



Take your business to the **next level**

MYOB EXO Employer Services Payroll

– Registration, Security & Maintenance



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This training manual has been developed by the MYOB Enterprise Division - Professional Services Team for use in the delivery of training.

This manual uses a simple step-by-step approach to give you the skills and knowledge necessary to register, set up users and maintain pay items in EXO Payroll.

This manual has been designed for the following MYOB product:

- EXO Payroll

EXOPRSM

**Registration, Security and
Maintenance**

EXO Payroll

Course duration: 1.0 hrs

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Participants

This course is aimed at:

- Users of EXO Payroll.

Prerequisites

Basic PC experience is required.

Understanding of payroll processes and procedures.

Instructional method


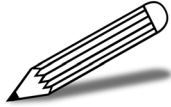



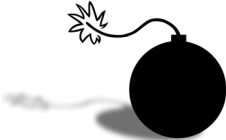




The instructional method uses examples of system configuration. The instructional method makes use of trainer-led exercises. Each unit concludes with a Review Task.

Conventions used in this manual

- Objects such as buttons or icons that you must click or select are shown in **bold**.
- Information to be entered (typed in) or selected is shown in ***bold and italics***.
- Keyboard keys are shown as **TAB**, **CTRL**, etc.

Screenshots in this manual are for illustration purposes only and may differ from those in the actual product due to configuration settings.

Symbols used in this manuals

Symbol	Name	This symbol tells you...
	Practice task Review task	... to complete a task to practice the skills you have just learnt, or as a review task at the end of the unit to consolidate what you have learnt.
	Written Review task	... to complete written questions to review the content covered in the unit.
	Optional Challenge	... to complete this task if you have finished early and are looking for an extra challenge.
	Tip	... about helpful tips
	Note	... to take note of an important message.
	Warning	... about potential problems to be aware of.
	Important	... to pay attention to an important notice.
	New	... where features are new for EXO Payroll.
	Reference	... where to go to find more information.
	Skills Checklist	... to tick off a list of skills that you have learnt during the unit.

Objectives

Upon completion of this course you will be able to:

- Register EXO Payroll
- Set up User Security
- Define Hourly Rate Descriptions
- Set up cost Centres
- Set up Allowances
- Set up Deductions
- Set up Superannuation Funds and Contributions
- Set up backups
- Make a system backup and restore from backups

Before you begin:

This training manual has been designed for use with the Demonstration Company and assumes that you do not have any other MYOB Employer Services products, e.g EXO Time and Attendance.

- 1 From the Login screen, double-click on the Demonstration Company.
- 2 From the **Utilities** menu, click on **Setup Exo Payroll**.
- 3 From the list of setup areas, click on **Other Setup**.
- 4 Click on the **Wages** section.
- 5 Ensure that the options **“Do not copy wages for Time and Attendance employees”** and **“Do not copy wages for Rapid employees”** are not selected.
- 6 Click on the **Save** button or press **F10**.

Function Keys

F1	Help
F2	Maintenance Menu
F3	Change Sort
F4	Add
F5	Edit
F6	Delete
F7	Previous
F8	Next
F9	Find/Print
F10	Save
F11	About Screen
F12	Employee Notes
Page Up/Page Down	Switch between pages
Alpha/Numeric Keystrok	Activates incremental search of picklists
Spacebar	Opens dropdown lists
Home	Skips to start of field
End	Skips to end of field
Tab	Skips to next field
Shift+Tab	Skips to previous field
Ctrl+H	Activates the hide screen, which can only be unlocked using the password you logged in with.
Ctrl+D	Activates the Diary. This is a form of daily planner, providing you with a place to enter comments on any given day for payroll company-related tasks, appointments and reminders.
Ctrl+L	Activates the Calculator.

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Registration

1

In this unit, you will learn how to register your product.

By the end of this unit, you will be able to:

- ▶ Complete your product registration

Overview

Your MYOB product requires an annual registration for ongoing use of the product.

Initial Registration

Shortly after purchasing your product(s), MYOB will send you an e-mail containing your registration files. These files must be used to register the product(s) in your company's name.

To save these files follow the instructions below:

- 1 To find the location where your software is installed, open the product, click on the **Help** menu and select **About**. On the About window you will see **Installed In**. This is the location where the registration files will need to be saved.
- 2 Exit out of your EXO Employer Services product(s) and ensure there are no users logged into the system.
- 3 Save the attached files into the same location as your EXO Employer Services product(s).
- 4 If you are prompted to overwrite any files, select Yes to All.
- 5 Once you have completed these steps, restart your product to confirm and activate these changes.

IMPORTANT



Do not attempt to open these files as this may corrupt the details and render the files invalid.

Annual Registration

The system requires an annual registration. This registration must be completed to continue using the system.

IMPORTANT



An invoice for your Annual License Fee will be issued one month prior to the expiry date. This invoice must be paid in full before any renewal codes will be issued by MYOB.

Submitting the Registration Form

Two weeks before the registration is due, the system will prompt for registration.

- 1 Click on the **Register** button.
- 2 The Registration Screen will be displayed.
- 3 Click on the **Change Details** tab.

Registration - Change Details tab

NOTE



It is important to check that your company contact details are correct before proceeding. We require this information to keep our customer database up to date.

- 4 Make any necessary changes to your contact details.

5 Click on the **Products** tab.

Product	Install Date	Type	Due Date	Registration Status
EXO Payroll	17/11/2003	LIVE	17/11/2011	Registration OK.
EXO Employee Inform	17/11/2003	LIVE	17/11/2011	Registration OK.
EXO Time and Attend	17/11/2003	LIVE	17/11/2011	Registration OK.

EXO Payroll Registration

Product: AUSTPAY
 Install Date: 17/11/2003
 Type: LIVE
 Renewal Year: 2011
 Number of Staff: 20
 Number of Users: 100
 Registration Code: []

Buttons: Register Online, Register, Cancel, Delete: F6
 Icons: Email, Print: F9, Exit: Esc

Registration - Products tab

6 In the grid, highlight the product due for registration.

7 The registration can be completed via fax, e-mail or online:

Fax:

- Click on the **Print** button or Press F9. You will be prompted to preview the registration form before printing. Click on **No**.
- The Registration Form will be printed.
- Fax the Registration Form to: 1800 004 587 (Australia), or 0508 329 729 (New Zealand)

E-mail:

- Click on the **Email** button.
- A new e-mail message will be created using your e-mail application.
- Click on the **Send** button to send the e-mail.

Online:

- Click on the **Register Online** button. Note that an internet connection is required.
- Follow the on-screen instructions.

NOTE



Due to the high volume of registrations due during certain times of the year, it may take up to 72 hours to process your registration.

Updating the registration details (if registering by fax/e-mail)

IMPORTANT



You will receive your renewal codes via return e-mail. Do not attempt to open these files as this may corrupt the details and render the files invalid.

To save these files follow the instructions below:

- 1 To find the location where your software is installed, open the product, click on the **Help** menu and select **About**. On the About window you will see **Installed In**. This is the location where the registration files will need to be saved.
- 2 Exit out of your EXO Employer Services product(s) and ensure there are no users logged into the system.
- 3 Save the attached files into the same location as your EXO Employer Services product(s).
- 4 If you are prompted to overwrite any files, select Yes to All.
- 5 Once you have completed these steps, restart your product to confirm and activate these changes.
- 6 The product is now registered for another 12 months.



Skills checklist

Tick the skills that you have learned in this unit.

Skills	✓
Submitting the Registration Form	
Updating Registration details	

User Security

2

In this unit, you will learn how to set up new Users and set security options.

By the end of this unit, you will be able to:

- ▶ Set up Security Groups
- ▶ Set up a new User
- ▶ Restrict a User's access

Overview

The system has a default Administrator user (User Code **A**) with full access to the system. The default password for the Administrator is **Admin**. Additional Users can be set up with restricted access.

It is recommended that each user that will access the system has their own User Code and Password for the following reasons:

- 1 Their access can be restricted
- 2 Users can set up reminders for themselves
- 3 For auditing purposes.

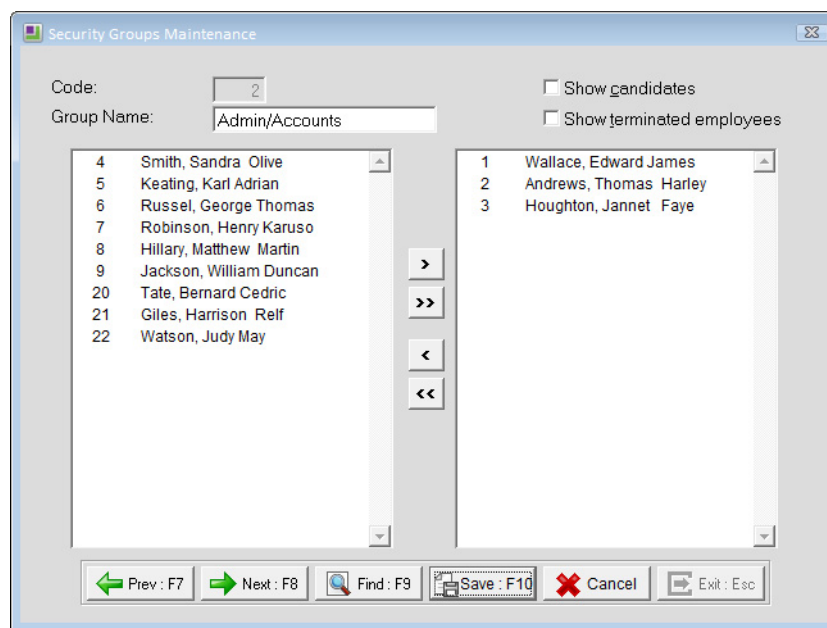
Security Groups

Security Groups are used to group employees together. This allows you to give Users access to only specific groups of employees.

By default, employees will automatically belong to the **All Employees** Security Group.

To add a new Security Group

- 1 From the **Utilities** menu, click on **Security Groups**



Security Group Maintenance

- 2 Click on the **Add** button or press **F10**.
- 3 In the **Group Name** field, enter a **name** for this security group.
- 4 To include Candidates in the list, select the **Show candidates** option.
- 5 To include Terminated employees in the list, select the **Show terminated employees** option.
- 6 From the left-hand list, select the employees that belong to this group and move them to the right-hand list, using the **>**, **>>**, **<** or **<<** buttons.
- 7 Click on the **Save** button or press **F10**.

