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# PeopleSoft Enterprise Global Payroll for Australia 9.1 PeopleBook

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PeopleSoft Enterprise Global Payroll for Australia 9.1 PeopleBook
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# PeopleSoft Enterprise Global Payroll for Australia Preface

This preface discusses:

- PeopleSoft products.
- PeopleSoft Enterprise HRMS Application Fundamentals.
- PeopleBook structure.
- Global Payroll documentation.

## PeopleSoft Products

This PeopleBook refers to the following PeopleSoft product: PeopleSoft Enterprise Global Payroll for Australia.

## PeopleSoft Enterprise HRMS Application Fundamentals

Additional, essential information describing the setup and design of your system appears in a companion volume of documentation called *PeopleSoft Enterprise HRMS Application Fundamentals PeopleBook.*

### *See Also*

*PeopleSoft Enterprise HRMS 9.1 Application Fundamentals PeopleBook*, "PeopleSoft Enterprise HRMS Application Fundamentals Preface"

## Global Payroll Documentation

This section discusses:

- Global Payroll application design.
- Global Payroll documentation structure.
- Documentation roadmap.

## Global Payroll Application Design

Because the structure of the Global Payroll documentation is similar to the design of the application, the best way to understand the documentation is to review the design of the application itself.

Global Payroll is composed of two complementary parts:

- A core payroll application that includes:
  - A payroll rules engine.
  - A payroll processing framework.
  - Processes and setup steps that apply to all countries.
- Country extensions that include:
  - Statutory and customary objects (payroll rules, payroll processes, reports, additional country-specific pages, and self-service applications).
  - Country-specific rules and elements.

## Global Payroll Documentation Structure

Like the application, the documentation for Global Payroll consists of two parts: a core book and separate country extension books.

### *Core Documentation*

Like the core portion of the application, which applies to all countries and enables you to develop rules and process a payroll regardless of location, the core book is country neutral. Thus, while it describes the core set of tools that you can use to develop a payroll, it doesn't discuss the local country rules that have been set up for you. For information about how PeopleSoft has extended core capabilities to meet local requirements, refer to the country extension documentation.

### *Country Extension Documentation*

Just as country extensions in the application address local needs, the country extensions in the documentation cover local functionality. This includes:

- Any core feature with local extensions.
- Country-specific rule setup.
- PeopleSoft-delivered rules and tables.
- Country-specific pages.
- Country-specific reports.
- PeopleSoft Enterprise Human Resources Management Systems (PeopleSoft Enterprise HRMS) setup, such as bank definitions, that varies by country.

- Implementation information that varies by country.

## Documentation Roadmap

The core and the country extension documentation complement each other, therefore, it is important to read both sets of documentation.

### *What to Read When*

You can approach the documentation in the following way:

- If a process setup is shared between the core application and the country extension, read the core documentation first and then the country extension documentation.

  For example, banking is a feature that you first define in the core application and then often continue in the country extension, because most country extensions have some type of banking functionality. You would first read the banking chapter in the core documentation and then the banking chapter in the country extension documentation.

- If a process is set up only in the core application, read the core documentation.
- If a process is set up only in the country extension, read the country extension documentation.

### *Documentation Audiences*

We've identified the following audiences for the documentation:

- Technical

  Technical readers who are interested in the technical design of the product should begin by reading the "Introducing the Core Application Architecture" section of the core documentation, as well as the batch processing information that is mentioned in many of the other sections.

  See *PeopleSoft Enterprise Global Payroll 9.1 PeopleBook*, "Introducing the Core Application Architecture."

- Functional

  Functional readers who are interested in defining rules should begin by reading the country-specific functionality described in the country extension documentation. Functional readers can continue to learn about how to use the tools in the core application by reading the sections on defining payroll elements, such as earnings and deductions, in the core documentation.

- Managerial

  Managerial readers should begin by reading the introduction sections of both the core documentation and the country extension documentation to get a high-level overview of the Global Payroll application.

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**Note.** To fully understand Global Payroll, technical or functional persons who are involved in the product implementation should read the core documentation and the applicable country extension documentation in their entirety.

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## PeopleBooks and the PeopleSoft Online Library

A companion PeopleBook called *PeopleBooks and the PeopleSoft Online Library* contains general information, including:

- Understanding the PeopleSoft online library and related documentation.
- How to send PeopleSoft documentation comments and suggestions to Oracle.
- How to access hosted PeopleBooks, downloadable HTML PeopleBooks, and downloadable PDF PeopleBooks as well as documentation updates.
- Understanding PeopleBook structure.
- Typographical conventions and visual cues used in PeopleBooks.
- ISO country codes and currency codes.
- PeopleBooks that are common across multiple applications.
- Common elements used in PeopleBooks.
- Navigating the PeopleBooks interface and searching the PeopleSoft online library.
- Displaying and printing screen shots and graphics in PeopleBooks.
- How to manage the locally installed PeopleSoft online library, including web site folders.
- Understanding documentation integration and how to integrate customized documentation into the library.
- Application abbreviations found in application fields.

You can find *PeopleBooks and the PeopleSoft Online Library* in the online PeopleBooks Library for your PeopleTools release.

Chapter 1

# Getting Started with Global Payroll for Australia

This chapter discusses:

- Global Payroll for Australia overview.
- Global Payroll for Australia business processes.
- Global Payroll for Australia integrations.
- Global Payroll for Australia implementation.

## Global Payroll for Australia Overview

Global Payroll for Australia delivers elements, rules, pages, processes, and reports that work with the core Global Payroll application to form a complete payroll package for Australia. You can define basic and non-basic earnings, as well as extra period payments and overtime. You can define deductions, such as union fees and garnishments. With Global Payroll for Australia, you can process loans and advances. You can track absence and vacation balances for employees. With Global Payroll for Australia, you can calculate termination pay, generate payslips. and process banking for employees.

***See Also***

Chapter 2, "Understanding Global Payroll for Australia," page 5

## Global Payroll for Australia Business Processes

The following list is of the Global Payroll for Australia business processes:

- Taxation
- State Payroll Tax
- Superannuation
- Net-to-Gross Payments
- Banking and Recipient Processing

- Printing and Viewing Payslips
- Payroll Reporting
- General Ledger Interface
- Absences
- Terminations
- Salary Packaging Expenditure
- End-of-Year Reporting

We cover these business processes in the business process chapters in this PeopleBook.

## Global Payroll for Australia Integrations

Global Payroll for Australia integrates with these applications through the core Global Payroll application:

- PeopleSoft Enterprise Human Resources.
- PeopleSoft Enterprise Time and Labor.
- PeopleSoft Enterprise General Ledger.

We discuss integration considerations in the core Global Payroll PeopleBook.

### *See Also*

*PeopleSoft Enterprise Global Payroll 9.1 PeopleBook*, "Working with Payee Data"

*PeopleSoft Enterprise Global Payroll 9.1 PeopleBook*, "Integrating with PeopleSoft Enterprise Time and Labor"

*PeopleSoft Enterprise Global Payroll 9.1 PeopleBook*, "Integrating with PeopleSoft Enterprise General Ledger"

## Global Payroll for Australia Implementation

PeopleSoft Setup Manager enables you to generate a list of setup tasks for your organization based on the features that you are implementing. The setup tasks include the components that you must set up, listed in the order in which you must enter data into the component tables, and links to the corresponding PeopleBook documentation.

### *Other Sources of Information*

In the planning phase of your implementation, take advantage of all PeopleSoft sources of information, including the installation guides, table-loading sequences, data models, and business process maps.

 

### *See Also*

*PeopleSoft Enterprise HRMS 9.1 Application Fundamentals PeopleBook*, "PeopleSoft Enterprise HRMS Application Fundamentals Preface"

*Enterprise PeopleTools PeopleBook: PeopleSoft Setup Manager*

Chapter 2

# Understanding Global Payroll for Australia

This chapter discusses:

- Global Payroll for Australia.
- Global Payroll for Australia business processes.
- Delivered elements for Australia.
- Naming elements.
- Element PIN codes.
- Archiving data for Global Payroll for Australia.
- Viewing delivered elements.

## Global Payroll for Australia

Global Payroll for Australia is a country extension of the core Global Payroll application. It provides the payroll rules, elements, and absence processes needed to run an Australian payroll.

## Global Payroll for Australia Business Processes

Global Payroll for Australia supports the following business processes:

**Note.** If you elect to use the delivered rules for Global Payroll for Australia, use only the employment instance in Human Resources.

- Taxation.

  Global Payroll for Australia comes with all the elements required to calculate a payee's tax correctly. Whatever the scenario—multiple payments within a calendar period, annualized tax, mid-period hires, or terminations—the system correctly calculates the tax.

- State Payroll Tax.

  Global Payroll for Australia administers payroll tax amounts based on the legislative requirements of the state revenue offices. This feature provides a report that you can use to calculate your state payroll tax liability.

- Superannuation.

  Global Payroll for Australia meets the requirements for superannuation by providing a number of super-related deductions. The calculation rules associated with each deduction reflect a particular type of superannuation deduction, such as a tier-based deduction or a percentage deduction based on employee contributions (matching).

- Banking and Recipient Processing.

  The banking process of Global Payroll brings together payroll data, pay entity source bank data, payee or recipient bank data. The electronic funds transfer (EFT) file creation process extracts data compiled by the banking process according to the type of EFT file that you are creating, merges it with data provided by the Australian country extension, and creates the file for transmission.

- Off-Cycle Payments

  Using the Off Cycle on Demand component, you can set up and process payments outside of the normal payroll schedule. Off-cycle transactions are usually made to correct prior payments, enter manual payments, or to make advance payments that can't wait until the next scheduled payroll run.

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  **Important!** Advance payments do not replace Australia Pay in Advance functionality used for absences.

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  See *PeopleSoft Enterprise Global Payroll 9.1 PeopleBook*, "Managing Off Cycle Processing."

- Payslips.

  The payslip feature enables you to create and control payslips that display specified data. You can determine where the data appears and how it is formatted. You can override templates at lower levels, so you do not have to create multiple templates to cover every payslip scenario that you may have.

- General Ledger Interface.

  Building on the Global Payroll general ledger interface, the Australian country extension enables you to link journal types to general ledger (GL) groupings so you can report by journal type, calculate accrued salary and leave liability, report leave liability, calculate state payroll tax liability, and run the GLI or QSP process.

- Absences.

  PeopleSoft delivers predefined rules for processing annual and long-service leave, OGO long-service leave, sick leave and absences generally defined as *other leaves*, such as maternity or jury duty. You can modify many of these rules to reflect absence policies that are specific to your organization or to labour agreements that may be in force for employees

- Terminations.

  Global Payroll for Australia comes with a termination section that enables you to ensure all legal obligations are met. It gives you the flexibility to make changes that suit your specific business practices.

 

- Salary Packaging Expense Monitoring.

  The integration of the Salary Packaging business process in PeopleSoft Enterprise Human Resources with Global Payroll for Australia enables you to enter actual expenditures against a budgeted salary package. When you define components, you use the Expense Data page to identify whether the component is administered as a deduction, earning, or expense.

- End-of-Year Reporting.

  The End-of-Year Reporting feature enables you to set up the data that appears on the Payment Summaries, which you provide at the end of the year or on termination. It enables you to process and report FBT-liable earnings, generate payment summary data, print payment summaries, and create the payment summary electronic file for the Australian Tax Office.

***See Also***

Chapter 10, "Managing Taxation Processing," page 77

Chapter 11, "Reporting State Payroll Tax Liabilities," page 95

Chapter 12, "Administering Superannuation," page 97

Chapter 13, "Running Banking and Recipient Processes," page 109

Chapter 14, "Printing and Viewing Payslips," page 121

Chapter 15, "Using the General Ledger Interface," page 123

Chapter 16, "Defining Absence Rules," page 137

Chapter 17, "Understanding Termination Payment Management," page 165

Chapter 19, "Monitoring Salary Packaging Expenditure," page 193

Chapter 18, "Managing End of Year Reporting," page 179

# Delivered Elements

Global Payroll defines each business process for Australia in terms of delivered elements and rules. Some of these elements and rules are specifically designed to meet legislative requirements. Others support common or customary payroll practices.

## Creation of Delivered Elements

All of the elements and rules delivered as part of your country extension were created using the core application—the same application that you use both to create additional elements or rules, and to configure existing elements delivered as part of the Global Payroll application. Because the tools needed to redefine or create new payroll elements are fully documented in the core application PeopleBook, that information does not appear here. Instead, this PeopleBook briefly reviews the relationship between the core application (which contains the tools that you need to define your own elements and rules) and the country extensions (which contain country-specific rules and elements defined by PeopleSoft).

 

The core application has the following characteristics:

- It consists of a payroll rules engine—a flexible tool that enables you to define the rules and elements of the payroll system and execute payroll and absence calculations.

  Global Payroll does not embed payroll-specific logic or computations in application code. Instead, it specifies all business application logic—such as earnings, deductions, absences, and accumulators—in terms of payroll rules and elements. Global Payroll enables you to enter and maintain payroll rules through a set of pages, and it offers a comprehensive set of features that enable you to work in your preferred language or currency.

- It provides a payroll processing framework—a flexible way to define and execute payroll and absence processing flows, such as calendars, run types, pay periods, and process lists.

Country extensions have the following characteristics:

- They are built using the core application.
- They consist of statutory and customary objects (country-specific payroll rules, elements, payroll processes, reports, pages, and self-service applications).

## Element Ownership and Maintenance

The delivered elements and rules of the Global Payroll country extension can be classified according to whether they are owned and maintained by you or by PeopleSoft. Some elements and rules are maintained exclusively by PeopleSoft and cannot be modified, while others can be configured to meet requirements unique to each organization.

### *Element Ownership in Global Payroll*

There are five categories of element ownership:

| | |
|---|---|
| **PS Delivered/Maintained** (PeopleSoft-delivered and maintained) | Elements delivered and maintained on an ongoing basis by PeopleSoft. |
| **PS Delivered/Not Maintained** (PeopleSoft-delivered but not maintained) | Elements delivered by PeopleSoft that must be maintained by the organization. This category consists primarily of either customary (or non-statutory) rules and statutory elements that organizations may want to define according to different interpretations of the rules. Although PeopleSoft may occasionally update elements defined as PS Delivered/Not Maintained, you are not required to apply these updates. |
| **Customer Maintained** | Elements created and maintained by the organization. PeopleSoft does not deliver rules defined as Customer Maintained. |
| **PS Delivered/Customer Modified** (PeopleSoft-delivered and customer-maintained) | Elements that were originally PS Delivered/Maintained elements over which the organization has decided to take control. This change is irreversible. |

 

**PS Delivered / Maintained / Secure** Delivered elements that the organization can never modify or control.

### *Element Ownership in Global Payroll for Australia*

Of the five ownership categories listed in the previous section, only PS Delivered/Maintained and PS Delivered/Not Maintained are used to define Australian elements. Although Global Payroll for Australia delivers some elements as PS Delivered/Maintained, most elements are designated PS Delivered/Not Maintained. This enables you to modify, update, and reconfigure the delivered elements to meet needs that are specific to your organization.

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**Note.** In general, Global Payroll for Australia uses the ownership category PS Delivered/Not Maintained unless the modification of an element might interfere with calculations that satisfy legislative requirements. The benefits of this approach are evident if you consider the setup of delivered accumulators. Because balance accumulators (for example, those storing taxable gross on a year-to-date basis) must be set up to comply with the legislative requirement for calculating taxes, Global Payroll for Australia defines them as PS Delivered/Maintained. You cannot modify or directly add new elements to them. However, you can add new elements to these accumulators by using the delivered segment accumulators, which serve as the entry point into the system. They are not maintained by PeopleSoft. When you define a new earning or deduction, you can assign the element to a segment accumulator, and the segment accumulator automatically contributes to the correct balance accumulators.

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In the following table of elements supplied with Global Payroll for Australia, the element ownership is PS Delivered/Not Maintained, with exceptions shown in the right-hand column.

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**Note.** The following element types have no exceptions and are therefore not shown in the table: Absence Entitlement, Absence Take, Count, Duration, Date, Element Group, Earning, Generation Control, Historical Data Rule, Process, Rate Code, Rounding Rule, and Writable Array.

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| *Element Type* | *Exceptions* |
|---|---|
| Accumulators | • Total Tax for the Period.<br>• HELP Earnings - Annualized.<br>• Total Earns: Annualized, Leave Loading, Lump Sums A, B, D & E, Lump Sum C Taxable & Non Tax, and Marginal.<br>• Period to Date (PTD): Earnings, HELP, Leave Loading, SFSS Amount, Tax Amount, and HELP and SFSS Marginal.<br>• Year-to-Date (YTD) Earns - Leave Loading. |
| Array | • Payee's Normal Gross Earnings, EE Tax Detail (employee tax detail).<br>• Tax Scale: Details & Rates. |
| Bracket | Australian: FTB Rates, HELP Rates, and SFSS Rates. |

| *Element Type* | *Exceptions* |
|---|---|
| Deduction | • Annualized Tax, HELP Amount.<br>• Lump Sum: A, B, C, and E Tax.<br>• Marginal Tax, SFSS Amount. |
| Formula | • Error: Formula for AR EARN ALL, Retrieving EE Tax Data, Retrieving Tax Rates Dtl & Rates.<br>• TAX FM (PIN_NM): All TAX formulas.<br>• TER FM (PIN_NM): LSL Termination Calculation, Post 1978 Accrual LSL, Post 1993 Accrual LSL . |
| Section | Tax Deduction Section, TAX - DED |
| Variable | • Balance Group ID, Message Set No for Aust - Batch, Result of Proration Work Day.<br>• TAX VR (PIN_NM): All TAX variables except: Balance Group ID, Pay Entity.<br>• TER VR (PIN_NM): Lump Sum D Initial Value, Lump Sum D Yearly Value. |

## Naming Elements

To understand how delivered payroll elements function in the system, you need to understand their names. The naming convention for PeopleSoft-delivered elements enables you to determine how an element is used, the element type, and even the functional area it serves. Depending on whether the element is a primary element, a component of a primary element, or a supporting element, one of the following naming conventions applies.

### *Supporting Elements*

For supporting elements, such as variables, formulas, dates, durations, and so on, PeopleSoft uses the following naming convention: FFF (or FF) TT NAME.

- FFF (or FF) is the functional area code.

  See Chapter 2, "Understanding Global Payroll for Australia," Functional Area Codes, page 13.

- TT is the type of supporting element.

  See Chapter 2, "Understanding Global Payroll for Australia," Element Type Codes (PIN_TYPE), page 14.

 

- NAME (or NAME NAME) indicates the purpose of the element.

  The number of NAME components may vary.

For example, in the garnishment variable GRN VR PROC STATUS, GRN stands for *garnishment*, VR stands for *variable*, and PROC STATUS stands for *process status*. With a maximum of 30 characters, the element's description (DESCR) field provides details about the element's purpose.

### Primary Elements

Primary elements—such as earnings, deductions, absence take, and absence entitlement elements—often do not contain functional area codes or element type codes in their names. This is because primary elements have names, based on Australian terms, that identify their function and element type without the use of additional codes. For example, the name of the earning element PAY IN LIEU clearly identifies the element as an earning—specifically, as payment in lieu of notice.

### Additional Information about Elements

Many Australian elements contain abbreviations that provide additional information about their purpose (beyond what the functional area codes and element type codes provide). For example, consider the following duration elements: PSH DR BS PRD D and PSH DR BS PRD Y. The functional area code PSH indicates that these elements are used for Prior Service History elements, and the element type code DR identifies them as duration elements. The abbreviations BS, PRD, and D and Y provide additional information about how each element measures periods of time. The durations are of between-service (BS) periods (PRD) expressed in days (D) and in years (Y). As you become more familiar with the payroll rules created for Australia, these abbreviations enable you to identify the role of each element.

