

Running a Payroll

Running a payroll is made up of five basic stages.

- ◆ Data preparation and entry
- ◆ Setting the payroll run parameters
- ◆ Calculating the payroll
- ◆ Reviewing and confirming the payroll
- ◆ Finalising the payroll and making net pay payments.

A convenient check list may be printed out as an action by action process guide for each payroll run. This is available via **User Guides** under the **HELP** menu.

Data preparation and Entry

Please refer to the **Initial Payroll setup** user guide and **Setting up employee's payroll data** user guide for entering the relevant data.

Data may be entered on an individual member basis or in batch of multiple payroll members.

Setting the payroll run parameters

A particular payroll identified by the pay interval and the pay date. So to prepare a payroll run these two parameters must be set.

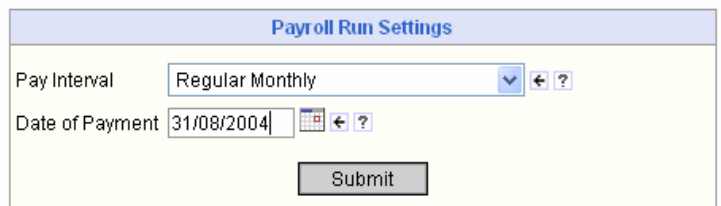
Pay Intervals are most commonly weekly or monthly, however 2 weekly or 4 weekly may exist. Because of issues of tax free pay for tax and earnings thresholds for National Insurance the pay interval is important and employees need to be allocated to a particular pay period. Hence a payroll with a particular pay interval will determine the employees who will be included in the run.

The deduction of PAYE tax is usually cumulative in nature, and consequently the free pay allowance is spread over the year depending on the pay interval, so therefore the date of the payroll determines how much of the free pay can be used for the year to date.

The payroll run is set using **Set Pay Run** accessed via the Manage Payroll menu.

PAYROLL → MANAGE PAYROLL → SET PAY RUN

- ◆ Select the **Pay Interval** from the drop down box.
- ◆ Enter the **Date of Payment**. This should be the date up to which pay is made up. (Not the date that net pay is physically paid)



The screenshot shows a web form titled "Payroll Run Settings". It contains two main input fields: "Pay Interval" with a dropdown menu currently set to "Regular Monthly", and "Date of Payment" with a text box containing "31/08/2004" and a calendar icon. A "Submit" button is located at the bottom right of the form.

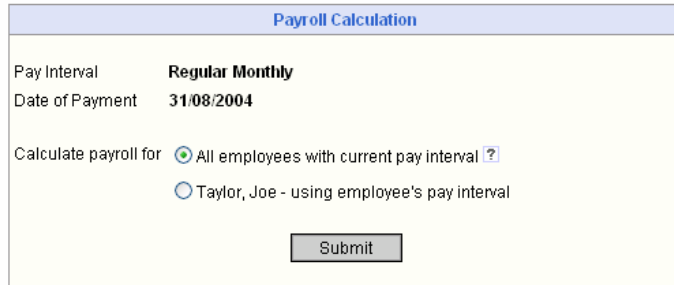
Calculating the Payroll

If all data entry and preparation has been completed and the pay run set the payroll can be calculated.

This is done via the Payroll Administration menu.

PAYROLL → MANAGE PAYROLL → CALCULATE PAYROLL

- ◆ The screen shows the parameters from the **Set Pay Run** activity.
- ◆ Select “All employees with the current pay Interval” for a full payroll calculation. Or choose to calculate for the particular **Set** employee.
- ◆ If another employee is required, then Set the employee first, via the Set employee activity.



The screenshot shows a web form titled "Payroll Calculation". It contains the following fields and options:

Pay Interval	Regular Monthly
Date of Payment	31/08/2004
Calculate payroll for	<input checked="" type="radio"/> All employees with current pay interval ? <input type="radio"/> Taylor, Joe - using employee's pay interval
<input type="button" value="Submit"/>	

PAYROLL → SET EMPLOYEE → SET relevant employee

- ◆ **SUBMIT** to perform the calculation.
- ◆ Confirmation of successful calculation is shown in the top right of the screen.

Reviewing and confirming the payroll

As required view on the screen or print out

- ◆ Payslips
- ◆ Payroll run summary
- ◆ P11

Further information on running reports is available from the **Payroll Reports** payroll user guide.