To edit a Security Group

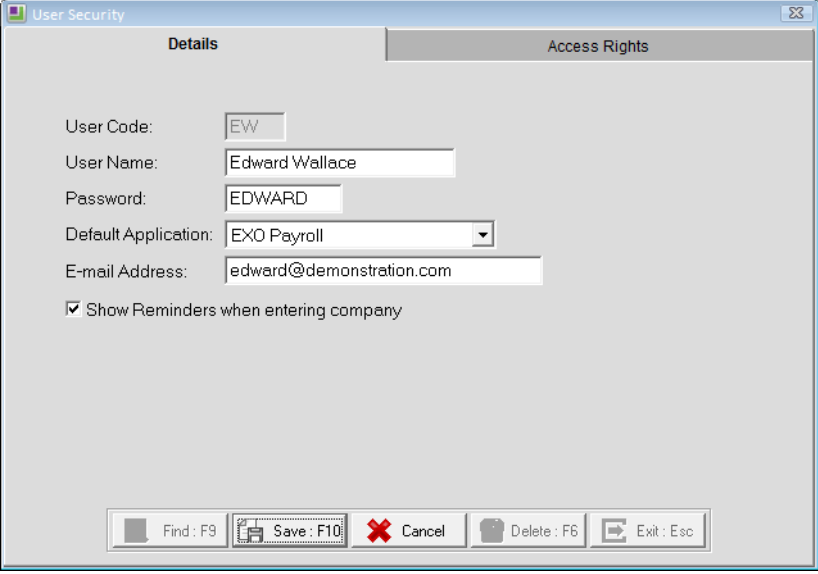
- 1 From the **Utilities** menu, click on **Security Group**.

- 2 A list of your Security Groups appears. Select the group you want to edit and click on the **Select** button.
- 3 Make the required changes to the group.
- 4 Click on the **Save** button or press **F10**.

User Security

To set up a new User

- 1 From the **Utilities** menu, click on **User Security**.

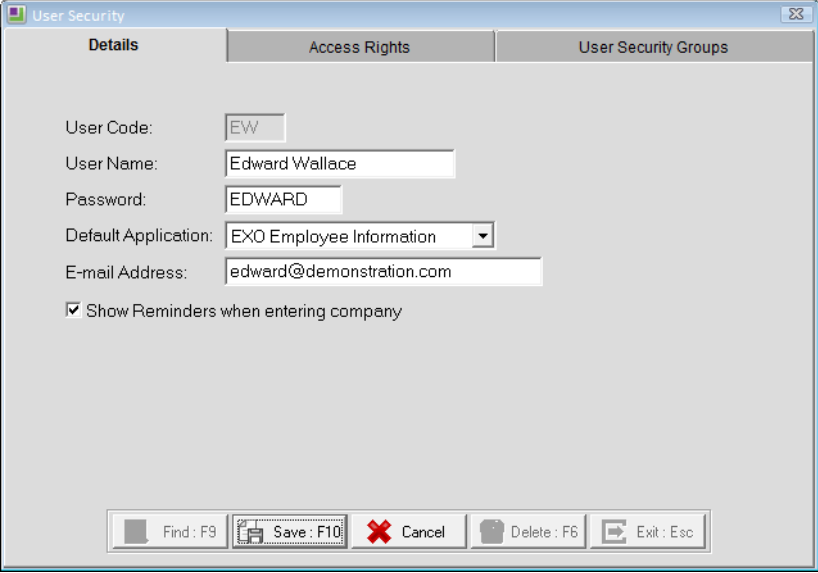


The screenshot shows the 'User Security' window with the 'Details' tab selected. The form contains the following fields and values:

- User Code: EW
- User Name: Edward Wallace
- Password: EDWARD
- Default Application: EXO Payroll
- E-mail Address: edward@demonstration.com
- Show Reminders when entering company

The bottom toolbar contains the following buttons: Find : F9, Save : F10, Cancel, Delete : F6, and Exit : Esc.

User Security - Details tab



The screenshot shows the 'User Security' window with the 'Details' tab selected. The form contains the following fields and values:

- User Code: EW
- User Name: Edward Wallace
- Password: EDWARD
- Default Application: EXO Employee Information
- E-mail Address: edward@demonstration.com
- Show Reminders when entering company

The bottom toolbar contains the following buttons: Find : F9, Save : F10, Cancel, Delete : F6, and Exit : Esc.

User Security - Details tab

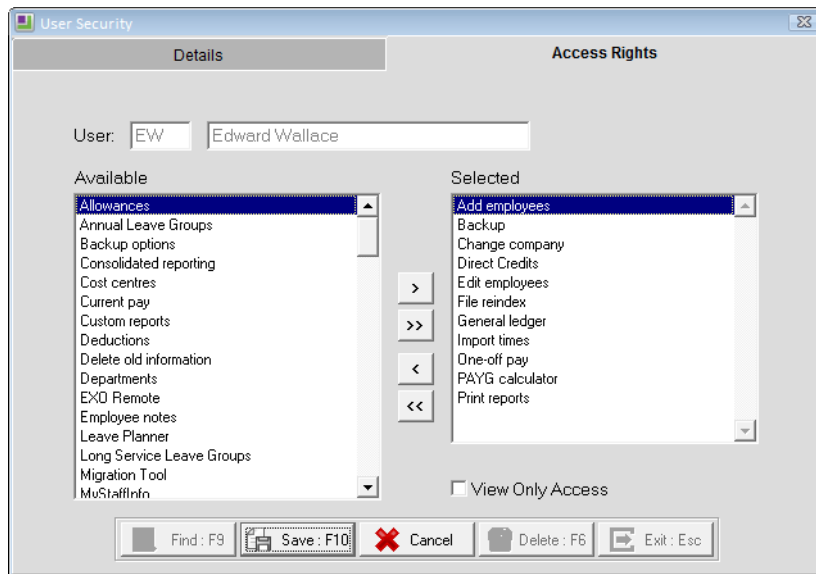
- 2 In the **User Code** field, a login code for this user and press **TAB**.

3 Enter the following information:

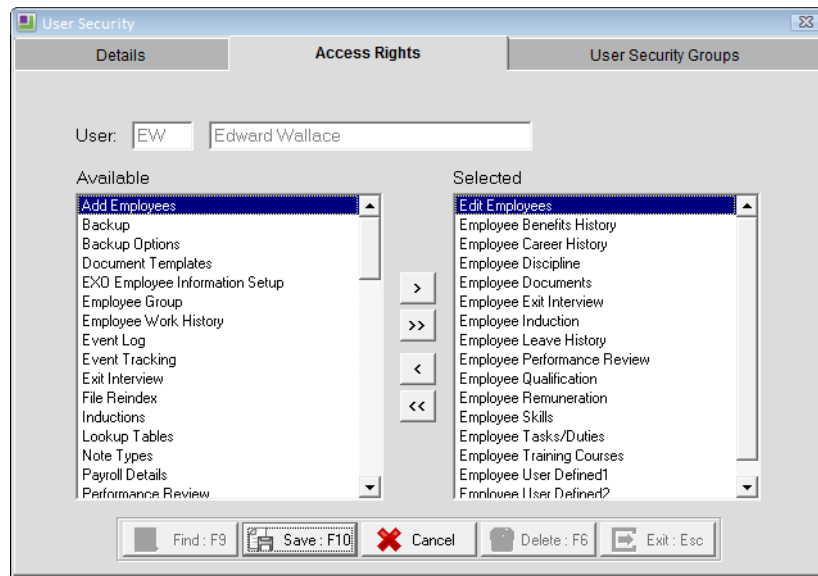
Field	Description
User Name	Enter this user's name.
Password	Enter a password for this user. If the password is left blank, it will default to myobabc . Note: Passwords default to capitals and are limited to a maximum of 8 characters. Numbers should not be included in the password.
Default Application	From the dropdown list, select the default product for this user.
E-mail Address	Enter an e-mail address for this user

4 Ensure that the option **Show Reminders when entering company** is selected. This option will cause a screen to be displayed when you log into the company, listing all your reminders due.

5 Click on the **Access Rights** tab.



User Security - Access Rights tab



User Security - Access Rights tab

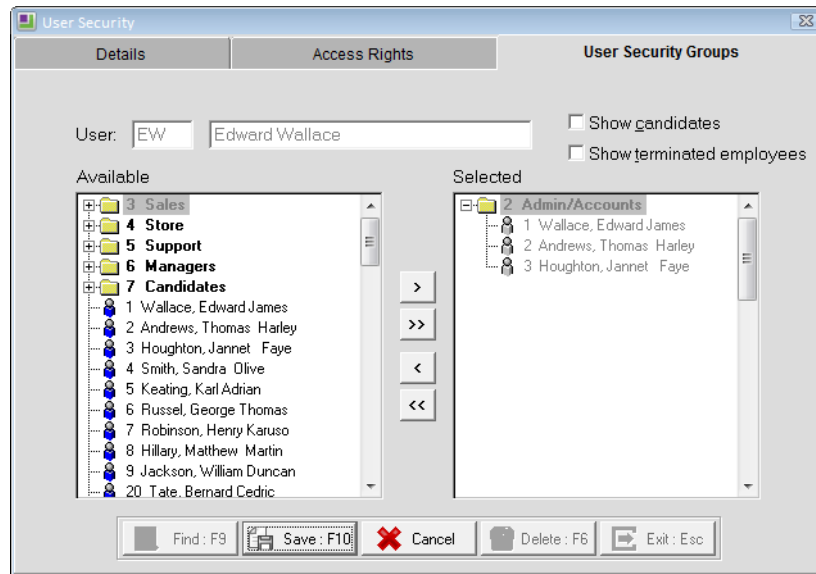
- 6 From the **Available** list, select the areas the user should be able to access and move them to the **Selected** list. From the **Selected** list, select the areas the user should not access and move them to the **Available** area.

TIP



If you select the option **View Only Access**, the user will be able to access the areas listed in the **Selected** list, but only view information. They will be unable to make any changes to these areas.

7 Click on the **User Security Groups** tab.



User Security - User Security Groups tab

8 From the **Available** list, select the Security Groups the user should have access to and move them to the **Selected** list. In addition to Security Groups, select the individual employees the user can access as well.

NOTE



By default, new users will automatically have access to the All Employees Security Group. You need to remove it from the **Selected** list if the user should not have access to all the employees.

9 Click on the **Save** button or press **F10**. The user is now added to the system.

IMPORTANT



It is not recommended that you delete Users that no longer access the system. For audit purposes, the system records changes made by users. If you delete the User from the system, the link to the user is broken.

To edit a User's access

- 1 From the **Utilities** menu, click on **User Security**.
- 2 In the **User Code** field, enter the User Code of the User whose access you want to change. Alternatively you can click on the **Find** button or press **F9** to get a list of Users set up in the system.
- 3 Click on the **Access Rights** tab.

- 4 Make the necessary changes to this user's access rights.
- 5 Click on the **User Security Groups** tab.
- 6 From the **Available** list, select the Security Groups the user should have access to and move them to the **Selected** list. In addition to Security Groups, select the individual employees the user can access as well.
- 7 Click on the **Save** button or press **F10**.

IMPORTANT



It is recommended that **Backup Options, Restore** and **User Security** are restricted to the Admin user only, preventing users from changing where backups are stored, overwriting information when performing an unauthorised restore or changing their own access rights.



Skills checklist

Tick the skills that you have learned in this unit.