The following table lists the most common abbreviations used in the names of Australian elements.

| Abbreviation | Meaning |
|---|---|
| ACCR | Accrual. |
| ADDL | Additional. |
| AL | Annual leave (also ANN). |
| AMBR | Adjustment accumulator member. |
| AMT | Amount. |
| BAL | Balance. |
| BMBR | Balance accumulator member. |
| BSD | Based (for example, TIERBSD for *tier-based*). |
| CHK | Check. |
| DTL | Detail. |
| DYS | Days. |
| EE | Employee. |
| EMBR | Entitlement accumulator member. |

 

| ***Abbreviation*** | ***Meaning*** |
|---|---|
| ENT | Entitlement. |
| ER | Employer. |
| ETP | Eligible termination payment. |
| GRP | Group. |
| HPH | Hours per hour (entitlement). |
| HR or HRLY | Hours or hourly. |
| LIAB | Liability. |
| LL | Leave loading. |
| LST | Last. |
| LUMP[*] | Lump sum [A, B, C, D or E]. |
| MAR | Marginal (tax). |
| MTH | Month. |
| NML | Normal. |
| OVRD | Override. |
| PD or PRD | Period (or product for PRD). |
| PRO | Pro rata. |
| PUB | Public (as in *public holiday*). |
| ROLL | Rolling (average). |
| RT | Rate. |
| SCL | Scale (for example, TXSCL for *tax scale*). |
| SPE | Service period end. |
| SPS | Service period start. |
| SPT | State payroll tax. |
| TKE | (Absence) take. |
| TMBR | Take accumulator member. |
| WKF | Weeks federal. |
| WKO | Weeks other (non-federal). |

### *Component Names (Suffixes)*

In Global Payroll for Australia, suffixes are used to name the components of earnings and deductions elements. For example, when you create an earning or deduction element in Global Payroll, you define the components that make up the element, such as base, rate, unit, and percentage. The system automatically generates the components and accumulators for the element based on the calculation rule or accumulator periods. The system also names the components and accumulators by appending a suffix to the element's name.

For example, suppose that you define the earning element named EARN1 with the following calculation rule:

EARN1 = Rate × Unit

The system automatically creates two additional elements for the components in the calculation rule: a rate element called EARN1_RATE and a unit element called EARN1_UNIT. In Global Payroll for Australia, all suffixes fall into one of the following types:

- Separator.
- Earnings and deductions and absence entitlement component suffixes.
- Earnings and deductions and absence entitlement accumulator suffixes.
- Deduction arrears component suffixes.
- Deduction arrears accumulator suffixes.
- Recipient suffixes.

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**Note.** To view the suffixes used for Australia, select Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, System Settings, Element Suffixes.

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## Functional Area Codes

The following table contains the functional area codes used in the names of Australian elements.

| *Functional Area Code* | *Description* |
|---|---|
| ABS | Australian Bureau of Statistics. |
| ANN | Annual leave. |
| AUS | Australia (used for elements common to multiple features). |
| DED | Deduction. |
| EOY | End of year. |
| ERN | Earnings. |
| GLI | General Ledger Interface. |
| GRN | Garnishment. |
| LIM | Limit. |

 

| *Functional Area Code* | *Description* |
|---|---|
| LSL | Long service leave. |
| LVE | Leave. |
| PSH | Prior service history. |
| RTO | Retro. |
| SCK | Sick leave. |
| SP | Salary packaging. |
| TAX | Tax. |
| TER | Termination. |

# Element Type Codes (PIN_TYPE)

Many element types, particularly supporting elements, are identified by the type code in their names. For example, the FM in AUS FM LSTSEG identifies the element as a formula.

You can view all the element types in the search page by selecting Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, System Settings, Element Types. Because not all element types are delivered for Australia, some these codes do not appear in the names of Australian elements.

# Archiving Data for Global Payroll for Australia

PeopleSoft Enterprise Global Payroll for Australia delivers an archiving tool called the Data Archive Manager with a predefined archive object (GPAU_RSLT_ARCHIVE) and an archive template (GPAURSLT) that you can use to archive your payroll results data. The delivered archive template uses queries to select and store data by calendar group ID (CAL_RUN_ID field).

**Note.** Please use extreme caution when making changes to delivered archive objects, queries, or templates. Any modifications can result in the loss of important data.

See *PeopleSoft Enterprise Global Payroll 9.1 PeopleBook*, "Archiving Data."

## Additional Archiving Considerations

The following PeopleSoft Enterprise Global Payroll for Australia result data is not included in the GPAU_RSLT_ARCHIVE archive object because it is not associated with a calendar group ID:

| *Result Data Type* | *Data Location* |
|---|---|
| Pay Leave in Advance | GPAU_ABSADV_CAL |

 

| *Result Data Type* | *Data Location* |
|---|---|
| | GPAU_ABSRET_CAL |
| | GPAU_ABSADV_SEG |
| | GP_ABSEVT_SGPAU |
| CEMTEX Electronic Funds Transfer Results | GPAU_EFT_CMX_HD |
| | GPAU_EFT_CMX_TL |
| | GPAU_EFT_CMX_DT |
| Recipient Report Results | GPAU_RCPPAY_DTL |
| | GPAU_RCPPAY_HDR |
| | GPAU_RCPPAY_FTR |
| End of Year Payment Summary Results | GPAU_EE_PSM |
| | GPAU_EE_ETP |
| Payment Summary Exception Results | GPAU_PSM_EXCEPT |
| State Payroll Tax Results | GPAU_SPT_SUMM |
| FBT Results | GPAU_EE_FBT |

If you want to archive this data, you can set up new archive objects, queries, and templates using the Data Archive Manager, or you can use your own archiving solution.

### See Also

*Enterprise PeopleTools PeopleBook: Data Management, Using PeopleSoft Data Archive Manager*

## Viewing Delivered Elements

The PeopleSoft system delivers a query that you can run to view the names of all delivered elements designed for Australia. Instructions for running the query are provided in the *PeopleSoft Enterprise Global Payroll 9.1 PeopleBook.*

### See Also

*PeopleSoft Enterprise Global Payroll 9.1 PeopleBook*, "Viewing Delivered Elements," Understanding How to View Delivered Elements

 

Chapter 3

# Setting Up Global Payroll for Australia

This chapter discusses how to:

- Process retroactive payments.
- Enter additional pay group information.
- Enter additional calendar information.
- Define triggers and segmentation events for Australia.
- Identify proration rules for Australia.
- Identify rounding rules for Australia.

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**Note.** The PeopleSoft system delivers a query that you can run to view the names of all delivered elements designed for Australia. Instructions for running the query are provided in the *PeopleSoft Enterprise Global Payroll 9.1 PeopleBook.*

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***See Also***

*PeopleSoft Enterprise Global Payroll 9.1 PeopleBook*, "Viewing Delivered Elements," Understanding How to View Delivered Elements

## Processing Retroactive Payments

The default retro method and the on conflict retro method for Australia are both forwarding. You set this on the Country Setup page.

The core retro functionality suits all Australian requirements except the requirement to apply a different tax rate to retro payments that relate to periods more than 12 months before the date the forwarded retro payment is made.

### Determining Retro Pay Over 12 Months

To meet this requirement, the PeopleSoft system provides the formula RTO FM SET OVRDSET, which uses the duration RTO DR MTH ARREARS to determine if a period of more than 12 months has elapsed between any of the periods being retroactively paid and the payment date of the retro. If any elapsed period is greater than 12 months, the system selects a new override set—also provided by the PeopleSoft system—to forward all the processed earnings to the single new earning, RETRO12MTH, that the system taxes at the lower rate.

These are lump sum E payments, so the RETRO12MTH earning contributes to accumulator PD LUMP E as well as AUS GROSS, PAYROLL TAX PROV (Provision for Payroll Tax) and its own automatically assigned calendar and fiscal period, month, quarterly, and yearly accumulators.

The system provides one retro processing definition, AU RETRO (which is set to forwarding) and two override sets.

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**Note.** If you add any earnings that can be retrospectively paid, you need to add them to both override sets and to the appropriate accumulators.

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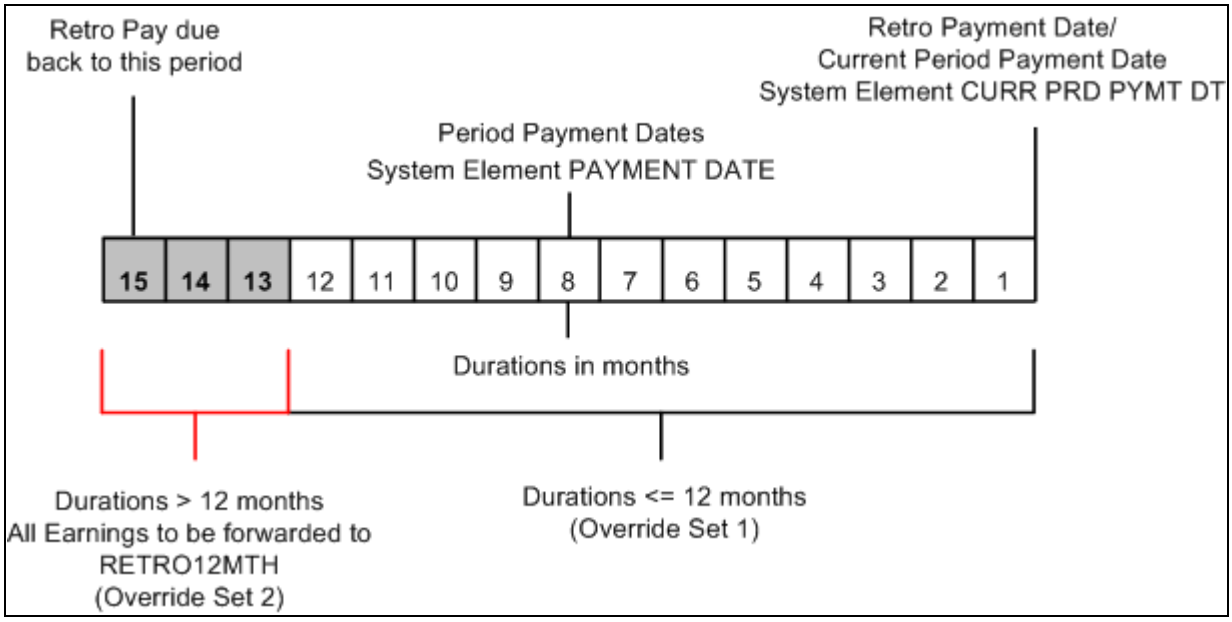
## Calculating the Months Exceeding 12 Months

The following diagram shows how the duration calculation result determines which override set to use. The system calculates the duration for each period, and when it exceeds 12 months, the second override set applies.




Application of override sets 1 and 2

## Processing Retro Over 12 Months

Here are the processing steps:

1. Formula RTO FM SET OVRDSET—the formula specified on the Retro Process Overrides AU RETRO page—is called for each pay period identified for retro processing.

   The formula uses duration RTO DR MTH ARREARS to calculate the months between the pay date of each pay period identified for retro processing (the duration From date—system element PAYMENT DATE) and the date the retro is to be paid (the duration To date—system element CURR PRD PYMT DT).

2. If the duration is 12 months or less, the formula returns *1*, and the system uses override set 1 for forwarding retro; if the duration is greater than 12 months, the formula returns *2*, and the system uses override set 2 for forwarding retro.

   For each period that's more than 12 months before the retro payment date, the system forwards all the retro earnings to the single earning element RETRO12MTH.

3. The sum of the earnings forwarded to the single earning RETRO12MTH represents a lump sum E payment, and the tax calculation uses the appropriate rate on the earning.

# Entering Additional Pay Group Information

To enter additional pay group information, use the Pay Groups AUS (GPAU_PYGRP_DTL) component.

To accommodate local requirements, the Pay Groups AUS page enables you to specify payslip templates, salary packaging frequency, and leave paid in advance options.

This section discusses how to enter additional information.

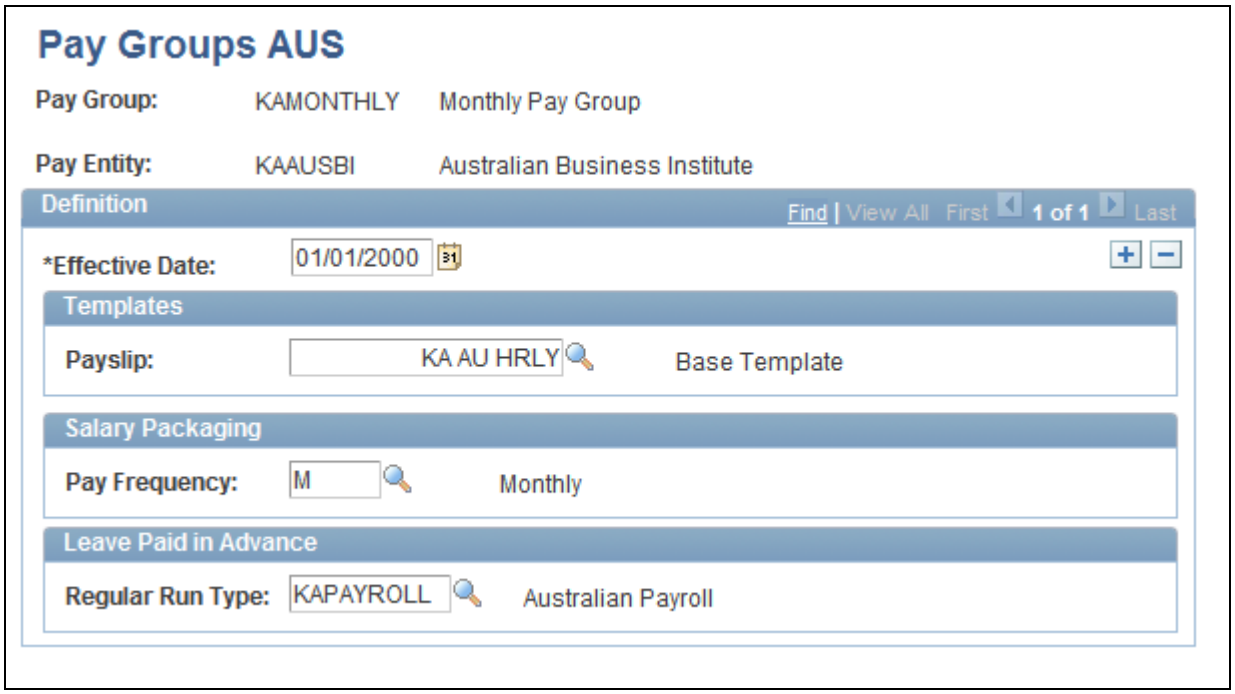
## Page Used to Enter Additional Pay Group Information

| *Page Name* | *Definition Name* | *Navigation* | *Usage* |
|---|---|---|---|
| Pay Groups AUS | GPAU_PYGRP_EXT | Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Framework, Organizational, Pay Groups AUS, Pay Groups AUS | Specify payslip template, salary packaging frequency, and leave paid in advance options. |

## Entering Additional Information

Access the Pay Groups AUS page (Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Framework, Organizational, Pay Groups AUS, Pay Groups AUS).




Pay Groups AUS page

### *Templates*

Enter the name of the payslip template that the system uses for this pay group.

### *Salary Packaging*

Select the default pay frequency for the salary-packaged employees in the pay group. An equivalent field exists in Human Resources in case an organization uses Human Resources but not Global Payroll. The pay frequency that you enter here appears by default as the pay frequency on the Salary Packing Pay Calendar Table page.

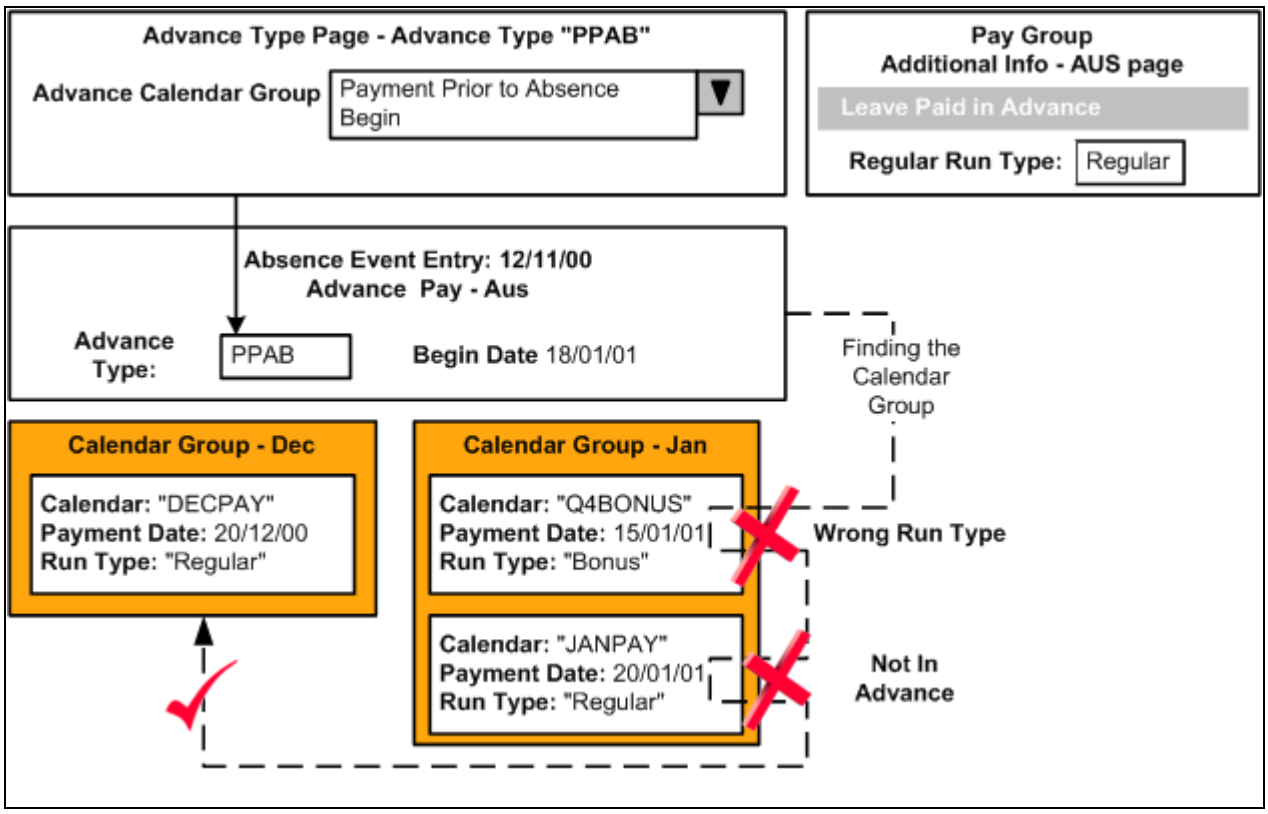
### *Leave Paid in Advance*

Within the general structure of Global Payroll calendars, periods, and calendar groups, the system has to determine the calendar group in which an advance should be paid. To determine the appropriate calendar group, the system looks for a calendar that uses the organization's regular run type, which you identify in the Regular Run Type field on this page. A calendar group can contain multiple calendars, each with potentially different periods and payment dates. In determining the calendar group in which to include an advance, the system also looks at the calendars in the group to see when they are being paid.

The following diagram illustrates the selection of the correct calendar. In this example, a leave begins on January 18, 2001. In the January calendar group, the Q4BONUS calendar with a January 15 payment date cannot be used because its run type is Bonus rather than Regular, and the JANPAY calendar with a January 30 payment date cannot be used because the system is configured to make the payment before the absence begins. Therefore, the system must go back to December and look at the DECPAY calendar in the December calendar group. This calendar has a Regular run type and a pay date of December 12, 2000, so it is used to make the advance payment.