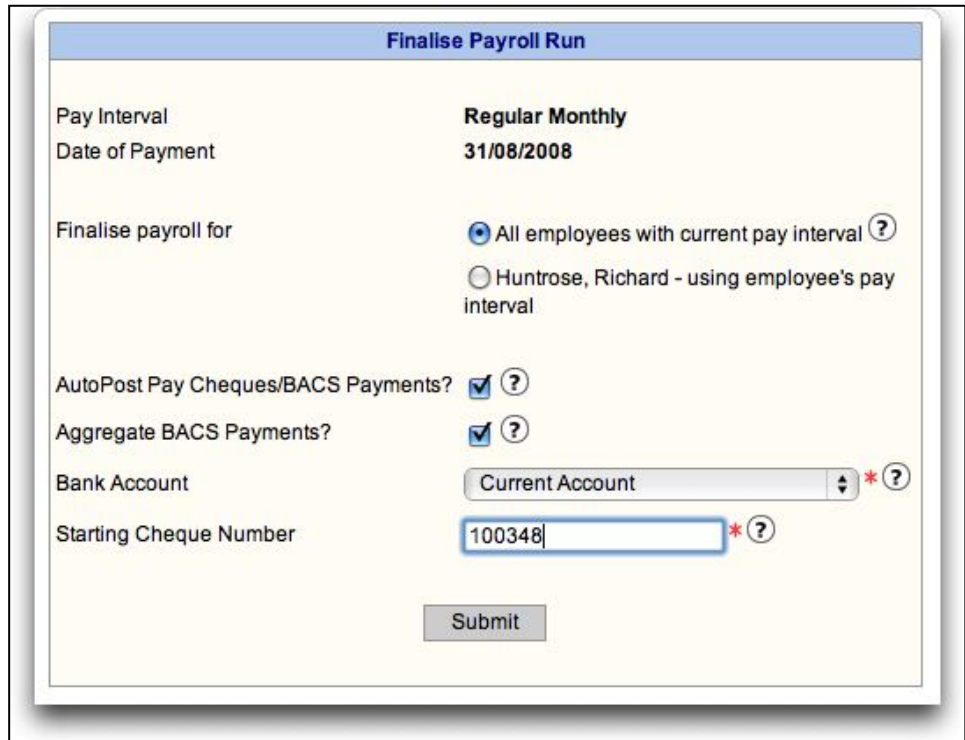
If necessary make any changes to the payroll and re-run. When all amendments have been made the payroll can now be finalised.

Finalising the Payroll

Finalising the payroll stores all relevant data and makes the relevant accounting entries. This is done via the Payroll Administration menu.

PAYROLL → MANAGE PAYROLL → FINALISE PAYROLL RUN

- ◆ The screen shows the parameters from the **Set Pay Run** activity.
- ◆ Select “All employees with the current pay interval” for a full payroll calculation. Or choose to calculate for the particular **Set** employee.
- ◆ If another employee is required, then **Set** the employee first, via the **Set** employee activity.



The screenshot shows a web form titled "Finalise Payroll Run". The form contains the following fields and options:

- Pay Interval:** Regular Monthly
- Date of Payment:** 31/08/2008
- Finalise payroll for:**
 - All employees with current pay interval ?
 - Huntrose, Richard - using employee's pay interval
- AutoPost Pay Cheques/BACS Payments?:** ?
- Aggregate BACS Payments?:** ?
- Bank Account:** Current Account * ?
- Starting Cheque Number:** 100348 * ?
- Submit** button

PAYROLL → SET EMPLOYEE → **SET** relevant employee

- ◆ If the payment method selected is cheque and/or BACS payments, click **AutoPost Pay Cheques/BACS Payments?** box. Payments are automatically posted to the accounts when **SUBMIT** is clicked to finalise the payroll run.
- ◆ Select **Aggregate BACS Payments?** if you want a single entry representing the total of all BACS payments to employees for the payroll run to be posted to your accounts when the payroll run is finalised. This option only applies if **AutoPost Pay Cheques/BACS Payments?** is selected.
- ◆ Select the **Bank Account** on which the cheques or BACS payments will be drawn and enter the **Starting Cheque Number** if cheques are included, leave as the default “1” if there no cheques being used.
- ◆ **SUBMIT** to complete the process.
- ◆ Confirmation of successful processing is shown in the top right of the screen.
- ◆ The details of the accounting entries that have been made can be viewed via the reports menu.