Skills	<input checked="" type="checkbox"/>
Add a Security Group	<input type="checkbox"/>
Add a new User	<input type="checkbox"/>
Edit an existing User	<input type="checkbox"/>

Hourly Rate Descriptions

3

In this unit you will learn how to change the default descriptions for Hourly Rates.

By the end of this unit, you will be able to:

- ▶ Change the default description for Hourly Rates

Overview

Depending on your setup of EXO Payroll, you will be able to enter either one Hourly Rate per employee, or up to nine Hourly Rates per employee.

If your employees have multiple Hourly Rates, some rates may be related to specific tasks or be used under certain circumstances. To help you identify when to use each of these rates, you can change the default name for each of the Hourly Rates.

Hourly Rate Descriptions

To change the Hourly Rate Description

- 1 From the **Utilities** menu select **Setup Exo Payroll**.
- 2 Click on the **Payment Setup** button and select the area **Hourly rate**.

The screenshot shows the 'Setup Payroll' window. On the left, a tree view shows the following menu items: Company setup, Employee defaults setup, General ledger setup, Leave management setup, Other setup, Payment setup, Cost centre structure, Pay rate multipliers, Pay Item Liabilities, Payment structure, and Hourly rate. The 'Hourly rate' item is selected. The main area is titled 'Hourly rate description' and contains a checked checkbox for 'Multiple wage hourly rates'. Below this are nine input fields, each labeled 'Rate 1' through 'Rate 9', with the text 'Rate X' entered in each. At the bottom of the window, there are two buttons: 'Save : F10' and 'Exit : Esc'. At the very bottom left, there are radio buttons for 'List view' (selected) and 'Tree view'.

Hourly Rate Descriptions

- 3 Overwrite the default description for each of your Hourly Rates.
- 4 Click on **Save** or press **F10**.
- 5 These new descriptions will now be used in any screen that refers to these Hourly Rates.



Skills checklist

Tick the skills that you have learned in this unit.

Skills	✓
Change default Hourly Rate descriptions	

Setting up Cost Centres

4

In this unit, you will learn how to set up Cost Centres.

By the end of this unit, you will be able to:

- ▶ Define Cost Centre Structure
- ▶ Define Cost Centre Structure Name
- ▶ Set up Cost Centres

Overview

Cost Centres have three functions in EXO Payroll:

- Costing of payroll costs/expenditure
- Calculation of Payroll Tax
- Link to GL Account Codes

Costing of payroll costs/expenditure

Cost Centres can be used to track payroll costs across multiple areas.

Payroll Tax

Each Cost Centre is associated with a specific State. When the system calculates payroll tax for each state, it uses the associated Cost Centres for each state to determine state and interstate wages for each state.

Link to GL Account Codes

Cost Centres are also the link between the payroll and the General Ledger.

Setting up Cost Centres in EXO Payroll consists of three steps:

- 1 Define your Cost Centre Structure
- 2 Define your Cost Centre Structure names
- 3 Create your Cost Centres based on your structure

Cost Centre Structure

The first step in creating Cost Centres is defining the Cost Centre Structure. This structure will determine the reporting available in the system as well as the link to your general ledger.

To define a cost centre structure

- 1 From the **Utilities** menu, select **Setup Exo Payroll**.
- 2 From the list, select the section **Payment Setup**.
- 3 Select the area **Cost Centre Structure**.

	Name	Length
Analysis code 1:	State	1
Analysis code 2:	Department	1
Analysis code 3:	Expense	2
Analysis code 4:		

Mixed proportional costing

Save : F10 Exit : Esc

List view Tree view

Cost Centre Structure

Cost Centres can be split into a maximum of four analysis levels.

Example:

- States, e.g. NSW, VIC, etc.
- Each State is broken down into Departments, e.g. Sales, Marketing, etc.
- Each Department brown down into Expense Type, e.g. Wages, Superannuation, etc.

Each level is assigned a length, determining how many digits of the complete cost centre code represents each specific level. The maximum total Cost Centre Code length cannot exceed 12 digits.

Length	Number range
1	1 - 9
2	1 - 99
3	1 - 999
4	1 - 9,999
5	1 - 99,999
6	1 - 999,999
7	1 - 9,999,999
8	1 - 99,999,999
9	1 - 999,999,999
10	1 - 9,999,999,999
11	1 - 99,999,999,999
12	1 - 999,999,999,999

Example:

- Level 1 (State) has a length of 1.
- Level 2 (Department) has a length of 1.
- Level 3 (Expense Type) has a length of 1.

The total Cost Centre Code will be a length of 3 digits. The first digit would represent the State. The second would represent the Department and the third digit would represent the Expense Type.

- 4 In each of the analysis levels you wish to use, enter a **description** for that analysis level.
- 5 Enter a **length** for each analysis level.

IMPORTANT



In order to correctly cost and journal pay items to the appropriate general ledger account code, the option **Mixed Proportional Costing** *must* be selected at all times.

- 6 Click on the **Save** button or press **F10**.

Set up Cost Centre Structure Names

Before you can create any Cost Centres, you must define the structure names to be used for cost centres.

To enter cost centre structure names

- 1 From the **Maintenance** menu, select **Costing**, followed by **Cost Centre Structure Names**.

Cost Centre Structure Names

For each analysis level, you must specify the names/descriptions available for that analysis level.

- 2 From the **Analysis Type** dropdown list, select the **Analysis Level** that you want to create.
- 3 In the **Code** field, enter the **Code** for that analysis item.

NOTE



The analysis codes must match the length defined in the **Cost Centre Structure** setup in the **Setup Exo Payroll** area.

- 4 In the **Name** field, enter the name/description for this analysis code.
- 5 Click on **Save** or press **F10**.
- 6 Repeat Step 1 through 6 for all the analysis codes for each of your analysis levels.
- 7 Click on **Exit** or press **ESC**.

Setting up Cost Centres

To add a new Cost Centre

- 1 From the **Maintenance** menu, select **Costing**, followed by **Cost Centres**.

Cost Centres

- 2 In the **Cost Center Code** field, enter the *complete* Cost Centre code. Press **TAB**.
- 3 The system will automatically generate the **Cost Centre Name** based on the Cost Centre Structure Names you have defined.
- 4 From the **State** dropdown list, select the **State** associated with this cost centre for Payroll Tax purposes.
- 5 In the **General Ledger Code** field, enter the **General Ledger Code** all transactions costed to this Cost Centre should be journalled to.

NOTE



If the General Ledger Code you want to use does not appear in the list, you can simply type it in and press **TAB**. The system will prompt you to add it to the database. Click on **Yes**.

- 6 By default, the system can calculate your WorkCover levies on employees' earnings liable for WorkCover. You have the option to calculate your WorkCover levy based on the Cost Centres to which the employees' pay is allocated. By entering the rate at which the levy should be calculated in the **WorkCover Levy Rate** field, the system will calculate the levy at the specified percentage of the value costed to this cost centre.
- 7 Click on the **Save** button or press **F10**.

To edit an existing Cost Centre

- 1 In the **Cost Centre Code** field, enter a number of the cost centre you want to edit and press **TAB**. Alternatively, you can click on the **Find** button or press **F9** to get a list of Cost Centres you have set up.
- 2 Make the required changes.
- 3 Click on the **Save** button or press **F10**.

NOTE



Once a Cost Centre has been used, it cannot be deleted.



Skills checklist

Tick the skills that you have learned in this unit.

Skills	✓
Set up Cost Centre Structure Names	
Set up a new Cost Centre	
Edit an existing Cost Centre	

Allowances

5

In this unit you will learn how to set up new Allowances.

By the end of this unit, you will be able to:

- ▶ Add Allowances
- ▶ Edit existing Allowances

Overview

Payments made to an employee that are not classified as wages, salary, or leave payments, are referred to as Allowances.

For tax purposes, Allowances fall into one of three categories:

- 1 Compensation for conditions of employment, e.g. site allowance, dirt allowance
- 2 Payments for special qualifications, additional responsibilities or extended hours of work, e.g. shift allowance, first aid allowance
- 3 Payments for expected expenses the employee incurred in carrying out their duties, e.g. tool allowance, cleaning allowance, most car allowances

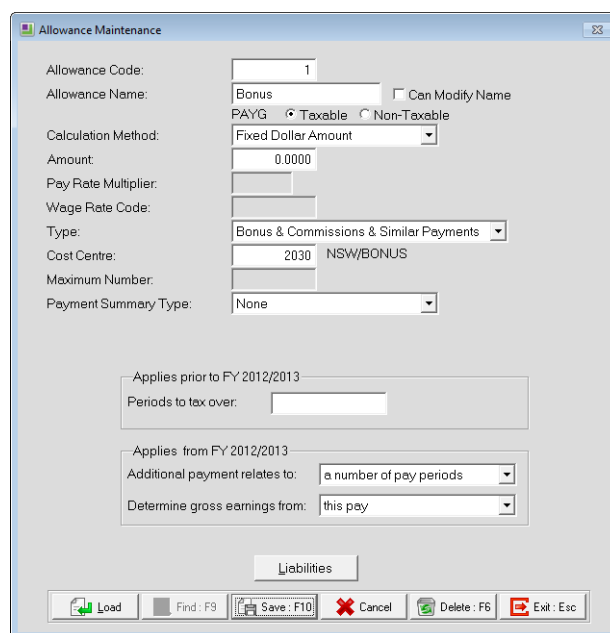
In this unit we will look:

- How to set up a new Allowance
- How to edit an existing Allowance

Adding new Allowances

To add a new Allowance

- 1 From the **Maintenance** menu, click on **Allowances**.



Allowance Maintenance

- 2 In the **Allowance Code** field, enter a number that you want to use to identify this Allowance. Press **TAB**.
- 3 Enter the following information:

Field	Description
Allowance Name	Enter a name for the Allowance
Can Modify Name	If you select this option, you will be able to rename the Allowance when you use it.
PAYG	Specify whether the Allowance is Taxable or Non-Taxable .
Calculation Method	From the dropdown list, select the calculation method the system should use to calculate the Allowance.

Amount	Enter the value of the Allowance. Note: If the amount varies, leave this field as zero. If you enter an amount, you can't change it when using it in a pay.
Rate	Enter the rate at which the Allowance is calculated. Note: If the rate varies, leave this field as zero. If you enter a rate, you can't change it when using it in a pay.
Percentage	Enter the percentage at which the Allowance is calculated. Note: If the percentage varies, leave this field as zero. If you enter a rate, you can't change it when using it in a pay.
Pay Rate Multiplier	Select the Pay Rate at which the Allowance is paid.
Wage Rate Code	Select the Hourly Rate Code at which this Allowance is paid.