**Note.** In the example, the Advance Type page shows that the Advance Calendar Group for the advance type is Payment Prior to Absence Begin (PPAB). This refers to a payment date that is prior to the absence begin date—not a payment period that is prior to the absence begin date. For the prior payment period, you use the Period Prior to Absence option.




Determination of the calendar group in which to pay a leave advance

## Entering Additional Calendar Information

To set up additional calendar information, use the Calendar Groups AUS (GPAU_CAL_RUN) component.

To comply with local requirements, the Australian Information page enables you to mark a calendar group's calendars that can be advanced.

## Page Used to Enter Additional Calendar Information

| *Page Name* | *Definition Name* | *Navigation* | *Usage* |
|---|---|---|---|
| Calendar Groups AUS | GPAU_CAL_RUN_DTL | Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Framework, Calendars, Calendar Groups AUS, Calendar Group AUS | Mark a calendar group's calendars that can be advanced. The page displays the pay entities, pay groups, and calendars entered on the Calendar Group ID page. (You can add to them if necessary.) To enable the system to advance a calendar, select the Include in Advance check box. |

### *See Also*

Chapter 16, "Defining Absence Rules," page 137

# Defining Triggers and Segmentation Events

These tables list triggers and segmentation events for Australia.

## Triggers

The following table lists triggers for Australia:

| *Record (Table) Name* | *Type* | *Trigger Event ID* |
|---|---|---|
| ADDRESSES | Iterative | Not applicable (NA) |
| COMPENSATION | Iterative | NA |
| COMPENSATION | Retro | COMPENSATI |
| CONTRACT_DATA | Iterative | NA |
| EMPLOYMENT | Iterative | NA |

| ***Record (Table) Name*** | ***Type*** | ***Trigger Event ID*** |
|---|---|---|
| GPAU_ABSADV_SEG | Segmentation | AU_ABSADV |
| GPAU_EE_TAX_DTL | Iterative | NA |
| GPAU_GARN_DTLS | Iterative | NA |
| GPAU_LSL_HISTRY | Iterative | NA |
| GP_ABSEVT_SGPAU | Iterative | NA |
| GP_ABS_EVENT | Iterative | NA |
| GP_ABS_EVENT | Retro | GPABSEVENT |
| GP_ABS_OVRD | Iterative | N/A |
| GP_ABS_OVRD | Retro | GPABSOVRD |
| GP_PI_MNL_DATA | Iterative | NA |
| GP_PI_MNL_DATA | Retro | GPPIMNLDAT |
| GP_PI_MNL_OSVR | Iterative | NA |
| GP_PI_MNL_OSVR | Retro | GPPIMNLSOV |
| GP_PYE_OVRD | Iterative | NA |
| GP_PYE_OVRD | Retro | GPPYEOVRD |
| GP_PYE_OVR_SOVR | Iterative | NA |
| GP_PYE_OVR_SOVR | Retro | GPPYEOVRSO |
| GP_PYE_SECT_DTL | Iterative | NA |

| *Record (Table) Name* | *Type* | *Trigger Event ID* |
|---|---|---|
| GP_PYE_SECT_DTL | Retro | GPPYESECTD |
| GP_RTO_TRGR | Iterative | NA |
| GP_RTO_TRGR_CTRY | Iterative | NA |
| GP_SEG_TRGR | Iterative | NA |
| JOB | Iterative | NA |
| JOB | Retro | JOB |
| JOB | Segmentation | NA |
| JOB_JR | Iterative | NA |
| PERSON | Iterative | NA |
| PERS_DATA_EFFDT | Iterative | NA |
| PERS_ORG_INST | Iterative | NA |
| SCH_ASSIGN | Iterative | NA |
| SCH_ASSIGN | Retro | SCHASSIGN |
| SCH_MNG_SCH_TBL | Iterative | NA |
| TL_PAYABLE_TIME | Iterative | NA |
| WKF_CNT_TYPE | Iterative | NA |

## Segmentation Events

The following is a list of segmentation events for Australia.

| Name | Description | Segment Type |
|---|---|---|
| AU_ABSADV | Pay Absence in Advance | Period |
| COMPRATE | Comp Rate Segmentation | Element (Slice) |
| JOB | Job Segmentation | Period |

## Identifying Proration Rules

The Australian extension includes two proration rules in addition to the fourteen rules supplied for all countries. The following table shows the key information about them:

| Name | Description | Numerator | Denominator |
|---|---|---|---|
| AUS PO ANNL WRKDYS | Percent of Annual - Workdays | Count GP WORK DAY COUNT | Formula AUS FM PRD WRKDAYS |
| AUS PO ANNL CALDYS | Percent of Annual - Cal Days | Duration GP CAL DAYS SEG | Formula AUS FM PRD CALDAYS |

## Identifying Rounding Rules

The Australian extension includes seven rounding rules in addition to the sixty rules supplied for all countries. The following table shows the key information about them. In the last column, *R, U, or T* indicates:

- *R:* Round up if greater than or equal to the listed value; otherwise, round down.
- *U:* Round up.
- *T:* Truncate down.

| Name | Description | Rounding (R) or Increment (I) | Size | R, U, or T |
|---|---|---|---|---|
| AUS RR RND NR 3DEC | Round Near 3 Decimals | R | 03 | R 5 |
| AUS RR RND UP 3DEC | Round Up to 3 Decimals | R | 03 | R 5 |

| ***Name*** | ***Description*** | ***Rounding (R) or Increment (I)*** | ***Size*** | ***R, U, or T*** |
|---|---|---|---|---|
| AUS RR RND DN 3DEC | Round Down to 3 Decimals | R | 03 | R 5 or T |
| AUS RR INC NR 0.05 | Increment to Near 5 Cents | I | 0.05 | R 0.025 |
| AUS RR INC UP 0.05 | Increment Up to 5 Cents | I | 0.05 | R 0.025 or U |
| AUS RR INC DN 0.05 | Increment Down to 5 Cents | I | 0.05 | R 0.025 or T |
| AUS RR RND UP 5DEC | Round Up 5 Decimal Places | R | 05 | U |

## Chapter 4

# Setting Up for Tax Reporting

This chapter provides an overview of the setup for Australian taxation calculations and discusses how to:

- Enter information for reporting tax.
- View tax scales.

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**Note.** The PeopleSoft system delivers a query that you can run to view the names of all delivered elements designed for Australia. Instructions for running the query are provided in the *PeopleSoft Enterprise Global Payroll 9.1 PeopleBook.*

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### *See Also*

*PeopleSoft Enterprise Global Payroll 9.1 PeopleBook*, "Viewing Delivered Elements," Understanding How to View Delivered Elements

## Understanding the Setup for Taxation Calculations

The calculation of tax, using the tax scales, is only a part of managing taxation. You also need to enter details about the pay entity (usually the company or organization), provide the Australian Tax Office (ATO) with tax file number (TFN) information, enter and maintain tax-related information about each employee, and submit statutory reports to the ATO.

### *See Also*

Chapter 10, "Managing Taxation Processing," page 77

Chapter 18, "Managing End of Year Reporting," page 179

## Entering Information for Reporting Tax

To set up tax reporting, use the Pay Entities AUS (GPAU_PYENT_DTL) and Supplier Information AUS (GPAU_SUPPLIER) components.

Tax reporting varies depending on the information that the system stores about the organization.

This section lists the pages used to enter information for reporting tax.

**Note.** You use the pages discussed in this section to create the following files, which you submit to the ATO: the Group Tax file, the Payment Summaries file, and the TFN declaration.

## Pages Used to Enter Information for Reporting Tax

| *Page Name* | *Definition Name* | *Navigation* | *Usage* |
|---|---|---|---|
| Pay Entities AUS | GPAU_PYENT_EXT | Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Framework, Organizational, Pay Entities AUS, Pay Entities AUS | Enter pay entity information that the ATO requires in various reports or electronic files. |
| Supplier Data | GPAU_SPPLR_DATA1 | Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Taxes, Supplier Information AUS, Supplier Data | Enter information about the organization submitting the fortnightly TFN declaration. The information entered on this page is included in the electronic file that is generated. |
| Supplier Address | GPAU_SPPLR_DATA2 | Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Taxes, Supplier Information AUS, Supplier Address | Enter supplier address information. |

# Viewing Tax Scales

The PeopleSoft system provides several pages that display tax scales and rates.

This section lists the pages used to view tax scales.

## Pages Used to View Tax Scales

| *Page Name* | *Definition Name* | *Navigation* | *Usage* |
|---|---|---|---|
| Family Tax Benefit Rates | GPAU_FTB_RATE | Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Taxes, Review FTB Rates AUS, Family Tax Benefit Rates | View the FTB rate for each pay frequency. |

| Page Name | Definition Name | Navigation | Usage |
|---|---|---|---|
| HELP Rates | GPAU_HECS_RATE | Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Taxes, Review HELP Rates AUS, HELP Rates | View the HELP rate applicable to each weekly earnings. |
| SFSS Rates | GPAU_SFSS_RATE | Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Taxes, Review SFSS Rates AUS, SFSS Rates | View the SFSS rate applicable to each weekly earnings. |
| Tax Scales | GPAU_TAX_SCALES1 | Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Taxes, Review PAYG Rates AUS, Tax Scales | View the tax percentage or amount for each weekly earnings amount for each tax scale. |
| Medicare Levy | GPAU_TAX_SCALES2 | Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Taxes, Review PAYG Rates AUS, Medicare Levy | View the Medicare levy adjustment details. The adjustments apply to tax scales 2, 6, and 7 only. |

### *See Also*

Chapter 10, "Managing Taxation Processing," page 77

 

## Chapter 5

# Setting Up State Payroll Tax Reporting

This chapter discusses how to:

- Identify data for state payroll tax reporting.
- Set up group pay entities.
- Maintain and view payroll tax tables.
- Report state payroll tax liabilities.

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**Note.** The PeopleSoft system delivers a query that you can run to view the names of all delivered elements designed for Australia. Instructions for running the query are provided in the *PeopleSoft Enterprise Global Payroll 9.1 PeopleBook.*

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### *See Also*

*PeopleSoft Enterprise Global Payroll 9.1 PeopleBook*, "Viewing Delivered Elements," Understanding How to View Delivered Elements

## Identifying Data for State Payroll Tax Reporting

Before you begin configuring Global Payroll to report payroll tax, you need to identify the earnings, deductions, benefits, and expenses that are subject to payroll tax. To do this, check with the state revenue office of each state in which the organization pays employees. After you have gathered this information, run the payroll routinely and process payroll tax.

## Setting Up Group Pay Entities

To set up group pay entities, use the Group Pay Entities AUS (GPAU_GRP_ENT) component.

The various state revenue offices define group pay entities to prevent parent and subsidiary organizations from avoiding payroll tax by splitting. The PeopleSoft system does not determine groupings or membership of pay entities in groups. Some members of the group might be administered outside the PeopleSoft system.

To calculate payroll tax, you must define at least one group and make all appropriate pay entities members of that group—even if the organization consists of only a single pay entity.

Payroll tax has a deduction threshold that is payable if taxable earnings don't exceed the specified amounts in each state. Only one pay entity within a group can claim this deduction. You can, however, have the threshold apportioned equally between all the pay entities within the group that you define.

You create the mandatory State Payroll report by running by the Group Pay Entity process.

When you create a group pay entity, you select from the existing pay entities. The pay entity that becomes the group entity is a member of its own group.

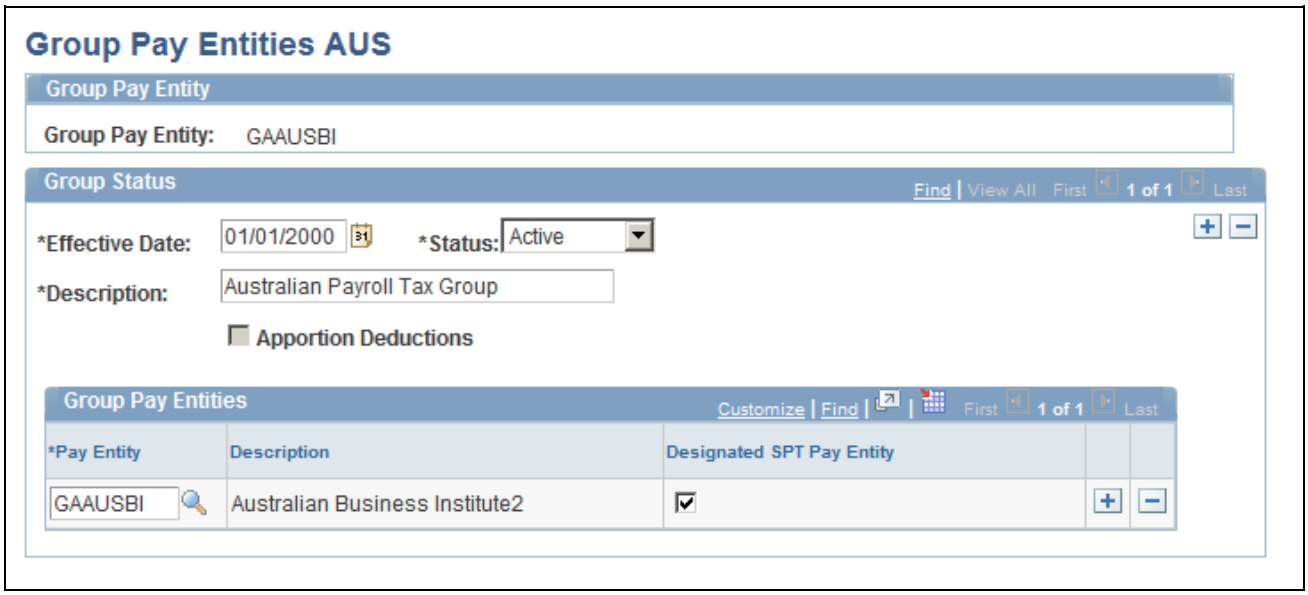
This section discusses how to group pay entities.

## Page Used to Set Up Group Pay Entities

| *Page Name* | *Definition Name* | *Navigation* | *Usage* |
|---|---|---|---|
| Group Pay Entities AUS | GPAU_GRP_ENT | Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Taxes, Group Pay Entities AUS, Group Pay Entities AUS | Consolidate pay entities in a group pay entity; apportion the deduction threshold across all pay entities or designate one pay entity for the threshold |

## Grouping Pay Entities

Access the Group Entity page (Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Taxes, Group Pay Entities AUS, Group Pay Entities AUS).




Group Entity page

**Apportion Deductions** Select to have the whole deduction threshold apportioned equally across all group members. If the Apportion Deductions check box is selected and there is no designated company for the threshold deduction, the system apportions the threshold deduction across all the states of each company.

***Group Pay Entities***

**Pay Entity** Add the members of the group.

**Designated SPT Pay Entity** Select one of the pay entities to receive the full deduction threshold. You can leave them all cleared and have the threshold apportioned equally between all members by selecting the Apportion Deductions check box. After you designate an SPT pay entity, the system deselects the Apportion Deductions check box (if it was selected) and makes it display-only.

# Maintaining and Viewing Payroll Tax Tables

To set up payroll tax data, use the Payroll Tax Elements AUS (GPAU_SPT_TAX_RATE) component.

Because each organization's earnings, benefits, deductions, and expenses can differ, the organization controls this information. Before you can accurately report on payroll tax liabilities for the organization, you need to enter various elements into the payroll tax rates tables.

This section lists the pages used to maintain and view payroll tax data.

## Pages Used to Maintain and View Payroll Tax Data

| *Page Name* | *Definition Name* | *Navigation* | *Usage* |
|---|---|---|---|
| Trainee Rebate | GPAU_SPT_REBATE | Global Payroll & Absence Mgmt, Payee Data, Taxes, Specify Trainee Tax Rebate AUS, Trainee Rebate | Reduce the payroll tax liability by the value of the rebates applicable to payees who are trainees or apprentices. Enter the amount of the rebate that you have calculated for each trainee or apprentice. The record is effective-dated, so you can set it to 0.00 when it no longer applies. |

| Page Name | Definition Name | Navigation | Usage |
|---|---|---|---|
| Non Tax Earnings | GPAU_SPT_ERNS | Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Taxes, Payroll Tax Elements AUS, Non Tax Earnings | Enter nontaxable earnings by state. Some earnings, such as those that you defined for expense reimbursement, are typically not subject to payroll tax. Earnings not entered in this page are included in the tax calculation. |
| Taxable Deductions | GPAU_SPT_DEDS | Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Taxes, Payroll Tax Elements AUS, Taxable Deductions | Enter taxable deductions by state. You need to identify benefits or deductions that are subject to payroll tax and enter them for inclusion in the SPT calculation. Identify deductions that are subject to FBT, upon which SPT is also payable. |
| Non Tax Deduction | GPAU_SPT_NTXDED | Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Taxes, Payroll Tax Elements AUS, Non Tax Deductions | Enter nontaxable deductions by state. |
| Taxable Expenses | GPAU_SPT_EXPN | Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Taxes, Payroll Tax Elements AUS, Taxable Expenses | Enter taxable expenses by state. Typically, these expenses are part of salary packaging. |
| State Tax Rates | GPAU_SPT_TAX_RATE | Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Taxes, Review Payroll Tax Rates AUS, State Tax Rates | View the various limits, threshold percentages and amounts, multipliers, and divisors. |

### *See Also*

Chapter 11, "Reporting State Payroll Tax Liabilities," page 95

Chapter 6

# Setting Up Banking and Recipient Processing

This chapter provides an overview of banking and recipient processing setup and discusses how to:

- Enter additional source bank information.
- Set up multiple source banks by debit type.

---

**Note.** The PeopleSoft system delivers a query that you can run to view the names of all delivered elements designed for Australia. Instructions for running the query are provided in the *PeopleSoft Enterprise Global Payroll 9.1 PeopleBook.*

---

### *See Also*

*PeopleSoft Enterprise Global Payroll 9.1 PeopleBook*, "Viewing Delivered Elements," Understanding How to View Delivered Elements

## Understanding Banking and Recipient Processing Setup

Before you run banking and recipient processes, you need to set up additional source bank details and link the source banks to debit types. Additional setup is also required on an ongoing basis; for example, you need to link payees to recipients and additional recipient information for reporting and collection of commissions that are payable.

### *See Also*

Chapter 13, "Running Banking and Recipient Processes," page 109

## Entering Additional Source Bank Information

To set up source bank information for Australian banking, use the Source Bank Accounts (GPAU_SRC_BANK) component.

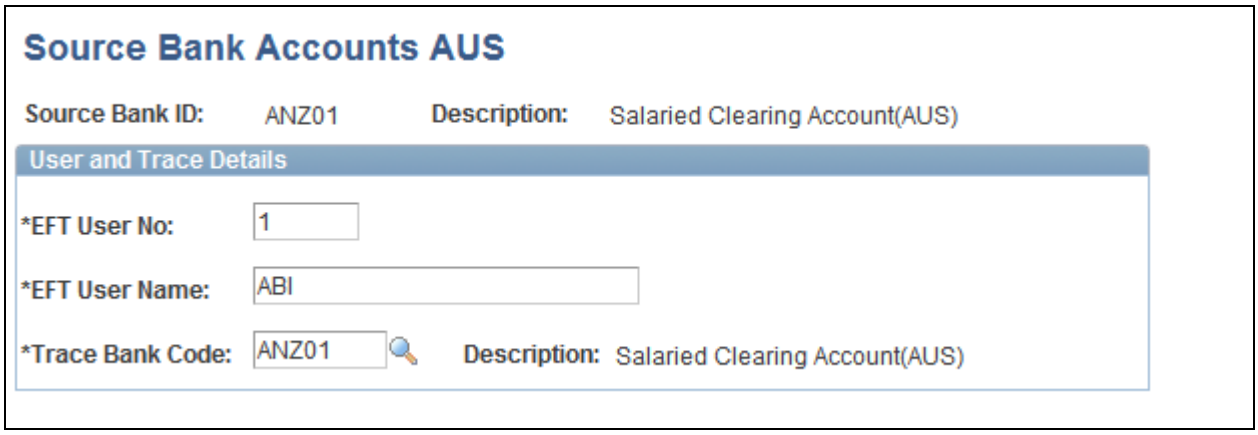
In addition to the standard Global Payroll source bank account information page, it includes a page for electronic funds transfer (EFT) information and trace bank information.

