical cheat sheet for evaluating a cannabis payroll & HR provider.

Don't just ask what the software does. Ask what happens when your business changes, payroll gets complicated, or you need help fast. Write down the answer, then compare providers using the same questions.

## CANNABIS COMMITMENT

**01** **Do you explicitly support my type of cannabis business, and is that policy documented?**

NOTES

**02** **Would you describe your company as cannabis-friendly or cannabis-committed, and what does that look like in practice?**

NOTES

**03** **How long have you actively served cannabis employers?**

NOTES

**04** **Could a change in your banking, underwriting or cannabis policy interrupt my payroll service?**

NOTES

**CANNABIS-FRIENDLY VS. CANNABIS-COMMITTED**

Not sure what the distinction means? Read Paragon's explanation of the difference and use it as a framework for your own questions.

**Read the Cannabis Commitment article**

## COST & CONTRACT

**05** **What will my realistic first-year total cost be, including implementation, add-ons and year-end fees?**

NOTES

**06** **Do you charge a cannabis-specific surcharge or compliance fee?**

NOTES

**07** **What is included in the quoted price, and what costs extra?**

NOTES

## ADDITIONAL NOTES FROM THE DEMO

Capture anything you want to compare, confirm or revisit after the conversation.

**FOLLOW-UP QUESTION**

**WHO NEEDS TO CONFIRM THIS?**

**WHAT SHOULD I GET IN WRITING?**

### DEMO TIP

Write down names, dates and promised follow-ups while they are fresh.

KEEP ASKING

# The details matter after the demo.

Use the space under each question to capture the answer, the person who confirmed it, and anything you want in writing.

## SUPPORT & IMPLEMENTATION

**08** **Who owns my implementation, data conversion and first payroll?**

NOTES

**09** **When payroll is urgent, can I reach a person who can actually resolve the issue?**

NOTES

**10** **If my internal payroll or HR person leaves, what help is available?**

NOTES

## TECHNOLOGY & GROWTH

**11** **Can payroll, HR, onboarding, timekeeping and scheduling work together?**

NOTES

**12** **Which of my current systems can connect, and how does data move between them?**

NOTES

**13** **Can the platform support additional locations, entities and states as we grow?**

NOTES

## WHEN THINGS GET COMPLICATED

**14** **If I switch mid-year, how are prior wages and taxes handled?**

NOTES

**15** **Who handles payroll tax notices, corrections and amended filings?**

NOTES

**16** **What happens if I need an off-cycle payroll or discover an error after payroll runs?**

NOTES

**IF A PROVIDER CAN'T ANSWER THESE CLEARLY, THAT'S**

You do not need the same answer from every provider. You do need to understand the tradeoffs before payroll depends

## MY TAKEAWAYS

Use this before you move a provider to the next step.

**TOP 3 STRENGTHS**

**TOP 3 CONCERNS OR QUESTIONS**

**STILL NEEDS VERIFICATION**

**NEXT STEP** ☐ Follow up ☐ Request proposal ☐ Verify details ☐ Compare another provider

KEEP THIS PAGE HANDY

# Payroll & HR Document Glossary

A plain-English guide to common payroll, tax and employee documents you may hear about during implementation, onboarding and year-end.