4 From the **Type** dropdown list, select what type of Allowance this is:

Type	Description
Reimbursement	Select this option for non-taxable reimbursements when paying the employee for expenses they incurred on behalf of the company.
Withholding Payment	Select this option if using the Allowance to pay the GST component to Contractors. Enter the Tax Rate in the Withholding Tax Rate field.
Back Pay & Lump sum Arrears	Select this option if using the Allowance to pay retrospective payments to an employee. From the Additional payments relates to dropdown list, specify whether the payment relates to a number of pay periods or a single pay period . When selecting the option a number of pay periods , the system will apportion the payment over the number of pay periods in the year. From the Determine gross earnings from dropdown list, specify whether the gross earnings (used to calculate the PAYG Withholding) are derived from this pay (the pay in which the payment is processed) or average gross taxable YTD . Note: To ensure superannuation is calculated correctly on these payments, set up two Allowances. The first, having Superannuation <i>selected</i> in the Liabilities, will be used to enter the portion of the payment liable for superannuation. The second, having Superannuation <i>unselected</i> in the Liabilities, will be used to enter the portion of the payment not liable for superannuation.

<p>Bonus & Commission & Similar Payments</p>	<p>Select this option if using the Allowance to bonuses and commissions in recognition of service/performance. Also select this option for payments of a one-off nature unrelated to work performed in a particular period, e.g. compensation of relocation costs, a sign-on bonus when entering in a workplace agreement.</p> <p>From the Additional payments relates to dropdown list, specify whether the payment relates to a number of pay periods or a single pay period.</p> <p>From the Determine gross earnings from dropdown list, specify whether the gross earnings (used to calculate the PAYG Withholding) are derived from this pay (the pay in which the payment is processed) or average gross taxable YTD.</p>
<p>Other Additional Payments</p>	<p>Select this option if using this Allowance to pay one-off payments that are unlikely to occur again.</p> <p>From the Additional payments relates to dropdown list, specify whether the payment relates to a number of pay periods or a single pay period. When selecting the option a number of pay periods, the system will apportion the payment over the number of pay periods in the year.</p> <p>From the Determine gross earnings from dropdown list, specify whether the gross earnings (used to calculate the PAYG Withholding) are derived from this pay (the pay in which the payment is processed) or average gross taxable YTD.</p>
<p>Paid Parental Leave</p>	<p>Select this option if using this Allowance to pay Paid Parental Leave to an employee. Refer to the white paper <i>Paid Parental Leave</i> for more information about processing Paid Parental Leave.</p>
<p>Normal</p>	<p>Select this option for all other types of Allowances.</p>

- 5 If you want to cost this Allowance to a specific Cost Centre, enter the code in the **Cost Centre** field.

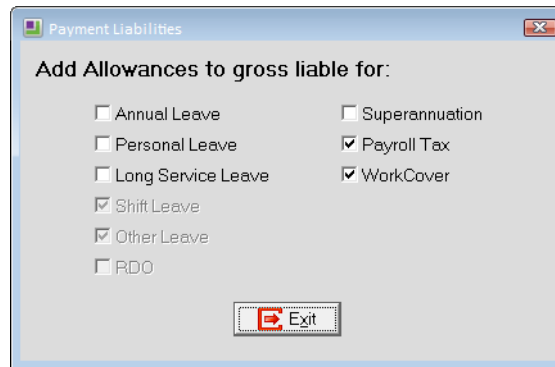
NOTE



At this stage in the setup, if you have not set up any Cost Centres, you will need to return to this area to enter the appropriate Cost Centre.

- 6 In the **Maximum Number** field, enter the maximum units of this Allowance the employee can be paid in each pay.
- 7 From the **Payment Summary Allowance Type** dropdown list, select the classification of this allowance for the PAYG Payment Summary.
- 8 If the **Calculation Method** is set to **Rated Units** or **Hourly Rate**, you can also specify if leave should be accrued on this Allowance by selecting the option **Include in Hours Paid**.

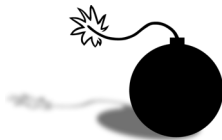
9 Click on the **Liabilities** button.



Allowance Maintenance - Payment Liabilities

10 Select the pay items this Allowance is liable for.

WARNING



Only select leave types if the allowances should be included in the gross earnings liable for leave valuation, i.e. the allowance should be included in the rate at which employees are paid the respective leave.

11 Click on the **Exit** button.

12 Click on the **Save** button or press **F10** to add this new Allowance.

Editing an existing Allowance

- 1 From the **Maintenance** menu, click on **Allowances**.
- 2 Enter the **Code** of the Allowance you want to edit and press **TAB**. Alternatively, you can click on the **Find** button or press **F9** to get a list of existing Allowances.
- 3 Make the required changes.

WARNING



If a change to the tax status of the allowance is required, it is recommended that a new allowance is set up to prevent the incorrect reporting of historical instances of the allowances.

- 4 Click on the **Save** button or press **F10**.

NOTE



You can also add the Allowance to a group of employees by clicking on the **Load** button. At this stage of your setup there are no employees set up yet. You will need to return to this area once the employees have been set up.

Deleting an existing Allowance

To delete an existing Allowance

- 1 From the **Maintenance** menu, click on **Allowances**.
- 2 Enter the **Code** of the Allowance you want to delete and press **TAB**. Alternatively, you can click on the **Find** button or press **F9** to get a list of existing Allowances.
- 3 Click on the **Delete** button or press **F6**.
- 4 A message will appear, confirming that you want to delete this Allowance. Click on **Yes**.

IMPORTANT



If an Allowance is assigned to an employee, or was used in a pay, it cannot be deleted.

Skills checklist



Tick the skills that you have learned in this unit.

Skills	✓
Set up a new Allowance	
Edit an existing Allowance	
Delete an Allowance	

Superannuation Contributions

6

In this unit, you will learn how to set up Superannuation Contributions.

By the end of this unit, you will be able to:

- ▶ Set up Superannuation Providers
- ▶ Set up Superannuation Guarantee contributions
- ▶ Set up salary sacrifice superannuation contributions
- ▶ Set up after-tax superannuation contributions

Overview

Superannuation is a system where money is placed into a fund to provide for an employee's retirement. Under the superannuation guarantee scheme employers are required to pay superannuation contributions to the employee's superannuation fund. Most employees are, by law, able to choose which superannuation fund they would like their contributions paid into.

Employers have a responsibility to ensure that they comply with the superannuation guarantee and super choice requirements.

Under the Superannuation Guarantee (SG) contribution scheme employers are required to make a minimum level of superannuation contributions quarterly to all eligible employees' superannuation funds. This minimum value, referred to as the *charge percentage*, is currently calculated at 9% of the employee's quarterly earnings base.

Under the scheme the employer must:

- Make a minimum contribution to eligible employees funds (9% of their quarterly earnings base)
- Pay this amount to a complying superannuation provider before the 28th of the month following the end of the quarter. More frequent payments can be made in accordance with an award or workplace agreement, or if the fund require more frequent contributions
- Keep a record of all contributions made

Eligible employees are generally those that earned at least \$450 per month. The award applicable to the employee may stipulate specific contributions that must be made to the employee's superannuation fund.

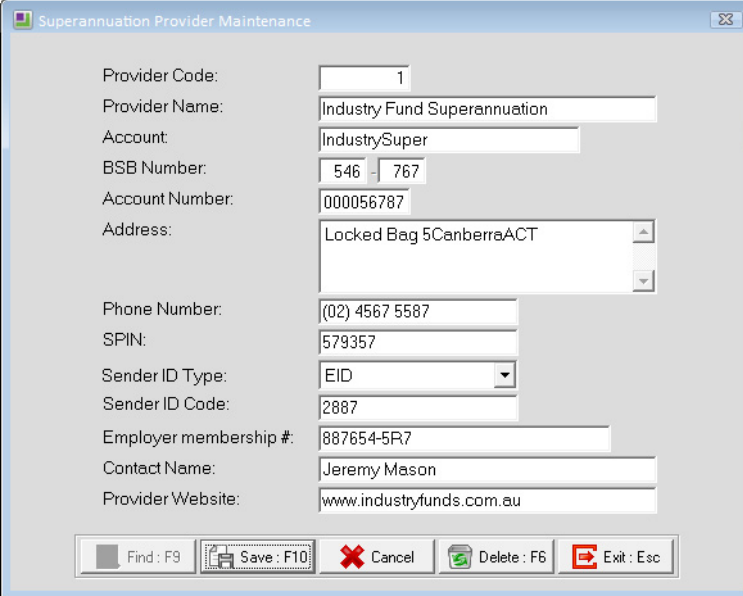
EXO payroll can automatically calculate Employer Superannuation (SGC). Some of your employees may also elect to salary sacrifice part of their income to their Superannuation fund or make after-tax contributions.

Superannuation Providers

Before setting up the Superannuation calculations, you must set up all your Superannuation Providers.

To set up Superannuation Providers

- 1 From the **Maintenance** menu, click on **Superannuation Providers**.



Superannuation Providers

- 2 In the **Provider Code** field, enter the number you want to identify this provider with. Press **TAB**.
- 3 Enter the following information:

Field	Description
Provider Name	Enter the name for the Superannuation Provider.
Account	Enter the company's account number for the provider.
BSB, Account Number	Enter the banking details for the provider.
Address	Enter the provider's address details.
Phone Number	Enter the provider's phone number.

SPIN	Enter the Superannuation Provider Identification Number.
Sender ID Type	From the dropdown list, select the appropriate ID type.
Sender ID Code	Enter the ID Code used for this provider.
Employer membership #	Enter the company's superannuation fund membership number.
Contact Name	Enter the name of the contact person at the superannuation fund.
Provider Website	Enter the superannuation fund's website address.

- 4 Click on the **Save** button or press **F10**.
- 5 If you did not enter the BSB and Account number, the system will display a reminder that you will not be able to pay contributions to this Provider electronically. Click **Ok** on this message.

To edit an existing Superannuation Provider

- 1 Enter the **Code** for the Provider you want to edit. Alternatively, you can click on the **Find** button or press **F9** to get a list of providers.
- 2 Make the required changes.
- 3 Click on the **Save** button or press **F10**.

To delete a Superannuation Provider

- 1 Enter the **Code** for the Provider you want to delete. Alternatively, you can click on the **Find** button or press **F9** to get a list of providers.
- 2 Click on the **Delete** button or press **F6**.
- 3 A message will appear, confirming that you want to delete this Superannuation Provider. Click on **Yes**.

IMPORTANT



If this Superannuation Provider is assigned to a Superannuation calculation, it cannot be deleted from the system.

Employer Contributions (SGC)

To set up Employer Contribution (SGC) calculations

- 1 From the **Maintenance** menu, click on **Superannuations**.
- 2 A screen will appear that usually lists your existing Superannuation Calculations. Click on the **Add** button or press **F4**.

Superannuations - Superannuation Guarantee Contribution

- 3 From the **Superannuation Type** dropdown list, select **Employer Superannuation**.
- 4 In the **Code** field, enter the number that you want to assign to this Employer Contribution. Press **TAB**.
- 5 Enter the following information:

Field	Description
Contribution Type	From the dropdown list, select SG Contributions (Compulsory) .
Calculation Method	From the dropdown list, select how the superannuation contribution is calculated.