## Page Used to Enter Additional Source Bank Information

| *Page Name* | *Definition Name* | *Navigation* | *Usage* |
|---|---|---|---|
| Aust Bank Setup (Australian bank setup) | GPAU_SRC_BANK_EXT | Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Banking, Source Bank Accounts AUS, Aust Bank Setup | Enter EFT and trace bank information. |

## Setting Up Bank Information

Access the Aust Bank Setup page (Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Banking, Source Bank Accounts AUS, Aust Bank Setup).




Aust Bank Setup page

**EFT User No** (electronic funds transfer user number) Enter the EFT user number, which the bank supplies.

**EFT User Name** Enter the EFT user name, which the bank supplies.

**Trace Bank Code** Enter the source bank ID for the bank to use for transaction tracing. Each source bank has its own branch and account details.

# Setting Up Multiple Source Banks by Debit Type

To set up different source banks, use the Pay Entity Source Bank (GPAU_PYENT_SBNK) component.

In Global Payroll, you can set up different source banks for each organizational unit such as pay entity, department, establishment, or pay group. Set this up on the Source Bank Link page of the Pay Entity component.

For Australian banking, you can set up different source banks for each drawing purpose. The drawing purpose is defined as a debit type (the debit types are Group Tax, Net Payment, and Recipient).

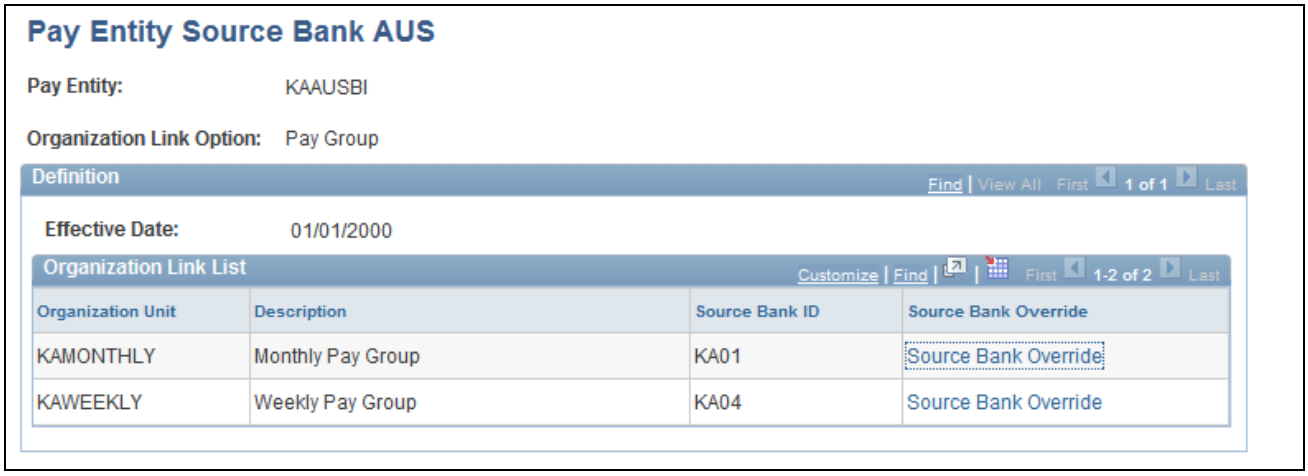
Instead of setting up a source bank on the Source Bank Link page—where you link source banks to organizational units—access the Pay Entity/Source Bank AUS page. On that page, select Source Bank Override, and enter multiple source banks by debit type.

## Pages Used to Set Up Multiple Source Banks by Debit Type

| *Page Name* | *Definition Name* | *Navigation* | *Usage* |
|---|---|---|---|
| Pay Entity/Source Bank | GPAU_PE_SBANK_OVRD | Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Framework, Organizational, Pay Entity Source Bank AUS, Pay Entity Source Bank AUS | Access the Source Bank Override page. |
| Source Bank Override | GPAU_PE_SBANK_SEC | Click the Source Bank Override link on the Pay Entity/Source Bank page. | Link source banks to debit types. |

## Using the Bank Link Override

Access the Pay Entity/Source Bank page (Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Framework, Organizational, Pay Entity Source Bank AUS, Pay Entity Source Bank AUS).



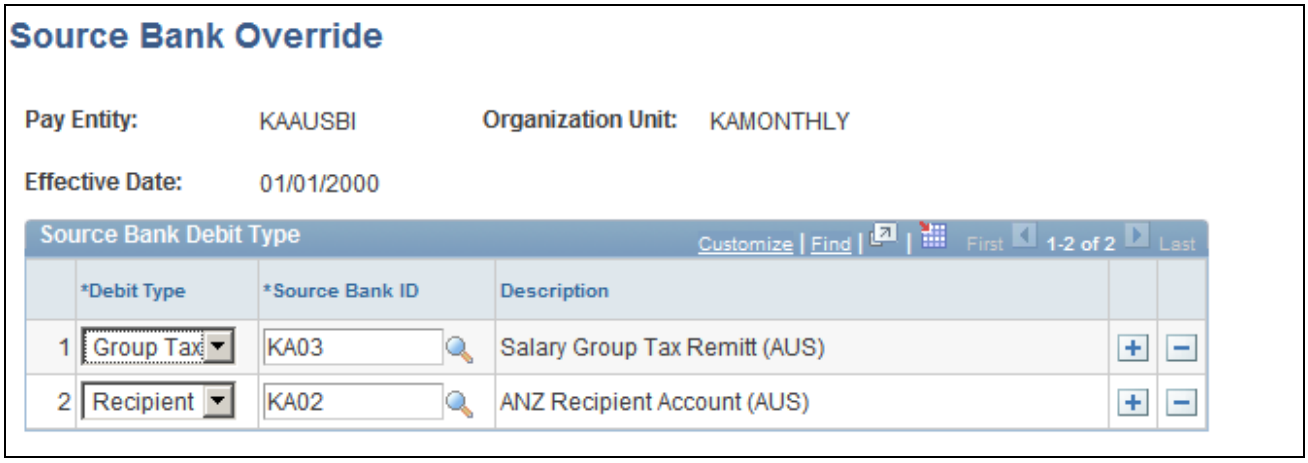

Pay Entity/Source Bank page

The page displays information from the Source Bank Link page. Click the Source Bank Override link to access the Source Bank Override page.

## Linking Source Banks to Debit Types

Access the Source Bank Override page (click the Source Bank Override link on the Pay Entity/Source Bank page).




Source Bank Override page

**Debit Type** Enter a debit type of *Net Pmt*(net payment), *Group Tax*, or *Recipient*

**Source Bank ID** Enter the ID of the source bank that you want to use to pay the debit type.

Chapter 7

# Setting Up Payslips

This chapter provides an overview of payslip setup for Australia and discusses how to:

- Create payslip templates and payslip messages.
- Attach payslip templates to pay groups.

---

**Note.** The PeopleSoft system delivers a query that you can run to view the names of all delivered elements designed for Australia. Instructions for running the query are provided in the *PeopleSoft Enterprise Global Payroll 9.1 PeopleBook.*

---

### *See Also*

*PeopleSoft Enterprise Global Payroll 9.1 PeopleBook*, "Viewing Delivered Elements," Understanding How to View Delivered Elements

## Understanding Payslip Setup

The Payslip feature enables you to control the content and format of payslips. Because you can override templates at lower levels, you do not have to create multiple templates to cover every payslip scenario.

### *See Also*

Chapter 14, "Printing and Viewing Payslips," page 121

## Creating Payslip Templates and Messages

To set up payslip templates and messages, use the Templates AUS (GPAU_PSLP_SETUP) and Messages AUS (GPAU_PSLP_MSG) components.

When creating payslip templates you can:

- Set the accumulator column labels.
- Select the accumulators to appear under the column labels.
- Create unlimited rows of accumulators for each column and specify the sequence in which they appear.

- Create unlimited sections for earnings and deductions.
- Use standard or custom element descriptions.
- Set delivery options.
- Exclude departments or locations from printing at the setup level and override the exclusions at run time.

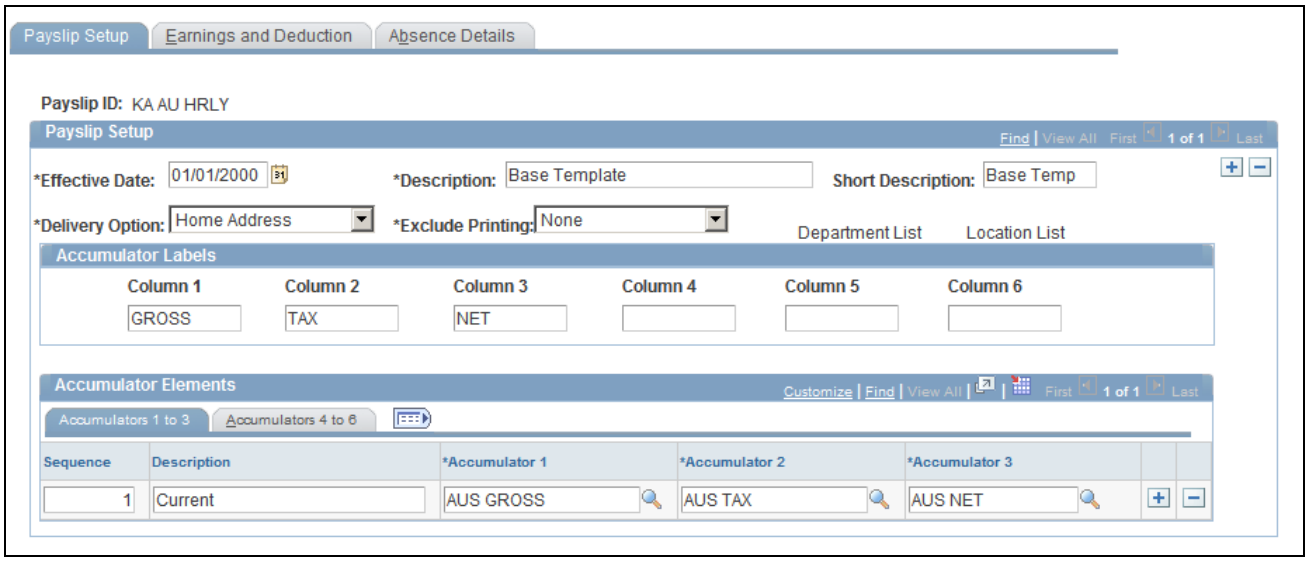
## Pages Used to Create Payslip Templates and Messages

| *Page Name* | *Definition Name* | *Navigation* | *Usage* |
|---|---|---|---|
| Template Setup & Accumulators | GPAU_PSLP | Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Payslips, Templates AUS, Template Setup & Accumulators | Set up delivery and print exclusion options, column headings (labels) and column content (rows of accumulators) |
| Earnings and Deduction | GPAU_PSLP1 | Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Payslips, Templates AUS, Earnings and Deductions | Create sections of earnings and deductions, select description options, and set the element components that the payslip displays. |
| Absence Details | GPAU_PSLP2 | Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Payslips, Templates AUS, Absence Details | Enter a sequence number and element name, and select the description type. The system extracts the balance of each entitlement or pro rata absence element and includes it on the payslip. |
| Payslip Messages | GPAU_PSLP_EXT | Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Payslips, Messages AUS, Messages AUS | Create messages to appear on payslips for a particular calendar group. You can control which payslips display the messages. |

## Setting Up Templates and Accumulators

Access the Template Setup & Accumulators page (Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Payslips, Templates AUS, Template Setup & Accumulators).




Template Setup & Accumulators page

**Payslip ID**

Displays the payslip ID. A template can be attached to multiple pay groups.

**Note.** Only one template can be attached to a particular pay group at a time.

**Delivery Option**

Select an address to receive printed payslips. It can be an internal address of *Department* or *Location*, or an external address of *Home Address* or *Mail Address* as recorded on the payee's personal data record.

You can override the selection made here on the Payee Payslip Overrides page. Because this selection is effective-dated, you can override the delivery option for a period of time, if necessary.

**Exclude Printing**

Select either *Department* or *Location* to exclude departments or locations from the payslip print run. The corresponding link becomes active, so you can select departments or locations.

You can override the exclusion on the Print Payslips page before you run the print program.

**Note.** If you enter a particular pay entity for the print option on the Print Payslips page and you have excluded a location within the pay entity, the payslips are *not* printed.

### *Accumulator Labels*

**Column 1** to **Column 6**

Enter the labels that appear on the printed payslips as the column headings for the accumulators. These column headings appear in the payslip region under the heading Pay Summary.

### *Accumulator Elements: Accumulators 1 to 3 Tab*

**Sequence** Enter a sequence number to set the order in which the accumulators appear. The accumulators appear in ascending order with the lowest number first.

**Description** Enter a description of each accumulator row.

**Accumulator 1** to **Accumulator 3** Select the accumulators that appear in the corresponding column.

For example, suppose that you enter *Current* and *YTD* as the descriptions for accumulators 1 and 2. To also display quarter-to-date accumulated amounts, create a new row, enter the description *QTD*, and then select the accumulators that correlate to the columns headings.

### *Accumulator Elements: Accumulators 4 to 6 Tab*

**Accumulator 4** to **Accumulator 6** Set up accumulators 4 to 6. There are no Sequence and Description fields because the same sequence number and description apply to all six accumulators in the row.

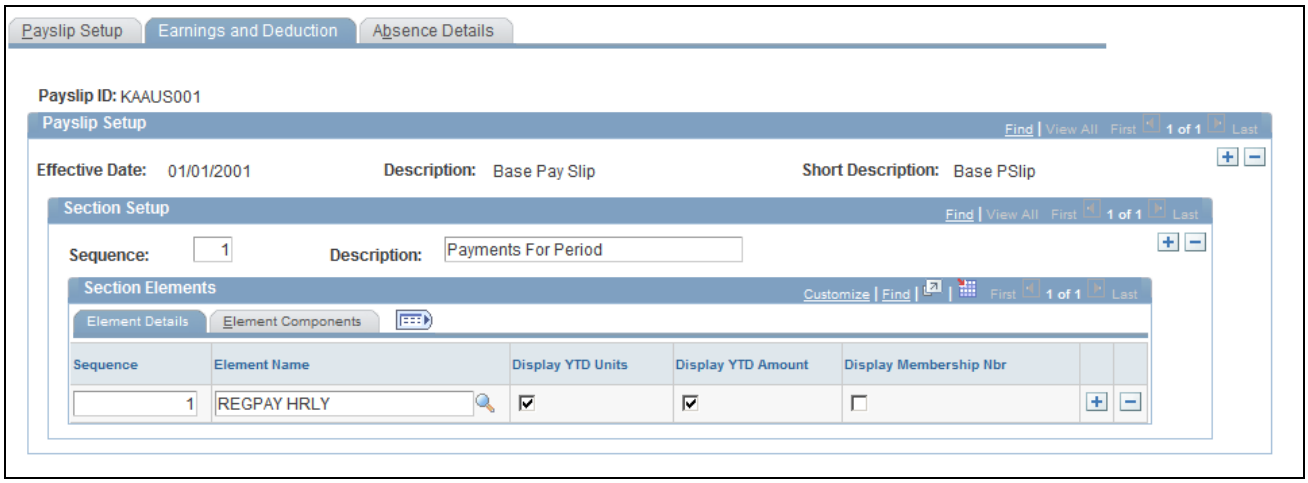
The following diagram shows how column numbers, sequences, and accumulator numbers appear on the printed payslip.

| | Column 1 Label | Column 2 Label | Column 3 Label | Continued |
|---|---|---|---|---|
| Seq 1 Description | Accum 1, Seq 1 | Accum 2, Seq 1 | Accum 3, Seq 1 | |
| Seq 2 Description | Accum 1, Seq 2 | Accum 2, Seq 2 | Accum 3, Seq 2 | |
| Seq 3 Description | Accum 1, Seq 3 | Accum 2, Seq 3 | Accum 3, Seq 3 | |
| Continued . | . | . | . | |

Columns and rows in the Pay Summary region of the payslip

## Setting Up Payslip Earnings and Deductions

Access the Earnings and Deduction page (Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Payslips, Templates AUS, Earnings and Deductions).




Earnings and Deduction page

### *Earnings and Deductions Section Setup*

**Description** Descriptions appear as section headings under the Payment Details heading on the payslip.

### *Element Details Tab*

**Display YTD Units** and **Display YTD Amount** Select these check boxes to have the YTD units and amounts for each element appear in the Payment Details region under the heading Year to Date Values.

**Display Membership #** Select to display the recipient's membership ID in the Description region.

### *Element Components Tab*

**Description Type** Select the type of description to appear for each earnings or deduction row in the Payment Details region of the payslip. Select from the following values:

*Custom:* A text box appears for you to enter a description.

*Description:* The element's description appears as entered on the element's name page in its component.

*Element Name:* The element's name appears from its name page in its component. It also appears on the Elements Details tab.

*Recipient Name:* The name of the recipient appears. Select this option to display the name of the superannuation fund.

**Print Unit, Base, Rate, and Percentage**

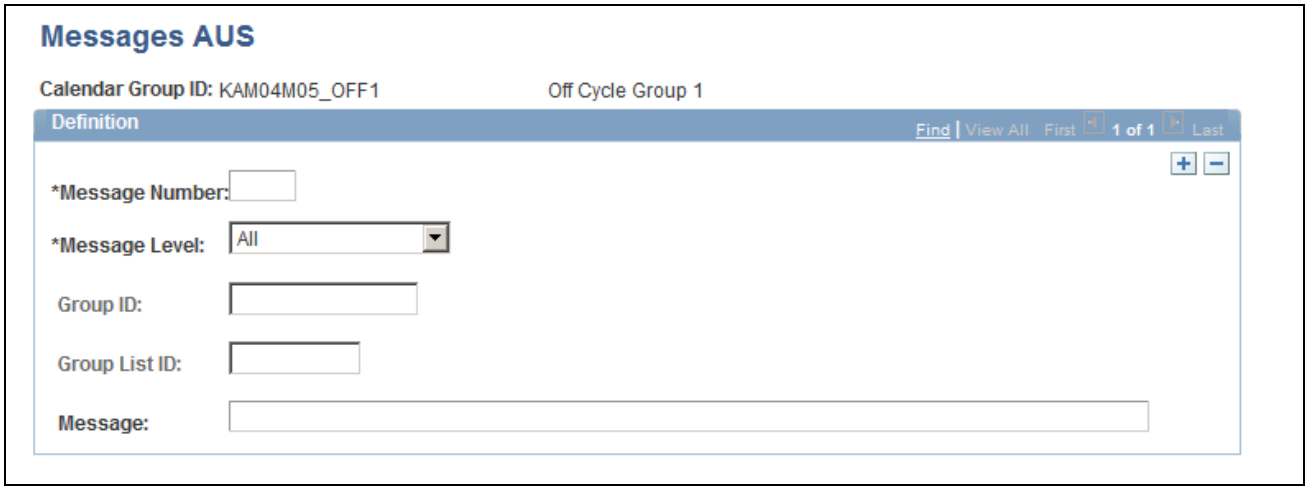
Select the components of the element's calculation rule that you want to display for each earning or deduction in the sections.

