**Morgan Maxwell Designs**  

**Payroll policy and procedures**

**PURPOSE**

This policy outlines the principles, processes and procedures employees are required to observe in relation to payroll services. Compliance with the policy greatly assists in ensuring that employees are paid in a timely manner and in accordance with relevant awards, enterprise agreements and contracts of employment.

**SCOPE**

This policy applies to all employees.

**DEFINITIONS**

"Account code" — the cost number, which includes cost centre of the staff member.

"Off pay week" — the week prior to the actual pay day.

"Offline EFT payment" — a payment outside the normal fortnightly payroll cycle.

**POLICY STATEMENT**

Payroll processes operate within a regulatory framework which is governed by audit requirements, legislation and direction from management.

Morgan Maxwell Designs operates on a fortnightly payroll cycle. Payment of staff is by way of electronic funds transfer (EFT) directly to the nominated account. The efficient processing of payroll related documentation relies upon timely and accurate submission of required and relevant data by supervisors/managers. Payroll documentation must be approved in accordance with the HR Delegations Policy.

Responsibility

1. Employee

Employees are responsible for providing HR with any variations that may have an effect on payroll processing and disbursement, (such as changes in address and personal circumstances which may affect deductions). Casual employees are also responsible for submitting time sheets, on a fortnightly basis, for approval by their supervisor authorised to approve timesheets. Employees must ensure that their timesheets are submitted in accordance with timelines stipulated in Clause 6.3 of this policy and on the approved forms.

1. Delegated officer (authorised supervisor)

Supervisors authorised to approve timesheets in accordance with the HR Policy have the responsibility of approving and forwarding payroll claims to HR in line with payroll deadlines. Where the immediate supervisor does not have the appropriate delegation to sign timesheets, that supervisor should ensure timesheets are signed by a delegated officer before submission to HR.

1. HR

HR processes payroll in an accurate and timely manner and ensures the correct disbursement of salaries.

(Payroll schemes, eg deduction schemes, will require a minimum number of 10 employees to participate before they will be established.

**PROCEDURES**

**Employment of Casual Staff - Staffing Contracts**

Casual employees must be covered by a current Staffing Contract to enable payment of wages. Approved Staffing Contracts must reach HR prior to the commencement date of an employee. Any salary payment for a casual employee cannot be processed until this form is received.

The Staffing Contract must nominate a default account code to which salary costs will be charged. Staffing Contracts need to specify appropriate salary classification/rate of pay. Staffing Contracts are available on the HR Intranet site.

**Timelines & Pay Cycles - Submission of Payroll Documentation**

Morgan Maxwell Designsoperates a fortnightly payroll cycle. Casual employees are required to submit their pay claim timesheets to their supervisor on a fortnightly basis immediately following the completion of their normal fortnightly work period. Approved timesheets and all other payroll related variations/documentation must reach HR by midday Tuesday in the off-pay week, i.e. the week prior to the actual pay day.

It should be noted that there are some exceptions where payroll deadlines are brought forward due to public holidays. A complete list of dates for payroll processing can be found on the intranet.

**Pay Advice Slips**

Pay advice slip information is available to be viewed and printed by employees on or after the actual pay day via MYOB. Hard copy pay advice slips are available for staff who do not have access to MYOB upon written request to HR. Care should be taken to ensure pay advice slip information is handled in a confidential manner.

**Bank Account Details**

Morgan Maxwell Designspayroll system is able to accommodate multiple bank account details, to a maximum of four bank accounts per employee, for salary payments. A Banking Authority form is available on the HR Intranet site. Full details must be supplied for all accounts as well as the nominated dollar amounts for the second and successive accounts. Where existing employees are nominating new account details there is a requirement to provide the previous account details for security reasons. Employees are responsible for ensuring that the bank details they supply are correct.

The option of multiple bank accounts is not available to casual staff.

The Banking Authority form may be completed electronically and emailed to: payroll@morganmaxwelldesigns.com.au or signed hard copies forwarded to HR.

**Monthly Payroll Reports**

Payroll reports are distributed via e-mail to the relevant contact in each department together with a payroll report memorandum. These reports and memos are produced on a monthly basis, cover the pay periods that fall within that month and are distributed in the week following the last pay in the month.

If it is found that an employee's default cost centre is incorrect and needs to be amended, a completed Account Code Amendment form should be completed and forwarded to HR for action. A signed copy of the accompanying memorandum must also be returned to HR requirements. Managers are required to sign and return these memos as evidence of a review of the accuracy of data captured in the reports and the identification of any amendments required.

Non return of the signed memo will be followed up by HR via the following steps:

1. At the end of the month, following the distribution of the payroll reports, a reminder email will be sent to managers who have not returned the signed memo.
2. If the signed memo is still not returned within two weeks of the reminder, HR will advise the supervisor of the manager.
3. Should the memo still not be returned, the General Manager will be notified.

**Requests for Offline Electronic Funds Transfer (EFT) Payments**

Requests for offline salary payments can be made in special circumstances. A supervisor who has the delegation to approve payroll claims may approve a payment outside the normal fortnightly payroll cycle. Such a request must be made to HR. The offline EFT payment will then be processed and will be available in the employee's bank account within 48 hours.

**Adjustments to Salary**

In the case of a change in salary due to promotion, change in classification or payment of a higher duties allowance, payment of salary at the adjusted rate will be made no later than the next payday provided related paperwork is received by HR in line with the fortnightly payroll deadlines.

**Advance Payment of Salary**

Where a staff member is due to commence a period of maternity leave, adoption leave, long service leave, personal leave, or annual leave in excess of two weeks/one fortnight, and the staff member requests advance payment for such leave, Morgan Maxwell Designs will pay the staff member in advance for up to twelve weeks of the period of leave, and may elect to make advanced payment for a longer period, provided that the staff member gives reasonable notice— usually four weeks.

Morgan Maxwell Designs will not provide advance payment under any other circumstance other than those stated above.

**Replacement of Salary**

An underpayment to a staff member will be corrected with full payment after verification of the underpayment not later than the payday for the next pay period. At the request of the staff member, such payment may be made via an EFT payment within two working days of notification and verification of the salary underpayment.

**Deductions**

Morgan Maxwell Designs provides employees with an option of paying certain health insurance fees, fitness centre fees etc through payroll deductions. Such arrangements may vary from time to time at the discretion of the Morgan Maxwell Designs. Employees need to register with the relevant organisation before implementation of the deduction can occur. Commencement or changes to deductions cannot take place unless written authorisation is received by HR.

A minimum of ten employees wishing to have deductions made to a particular new deduction scheme is required for HR to set up the deduction scheme.

Superannuation deductions to default superannuation schemes will be made on a fortnightly basis and in accordance with superannuation legislation. Eligible staff may also direct employer superannuation contributions to compliant choice of fund schemes providing all relevant forms have been completed and forwarded to HR.