- 6 Select the option **RESC** if the contribution is a Reportable Employer Superannuation Contribution. Employer contributions you make for an employee are reportable where:
- your employee influenced the rate or amount of superannuation you contribute for them
 - the contributions are additional to the compulsory contribution you must make under any of the following:
 - superannuation guarantee law
 - an industrial agreement
 - the trust deed or governing rules of a super fund
 - a federal, state or territory law
 - Contributions you make that are not reportable employer superannuation contributions are any compulsory contributions that you must make for your employees, e.g. 9% Superannuation Guarantee Contributions

IMPORTANT

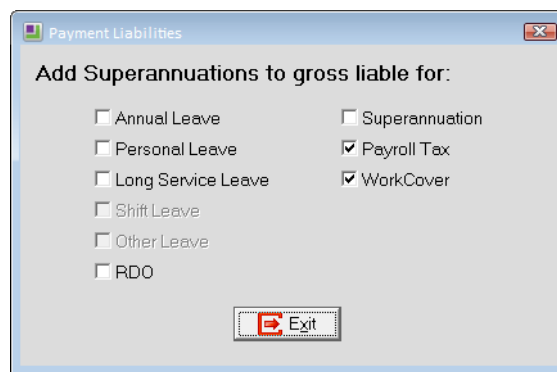


Because of the RESC requirements, you may need to set up employer contributions in addition to the 9% Superannuation Guarantee as additional employer contributions (EA - Employer Additional). Example: If you pay your employees 10% Superannuation Guarantee, you would set up one contribution (with the Type set to SG) for 9% and as well as a contribution of 1% (with the Type set to EA). This second contribution would also have the option RESC selected.

Field	Description
Percentage Rate	If the contribution is calculated on a percentage, enter the rate in this field. If the rate varies, leave this field as zero.
Amount	If the contribution is a pre-set amount, enter the value in this field. If it varies, leave this field as zero.
Minimum Earnings Base... per Month	Enter the Superannuation Guarantee Threshold that applies to this contribution. The system will only calculate Superannuation Guarantee contributions once the employee's month-to-date earnings liable for superannuation exceeds this value. Note: If no value is entered, the default threshold of \$450.00 will be used.

Maximum Earnings Base... per Quarter	This is a maximum limit on any individual employee's earnings base for each quarter of any financial year. The employer does not have to provide the SGC contributions on the part of earnings above this limit. Note: This value defaults to \$0.00 for new contributions and must be maintained manually. The Maximum Earnings Base per Quarter for the 2012-2013 financial year is \$45,750.00
Name	Enter the name of the Provider this Superannuation Guarantee Contribution relates to.
Superannuation Provider	From the dropdown list, select the Provider this superannuation contributions relate to.
Cost Centre	If you want to cost this superannuation contribution to a specific Cost Centre, enter the Cost Centre here. If the Cost Center will vary depending on the employee, leave this field blank.

7 Click on the **Liabilities** button.



Superannuations - Superannuation Guarantee Contribution - Liabilities

8 Select the pay items this Superannuation Contribution is liable for.

IMPORTANT



Superannuation Guarantee contributions are not liable for Superannuation.

9 Click on the **Exit** button.

10 Click on the **Save** button or press **F10**.

Employee Salary Sacrifice Contributions

To set up Employee Salary Sacrifice Contribution

- 1 From the **Maintenance** menu, click on **Superannuations**.
- 2 A screen will appear that usually lists your Superannuation calculations. Click on the **Add** button or press **F4**.

Superannuations - Salary Sacrifice Contribution

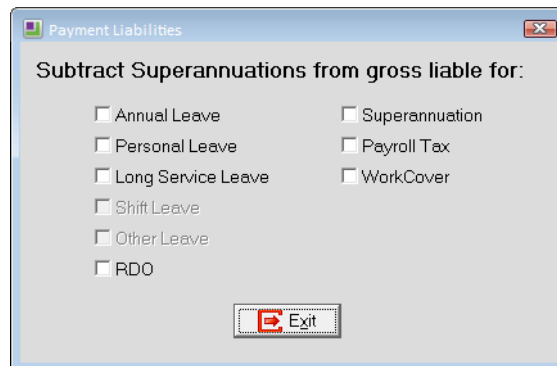
- 3 From the **Superannuation Type** dropdown list, select **Employee Superannuation**.
- 4 In the **Code** field, enter the number that you want to assign to this Employer Contribution. Press **TAB**.
- 5 Enter the following information:

Field	Description
Contribution Type	From the dropdown list, select SS - Salary Sacrifice .
Calculation Method	From the dropdown list, select how the superannuation contribution is calculated.

- 6 Select the option **RESC** if the contribution is a Reportable Employer Superannuation Contribution.

Field	Description
Percentage Rate	If the contribution is calculated on a percentage, enter the rate in this field. If the rate varies, leave this field as zero.
Amount	If the contribution is a pre-set amount, enter the value in this field. If it varies, leave this field as zero.
Name	Enter the name of the Provider this superannuation contribution relates to.
Superannuation Provider	From the dropdown list, select the Provider this superannuation contributions relate to.
Cost Centre	If you want to cost this superannuation contribution to a specific Cost Centre, enter the Cost Centre here. If the Cost Center will vary depending on the employee, leave this field blank.

- 7 Click on the **Liabilities** button.



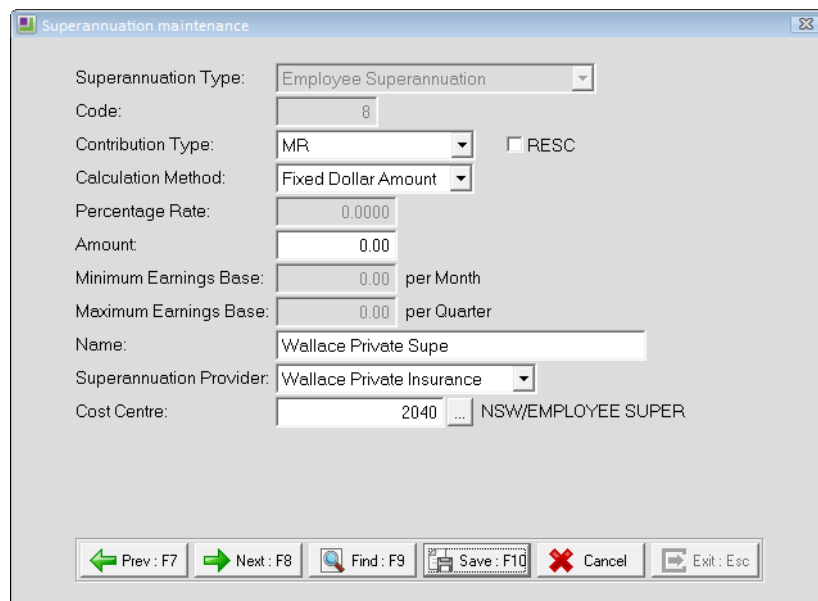
Superannuations - Salary Sacrifice Contribution - Liabilities

- 8 Select the pay items this superannuation contribution is not liable for.
- 9 Click on the **Exit** button.
- 10 Click on the **Save** button or press **F10**.

Employee Superannuation Contributions

To set up an Employee Superannuation Contribution

- 1 From the **Maintenance** menu, click on **Superannuations**.
- 2 A screen will appear that usually lists your existing Superannuation Calculations. Click on the **Add** button or press **F4**.



Superannuations - Member Regular Contribution

- 3 From the **Superannuation Type** dropdown list, select **Employee Superannuation**.
- 4 In the **Code** field, enter the number that you want to assign to this Employer Contribution. Press **TAB**.
- 5 Enter the following information:

Field	Description
Contribution Type	From the dropdown list, select MR - Member Regular .
Calculation Method	From the dropdown list, select how the superannuation contribution is calculated.

- 6 Select the option **RESC** if the contribution is a Reportable Employer Superannuation Contribution.

Field	Description
Percentage Rate	If the contribution is calculated on a percentage, enter the rate in this field. If the rate varies, leave this field as zero.
Amount	If the contribution is a pre-set amount, enter the value in this field. If it varies, leave this field as zero.
Name	Enter the name of the Provider this superannuation contribution relates to.
Superannuation Provider	From the dropdown list, select the Provider this superannuation contributions relate to.
Cost Centre	If you want to cost this superannuation contribution to a specific Cost Centre, enter the Cost Centre here. If the Cost Center will vary depending on the employee, leave this field blank.

- 7 Click on the **Save** button or press **F10**.

Editing or Deleting Contributions

To edit an existing Superannuation Contribution

- 1 From the **Maintenance** menu, click on **Superannuations**.
- 2 From the list of Superannuation Calculations, select the Superannuation Contribution you want to edit and click on the **Select** button.
- 3 Make the required changes.
- 4 Click on the **Save** button or press **F10**.

To delete an existing Superannuation Contribution.

- 1 From the **Maintenance** menu, click on **Superannuations**.
- 2 From the list of Superannuation Calculations, select the Superannuation Contribution you want to delete and click on the **Select** button.
- 3 Click on the **Delete** button or press **F6**. A message will appear, confirming that you want to delete this Superannuation. Click on **Yes**.

IMPORTANT



If this Superannuation Contribution has been used or is assigned to an employee, it cannot be deleted from the system.

Skills checklist



Tick the skills that you have learned in this unit.

Skills	✓
Set up a new Superannuation Provider	
Set up an employer contribution	
Set up an employee salary sacrifice contribution	
Set up an employee after-tax contribution	
Edit an existing superannuation contribution	
Delete an existing superannuation contribution	

Deductions

7

In this unit, you will learn how to set up Deductions.

By the end of this unit, you will be able to:

- ▶ Set up Deductions
- ▶ Edit existing Deductions

Overview

Subtractions made from employees' pay are referred to as Deductions. Some deductions are compulsory by law and must be made from an employee's pay:

- PAYG, Medicare Levy and Flood Levy (where applicable)
- Child Support Payments
- Court Orders
- HELP

Other examples of deductions are:

- Union Fees
- Social Club Membership
- Health Insurance

Setting up Deductions

To add a new Deduction

- 1 From the **Maintenance** menu, click on **Deductions**
- 2 A picklist will be displayed. Normally this list will show all the Deductions you have set up. Click on the **Add** button or press **F4**.
- 3 In the **Code** field, enter a number that you want to use to identify this Deduction. Press **TAB**.

The screenshot shows the 'Deduction Maintenance' dialog box with the following fields and values:

- Code: 6
- Name: Union Fees
- Post-Tax:
- Calculation Method: Fixed Dollar Amount
- Amount: 5.00
- Type: Normal, Child Support, PAYG
- Protected Pay %: Make a Part Deduction
- Cost Centre: 2080 (picklist: NSW/UNION FEES)
- Payment Summary Type: Deductions
- Union/Professional association fees
- Pay Deduction by Consolidated Direct Credit
 - BSB Number:
 - Account:
 - Reference:

Buttons at the bottom: Prev: F7, Next: F8, Find: F9, Save: F10, Cancel, Exit: Esc.