You can select only the components in the element's calculation rule. For example, for an earnings with calculation rule Unit × Rate, only the Unit and Rate check boxes are available.

**Note.** Amounts are always displayed.

## Creating Payslip Messages

Access the Payslip Messages page (Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Payslips, Messages AUS, Messages AUS).




Payslip Messages page

**Message Number**

Enter a message ID to indicate the message that is appropriate for the payees. The system uses arrays, formulas, and variables to determine the correct message.

**Message Level**

Select from the following values:

*All:* All payees identified in the calendar group.

*Group Build:* All payees included in a group built using the Group Build – Group Definition feature, which you access by selecting Set Up HRMS, Common Definitions, Group Build. If you select this option, enter a group in the Group ID field.

*Group List:* All payees in a list built using the Group List feature. If you select this option, enter a group in the Group List ID field.

**Message**

Enter the text of the message to appear on selected payslips.

## Attaching Payslip Templates to Pay Groups

Attach a payslip template to a pay group by using the Pay Groups AUS page. A pay group can have only one payslip attached at a time; however, a particular template can be attached to multiple pay groups.

## Chapter 8

# Defining Earnings

This chapter provides an overview of earnings for Australia and discusses how to:

- Calculate regular pay.
- Calculate overtime earnings.
- Calculate shift earnings.
- Calculating minimum and maximum hourly rates and earnings limits.
- Calculating earnings based on other earnings.
- Calculate amount earnings.
- Deduct from regular earnings.
- Calculate rolling average earnings.
- Create earnings advance and recovery.
- Select hours for holiday earnings.
- Schedule earnings using generation control.

---

**Note.** The PeopleSoft system delivers a query that you can run to view the names of all delivered elements designed for Australia. Instructions for running the query are provided in the *PeopleSoft Enterprise Global Payroll 9.1 PeopleBook.*

---

### *See Also*

*PeopleSoft Enterprise Global Payroll 9.1 PeopleBook*, "Viewing Delivered Elements," Understanding How to View Delivered Elements

## Understanding Earnings

The PeopleSoft system provides a number of delivered earnings to demonstrate the flexibility of Global Payroll rules and to meet common processing requirements, such as the automatic generation of a payback deduction for specified earnings.

**Note.** The User Key 2 field on the Earnings Accumulators page and Deduction Accumulators page for all earnings and deductions is AUS VR BALGRP ID. Use balance group IDs to maintain separate employee balances. Set an employee's balance group in the JOB_DATA2 table. The balance group number must be manually incremented if you are required to record separate balances within a financial year.

### *See Also*

*PeopleSoft Enterprise Human Resources 9.1 PeopleBook: Administer Workforce*, "Increasing the Workforce"

## Delivered Earnings Elements

In the following table, the first column combines the earning name and description. The code *(gc)* in a row indicates that the earning element has a generation control. The code *(po)* indicates a post-processing formula, and the code *(pr)* indicates a pre-processing formula. The other four columns indicate the earning calculation rule of Unit × Rate, Unit × Rate × Percent, and Amount. (None use Base × %.) The formulas for some of the earnings codes are discussed in further detail following the table. The code *(sy)* stands for *system element.*

| *Name and Description* | *Unit* | *Rate* | *%* | *Amount* |
|---|---|---|---|---|
| *Regular Pay* | | | | |
| REGPAY HRLY<br>Regular hourly payment | Payee Level | HOURLY RT (sy) | | |
| REGPAY STDHR<br>Regular std hourly pay (gc) (pr) | ERN FM REDU REGHRS | HOURLY RT (sy) | | |
| *Overtime* | | | | |
| OT1.5<br>Overtime 1.5 | Payee Level | HOURLY RT (sy) | 150 | |
| OT2.0<br>Overtime 2.0 | Payee Level | HOURLY RT (sy) | 200 | |
| OT2.5<br>Overtime 2.5 | Payee Level | HOURLY RT (sy) | 250 | |

| ***Name and Description*** | ***Unit*** | ***Rate*** | ***%*** | ***Amount*** |
|---|---|---|---|---|
| OT3.0<br>Overtime 3.0 | Payee Level | HOURLY RT (sy) | 300 | |
| *Shifts* | | | | |
| SHFAM<br>Shift Loading Morning (gc) | Payee Level | HOURLY RT (sy) | 10 | |
| SHFPM<br>Shift Loading Afternoon (gc) | Payee Level | HOURLY RT (sy) | 15 | |
| SHFNT1<br>Shift Night Loading (gc) | Payee Level | HOURLY RT (sy) | 30 | |
| SHFNT2<br>Shift loading night (gc) | Payee Level | HOURLY RT (sy) | 130 | |
| *Allowances* | | | | |
| DOG<br>Dog | Payee Level | 10 | | |
| ONCALL<br>On Call allowance (gc) (po) | Payee Level | ERN FM HOURLY RT | | |
| MEAL<br>Meal | Payee Level | 12 | | |
| FAD<br>First Aid Allowance (gc) | | | | 11.65 |

| ***Name and Description*** | ***Unit*** | ***Rate*** | ***%*** | ***Amount*** |
|---|---|---|---|---|
| PHONE<br>Phone allowance (gc) | | | | 75 / period |
| CAR<br>Car Allowance (gc) (po) | | | | 500 / month |
| STRESS<br>Stress allowance | ERN FM REG UNIT | Payee Level | 100 | |
| PRDBON<br>Product Bonus (gc) (po) | | | | 4000 / year (A) |
| *Miscellaneous* | | | | |
| TRANS ADV<br>Advance Payment Example | | | | Payee Level |
| BONUS<br>Bonus | | | | Payee Level |
| RETRO12MTH<br>Retro - Previous 12 Months | | | | Payee Level |
| REDUNDANCY<br>Redundancy | | | | Payee Level |
| INVALIDITY<br>Invalidity | | | | Payee Level |
| EX GRATIA<br>Ex Gratia | | | | Payee Level |

| ***Name and Description*** | ***Unit*** | ***Rate*** | ***%*** | ***Amount*** |
|---|---|---|---|---|
| PAY IN LIEU<br>Pay in Lieu of Notice | | | | Payee Level |
| *Leave (Absence)* | | | | |
| ANN<br>Annual leave | Payee Level | HOURLY RT (sy) | | |
| ANNRA<br>Ann Lve rolling average | Payee Level | ERN FM ROLL AVG | | |
| LVLD<br>Leave Loading | Payee Level | HOURLY RT (sy) | 17.5 | |
| LWOP<br>Leave without pay | Payee Level | AUS VR NUM VAL 0 | | |
| SCK<br>Sick Leave | Payee Level | HOURLY RT (sy) | | |
| LSL<br>Long Service Leave | Payee Level | HOURLY RT (sy) | | |
| OTHLV<br>Other Leave | Payee Level | HOURLY RT (sy) | | |
| PUB<br>Public holiday (gc) | ERN FM PUB UNIT | HOURLY RT (sy) | | |
| *Termination* | | | | |
| AL MARGINAL<br>Annual Leave - Marginal (Term) (gc) | TER FM AL BAL HRS | TER FM HOURLY RATE | | |

| ***Name and Description*** | ***Unit*** | ***Rate*** | ***%*** | ***Amount*** |
|---|---|---|---|---|
| AL MARGIN DY<br>Ann Lve - Marginal (Term Days) (gc) | TER FM AL BAL DYS | TER FM DAILY RATE | | |
| LSL MARGINAL<br>LSL - Marginal (Term) | TER VR LS MARGINAL | TER FM DAILY RATE | | |
| LL MARGINAL<br>Leave Loading - Marginal (Term) (gc) | TER FM LL BAL HRS | TER FM HOURLY RATE | 17.5 | |
| LL MARGIN DY<br>Leave Load on Term (Days-MAR) (gc) | TER FM LL BAL DYS | TER FM DAILY RATE | 17.5 | |
| ETP TAX<br>ETP - Taxable | | | | TER FM ETP PST83 |
| ETP NONTAX<br>ETP - Non Taxable | | | | TER FM ETP PRE83 |
| AL LUMP A<br>Annual Leave - Lump Sum A (gc) | TER FM AL BAL HRS | TER FM HOURLY RATE | | |
| AL LUMPA DY<br>Ann Lve Lump sum A (Term Days) | TER FM AL BAL DYS | TER FM DAILY RATE | | |
| LSL LUMP A<br>LSL - Lump Sum A | TER VR LS LUMPA | TER FM DAILY RATE | | |
| LL LUMP A<br>Leave Loading - Lump Sum A (gc) | TER FM LL BAL HRS | TER FM HOURLY RATE | 17.5 | |

| ***Name and Description*** | ***Unit*** | ***Rate*** | ***%*** | ***Amount*** |
|---|---|---|---|---|
| LL LUMPA DY<br>Leave Load on Term (Days-LSA) (gc) | TER FM LL BAL DYS | TER FM DAILY RATE | 17.5 | |
| LSL LUMP B<br>LSL - Lump Sum B | TER VR LS LUMPB | TER FM DAILY RATE | | |
| TERM LUMP D<br>Termination - Lump Sum D | | | | TER FM LUMPD |
| INV POST 94<br>*Invalidity* Post 94 Component | | | | TER FM INV POST94 |
| *Retro* | | | | |
| RTO_ANN<br>Annual Leave - Retro | Payee Level | Payee Level | | |
| RTO_ANNRA<br>Annual Rolling Average - Retro | Payee Level | Payee Level | | |
| RTO_LSL<br>Long Service Leave - Retro | Payee Level | Payee Level | | |
| RTO_LWOP<br>Leave w/o Pay - Retro | Payee Level | Payee Level | | |
| RTO_OTH_LVE<br>Other Leave - Retro | Payee Level | Payee Level | | |

| Name and Description | Unit | Rate | % | Amount |
|---|---|---|---|---|
| RTO_PUB_HOL<br>Public Holiday - Retro | Payee Level | Payee Level | | |
| RTO_SCK_LVE<br>Sick Leave - Retro | Payee Level | Payee Level | | |
| RTO_SHFNT2<br>Night Shift 2 - Retro | Payee Level | Payee Level | | |

There are four earnings specifically relating to salary packaging, and they all start with the letters *SP*.

See Chapter 19, "Monitoring Salary Packaging Expenditure," page 193.

There are ten earnings specifically relating to leave liability costing for the General Ledger Interface. They all start with the letters *LIAB*.

There are four earnings specifically relating to Time and Labor costings. They are dummy codes used by Time and Labour, and they all start with the letters *TL*.

## Calculating Regular Pay

There are two delivered earnings elements for regular pay, REGPAY HRLY and REGPAY STDHR.

### *REGPAY HRLY*

The REGPAY HRLY calculation rule is Unit × Rate, where:

Unit = Payee level

Rate = System element HOURLY RT

### *REGPAY STDHR*

The REGPAY STDHR calculation rule is Unit × Rate, where:

Unit = Formula ERN FM REDU REGHRS

Rate = System element HOURLY RT

The unit formula subtracts the reducing hours (in ERN AC REDUCE HRS) from the prorated regular hours (in ERN VR REGPAY HRS). The system prorates the regular hours using the earnings pre-process formula ERN FM CALC REGHRS.

Formula ERN FM REGSTD UNIT calculates the regular hours for the period based on the payee's standard hours and work period entered on the Job Information page. The formula ERN FM CALC REGHRS prorates these hours.

## Calculating Overtime Earnings

There are four overtime earnings for 1.5, 2.0, 2.5 and 3.0 time. Each has a calculation rule of Unit × Rate × Percent, where:

Unit = Payee level

Rate = System element HOURLY RT

Percent = 150, 200, 250, or 300

## Calculating Shift Earnings

There are four shift earnings. Each has a calculation rule of Unit × Rate × Percent, where:

Unit = Payee level

Rate = System element HOURLY RT

Percent = 10, 30, 15, or 130

The earnings element SHFNT2 with 130 percent appears in the LEAVE EARNINGS section because—as with the leave earnings codes—it reduces regular hours.

## Calculating Minimum and Maximum Hourly Rates and Earnings Limits

The ONCALL earning element demonstrates minimum and maximum hourly rates, and a yearly limit PRDBON demonstrates a quarterly limit.

### Checking the Minimum and Maximum Hourly Rate

The ONCALL earning element uses a formula-driven minimum and maximum hourly rate-check and a post-process formula to determine if the payment of ONCALL causes earnings to exceed an annual limit.

The calculation rule for ONCALL is Unit × Rate, where:

Unit = Payee level

Rate = Formula ERN FM HOURLY RT

When you assign the earnings element or enter it as positive input, the system checks the payee's hourly rate in the Job record in Human Resources to resolve the earnings. It then takes one of the following actions:

- If the hourly rate is less than the value set in variable ERN VR HR RT MIN, then the system pays ONCALL at the value of the variable.
- If the hourly rate is more than the minimum but less than the maximum set in variable ERN VR HR RT MAX, then the system pays ONCALL at the hourly rate from the Job record.
- If the hourly rate is more than the value set in variable ERN VR HR RT MAX, then the system pays ONCALL at the value of the variable.

Here is an example. Suppose that the minimum is 50, and the maximum is 70.

| ***Hourly Rate in Job Record*** | ***ONCALL Hourly Rate Paid*** |
|---|---|
| 1 to 49.99 (that is, less than 50) | 50 (minimum) |
| 50 to 70 | 50 to 70 (Job rate) |
| 71.01 or more (that is, greater than 70) | 70 (maximum) |

You can set the variables values on the Supporting Element Override page in the earnings components.

## Checking the Maximum Yearly Earnings Limit

To set a yearly limit (or ceiling) on an earning element, you can set the limit in LIM VR YTD LIMIT. The ONCALL earning element is set up for this control.

After the system determines the value of ONCALL for the period, the post-process formula LIM FM ONCALL adds the value of the year-to-date accumulator for ONCALL with the current amount and any additional pay. Here is an example:

Accumulator YTD balance = 1000

Current earning amount = 50

Additional earning amount = 0

Yearly limit = 1010

ONCALL_FYTDA + CURR AMT VAL + ADD VR ADDL AMT = New accumulator balance (if paid)

1000 + 50 + 0 = 1050 (new balance)

It then compares that new balance with LIM VR YTD LIMIT. If the balance exceeds the limit, the system calculates by how much it would exceed the limit if paid.

New balance – Limit = Excess amount

1050 − 1010 = 40

It then subtracts the excess amount from the current amount, reducing it to the maximum that can be paid during the current period without exceeding the limit.

(CURR AMT VAL + ADDL AMT VAL) − LIM VR OVER LIMIT = Amount to pay during the period

50 − 40 = 10

You can set other limits for other frequencies by using a formula that compares the total paid with the frequency limits for the earnings.

## Checking the Maximum Quarterly Earnings Limit

You can set an upper limit on an earning so that no more than that amount is paid in a particular accumulation period. The PRDBON (product bonus) earning element is set up with this control. It is set up to have a quarterly limit. You set the limit in LIM VR QTD LIMIT.

After the system calculates the PRDBON amount for the pay period, the post-process formula LIM FM PRDBON adds the value to the quarter-to-date accumulator and compares the total to the limit that you have set. If paying the earnings would exceed the limit for the quarter, the system pays only up to the limit.

The PRDBON calculation rule is Amount, where:

Amount = 40

Here is an example. Suppose that a product bonus is payable each month up to a quarterly limit of 110.

| ***Earnings Element or Accumulator*** | ***Month 1*** | ***Month 2*** | ***Month 3*** |
|---|---|---|---|
| PRDBON | 40 | 40 | (40) 30 |
| AC QTDA | 40 | 80 | (120) 110 |

When processing PRDBON in month 3, the formula makes the following calculation:

PRDBON_FQTDA + CURR AMT VAL > LIM VR QTD LIMIT

80 + 40 > 110

It then calculates the amount by which the current amount would exceed the limit:

PRDBON_FQTDA + CURR AMT VAL − LIM VR QTD LIMIT = LIM VR OVER LIMIT

80 + 40 − 110 = 10

It then subtracts the excess amount from the current amount and pays that amount.

CURR AMT VALUE − LIM VR OVER LIMIT = PRDBON

40 − 10 = 30

PRDBON has a generation control, ERN GC PRDBON, the formula of which, LIM FM CHK PRDBON, determines if the quarter-to-date amount accumulator is equal to or greater than the limit. If it is, the system does not process the earnings. The quarter-to-date amount can be greater than the limit, despite the controls, because positive input does not use the generation control.

## Calculating Earnings Based on Other Earnings

The STRESS earning element demonstrates how an earning can be based on the value of another earning. For example, suppose that you pay 1.00 AUD stress loading for every hour of regular pay. The earnings calculation rule is Unit × Rate × Percentage, where:

Unit = Formula ERN FM REG UNIT, which returns either the employee's regular hours or regular pay standard hours.

Rate = Payee level.

Percentage = 100.

Because the value of the STRESS earning element depends on the value of either of the regular hours, it must be resolved after the regular pay has been resolved.

## Calculating Amount Earnings

There are 19 earnings elements that use a variety of methods to determine the calculation rule Amount.

### Using Flat Amounts

Five earning elements use a flat amount: FAD (first aid allowance) PHONE, CAR, PRDBON (product bonus), and TRANS ADV (advance payment example).

### Using Formula-Based Amounts

Most of the earning elements used during termination payouts use formulas in their calculation rules. They are documented in a separate chapter.

***See Also***

Chapter 17, "Understanding Termination Payment Management," page 165

### Using Unprocessed Payee Level Amounts

Four of the earnings have an Amount calculation rule that does not appear in a section; therefore they are not resolved. You use them as data input points, and the system uses them in lump sum D and ETP calculations. These earnings elements are REDUNDANCY, INVALIDITY, EX GRATIA, and PAY IN LIEU.

***See Also***

Chapter 17, "Understanding Termination Payment Management," page 165

## Using Payee-Level System-Populated Amounts

The RETRO12MTH earning element is populated by the results of the retro process, in which the formula RTO SELECT OVRDSET determines the retro override set that is used, and one of the sets forwards the earning amount to the RETRO12MTH element.

# Deducting from Regular Earnings

Sometimes, you need to reduce regular earnings by the number of hours paid by another earning element. When you pay leave using a leave earning element, those leave hours are paid instead of regular hours, so regular hours must be reduced.

You do this by using a formula to resolve the unit value of the REGPAY STDHR earnings element.

The REGPAY STDHR calculation rule is Unit × Rate, where:

Unit = ERN FM REGSTD UNIT

Rate = System element HOURLY RATE

The automatically assigned unit components of all the earnings that reduce regular hours are members of accumulator ERN AC REDUCE HRS. The delivered members are : SCK_UNIT, LSL_UNIT, OTHLV_UNIT, SHFNT2_UNIT, ANNRA_UNIT, ANN_UNIT, PUB_UNIT, and LWOP_UNIT.

The period total units from the accumulator are subtracted from the calculated regular standard hour units for the period.

Here is the process that ERN FM REGSTD UNIT uses to resolve the unit for the REGPAY STDHR earnings element (the last line reduces the regular earnings by the value of the accumulator):

1. Obtains the payee's standard hours frequency from the Job record.
2. Retrieves the annual factor for the employee's standard hours frequency; for example, annual frequency 52 for 40 standard hours per week.
3. Multiplies the employee's standard hours by the annual factor (annualization).
4. Retrieves the pay period frequency.
5. Obtains the annual factor.
6. Divides the annualized standard hours (step 3) by the annual factor (deannualization).
7. Subtracts the value of ERN AC REDUCE HRS.