| | |
|---|---|
| Form W-4<br>Employee's Withholding Certificate | An employee completes this federal form so the employer can calculate federal income tax withholding. |
| Form I-9<br>Employment Eligibility Verification | Used to verify an employee's identity and authorization to work in the United States. Employers must complete and retain it as required. |
| Form W-2<br>Wage and Tax Statement | The year-end statement showing an employee's taxable wages and taxes withheld. Employees use it when filing individual tax returns. |
| Form W-3<br>Transmittal of Wage and Tax Statements | The employer summary that accompanies W-2 information submitted to the Social Security Administration. |
| Form 941<br>Employer's Quarterly Federal Tax Return | A quarterly federal payroll tax return reporting wages, federal income tax withholding, Social Security tax and Medicare tax. |
| Form 940<br>Employer's Annual Federal Unemployment Tax Return | The annual federal return used to report Federal Unemployment Tax Act (FUTA) tax. |
| Form 1099-NEC<br>Nonemployee Compensation | A tax form generally used to report qualifying payments to independent contractors rather than employees. |
| New Hire Report<br>State New Hire Reporting | Information employers submit to the appropriate state agency after hiring or rehiring an employee. Timing and requirements vary by state. |
| State Withholding Form<br>State Income Tax Withholding | A state-specific form used in jurisdictions with employee income tax withholding. The exact form and rules depend on the state. |
| Direct Deposit Authorization<br>Employee Payment Authorization | Documents an employee's authorization and banking instructions for electronic wage deposits. |
| Pay Stub / Earnings Statement<br>Payroll Detail | Shows gross pay, taxes, deductions and net pay for a pay period. Required information and delivery rules vary by jurisdiction. |
| Payroll Register<br>Payroll Summary Report | An employer-facing report listing payroll details for a pay period, commonly including employees, earnings, taxes, deductions and net pay. |
| General Ledger (GL) Report<br>Accounting Entry Detail | Summarizes payroll-related amounts so payroll expenses and liabilities can be recorded in the accounting system. |
| PTO / Leave Policy<br>Paid Time Off Rules | The employer's written rules for earning, requesting, using and, where applicable, carrying over or paying out leave. |
| Employee Handbook<br>Workplace Policies | A collection of company policies and expectations. It may cover attendance, conduct, leave, benefits, safety and other employment practices. |
| Offer Letter<br>Employment Offer | A written summary of key employment terms such as role, compensation, start date and contingencies. It is not automatically the same as an employment contract. |
| Benefits Enrollment Forms<br>Benefit Elections | Documents or electronic elections employees use to enroll in, waive or change eligible benefit coverage. |
| Workers' Compensation Policy<br>Work Injury Coverage | Insurance documentation for job-related injuries and illnesses. Coverage requirements and classifications vary by state and business. |
| Payroll Tax Notice<br>Agency Correspondence | A letter or notice from a federal, state or local tax agency about an account, filing, payment, balance, discrepancy or required action. |
| Amended Payroll Tax Return<br>Correction Filing | A filing used when previously reported payroll tax information needs to be corrected. The exact form depends on the tax and jurisdiction. |

This glossary is educational and not legal or tax advice. Document names, filing schedules, retention rules and requirements can vary by employer and jurisdiction. Confirm requirements with the appropriate agency or qualified advisor.

**BEFORE YOU LEAVE THE DEMO**

# Get these answers in writing.

A good demo can feel clear in the moment. Your notes should still make sense when you're comparing options a week later.

| | | |
|---|---|---|
| 01 | **TOTAL COST**<br>Base fees, PEPM or per-run pricing, implementation, add-ons, year-end fees and cannabis-specific charges. | ☐ CONFIRMED |
| 02 | **WHAT'S INCLUDED**<br>Software, implementation, tax filing, support, training, integrations and any managed services. | ☐ CONFIRMED |
| 03 | **IMPLEMENTATION PLAN**<br>Who owns each step, what data is needed, expected timing and who approves the first live payroll. | ☐ CONFIRMED |
| 04 | **SUPPORT PATH**<br>Who you contact, available support channels, escalation process and what happens when payroll is urgent. | ☐ CONFIRMED |
| 05 | **CANNABIS ELIGIBILITY**<br>Confirmation that your specific business type, license and operating model are supported. | ☐ CONFIRMED |

| LEARNING CENTER | PRICING | PRICING ESTIMATOR | LET'S TALK |
|---|---|---|---|
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Published by Paragon Payroll. Designed to help cannabis businesses evaluate any payroll provider, including Paragon. Confirm current product availability, pricing, eligibility and policies directly with each provider.