Deduction Maintenance

- 4 Enter a **Name** for the Deduction.
- 5 Select the option **Post-Tax** for the Deduction to be taken out *after* tax.

- 6 From the dropdown list, select the **Calculation Method** used for this Deduction. Refer to the following table for when each method is used:

Calculation Method	Description
Fixed Dollar Amount	Use this option if a pre-determined amount is to be deducted from the employee's pay.
% of Gross Pay	Use this option if the amount deducted is a percentage of the employee's gross pay. Note: This option is only applicable to Post-Tax deductions.
Reducing Balance	Use this option if the employee has a balance to pay and a pre-determined amount should be deducted each pay, until the balance is cleared.

- 7 Enter the **Amount** or **Percentage Rate** for this deduction. If the amount or rate varies, leave this field as zero.
- 8 If you are setting up a Child Support Deduction, set the **Type** to **Child Support**. If you are setting up a deduction of extra tax, set the **Type** to **PAYG**. For all other deductions set the **Type** to **Normal**.

IMPORTANT



Protected Earnings must be updated annually. Visit www.csa.gov.au for further information.

- 9 If this Deduction should be costed to a specific Cost Centre, enter the appropriate **Code** in the **Cost Centre Code** field. Leave this field as 0 to use the employee's default Cost Centre or to specify a Cost Centre specific to the employee.

TIP



You can click on the button to display a list of Cost Centre Codes available. At this stage of the setup, if you have not set up any Cost Centres, you will need to return to this area to enter the appropriate Cost Centre

- 10 From the **Payment Summary Type** dropdown list, select the appropriate type. Refer to the following table for the available options:

Payment Summary Type	Description
None	Select this option for Deductions that are not required to appear on the PAYG Payment Summary.
Deductions	Select this type for Deductions that are required to appear on the PAYG Payment Summary, e.g. Union Fees.

Workplace Givings	Select this type for Deductions that are salary sacrifice deductions for charity donations. Note: Only deductions greater than \$2 are tax deductible.
--------------------------	--

11 If the **Payment Summary Type** is set to **Deductions**, the option **Union/Professional association fees** becomes available. Select this option if the deduction represents fees for a union or professional association. By selecting this option, these deductions will be reported in the EMPDUPE file correctly.

NOTE



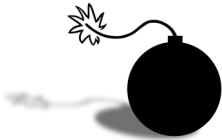
If the money deducted from multiple employees with this deduction is paid into the same bank account, you can use the **Pay Deduction by Consolidated Direct Credit** option. By using this option, the system will total all the instances of this Deduction in the pay and add the total in your direct credit transfer (*.ABA) file.

12 Click on the **Save** button or press **F10**.

Editing an existing Deduction

- 1 From the **Maintenance** menu, click on **Deduction**.
- 2 A picklist will be displayed. Normally this list will show all the Deductions you have set up. Select the Deduction you want to edit and click on the **Select** button.
- 3 Make the required changes.

WARNING



If a change to the tax status of the deduction is required, it is recommended that a new deduction is set up to prevent the incorrect reporting of historical instances of the deduction.

- 4 Click on the **Save** button or press **F10**.

NOTE



You can also add the Deduction to a group of employees by clicking on the **Load** button.

Deleting a Deduction

- 1 From the **Maintenance** menu, click on **Deduction**.
- 2 A picklist will be displayed. Normally this list will show all the Deductions you have set up. Select the Deduction you want to delete and click on the **Select** button.
- 3 Click on the **Delete** button or press **F6**. A message will appear, confirming that you want to delete this deduction. Click on **Yes**.

NOTE



Once a Deduction has been used, you cannot delete it from the system.



Skills checklist

Tick the skills that you have learned in this unit.

Skills	<input checked="" type="checkbox"/>
Set up a standard Deduction	<input type="checkbox"/>
Edit an existing Deduction	<input type="checkbox"/>
Delete a Deduction	<input type="checkbox"/>

Leave Groups

8

In this unit, you will learn how to set up rules to govern your employees' leave entitlements

By the end of this unit, you will be able to:

- ▶ Set up Annual Leave Groups
- ▶ Setup up Long Service Leave Groups
- ▶ Set up Personal Leave Groups

Overview

Groups are used to set up the rules that the system will use to accrue annual, long service and personal leave.

Annual Leave Groups

Full-Time and Part-Time employees may be entitled to Annual Leave. Some employees may accrue leave on a pro-rata basis. How much Annual Leave the employee is entitled to is typically specified in the Award or agreement under which they are employed. These would also stipulate the process for applying for leave and any periods where employees are expected to take leave, e.g. shutdown periods. The Award or agreement applicable to the employee may also stipulate a provision for cashing out of Annual Leave.

Rules must be set up in order for the system to correctly accrue employees' Annual Leave. Employees may work different hours, but the rules that govern their entitlement and accrual may be the same. Because leave is accrued on actual hours (pro-rate), in this case you do not need to set up a different set of rules for each set of different hours your employees work.

Example

Some employees work a 38.00 hour week, others work a 37.50 hour week.

In this example you only need to set rules up to deal with the employees that work 38.00 hours per week. You can assign this rule also to the employees that work 37.50 hours per week and the system will correctly accrue their leave.

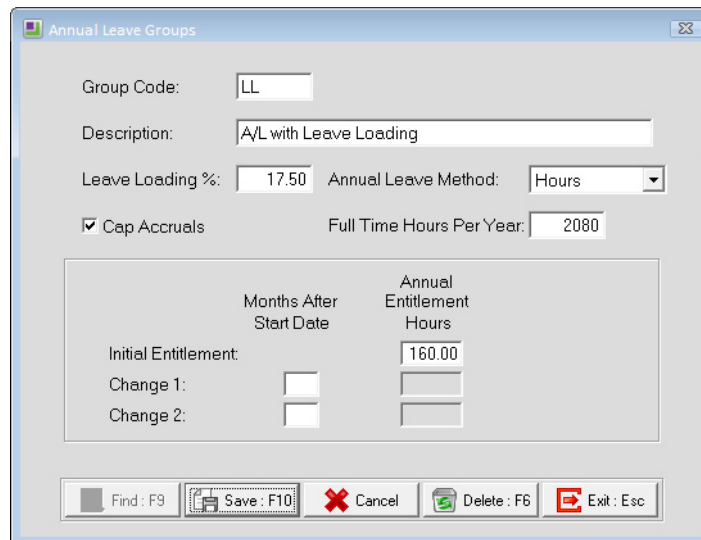
If the rules that govern the employees' entitlement and accrual are different, a different leave group must be set up.

Annual Leave is calculated using the following formula:

$$\frac{(HoursLiable)}{(FullTimeHoursPerYear)} \times AnnualEntitlement$$

To set up Annual Leave Groups

- 1 From the **Maintenance** menu, click on **Groups**, followed by **Annual Leave Groups**.



	Months After Start Date	Annual Entitlement Hours
Initial Entitlement:		160.00
Change 1:		
Change 2:		

Annual Leave Group

- 2 In the **Group Code** field, enter a code for this group. Press **TAB**.
- 3 In the **Description** field, enter a brief description or title for this group.
- 4 If employees in this group are eligible for Leave Loading, enter the percentage rate at which it should be calculated in the **Leave Loading %** field.
- 5 From the **Annual Leave Method**, click on **Hours**.
- 6 Select the option **Cap Accruals** option if employees in this group are not allowed to accrue leave on hours in excess of their standard hours per pay period.
- 7 In the **Full Time Hours Per Year** field, enter the total number of hours the employee works per year. The system will use this information to calculate the pro-rata portion of the year the employee has worked.
- 8 Under the **Annual Entitlement Hours** field, enter the hours an employee is entitled to every year.
- 9 For **Change 1**, enter the period when the change will take place in the **Months after start date** field. In the **Annual Entitlement Hours** field, enter the hours the employee will be entitled to after the change takes place.
- 10 For a further change, enter the period when the change will take place in the **Months after start date** field for **Change 2**. In the **Annual Entitlement Hours** field, enter the hours the employee will be entitled to after the change takes place.

IMPORTANT



Because the system will accrue the Annual Leave based on actual hours, it is important that the annual leave entitlement you set up here is what the employee will receive if they work the full year.



11 Click on the **Save** button or press **F10**.

Long Service Leave Groups

Long Service Leave is an additional leave type employees may be entitled to. When changing employers, employees typically begin accruing long service leave from zero, as long service leave is not transferrable between employers. In certain industries, e.g. construction, coal mining, long service leave is administered through legislative schemes to which employers contribute. The employee's entitlements are thus transferred when changing employers within the same industry.

Each state has a Long Service Leave Act that stipulates the entitlements and the conditions under which employees become entitled to it.

State	Act
ACT	Long Service Leave Act 1976 Long Service Leave Amendment Act 2005 http://www.austlii.edu.au/au/legis/act/consol_act/lsla1976179/
NSW	NSW Long Service Leave Act 1955 http://www.industrialrelations.nsw.gov.au/Workers/My_entitlements/Long_service_leave.html
VIC	Long Service Leave Act 1992 http://www.business.vic.gov.au/BUSVIC/STANDARD/PC_50533.html
TAS	Long Service Leave Act 1976 (Private Sector) Long Service Leave (State Employees) Act 1994 (State Service) http://www.wst.tas.gov.au/employment_info/lsl
SA	State Long Service Leave Act 1987 Long Service Leave Amendment Act 2008 http://www.safework.sa.gov.au/show_page.jsp?id=2477
WA	Long Service Leave Act 1958 http://www.slp.wa.gov.au/legislation/statutes.nsf/main_mrtitle_555_homepage.html
NT	Northern Territory Long Service Leave Act 1981 http://www.austlii.edu.au/au/legis/nt/consol_act/lsla179/
QLD	Industrial Relations Act 1999 http://www.justice.qld.gov.au/fair-and-safe-work/industrial-relations/long-service-leave/work-out-your-long-service-leave

Rules must be set up in order for the system to correctly accrue employees' Long Service Leave.

Employees may work different hours, but the rules that govern their entitlement and accrual may be the same. Because leave is accrued on actual hours (pro-rata), in this case you do not need to set up a different set of rules for each set of different hours your employees work.

Example

Some employees work a 38.00 hour week, others work a 37.50 hour week.

In this example you only need to set rules up to deal with the employees that work 38.00 hours per week. You can assign this rule also to the employees that work 37.50 hours per week and the system will correctly accrue their leave.

if the rules that govern the employees' entitlement and accrual are different, a different leave group must be set up.

Long Service Leave is calculated using the following two formulas:

$$\text{EntitlementUnitsPerPeriod} = \frac{\text{EntitlementHours}}{((\text{EntitlementEndDate} - \text{EntitlementStartDate})/365)}$$

$$\text{UnitsAccrued} = \text{ROUND}\left(\left(\frac{\text{HoursPaid}}{\text{FullTimeHoursPerYear}}\right) \times \text{EntitlementUnitsPerPeriod}, 4\right)$$

NOTE



There may be a slight variation in the value calculated by the system due to rounding and leap years.