The last line of the formula covers steps 6 and 7:

GP TEMP001 NUM / AUS VR ANNL FCTR − ERN AC REDUCE HRS >> ERN FM REGSTD UNIT

# Calculating Rolling Average Earnings

You can set up an earnings element in which the rate is determined by the average rate of an earnings elements or set of earnings elements over a rolling period (such as the preceding 12 months).

The ANNRA (annual leave rolling average) earnings element is set up this way. Its calculation rule is Unit × Rate, where:

Unit = Payee level

Rate = Formula ERN FM ROLL AVG

In a rolling average calculation based on, for example, retrieving the average rate over 12 months for a monthly pay group, the formula retrieves the value *12* from variable ERN VR ROLL UNIT—set as a pay group supporting element override—and the value *months* from AUS VR FREQ TYPE retrieved from the array AUS AR FREQUENCY.

You can calculate rolling averages for monthly, fortnightly, and weekly pay groups. The following example is based on months:

### *Example*

The ANNRA earnings element must be paid in December 2002 for a monthly pay group, and the rate is the average rate of a group of earnings elements over the preceding 12 months. The group of earnings consists of the members of the two life-to-date accumulators ERN AC ROLLAVG AMT and ERN AC ROLLAVG HRS. The earnings rate formula:

1. Uses historical rule ERN HR R/A END to retrieve the amount and hours balances of accumulators ERN AC ROLLAVG AMT and ERN AC ROLLAVG HRS, respectively, at the end of the preceding month (November).

   Call these balances the end amount (EA) and end hours (EH).

2. Uses the historical rule ERN HR R/A START to obtain the amount and hours balances of the same accumulators 12 months earlier, at the end of December 2001 (the start date).

   Call these balances the start amount (SA) and start hours (SH).

3. Calculates the amount difference (AD) and hours difference (HD) over the rolling average period, as follows:

   EA − SA = AD

   EH − SH = HD

4. Completes the calculation, as follows:

AD ÷ HD = ANNRA rate for December 2002

When calculating rolling averages for fortnightly or weekly pay groups, the formula obtains the accumulator balances at 14 or 7 days, respectively, prior to the period end date of the December 2002 ANNRA pay run (EA and EH).

It then uses the ERN VR ROLL UNIT value to calculate the start date so that it can retrieve the amount and hours balances at that date (SA and SH), and it completes the calculation.

## Setting Up the Rolling Average Earnings Calculation

To set up rolling average earnings calculations:

1. Populate the amounts and hours accumulators with the respective earnings or automatically assigned units on which the rolling average calculation is based.
2. Assign the ANNRA earnings element to an employee as positive input, and enter the unit's value.

   The unit's value is the number of ANNRA hours that you want paid at its calculated rate.
3. By supporting element override at the pay group level, set the variable ERN VR ROLL UNIT to the number of months, fortnights, or weeks that the system must evaluate to retrieve period amount and hours data for use in the calculation.

# Creating Earnings Advance and Recovery

Some earnings are loans or advances; therefore, when they are paid, the system must automatically create a deduction that is processed over subsequent pay runs, recovering the loan or advance.

The PeopleSoft system provides the following elements, accumulators, formula, and generation control to demonstrate this:

| ***Name*** | ***Type*** | ***Usage*** |
|---|---|---|
| TRANS ADV | Earnings element. | Adds advance amount to paycheck when advance occurs. |
| TRANS ADV AMT | Accumulator. | Stores amount of advance. |
| TRANS BAL AMT | Accumulator. | Stores reducing balance. |
| TRANS REC | Deduction element. | Deducts portion of advance from paycheck in subsequent pay runs. |
| ADV FM GC CHECK | Advance recovery check formula. | Adjusts the deduction if taking it all would cause the goal amount to be exceeded. |
| ADV GC REC IND | Advance recovery generation control. | Controls execution of advance recovery check formula. |

### *See Also*

Chapter 9, "Defining Deductions," Checking Goal Amounts, page 72

## Selecting Hours for Holiday Earnings

The system detects when a designated holiday occurs in a pay period. Designate days as holidays on the Holiday Schedule page, which you access by selecting Set Up HRMS, Common Definitions, Holiday Schedule. When a holiday occurs in a pay period, the system populates the HOLIDAY HRS system element with the hours entered for that holiday on the holiday schedule.

Because a payee might not have been scheduled to work the holiday schedule hours, you can direct the system to pay different hours from those on the holiday schedule.

During normal payroll processing, when the system resolves the PUB (public holidays) earnings element, it determines the number of hours to pay each employee.

The PUB calculation rule is Unit × Rate, where:

Unit = Formula ERN FM PUB UNIT

Rate = System element HOURLY RATE

The ERN FM PUB UNIT formula uses proration element ERN PO PUB HRS for which the numerator is ERN CT PUB HOURS and the denominator is 1.

The count formula for ERN CT PUB HOURS is ERN FM HOLIDAY HOURS. This formula checks each day in the period for a HOLIDAY HOURS value and if it finds one, determines whether the variable ERN VR SCHED TYPE is set to HOL, WRK, or ALT.

For HOL, the formula returns the holiday hours from the holiday schedule.

For WRK, the formula returns half the employee's scheduled hours if the holiday type on the holiday schedule is *Half*, or all of the employee's scheduled hours if the holiday type is *Standard*.

The result is the same for ALT, except the formula returns the hours for the payee's alternate work schedule. If there is no alternate schedule, it returns either half or all scheduled hours.

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**Note.** You can designate any defined schedule as the alternate schedule on the pay group table. And at the employee level, you can assign a schedule as an alternate and it can be the pay group alternate schedule or any other of your defined schedules. Select Global Payroll & Absence Mgmt, Payee Data, Create Overrides, Assign Work Schedule.

---

Whatever the value of the variable ERN VR SCHED TYPE, the count formula returns the hours to be passed by the count to the numerator of the proration rule and the proration rule passes the count value to the formula ERN FM PUB UNIT, which is the unit for the PUB calculation rule Unit × Rate.

---

**Note.** Because the count numerator (the number or hours to pay) is divided by denominator 1, no proration occurs. The count result is passed to the PUB earnings element's unit formula through the proration element because counts cannot be used directly in formulas.

---

# Scheduling Earnings by Using Generation Control

There may be times when you need to control the periods in which earnings are paid. In that case, you need to control when the system pays the earnings element regardless of the pay frequency (weekly, fortnightly, semimonthly, four-weekly, or monthly). For instance, you might need to pay earnings only in the first weekly pay run of the month or only in the second fortnightly pay run of the month.

**Note.** Although these generation controls are discussed here in the context of defining earnings, you can use them to control deductions in the same way.

## Scheduling for Any Period

You control the payment of an earnings element—whatever the pay frequency—by assigning one of seven generation controls to the earnings. Five generation controls exist for periods 1 to 5 (there is a maximum of five weekly periods per month), and two additional generation controls cover two periods each (periods 1 and 3 and periods 2 and 4).

The two-period controls have the system process the earnings in both covered periods. For example, the control for periods 1 and 3 affects weekly pay runs in weeks 1 and 3 but not weeks 2, 4, and 5.

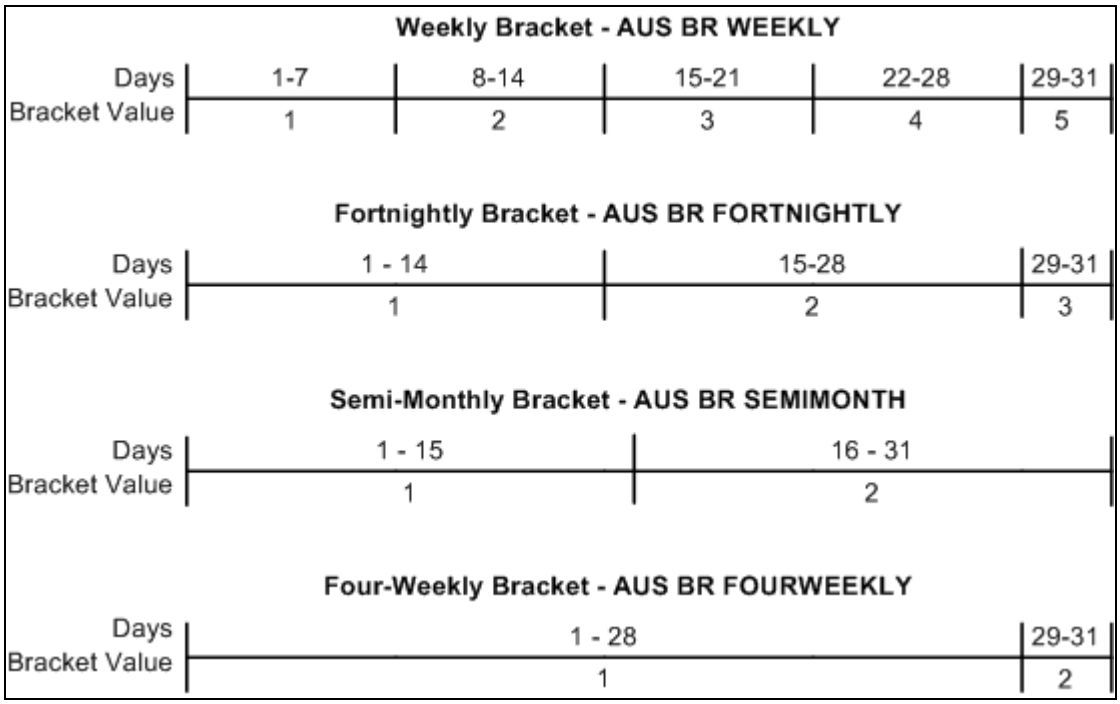
A corresponding formula exists for each generation control. When the formula returns *True*, the earning is paid.

For example, to pay an allowance for the first period of the month (period 1), the formula returns *True* for the first period of the month and *False* for the remaining periods, and the earnings element is processed.

The formula attached to each generation control has the same name except the FM element type code replaces the GC type code; for example, the generation control AUS GC PERIOD 1 has the associated formula AUS FM PERIOD 1.

**Note.** For each of the two-period generation controls, the formula calls two other formulas, one for each period. For example, the formula AUS FM PRD 1+PRD 3 calls formulas AUS FM PERIOD 1 and AUS FM PERIOD 3. Only one of the two formulas needs to return *True* for the system to pay the earning.

Weekly, fortnightly, semimonthly, and four-weekly brackets return values depending on where the pay period end date occurs, as the following diagram shows:




Bracket values for each period

To provide examples, the following table shows the bracket value that each bracket returns for day 5 and day 27 of the month:

| ***Bracket*** | ***Value for Day 5*** | ***Value for Day 27*** |
|---|---|---|
| Weekly | 1 | 4 |
| Fortnightly | 1 | 2 |
| Semimonthly | 1 | 2 |
| Four-weekly | 1 | 1 |

The formula uses the bracket values, which indicate to the system whether the pay period end date is in the relevant period. The formula checks the bracket that corresponds to the frequency type.

For the period 1 formula for example:

```
If AUS VR FREQ TYPE = 'W' (weekly) Then
     If AUS BR WEEKLY = 1 Then...TRUE
If AUS VR FREQ TYPE = 'B' (biweekly or fortnightly)Then
    If AUS BR FORTNIGHLY = 1 Then...TRUE
```

The formula returns *True* when the pay period end date is in the bracket value that corresponds to the period. That is, for period 2 when the bracket for a frequency type returns *2*, the formula returns *True*.

For example, to have the earning paid in the first period, you attach the period 1 generation control to the earnings element. If generation control formula for period 1 returns the bracket value *1*, the formula returns *True*—regardless of the frequency specified in variable AUS VR FREQ TYPE, .

If you want the earning paid in the second and fourth periods, attach the AUS GC PRD 2 +PRD4 AUS FM PRD 2 +PRD4

The following table lists the frequencies for which each formula uses the bracket value (*W* is weekly, *B* is fortnightly, *S* is semimonthly, *F* is four-weekly, and *M* is monthly):

| ***Formula*** | ***Frequency*** | ***Comment*** |
|---|---|---|
| AUS FM PERIOD 1 | W, B, S, F, M | N/A |
| AUS FM PERIOD 2 | W, B, S, F | M is always true |
| AUS FM PERIOD 3 | W, B | S, F, and M are always true |
| AUS FM PERIOD 4 | W | B, S, F, and M are always true |
| AUS FM PERIOD 5 | W | B, S, F, and M are always true |

**Note.** None of the delivered earnings elements use the AUS GC PERIOD <number> generation controls; however, you can use these controls for deductions just as you use them for earnings. Deduction INSURANCE, for example, uses the AUS GC PERIOD 1 generation control.

### *See Also*

Chapter 9, "Defining Deductions," Scheduling Deductions Using Generation Control, page 71

## Scheduling for the Last Period Only

To have an earnings element paid only in the last period in a month, use generation control AUS GC LAST PERIOD to determine if the period being processed is the last period of the month; for example, period 4 or 5 for weekly pay frequency or period 2 for semimonthly. The PHONE earnings element uses this generation control.

The formula attached to this generation control is AUS FM LAST PERIOD. That formula also uses the period formulas—AUS FM PERIOD <number>—that are associated with the seven generation controls.

## Chapter 9

# Defining Deductions

This chapter provides an overview of deductions for Australia and discusses how to:

- Calculate tax deductions.
- Schedule deductions using generation control.
- Check goal amounts.
- Manage garnishments.

## Understanding Deductions

The PeopleSoft system provides a number of deductions to demonstrate the flexibility of Global Payroll rules and meet common processing requirements, such as the preservation of minimum net pay. The following sections discuss various ways to use deductions and supporting elements.

### Delivered Deduction Elements

In the following table, the first column combines the deduction's name and description. The code *(gc)* indicates that the deduction has a generation control. The code *(po)* indicates a post-processing formula, and the code *(pr)* indicates a pre-processing formula. The other columns indicate the deduction's calculation rule of Unit × Rate, Unit × Rate × Percent, or Base × %. The formulas used for some of the deduction codes are discussed in further detail. The code *(sy)* stands for *system element*; it is not part of the element name.

| ***Name and Description*** | ***Unit*** | ***Rate*** | ***Base*** | ***%*** | ***Amount*** |
|---|---|---|---|---|---|
| *Section DED - PRE TAX* | | | | | |
| EE SSSPR<br>Employee Sal. Sacrifice Super (po) | | | AUS GROSS | Payee Level | |
| *Section DED - PST TAX* | | | | | |

| ***Name and Description*** | ***Unit*** | ***Rate*** | ***Base*** | ***%*** | ***Amount*** |
|---|---|---|---|---|---|
| INSURANCE<br>Insurance (gc) (po) | | | AUS GROSS | 5.00 | |
| PARK<br>Parking Fee (gc) | Payee Level | 10.00 | | | |
| LOANDED<br>Loan Repayment (gc) (po) | | | AUS GROSS | 10.00 | |
| UNION<br>Union Fees (gc) (po) | | | | | 9.50 / period |
| TRANS REC<br>Advance Recovery Example (gc) (po) | | | TRANS ADV AMT | Payee Level | |
| SALDED<br>Advance Repayment | | | | | 2500.00 / period |
| SOCIAL<br>Social Club (gc) | | | | | 8.00 / month |
| LOAN REPAY<br>Loan Repayment (Term) (gc) | | | | | TER FM LOAN REPAY |
| HEALTH FUND<br>Health Fund (gc) | | | | | Payee Level |

| ***Name and Description*** | ***Unit*** | ***Rate*** | ***Base*** | ***%*** | ***Amount*** |
|---|---|---|---|---|---|
| *Section DED - TAX* | | | | | |
| MARGINAL TAX<br>Marginal Tax (po) | | | | | TAX FM MARGINAL |
| ANNLSD TAX<br>Annualized Tax | | | | | TAX FM ANNLSD |
| PERIODIC TAX<br>Periodic Tax | | | | | TAX FM PERIODIC |
| HELP<br>HELP Amount (po) | | | | | TAX FM HELP |
| SFSS<br>SFSS Amount (po) | | | | | TAX FM SFSS |
| LUMP A TAX<br>Lump Sum A Tax | | | | | TAX FM LUMP A |
| LUMP B TAX Lump Sum B Tax | | | | | TAX FM LUMP B |
| LUMP C TAX<br>Lump Sum C Tax | | | | | TAX FM LUMP C |
| LUMP E TAX<br>Lump Sum E Tax | | | | | TAX FM LUMP E |

| Name and Description | Unit | Rate | Base | % | Amount |
|---|---|---|---|---|---|
| *Section DED - NONTAX* | | | | | |
| SGCMAN<br>SGC Mandatory (gc) (po) | | | SUP FM CALC BASE | AUS VR SGCMAN PCT | |
| AWARDMAN<br>Award Super Mandatory (gc) (po) | | | | | SUP FM TIERBSD AMT |
| ER ADDLSPR<br>Employer Add'l Super (po) | | | SUP FM CALC BASE | SUP VR ERADDL PCT | |
| ER MATCHSPR<br>Employer Matching Super (po) | | | AUS GROSS | SUP BR CMPNY PCT | |
| EE SUPER<br>Employee Super | | | | | Payee Level |
| CHARITY<br>Deductible Gift Recipient | | | | | Payee Level |

There are also 22 deductions that relate to salary packaging; and they all start with the letters *SP*.

### See Also

*PeopleSoft Enterprise Human Resources 9.1 PeopleBook: Administer Salary Packaging*, "Setting Up Salary Packaging"

*PeopleSoft Enterprise Human Resources 9.1 PeopleBook: Administer Salary Packaging*, "Modelling Salary Packages"

*PeopleSoft Enterprise Human Resources 9.1 PeopleBook: Administer Salary Packaging*, "Managing Salary Packages"

# Calculating Tax Deductions

The tax deductions are in the section DED - TAX. All eight tax deductions have a calculation rule of Amount, and the amount is a formula specific to each deduction; for example, TAX FM MARGINAL or TAX FM LUMPA.

***See Also***

Chapter 4, "Setting Up for Tax Reporting," page 27

Chapter 10, "Managing Taxation Processing," page 77

## Pre-Tax Deductions

There is only one deduction in the DED - PRE TAX section. It is EE SSSUPER (employee salary sacrifice super).

## Post-Tax Deductions

These are in section DED - PST TAX and represent typical after-tax deductions such as parking fees, union dues, and social club membership fees. The section includes repayment deductions that are generated by the system when their associated earnings are paid.

## Non-Tax Deductions

The non-tax deductions, which appear in section DED − NONTAX, are for superannuation. Three of the five deductions use a Base × Percent calculation rule. The other two deductions use amounts (one is a formula-driven amount and the other is a payee-level flat amount).

***See Also***

Chapter 19, "Monitoring Salary Packaging Expenditure," page 193

# Scheduling Deductions Using Generation Control

The HEALTH FUND deduction element has a generation control, LVE GC BIGGER SEG, which uses formula LVE FM BIGGER SEG.

One leave-in-advance payment option enables you to advance only the leave pay within a pay period and pay the regular pay in its normal period. When this occurs, the system determines which is the longer period—leave or regular—and applies the deduction to the longer period. The formula returns *True* if the leave period is longer, and the generation control takes the deduction from the leave pay that is advanced.

The same formula ensures that the deduction is taken when there is period segmentation due to hire or termination.

When segmentation is due to something other than hire or termination, the deduction is taken in *either:*

- The longer of two segments.
- The segment in which the period midpoint occurs, when there are more than two segments.

The UNION, LOANDED, and TRANS REC deduction elements also have generation controls. Their formulas check that the deduction has not reached a period limit or goal amount. In the case of TRANS REC, the formula verifies that the payee is still active.

The LOAN REPAY deduction element's generation control formula also checks that the payee is still active. If the payee is not active, the deduction element applies and the Amount formula, TER FM LOAN REPAY, retrieves the loan balance. The TRANS ADV and LOAN REPAY deduction elements interact through their generation control formulas. If the payee is terminated, TRANS ADV isn't resolved but LOAN REPAY is.

