

OZ Office Supplies

Payroll policy and procedures

Purpose

OZ Office Supplies recognises that employees are the key to the business's success, and nothing can be achieved without their engagement.

Employees must be promptly paid their remuneration and other statutory benefits as outlined in the General Retail Industry Award [MA000004] or, if the Award does not apply, in the National Employment Standards [NES].

This policy has been informed by the Fair Work Act 2009.

Responsibility

The Finance Manager is responsible for administering the payroll policy and procedures. If the Finance Manager is on leave, they may, with the permission and approval of the CEO, delegate payroll management and related duties to suitable personnel.

Payroll Security

OZ Office Supplies policy is that only the Finance Manager and Payroll Officer may access the payroll records.

Employee payroll and related data will only be entered by the Payroll Officer (or, in their absence, personnel authorised by the Finance Manager) into MYOB following receipt of all required information for the relevant appointment, accompanied by evidence of required approvals.

All payroll staff (Finance Manager and Payroll Officer) should maintain security over payroll system passwords and change them at least once a quarter.

Payroll records must be kept in as per the Australian Taxation Office (ATO), Australian Securities Investment Commission (ASIC) the Fair Work Ombudsman's record-keeping requirements.

Time and wages records have to be:

- readily accessible to a Fair Work Inspector (FWI)
- legible
- in English
- kept for seven years.

General obligations

Payroll staff should liaise with HR to maintain accurate employee attendance, pay scale and bank account records.

Payroll staff should ensure that a supervisor approves the time records for hourly-paid employees before these records are passed for payment.

Payroll staff should maintain complete and accurate payroll records for holiday and sick leave

Leave

1. All staff leave requests must be made in writing to the Finance Manager.
2. For annual leave, leave requests must be made at least one (1) month before the period of leave commences.
3. For sick leave, the Finance Manager may, at their discretion, request a medical certificate.
4. For unpaid leave, leave requests may be approved at the discretion of the Finance Manager.
5. If the request for unpaid leave relates to family and domestic violence, the leave will be granted in accordance with the Award.
6. If a staff member requests to the Finance Manager that the staff member be informed of their available leave, the Finance Manager must comply with that request within ten (10) business days. For more information on leave, refer to the Award.

Payroll Procedures

1. Each employee will complete a timesheet, which will be summarised by HR and provided to the payroll officer in a timesheet summary report.
2. OZ Office Supplies has a policy of paying wages weekly. Wages will be processed each week on Monday for the previous week. The Payroll Officer must seek approval from the Finance Manager before processing the wages.
3. Therefore, an email must be sent to the Finance Manager to seek approval to process payroll for the relevant week once all data has been input into MYOB.
4. The Finance Manager will review the MYOB figures before any payment is made to ensure that any errors, duplicate payments, or omissions are corrected.
5. The Finance Manager will then approve payroll to be processed.
6. Using MYOB, the Payroll Officer should then process the payroll, email the payslips and report single touch payroll (STP). The Fair Work Act requires employers to issue payslips to their employees within one day of receiving payment in a confidential manner suitable for their employment, even if they are on leave.
7. Wages will be recorded as spend money transactions in MYOB from the 1-1110 East Bank Account. This is to ensure that the negative balance in the Payroll Clearing Account is reduced to zero each payday.
8. Payroll Liabilities (superannuation and union fees) must be reconciled, processed and paid on the 15th of each month for the previous month. If the 15th falls on a weekend, they must be paid on the next working day.
9. Payroll Liabilities are to be paid as spend money transactions from 1-1110 East Bank Account.
10. IAS and BAS are to be paid on the 20th of each month. If the 20th falls on a weekend, they must be paid on the next working day.

Payroll Discrepancies

1. Any apparent discrepancies (for example, discrepancies to do with the hours paid, the amount paid or pay rate) must be checked first with the Administration Manager.
2. Approval for any changes to payroll must be received in writing by the Payroll Officer before any rectifications are made.
3. All payroll adjustments must be documented.

4. When an adjustment is made to an employee's weekly pay, the employee must be contacted and advised of the changes.
5. All payroll discrepancies must be responded to within a week by the Payroll Officer.
6. Any underpaid amounts must be paid as soon as possible as a separate payment.

Storing Payroll Records

At the end of each month, a copy of the reports listed below must be saved using the following saving convention and then distributed to the Finance Manager:

File Name: - YYYYMM Payroll Summary Report (e.g., 202204 Payroll Summary Report)

- a) Payroll Summary Report
- b) Payroll Register Report
- c) Payroll Activity Report
- d) Profit & Loss Report
- e) Balance Sheet Report
- f) Leave Balance Report
- g) Accrual by Fund Report

At the end of each payroll year, a copy of the reports listed below must be saved using the following saving convention and then distributed to the Finance Manager:

File Name: yyyy-yyyy Payroll Summary Reports (e.g., 2021-2022 Payroll Summary Report)

- a) Payroll Summary Report
- b) Payroll Register Report
- c) Payroll Activity Report
- d) Profit & Loss Report
- e) Balance Sheet Report
- f) Leave Balance Report
- g) Accrual by Fund Report
- h) Accrual by fund report

Payroll Security

The Payroll Officer is the administrator of the MYOB File and controls user access to MYOB.

Users should set up a user account with a unique password.

All persons using payroll must password-protect their MYOB company file. Passwords must be changed at least once a quarter.

Related Policies and other documentation

- National Employment Standards.
- Fair Work Act 2009.
- General Retail Industry Award [MA000004]
- Financial Management Policy and Procedures
- Privacy Policy.
- Records Management Policy

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