To set up Long Service Leave Groups

- 1 From the **Maintenance** menu, click on **Groups**, followed by **Long Service Leave Groups**.
- 2 Click on the **Add** button or press **F4**.
- 3 In the **Group Code** field, enter a code or this group. Press **TAB**.

Months after start date	Number of Hours:
120	346.67
180	173.33
240	173.33
300	173.33
360	173.33

Long Service Leave Group

- 4 In the **Name** field, enter a title for this group.
- 5 From the **Method** dropdown list, select **Hours**. In the **Full Time Hours Per Year** field, enter the total number of hours the employee works per year. The system will use this information to calculate the pro-rata portion of the year the employee has worked.

- 6 Select the option **Cap Accruals** option if employees on this group are not allowed to accrue leave on hours in excess of their standard hours per pay period
- 7 Click on the **Add** button.

Long Service Leave - Entitlement Changes

- 8 In the **Months after start date** field, enter the number of months from the employee's start date they will receive this entitlement.
- 9 In the **Number of Hours** field, enter the hours the employee will be entitled to. The system will use this to calculate the employee's pro-rata accrual.
- 10 Click on the **Save** button or press **F10**.
- 11 Repeat Steps 5 through 8 for each entitlement the employee will receive.

NOTE



The Number of Hours is non-cumulative. Each Entitlement is in addition to the previous entitlement.

- 12 Click on the **Save** button or press **F10**.

IMPORTANT



Once a Long Service Leave Group is assigned to an employee, you can no longer make any changes to the group. Make sure that the rules in the group are correct before you assign the group to any employees.

Personal Leave Groups

Personal Leave encompasses:

- Sick leave
- Carers' leave
- Compassionate leave

Sick leave refers to leave taken by an employee due to their own personal illness or injury. Carers' leave, on the other hand, refers to leave taken by an employee to provide care or support to an immediate family member or a member of their household who has an illness, injury or suffering an unexpected emergency.

The law views an immediate family members as someone with one of the following relations to the employee:

- Spouse
- Child
- Parent
- Grandparent
- Grandchildren
- Sibling

The law also views an immediate family member as someone with one of the following relations to the employee's spouse:

- Child
- Parent
- Grandparent
- Grandchild
- Sibling

Under the National Employment Standards, a full-time employee is entitled to 10 days paid personal/carer's leave per annum, which can be used as either personal sick leave or carer's. However, the Award or agreement applicable to the employee may provide more generous entitlements. The Award or agreement applicable to the employee may also stipulate the maximum number of days employees may use as carer's leave per annum, as well as the notices and documentations employees must supply as evidence of the need to take the leave.

The Award or agreement applicable to the employee would also make provision for compassionate leave.

Casual employees are not typically entitled to personal/carer's/compassionate leave.

Rules must be set up in order for the system to correctly accrue employees' Personal Leave.

Employees may work different hours, but the rules that govern their entitlement and accrual may be the same. Because leave is accrued on actual hours (pro-rata), in this case you do not need to set up a different set of rules for each set of different hours your employees work.

Example

Some employees work a 38.00 hour week, others work a 37.50 hour week.

In this example you only need to set rules up to deal with the employees that work 38.00 hours per week. You can assign this rule also to the employees that work 37.50 hours per week and the system will correctly accrue their leave.

if the rules that govern the employees' entitlement and accrual are different, a different leave group must be set up.

Personal leave is calculated using the following formula:

$$\frac{(HoursLiable)}{(FullTimeHoursPerYear)} \times AnnualEntitlement$$

To set up Personal Leave Groups

- 1 From the **Maintenance** menu, click on **Groups**, followed by **Personal Leave Groups**.

Personal Leave Group

- 2 In the **Group Code** field, enter a code for this group. Press **TAB**.
- 3 In the **Group Description** field, enter a brief description or title for this group.
- 4 Select the option **Cap Accruals** option if employees on this group are not allowed to accrue leave on hours in excess of their standard hours per pay period.

- 5 From the **Method** dropdown list, select **Hours**. In the **Full Time Hours Per Year** field, enter the total number of hours the employee works per year. The system will use this information to calculate the pro-rata portion of the year the employee has worked.
- 6 For **Change 1**, enter the period when the entitlement period will end in the **Months after start date** field. In the **Hours Entitlement** field, enter the hours the employee will be entitled to after the change takes place. The system will use this information to calculate the employee's pro-rata entitlement.
- 7 If a second change takes place, enter the period when the entitlement period will end in the **Months after start date** field for **Change 2**. In the **Hours Entitlement** field, enter the hours the employee will be entitled to after the change takes place. The system will use this information to calculate the employee's pro-rata entitlement.
- 8 If a third change takes place, enter the period when the entitlement period will end in the **Months after start date** field for **Change 3**. In the **Hours Entitlement** field, enter the hours the employee will be entitled to after the change takes place. The system will use this information to calculate the employee's pro-rata entitlement.
- 9 In the **Repeat final change every** dropdown list, select how often the system should repeat the final change.
- 10 Click on the **Save** button or press **F10**.

IMPORTANT



Once a Personal Leave Group is assigned to employees, you cannot make changes to the group.

Skills checklist



Tick the skills that you have learned in this unit.

Skills	✓
Set up Annual Leave Groups	
Set up Long Service Leave Groups	
Set up Personal Leave Groups	

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Backup Options

By the end of this unit, you will be able to:

- ▶ Set up the backup destination
- ▶ Set up the maximum backup volumes

In this unit you will learn how to set up the system backups.

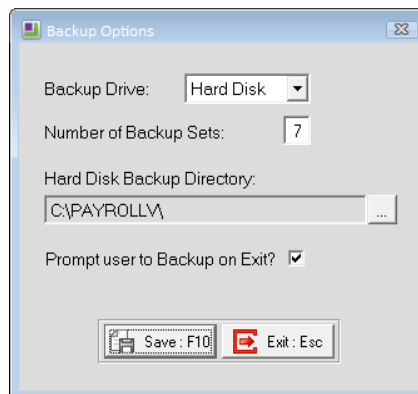
Overview

Making regular backups of your system is essential. The system will force you to do a backup at certain points, e.g. updating a pay, closing the system, upgrading to the latest version.

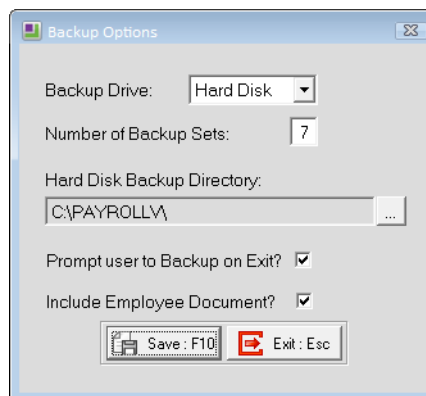
To make this process as smooth as possible, you need to set up the default options the system will use every time a backup is done.

Setting default backup options

- 1 From the **Utilities** menu, click on **Backup Options**.




Backup Options



Backup Options

- 2 To backup onto a network, flash drive or CD RW, select **Hard Disk** from the **Backup Drive** dropdown list.
- 3 The **Number of Backup Sets** will default to 7. This is the minimum volumes the system will allow.

- 4 Click on the  button to browse for the location where the backups should be stored.
- 5 Select the **Prompt user to Backup on Exit** option if you want the system to prompt you to do a backup when you exit.



Skills checklist

Tick the skills that you have learned in this unit.

Skills	✓
Set up the default Backup location	

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Backup & Restore

In this unit, you will learn how to make a backup of your system and how to restore from a previous backup.

By the end of this unit, you will be able to:

- ▶ Make a manual backup
- ▶ Restore from a previous backup

Overview

The system will prompt you during various processes to complete a backup. However, you can make a manual backup at any time.

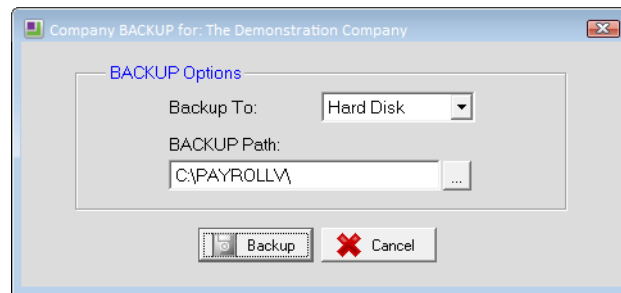
If you have more than one EXO Employer Services product, e.g. EXO Payroll and EXO Time and Attendance, you do not need to make a backup in each product. Whenever a backup is done, the data from all the products is backed up.

On occasion, you may need to restore from a previous backup.

Making a manual backup

To make a backup

- 1 From the **Utilities** menu, click on **Backup**.



Backup

- 2 Click on **Backup**.
- 3 The system will proceed with the backup.

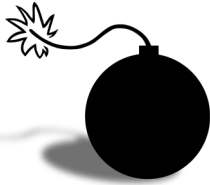
NOTE



The backup files are usually named after the payroll company and consist of a Zip and a Log file, followed by the volume number, e.g. Salary.Z1, Salary.L1. **Salary** indicates that it's the salaries payroll company, Z/L indicates the respective **Zip** and **Log** file. **1** indicates that it is backup set 1.

To restore from a previous backup

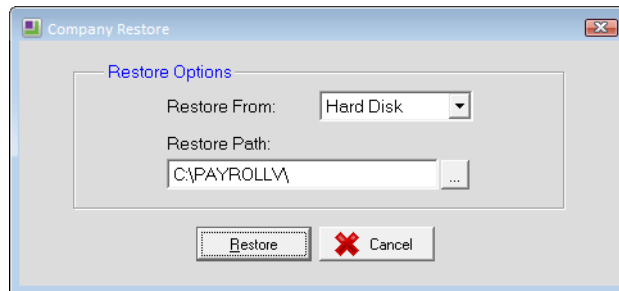
WARNING



When you restore from a previous backup, any changes made in the system since the backup was made, regardless of which product they were made in, will be lost. You may need to consider alternatives to restoring the data if you do not want to lose any changes made since the backup you are about to restore from, was made.

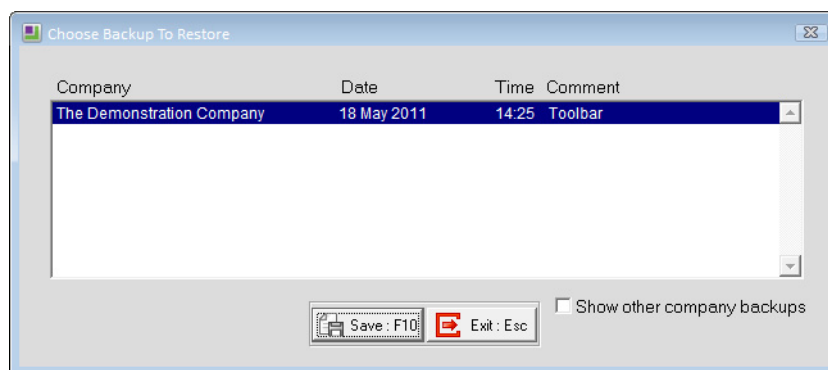
To restore from a backup

- 1 From the **Utilities** backup, click on **Restore**.