The INSURANCE deduction element demonstrates the use of a generation control to ensure that the deduction is taken only in the first pay period, irrespective of the pay frequency. The deduction's calculation rule is Base × Percent, where:

Base = Accumulator AUS GROSS

Percent = 5.00

The AUS GC PERIOD1 generation control is one of seven generation controls that are discussed in the chapter on defining earnings.

### *See Also*

Chapter 8, "Defining Earnings," Scheduling Earnings by Using Generation Control, page 63

## Checking Goal Amounts

The calculation rule for the LOANDED deduction element is Base x Percent, where:

BASE AUS GROSS

Percentage = 10

This deduction has a goal limit that is the maximum amount that can ever be deducted. It is not a maximum per frequency.

The DED GC LOANDED generation control first checks if any part of the deduction can be taken. Its formula, LIM FM CHK LOANDED, checks that accumulator LOANDED AC LTDA (life-to-date LOANDED), is not greater than or equal to the variable LIM VR GOAL LIMIT, which set as the supporting element override when assigning the deduction to the payee. If it is, the formula returns false and the deduction is not processed.

However, even if the deduction is processed, the system must verify that this new instance of the deduction won't exceed the goal amount if it is taken in full.

The post-process formula LIM FM LOANDED verifies this. If there is a goal limit, the system proceeds with the formula, as follows:

LOANDED AC LTDA + LOANDED_ARR (any LOANDED arrears) + CURR AMT VALUE (system element, the value of LOANDED)

For example:

1150 + 0 + 90 = 1240 (GP TEMP001 NUM)

The formula then compares the new figure with the goal amount; for example, 1200.

If it finds that the new figure exceeds the goal amount, it subtracts the goal amount from the new figure to determine the excess amount; for example:

1240 − 1200 = 40 (LIM VR OVER LIMIT)

The formula then subtracts the excess amount from the current value of the deduction (for example, 90), and that becomes the value of the deduction for this pay period (which is the last time it's taken unless the goal amount is increased):

90 − 40 = 50

The UNION deduction element is managed in a similar way. Its generation control formula LIM FM CHK UNION checks whether Union's fiscal year-to-date accumulator is greater than or equal to LIM VR YTD LIMIT (goal amount for the year). If it is greater, the deduction is not processed.

If the deduction is processed, the post-process formula determines the effect that the new deduction would have on the year's goal amount if paid in full, and it reduces the deduction if necessary.

The LOANDED deduction element is assigned at payee level as an earning and deduction assignment. Set the goal amount as the numeric value of the element override, LIM VR GOAL LIMIT. Because goal amounts are typically different for each employee, the variable is not set as a system element override at the deduction level.

## Managing Garnishments

Garnishments are deductions. You set up garnishment deductions just as you set up any other deduction. In addition to setting up the deduction, you can:

- Enter information-only details about the garnishment.
- Enter a protected minimum net pay for employees who pay garnishments.

## Pages Used to Manage Garnishments

| *Page Name* | *Definition Name* | *Navigation* | *Usage* |
|---|---|---|---|
| Assign Garnishments AUS | GPAU_GARN_DTLS | Global Payroll & Absence Mgmt, Payee Data, Garnishments/Court Orders, Assign Garnishments AUS, Assign Garnishments AUS | Enter details about a particular garnishment for a payee. |
| Specify Protected Net Pay AUS | GPAU_PROTECT_NET | Global Payroll & Absence Mgmt, Payee Data, Garnishments/Court Orders, Specify Protected Net Pay AUS, Specify Protected Net Pay AUS | Enter the protected net pay amount for a payee.<br>The system cannot take the whole COURT ORDER deduction if taking it would make the employee's net pay less than the protected amount. It can deduct to that protected amount, but no more.<br>**Note.** Protected net pay is only protected in relation to the COURT ORDER deduction. After the system has processed COURT ORDER, the accumulator AUS NET is the minimum net pay amount. That minimum net pay is not protected against any other deductions that might apply. |

## Calculating Garnishment Deductions

The PeopleSoft system provides three garnishment deduction elements: CHILDSUPPORT, WRIT, and COURT ORDER. Each is resolved differently.

### *Child Support*

The CHILDSUPPORT deduction element has calculation rule Amount, and the amount is set at 50 AUD.

### *Writ*

The WRIT deduction element has the calculation rule Base × Percent, where:

Base = Accumulator AUS AC DISP EARNS (disposable earnings)

Percent = 5.0

Accumulator AUS AC DISP EARNS members are:

- Accumulator AUS GROSS (+)
- Accumulator AUS TAX (−)

### *Court Order*

The COURT ORDER deduction element has a generation control, GRN GC COURTORDER, which uses formula GRN FM PROC STATUS to verify that the processing status of the garnishment (set on the Garnishment Details page) is *Approved.*

The calculation rule for COURT ORDER is Amount, where the amount is formula GRN FM ALL BUT NET. The formula deducts all but the protected net pay amount from disposable earnings. Disposable earnings are stored in accumulator AUS AC DISP EARNS:

Segment accumulator AUS GROSS − Segment accumulator AUS TAX = AUS AC DISP EARNS (disposable warnings)

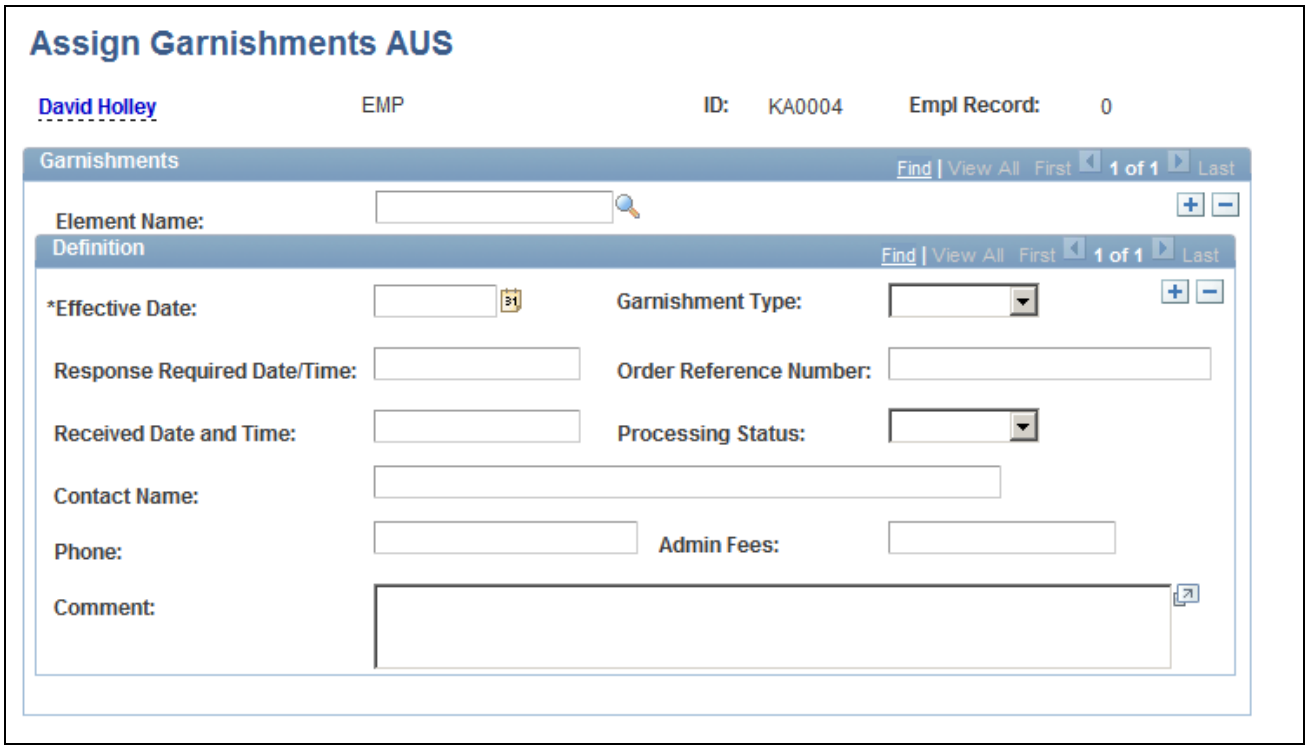
AUS AC DISP EARNS (disposable earnings) − DED VR PROTECT NET (protected net pay) = COURT ORDER deduction

The protected net pay variable is the amount that you enter in the single field on the Protected Net Pay page. The amount that you enter becomes the variable through the array AUS AR PROTECT NET in the INITIALISATION section in the AUS PAYROLL process list.

## Entering Garnishment Details

Access the Assign Garnishments AUS page (Global Payroll & Absence Mgmt, Payee Data, Garnishments/Court Orders, Assign Garnishments AUS, Assign Garnishments AUS).




Assign Garnishments AUS page

The garnishment deduction elements calculate the amount to deduct, but you may need to record other garnishment details. The Garnishments page is for recording information only. There is no system processing associated with the data, except that the generation control for COURT ORDER checks the status.

**Element Name** Enter the garnishment deduction.

**Garnishment Type** Select the type. Options are *Assignment*, *Bankruptcy*, *Child Supt* (child support), *Tax Levy*, *Dependant*, and *Writ*.

**Response Required Date/Time** Enter the date and time that a response is required, as indicated on the garnishment order.

**Order Reference Number** Displays the reference number, which is supplied with the order for the garnishment.

**Received Data and Time** Record the date and time that you received the garnishment order.

**Processing Status** Select from *Approved*, *Completed*, *Received*, *Rejected*, and *Suspended*. The garnishment deduction COURT ORDER is taken only if the status is *Approved*.

**Contact Name and Phone** Enter the recipient's contact name and phone number.

**Admin Fees** (administrative fees) Enter the amount of any fees that you can charge for administering the garnishment.

**Comment** Enter any comments about the garnishment specification.

## Chapter 10

# Managing Taxation Processing

This chapter provides an overview of taxation processing, retroactive tax processing, periodic tax for leave payments, and taxable earnings accumulators for Australia, and discusses how to:

- Enter payee tax data.
- Update payee tax scales automatically.
- Run the tax file number (TFN) declaration.

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**Note.** The PeopleSoft system delivers a query that you can run to view the names of all delivered elements designed for Australia. Instructions for running the query are provided in the *PeopleSoft Enterprise Global Payroll 9.1 PeopleBook.*

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### *See Also*

*PeopleSoft Enterprise Global Payroll 9.1 PeopleBook*, "Viewing Delivered Elements," Understanding How to View Delivered Elements

## Understanding Taxation Processing

The Australian country extension to Global Payroll comes with all the elements required to calculate a payee's tax correctly. The system calculates taxes in a variety of situations, such as multiple payments within a calendar period, annualized tax, mid-period hires, retroactive taxation, and terminations.

As well as entering details about the pay entity (usually a company or organization), you must provide the Australian Tax Office (ATO) with TFN information. You need to enter and maintain tax-related information about each employee and submit statutory reports to the ATO.

### *See Also*

Chapter 4, "Setting Up for Tax Reporting," page 27

## Understanding Retroactive Tax Processing

Global Payroll for Australia provides payroll rules and elements to calculate taxes on payments that are granted retroactively. The system manages the following tax situations:

- Taxes owed on retroactive bonuses when the payment applies to a single pay period.

  This includes marginal tax, HELP, and SFSS.

- Taxes owed on retroactive bonuses when the payment applies to multiple pay periods.

  This includes marginal tax, HELP, and SFSS.

- Taxes owed on back payments including salaries and wages accrued in the current financial year.

  This includes annualized tax, HELP, and SFSS.

- Taxes owed on back payments including salaries and wages accrued in the previous financial year.

  This includes annualized tax, HELP, and SFSS.

In this section we discuss the tax calculation method that applies in each case, the key PeopleSoft delivered elements used to calculate taxes, and the inputs that users must make to ensure correct retroactive tax processing.

## Calculating Taxes to Withhold for Retroactive Bonuses

For bonuses, the method for calculating taxes differs depending on whether the payment applies to a single pay period or to multiple pay periods.

### *Calculating Taxes to Withhold for Bonuses That Apply to One Pay Period*

PeopleSoft delivers the earning element BONUS to process bonuses that apply to a single pay period.

When you use the BONUS earning element to enter retroactive bonuses, the system forwards the bonus amount or delta to the current period where it is added to all other current period earnings and taxed in accordance with the normal PAYG withholding tax tables.

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**Note.** Enter bonus amounts for Australia using positive input.

---

### *Calculating Taxes to Withhold for Bonuses That Apply to Multiple Periods*

PeopleSoft delivers the earning element BONUS QTRLY (quarterly bonus) to process bonuses that apply to multiple pay periods in a fiscal quarter.

When you use the BONUS QTRLY earning element to enter retroactive bonuses, the system follows these steps to determine the correct amount of tax to withhold:

1. Use the relevant tax table to work out the amount to withhold from the payee's normal earnings for one pay period.
2. Divide the bonus by the number of pay periods to which it relates.
3. Disregard any cents. For example $1.75 becomes $1. If the result is nil, there is no amount to withhold from the bonus or similar payment.
4. Add the amount in step 3 to the normal earning amount for a single period.

 

5. Use the same tax table used in step 1 to determine the amount to withhold from the combined payment amount calculated in step 4.
6. Subtract the amount worked out in step 1 from the amount worked out in step 5.
7. Multiply the result by the number of pay periods to which the bonus relates.

---

**Note.** Enter bonus amounts for Australia using positive input.

---

### *Data Used in the Retroactive Bonus Calculation*

The key data used in the retroactive bonus calculation are the retro start date and the earning definition:

- Retro start date: The bonus calculation uses the retro start date entered by positive input or through the Job Data (JOB) component to determine the periods to recalculate.
- Earning definition: The system looks at the earning definition to determine the type of tax to apply. For example, the earning BONUS invokes a different type of tax than BONUS QTRLY—BONUS invokes Marginal Tax and BONUS QTRLY invokes Periodic Tax because of the different taxable earnings accumulators to which they contribute (BONUS contributes to the PD MARGINAL accumulator and BONUS QTRLY contributes to the PD GRS PERIODIC accumulator).

  See Chapter 10, "Managing Taxation Processing," Understanding Taxable Earnings Accumulators, page 87.

## Calculating Taxes to Withhold For Salaries and Wages

For salaries and wages, the method for calculating back taxes differs depending on whether the taxes are owed on payments that fall within the current financial year or a previous financial year. For payments that fall within a previous financial year, the calculation differs depending on whether the salary or wages accrued less than or more than twelve months before the actual payment date.

### *Calculating Taxes to Withhold For Salaries and Wages In the Current Financial Year (Method A)*

To calculate the marginal, HELP, and SFSS tax amounts to withhold from a back payment accrued in the same financial year that it was made, Global Payroll for Australia determines how much of the payment accrued in each prior pay period. After calculating the correct amount, it adds this amount to the other payments made in each of the prior pay periods to calculate the withholding tax, as described here:

1. In each affected period, add the back payment for that period to the earnings previously paid.

 

2. Use the relevant tax table to calculate the amount to withhold from the amount obtained in step 1.

   Global Payroll for Australia uses the deduction elements MARGINAL TAX, HELP, and SFSS to calculate the amount of tax to withhold in each period. The HELP and SFSS deduction elements reference the TAX BR HELP RATE and TAX BR SFSS RATE brackets to determine the correct tax rates.

   ---

   **Note.** You can view the tax rates used in these calculations on the Review PAYG Rates AUS (GPAU_TAX_SCALES), Review HELP Rates AUS (GPAU_HECS_RATE), and Review SFSS Rates AUS (GPAU_SFSS_RATE) components. Global Payroll for Australia calculates MARGINAL TAX using the PAYG Tax Scales.

   ---

   See Chapter 4, "Setting Up for Tax Reporting," Viewing Tax Scales, page 28.

3. Subtract the amount previously withheld for the period from the amount obtained in step 2.

   When the system recalculates the tax deduction elements—MARGINAL TAX, HELP, and SFSS—in step 2, it subtracts the old value from the new value to obtain the retro deltas for the withholding taxes.

4. Add the amount in step 3 to the withholding amount worked out for the current pay period.

   The system forwards the additional taxes (the tax deltas calculated in step 3) from each period for which there are back payments to the current period.

   ---

   **Note.** The tax deduction elements MARGINAL TAX, HELP, and SFSS are included in the delivered retro process override set 1 for Australia (Retro Process Definition ID = AU RETRO) defined on the Retro Process Overrides page. On this page, retro deltas for the tax deduction elements MARGINAL TAX, HELP, and SFSS are set up to be forwarded to the current period when there is retroactive processing in the current year.

   ---

### *Calculating Taxes to Withhold For Salaries and Wages In Previous Years When Payments Accrued Less Than 12 Months Before the Payment Date (Method B)*

To calculate the marginal tax, HELP, and SFSS for salaries and wages accrued less than 12 months before the payment date, Global Payroll for Australia uses the formulas TAX FM ANNLSD, TAX FM HELP ANNLSD, and TAX FM SFSS ANNLSD.

Using these formulas, the system:

1. Calculates the amount of marginal tax, HELP, and SFSS to withhold from the payee's normal earnings in the current pay period.

2. Divides the back payment by the number of normal pay periods over which the amount accrued. For example, if a back payment applies to the period August–October and the payee is paid monthly, the number of normal pay periods over which the amount accrued is 3.

3. Disregards any fractional amounts. For example, $143.75 becomes $143. If the result is nil, there is no amount to withhold from the back payment.

4. Adds the amount in step 3 to the normal earnings in the current pay period.

5. Uses the same tax table used in step 1 to determine the amount to withhold on the combined payment amount calculated in step 4.

6. Subtracts the amount worked out in step 1 from the amount worked out in step 5.

 

7. Multiplies the result by the number of normal pay periods over which the amount accrued to obtain the total amount to withhold from the back payment.

### *Calculating Taxes to Withhold For Salaries and Wages In Previous Years When Payments Accrued More Than 12 Months Before the Payment Date (Method C)*

To calculate the marginal tax, HELP, and SFSS for salaries and wages accrued more than twelve months before the payment date, Global Payroll for Australia uses the formulas TAX FM ANNLSD, TAX FM HELP ANNLSD, and TAX FM SFSS ANNLSD.

Using these formulas, the system:

1. Calculates the amount of marginal tax, HELP, and SFSS to withhold from the payee's normal earnings in the current pay period.
2. Divides the back payment by the number of normal pay periods in 12 months (for example, 12 monthly payments, 26 fortnightly payments, or 52 weekly payments).
3. Disregards any fractional amounts. For example, $143.75 becomes $143. If the result is nil, there is no amount to withhold from the back payment.
4. Adds the amount in step 3 to the normal payment in the current pay period.
5. Uses the same tax table used in step 1 to determine the amount to withhold on the combined payment amount calculated in step 4.
6. Subtracts the amount worked out in step 1 from the amount worked out in step 5.
7. Multiplies the result by the number of normal pay periods in 12 months to obtain the amount to withhold from the back payment.

### *Key Elements Used for Retroactive Tax Processing of Salaries and Wages Following Method A*

The calculation steps for method A use the following elements:

| *Element* | *Element Type* | *Use* |
|---|---|---|
| MARGINAL TAX | Deduction | This element calculates the marginal tax. |
| HELP | Deduction | This element calculates the HELP tax. |
| SFSS | Deduction | This element calculates the SFSS tax. |
| TAX FM MARGINAL | Formula | This element is used by the deduction MARGINAL TAX to calculate the marginal tax. |
| TAX FM HELP | Formula | This element is used by the deduction HELP to calculate the HELP tax. |
| TAX FM SFSS | Formula | This element is used by the deduction SFSS to calculate the SFSS tax. |

**Note.** This table includes some of the key elements used in the Method A tax calculation—it does not attempt to describe all of the elements used to process taxes in the current financial year.