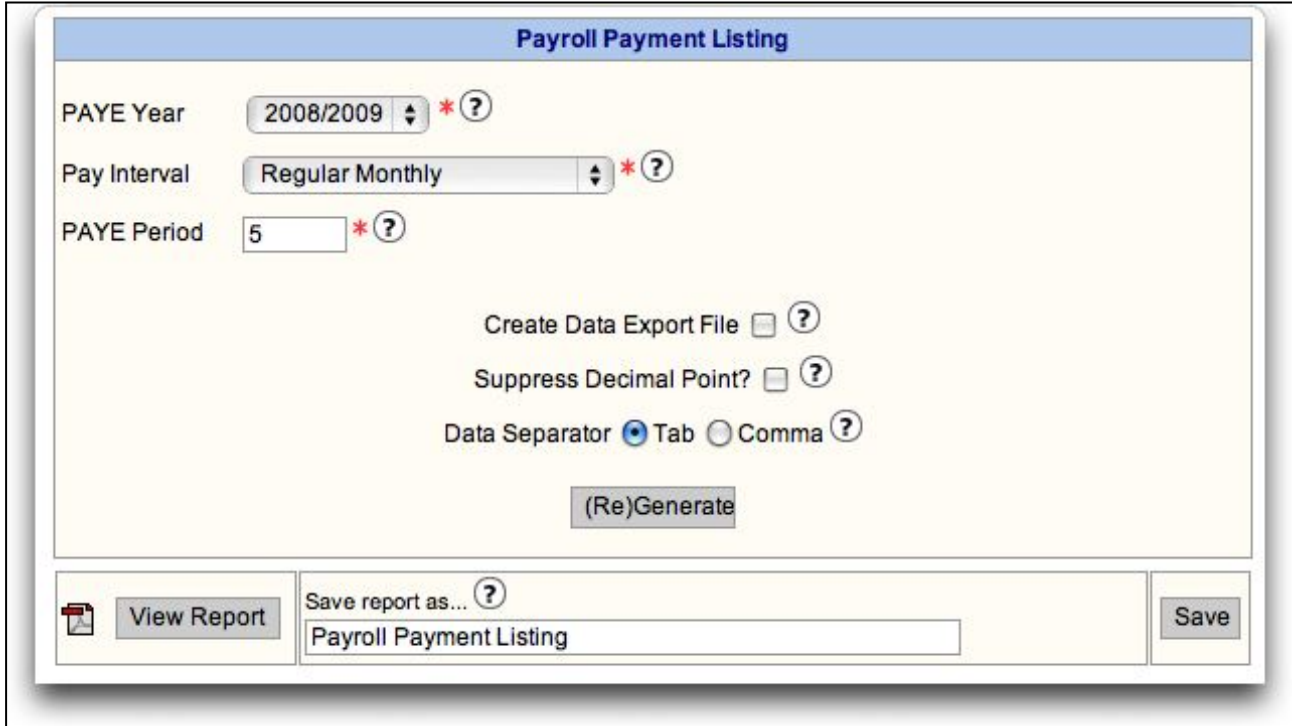
PAYROLL → REPORTS → NOMINAL LEDGER TRANSFER

Further information on running reports is available from the **Payroll Reports** payroll user guide.

To create an Extract file for BACS/online banking purposes

From the payroll reports menu, go to Payment Listing.

PAYROLL → REPORTS → PAYMENT LISTING



The screenshot shows a web form titled "Payroll Payment Listing". It contains the following fields and options:

- PAYE Year:** A dropdown menu set to "2008/2009", with a red asterisk and a question mark icon.
- Pay Interval:** A dropdown menu set to "Regular Monthly", with a red asterisk and a question mark icon.
- PAYE Period:** A text input field containing the number "5", with a red asterisk and a question mark icon.
- Create Data Export File:** An unchecked checkbox with a question mark icon.
- Suppress Decimal Point?:** An unchecked checkbox with a question mark icon.
- Data Separator:** Radio buttons for "Tab" (selected) and "Comma", both with question mark icons.
- (Re)Generate:** A button.
- View Report:** A button with a document icon.
- Save report as...:** A text input field containing "Payroll Payment Listing", with a question mark icon.
- Save:** A button.

Select the appropriate **Pay Interval** and **PAYE period** .Tick the **Create Data Export File** box.

If the required data format is in pence, tick the **Suppress the Decimal Point** box.

Click on **GENERATE** to create the export file. The file is in text CSV format.