Restore

- 2 Click on the **Restore** button.



Restore - Select Backup To Restore

NOTE

If the backup you wish to restore is not listed here, click on the option **Show other company backups**. All backups will be displayed, irrespective of the company you are currently accessing.

- 3** Highlight the backup you want to restore and click on the **Save** button or press **F10**.
- 4** A message will appear, asking you to confirm that this is the correct backup you want to restore and that you want to proceed with the restore. If this is the correct backup, click on the **Yes** button, otherwise, click on **No** and repeat steps 1 through 4.
- 5** You may be prompted to enter a **User Code** and **Password**. Enter these in the appropriate fields and click on the **Save** button or press **F10**.
- 6** A message will appear, confirming that the data has successfully been restored. Click on **Ok**.



Skills checklist

Tick the skills that you have learned in this unit.

Skills	✓
Making a manual backup	
Restore from a previous backup	

11

Appendices

This unit contains a number of appendices for further study:

- ▶ Appendix 1: Paid Parental Leave
- ▶ Appendix 2: Payroll Terminology

Appendix 1: Paid Parental Leave

The Paid Parental Leave (PPL) scheme is an entitlement for working parents of children born or adopted from 1 January 2011. The scheme provides government funded PPL at the National Minimum Wage for a maximum period of 18 weeks. Parental Leave Pay is taxable.

All working parents, including full-time, part-time, self-employed, casual, contract and seasonal employees, will be entitled to Parental Leave Pay, if they meet the eligibility criteria.

The scheme provides a maximum of 18 weeks government funded PPL paid at the National Minimum Wage.

Paid Parental Leave is administered by the CentreLink government agency. See the following website for more information on the PPL scheme:

http://www.centrelink.gov.au/internet/internet.nsf/businesses/ppl_toolkit_scheme.htm

From 1 July 2011, employers are responsible for providing PPL to eligible long-term employees, for children born or adopted from 1 July 2011. (Employers are not responsible for providing PPL for children born or adopted between 1 January 2011 and 1 July 2011; it is paid to employees directly by the CentreLink agency.)

Setting up Paid Parental Leave

Paid Parental Leave is added to employees' pay in EXO Payroll as an Allowance. A default "Paid Parental Leave" Allowance is already set up in the system, but can be modified or a new one created if necessary.

When creating a Allowance for Paid Parental Leave, it should have the following properties:

- The Allowance should be set to **Taxable**.
- The *Calculation Method* should be set to **Fixed Dollar Amount**.

- The *Type* should be set to **Paid Parental Leave**.

The screenshot shows the 'Allowance Maintenance' window with the following fields and values:

- Allowance Code: 997
- Allowance Name: Paid Parental Leave (with a 'Can Modify Name' checkbox)
- PAYG: Taxable (selected), Non-Taxable
- Calculation Method: Fixed Dollar Amount
- Amount: 0.0000
- Pay Rate Multiplier: (empty)
- Wage Rate Code: (empty)
- Type: Paid Parental Leave
- Cost Centre: Employee's Default
- Maximum Number: (empty)
- Payment Summary Type: None
- Override Tax Rate: (empty)

Paid Parental Leave Allowance

- All liabilities on the *Payment Liabilities* window should be unticked.

The screenshot shows the 'Payment Liabilities' window with the following options, all of which are unticked:

- Annual Leave
- Personal Leave
- Long Service Leave
- Shift Leave
- Other Leave
- RDO
- Superannuation
- Payroll Tax
- WorkCover

An 'Exit' button is visible at the bottom of the window.

Paid Parental Leave Allowance Liabilities

Paying Paid Parental Leave

Before creating the Current Pay, open the Employee Maintenance screen and add a Paid Parental Leave Allowance of the correct amount to the employee's Standard Pay.

Leave Accrual

Paid Parental Leave is not liable for any sort of leave accrual. If an employee is on another sort of leave, e.g. Annual Leave, while also receiving Paid Parental Leave, they should accrue leave on that leave type only.

Multiple scenarios are possible, depending on the Leave Method selected for the employee's Leave Group, and whether or not they are taking leave at the same time as they are receiving Paid Parental Leave.

It is up to the organisation to ensure that leave accruals are handled correctly; recommended steps for each possible scenario are given below.

Leave Method set to "Hours", employee not taking leave

Before creating the Current Pay, open the Employee Maintenance screen and add a Paid Parental Leave Allowance of the correct amount to the employee's Standard Pay.

- Create the Current Pay for the employee's pay cycle.
- Edit the employee's Current Pay so that their Gross Taxable equals \$0.
- Set the Hours Paid to zero, if any value other than zero is displayed.

NOTE



For Waged employees, the **Hours Paid** will automatically be adjusted. For Salaried employees, this value **must** be manually updated.

- No leave will accrue for this pay.

Leave Method set to "Hours", employee taking leave

Before creating the Current Pay, open the Employee Maintenance screen and add a Paid Parental Leave Allowance of the correct amount to the employee's Standard Pay.

- Create the Current Pay for the employee's pay cycle.
- Edit the employee's Current Pay so that their wages/salary are \$0.
- Enter the hours of non-PPL leave taken. There is no need to reduce wages/salary.
- The system automatically calculates the Hours Paid based on the non-PPL leave taken.
- Leave will accrue for this pay according to the leave hours paid.

Leave Method set to "Calendar", employee not taking leave

Before creating the Current Pay, open the Employee Maintenance screen and edit the employee's Standard Pay:

- Add a Paid Parental Leave Allowance of the correct amount.
- Edit the employee's entitlement rules. Add an entitlement rule with the **From Date** equal to the date when the employee starts receiving parental leave pay and set the entitlement hours to 0 hours.
- Create the Current Pay for the employee's pay cycle.
- Edit the employee's Current Pay so that their wages/salary are \$0.
- No leave will accrue for this pay.

Leave Method set to "Calendar", employee taking leave

The "Calendar" method is not the recommended method of accruing leave, as it will not accrue leave on actual hours, but will average the employee's entitlement over the year, giving a standard accrual every pay period, regardless of the hours worked in each pay period.

Accruing leave on only non-PPL leave paid is not supported in this scenario; under this method employees can either receive their standard accrual for the period or none at all. This method does not support pro-rata accrual of leave.

Appendix 2: General Payroll Information

Australia has a complex system of Industrial Relations. Employment Legislation sets the requirements for employers and employees regarding work-related matters. It also sets out the employee's entitlements and rights, which the employer must honor. Such legislation applies to all employers, with very few exemptions. Employers must comply with the provisions of each piece of legislation, or be subject to claims, fines and penalties.

Federal Industrial Relations

The following federal industrial relations are applicable (though not limited to):

- Fair Work Act 2009
- Superannuation Guarantee (Administration) Act 1992
- Income Tax Assessment Act 1936
- Equal Employment Opportunity (Commonwealth Authorities) Act 1987
- Occupational Health and Safety Act 1991

State Industrial Relations

The following state industrial relations are applicable (though not limited to):

- Payroll Tax Act
- Industrial Relations Act
- Workers' Compensation Act
- Long Service Leave Act

An Award is a legal document that sets out the minimum terms and conditions of employment for employees in a particular industry or occupation.

Awards have the force of the Law and employers must comply with an Award.

Awards set out the minimum conditions of employees, though employers can provide more generous conditions.

Over 100 Awards provide minimum conditions of employees for various industries and types of occupation.

Visit www.fwa.gov.au/index.cfm?pagename=awardsfind for more information on Awards.

The ten National Employment Standards (NES) are:

- 1 Maximum weekly hours

- 2** Parental leave options for both parents
- 3** Flexible work options for parents
- 4** annual leave
- 5** Personal / Carers' / Compassionate leave
- 6** Community service leave
- 7** Public holidays
- 8** Long service leave
- 9** Termination / Redundancy
- 10** Fair Work Information statement

It is important know which document takes precedence:

- 11** Legislation (NES or Fair Work Act)
- 12** Ratified Agreement
- 13** Award
- 14** Policies
- 15** Contract

Pay As You Go (PAYG) withheld from employees' pay is an estimate of the employees' income tax liability. At the end of the tax year, employees complete a tax return to calculate their actual income tax liability. Employees may be entitled to receive a refund of overpaid tax, or be required to pay uncollected tax.

PAYG is withheld from payments such as:

- Salaries and wages to employees
- Remunerations to company directors
- Retirement payments or termination payments

The tax withheld must be sent to the Australia Taxation Office (ATO). Reporting employees' taxable income that the value of tax withheld must also be reported to the ATO on an annual basis.

Payroll Tax is imposed by the various State and Territory Governments. Payroll Tax is usually imposed on employers whose total annual payroll exceeds a specified threshold.

Businesses may be 'grouped', ie. treated as one employer for the purposes of payroll tax, when:

- The corporations are related under Section 50 for Corporations Law (e.g. holding company and its subsidiaries)
- There is a sharing of employees between businesses
- The same person(s) has a controlling interest of more than 50% in each of two or more of the businesses either directly or indirectly.

Where earnings are paid in more than one state or territory, the threshold is based on total Australian wages, e.g the company may be liable for payroll tax in NSW even if the total NSW wages do not exceed the NSW Payroll Tax Threshold.

Certain employers may be exempt from payroll tax liability. This varies between states, but generally refers to Public Benevolent Institutions and registered charities.

Refer to the appropriate state or territory specific government body for the current payroll tax thresholds:

State	Government body
ACT	<u>ACT Revenue Office</u> http://www.revenue.act.gov.au/payroll_tax
NSW	Office your State Revenue http://www.osr.nsw.gov.au/taxes/payroll/
VIC	State Revenue Office Victoria http://www.sro.vic.gov.au/sro/SROnav.nsf/childdocs/-3A87315B22BC23FFCA2575A100441F59-11C80F203927331FCA2575A100441F65?open
TAS	Department of Treasury and Finance http://www.sro.tas.gov.au/domino/dtf/SROWebsite.nsf/v-all/Overview%20-%20Payroll%20tax?OpenDocument&menuitem=Payroll%20Tax
SA	RevenueSA http://www.revenuesa.sa.gov.au/payrolltax/index.html
WA	Department of Finance http://www.finance.wa.gov.au/cms/content.aspx?id=177&linkidentifier=id&itemid=177
NT	Territory Revenue Office - Northern Territory Treasury http://www.revenue.nt.gov.au/payroll.shtml
QLD	Office of State Revenue http://www.osr.qld.gov.au/payroll-tax/index.shtml

The company's location has no relevance to the state in which there is a liability for payroll tax. The liability is determined by:

- the state in which the work is performed, and
- the state in which the wages are paid (i.e. where the employee is based)