### *Key Elements Used for Retroactive Tax Processing of Salaries and Wages Following Methods B and C*

The calculation steps for methods B and C require the use of numerous Global Payroll elements. The following table lists some of the key elements used to calculate retroactive taxes and notes any modifications that you may need to make to these elements:

| *Element* | *Element Type* | *Use* |
|---|---|---|
| TAX DT CURR -12MT | Date | This element retrieves the current period payment date from the system element CURR PRD PYMT DT and subtracts one year from it to determine the date that is exactly 12 months prior to it.<br><br>**Note.** The date 12 months before the payment date is critical to the tax process because the calculation method varies depending on whether salary or wages accrued more than or less than 12 months prior to the payment date. |
| TAX DR PERIOD RTO | Duration | TAX DR PERIOD RTO returns the difference between the retro start date or date that payments began accruing in the past (contained in the variable TAX VR RTO STRT DT) and the tax year begin date (contained in the date element TAX DT TAXYR BGN). The difference between these dates is equivalent to the duration that payments accrued over the previous year. This duration is expressed in days and is used by the formula TAX FM PERIOD WK (see below).<br><br>**Note.** The value of the element TAX VR RTO STRT DT is set by the formula TAX FM RTO STRT DT to ensure that back payments and wages are divided by the correct number of pay periods in step 2 of the calculations described above. |

| *Element* | *Element Type* | *Use* |
|---|---|---|
| TAX BR PRD FACTOR | Bracket | This bracket returns the period factors that enable the formula TAX FM PERIOD WK (see below) to convert the number of days returned by the duration element TAX DR PERIOD RTO to a specific number of weeks, biweekly periods, months, or other durations depending on the normal pay period length. The search key in the bracket is the system element PRD FREQ NAME (period frequency name), and the specific frequencies for which the bracket returns period factors are W (weekly), B (biweekly), F (every four weeks), and M (monthly).<br><br>**Important!** You may need to define pay period factors in addition to those delivered by PeopleSoft. To do this, enter the number of weeks in the pay period for each pay period frequency you add to the bracket. For example, for a pay period frequency of every three weeks, the period factor would be 3, since there are three weeks in the period.<br><br>**Note.** Define pay period frequencies using the Frequency Table component in PeopleSoft Human Resources (FREQUENCY_TBL). |

| *Element* | *Element Type* | *Use* |
|---|---|---|
| TAX FM PERIOD WK | Formula | This formula divides the duration in days returned by the element TAX DR PERIOD RTO by seven to arrive at a duration in weeks. Global Payroll for Australia later converts this weekly duration to the correct number of months, biweekly periods, or four-weekly periods (depending on the applicable pay period length) using the conversion factor supplied by the bracket TAX BR PRD FACTOR (see above).<br><br>For example, step 7 of the tax calculations in methods B and C calls for the tax liability for a single period to be multiplied by the number of periods over which taxes are due to arrive at the total tax liability. To determine the correct number of pay periods, Global Payroll uses the formula TAX FM ANNLSD (described below) to divide the number of weeks over which payments accrued—calculated by the formula TAX FM PERIOD WK—by the conversion factor returned by the bracket TAX BR PRD FACTOR. For instance, if the number of weeks given by TAX FM PERIOD WK is 8 weeks, and the standard pay period is biweekly, Global Payroll divides 8 by the conversion factor of 2 (the number of weeks in a biweekly period) to calculate the total number of periods (4) for which taxes are due. |

| ***Element*** | ***Element Type*** | ***Use*** |
|---|---|---|
| TAX FM RTO STRT DT | Formula | This formula sets the value of the variable TAX VR RTO STRT DT used by the duration element TAX DR PERIOD RTO (see above). If the date the payments begin accruing is greater than 12 months prior to the payment date, this formula sets the value of TAX VR RTO STRT DT (retro start date) equal to the date returned by the element TAX DT CURR -12MT (the date that is exactly 12 months before the payment date). This is to ensure that the back payments are divided by the standard number of pay periods in a year (according to step 2 under *Tax Calculations When Salary or Wages Accrued More Than 12 Months Before the Payment Date*). And if the date payments begin accruing is less than or equal to 12 months prior to the payment date, the formula sets the value of TAX VR RTO STRT DT (retro start date) equal to the effective date of the retro trigger contained in the element TAX VR TRGR EFFDT. This is to ensure that the payments are divided by the number of pay periods to which they apply (as described in step 2 under *Tax Calculations When Salary or Wages Accrued Less Than 12 Months Before the Payment Date*). |
| TAX FM ANNLSD | Formula | Global Payroll uses the formula TAX FM ANNLSD to calculate the marginal tax in prior years following steps 1–7 of calculation methods B and C described above.<br>This formula references other elements described in this table, including the bracket TAX BR PRD FACTOR and the formula TAX FM PERIOD WK. |
| TAX FM HELP ANNLSD | Formula | Global Payroll uses the formula TAX FM HELP ANNLSD to calculate HELP in prior years following steps 1–7 of calculation methods B and C described above.<br>This formula references other elements described in this table, including the bracket TAX BR PRD FACTOR and the formula TAX FM PERIOD WK. |

| *Element* | *Element Type* | *Use* |
|---|---|---|
| TAX FM SFSS ANNLSD | Formula | Global Payroll uses the formula TAX FM SFSS ANNLSD to calculate SFSS in prior years following steps 1–7 of calculation methods B and C described above.<br>This formula references other elements described in this table, including the bracket TAX BR PRD FACTOR and the formula TAX FM PERIOD WK. |

## Understanding Periodic Tax for Leave Payments on Termination

To calculate periodic tax for leave payments on termination, Global Payroll for Australia averages the earnings over 12 months and then brings the average down to a per period amount by dividing it by the employee's pay period factor (that is, the number of pay periods in a year for the employee). The correct pay period factor for each employee is returned by the formula TAX FM TAX PERIODS (the pay period factor is 12 for employees paid monthly, 52 for employees paid weekly, and so on), and the tax is calculated by the deduction PERIODIC TAX which uses the formula TAX FM PERIODIC to determine the correct tax amount.

If you want to use the periodic tax formulas to calculate taxes on other earnings such as quarterly paid bonuses, you can modify TAX FM PERIODIC and TAX FM TAX PERIODS to suit your specific requirements.

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**Note.** You can define your own pay period factors for periods not defined by PeopleSoft. To do this, modify the formula TAX FM TAX PERIODS so that it includes the factors corresponding to the new periods.

You can override the formula TAX FM TAX PERIODS at the Payee Level.

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Global Payroll for Australia also calculates the periodic tax for HELP and SFSS using the formulas TAX FM HELP PERIOD and TAX FM SFSS PERIOD respectively to average earnings over 12 months.

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**Note.** To invoke the periodic tax calculation you need to maintain the PD GRS PERIODIC accumulator. In the case of termination pay, this means maintaining the segment accumulator PD GRS LUMP MARGNL, which contributes to PD GRS PERIODIC. This accumulator contains the leave earnings that are normally paid on termination by means of positive input.

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See Chapter 10, "Managing Taxation Processing," Understanding Taxable Earnings Accumulators, page 87.

# Understanding Taxable Earnings Accumulators

There are several taxable earnings accumulators to which you may need to add earning elements that you create yourself to supplement or replace the earnings delivered with Global Payroll for Australia. These are the PD MARGINAL, PD GRS ANNULISED, and PD GRS PERIODIC accumulators. They are used to calculate marginal, annualized, and periodic taxes respectively. When you create a new earning element, you should evaluate it to determine whether it is subject to one of these taxes, and if so, you should add it to appropriate tax accumulator.

# Entering Information for Tax Processing

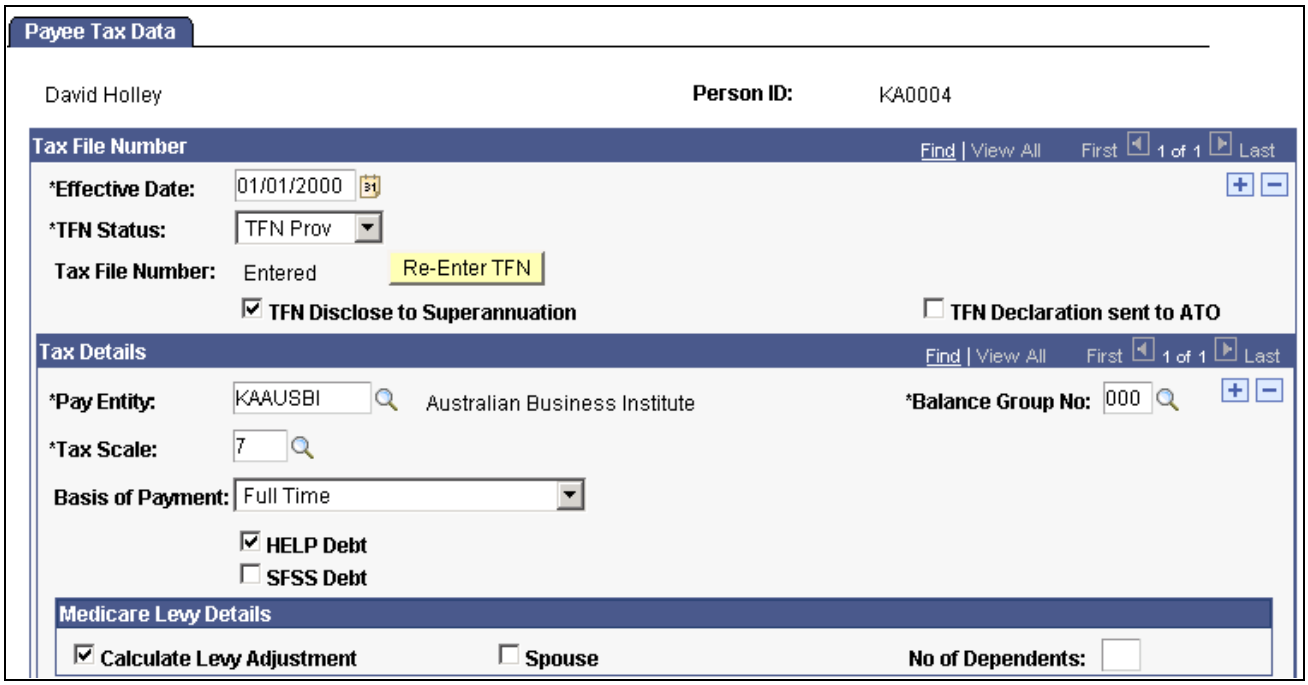
The correct calculation and reporting of tax depends on the employee data that is stored in the system.

## Pages Used to Enter Information for Tax Processing

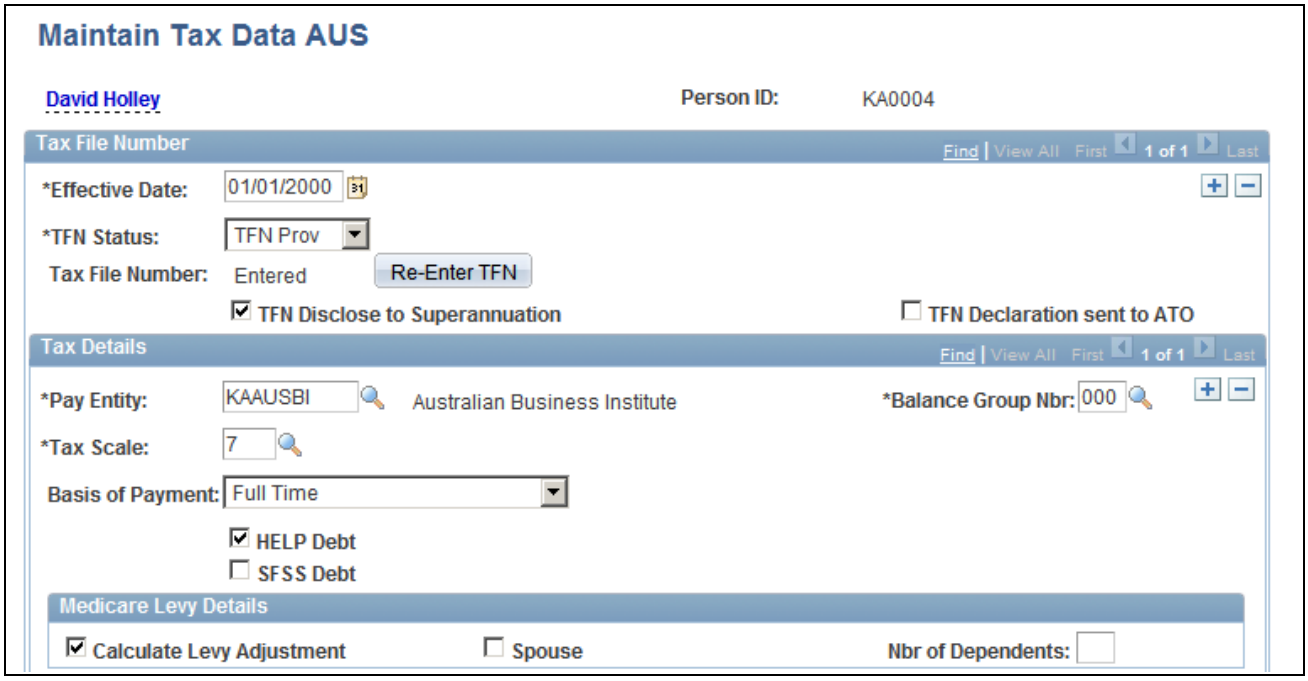
| ***Page Name*** | ***Definition Name*** | ***Navigation*** | ***Usage*** |
|---|---|---|---|
| Payee Tax Data | GPAU_EE_TAX_DTLS | Global Payroll & Absence Mgmt, Payee Data, Taxes, Maintain Tax Data AUS, Maintain Tax Data AUS | Enter individual payees' tax data. |
| Tax Scale Update | GPAU_RC_TX01_SQR | Global Payroll & Absence Mgmt, Payee Data, Taxes, Review/Update Tax Scales AUS, Tax Scale Update | Report employees' tax scales or update the tax scales if the TFN exemption expiry date has passed. |

## Entering Payee Tax Data

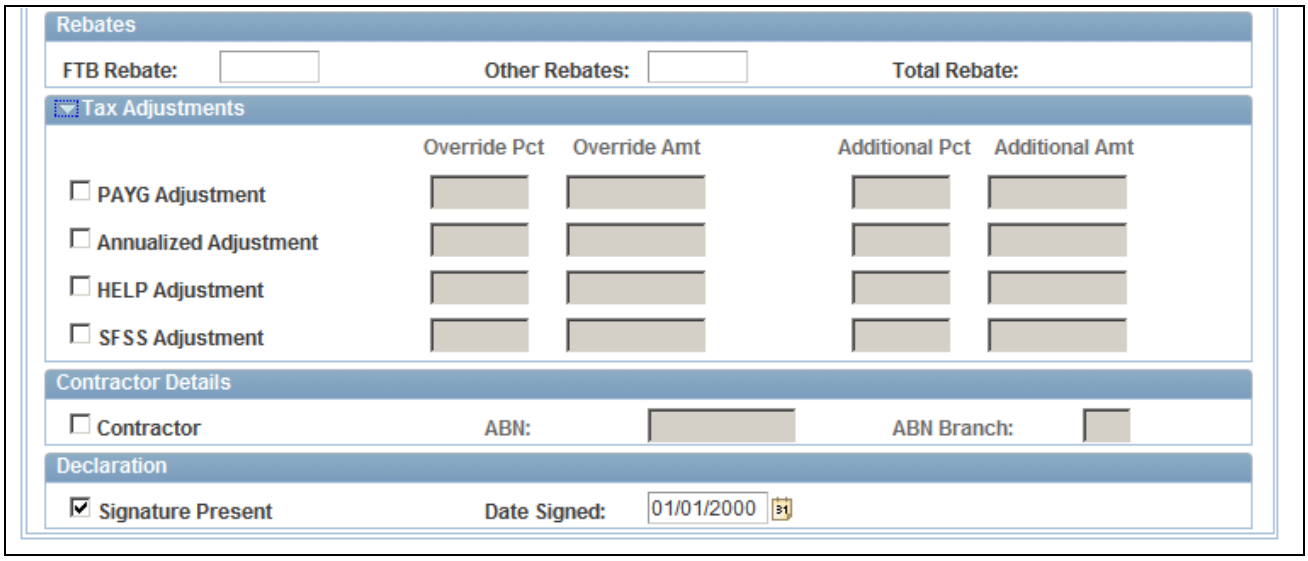
Access the Payee Tax Data page (Global Payroll & Absence Mgmt, Payee Data, Taxes, Maintain Tax Data AUS, Maintain Tax Data AUS).




Payee Tax Data page (1 of 2)




Payee Tax Data page (1 of 2)




Payee Tax Data page (2 of 2)

To calculate a payee's tax, the array TAX AR EE TX DTL retrieves each payee's tax data. If you have not entered all the data required, an error message indicates that payee tax information is required.

**TFN Status**

Select the status. Options are:

*Applied:* The payee has shown on the employment declaration that there is an application for a TFN. The system adds the current date as the TFN exempt start date and a date 28 days later as the TFN exempt end date. In the interim, the system displays *111111111* as the payee's TFN.

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**Note.** The exempt start and end date fields are unavailable for all statuses except *Applied* and *Not Supp* (not supplied).

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*F/P Pens* (full or part pension): If the payee is on a full or part pension, the employee is exempt from providing a TFN. The system displays *444444444* as the payee's TFN.

*Incrct TFN* (incorrect TFN): If the payee has supplied an incorrect TFN, the system does not allow you to enter a TFN.

*Not Supp* (not supplied): If the payee has not supplied a TFN, the system adds the current date as the TFN exempt start date and a date 28 days later as the TFN exempt end date. In the interim, the system displays *000000000* as the payee's TFN.

*TFN NotReq* (TFN not required): Used when a TFN is not required; for example, for contractors. The system displays *000000000* as the payee's TFN.

*TFN Prov* (TFN provided): The payee has provided a TFN. After you enter the TFN, the system hides the entry, displays *Entered* in the field, and displays a *Re-Enter TFN* button. If you enter an invalid TFN, the system warns you. To re-enter a tax file number, click the Re-Enter TFN button.

If an interim notice is in force for the employee, select TFN Provided and enter *222 222 222*.

*Under 18:* An employee under 18 years of age is exempt from quoting a TFN. The system automatically displays *333333333* as the payee's TFN.

**Tax File Number**

Enter the TFN number. Validation occurs, and you receive a warning message if the number fails validation.

**Re-Enter TFN**

This field is available until you enter a valid TFN. Use it to enter a different TFN if the number that you enter fails validation.

**TFN Disclose to Superannuation**

Select this check box to indicate that the payee has authorized you to disclose the TFN to a superannuation organization. There is no processing associated with this check box. You can use it when reporting to a superannuation provider.

**Pay Entity**

Enter the pay entity to which the payee supplied the tax file declaration.

**Balance Group No** (balance group number)

Use balance group numbers to identify the accumulator in which the system stores tax balances. You can only select balance group numbers entered for the employee on the Job Data - Payroll page.

**Tax Scale**

Enter the tax scale. Options are:

*1:* Tax Free Threshold Not Claimed

*2:* Tax Free Threshold Claimed

*3:* Non Residents

*4N:* TFN Not Provided - Non-Resident

*4R:* TFN Not Provided - Resident

*5:* Full Medicare Levy Exemption

*6:* Half Medicare Levy Exemption

*7:* Tax Free Threshold (No Loading)

*8:* Seniors - Single

*9:* Seniors - Separated by Illness

*10:* Seniors - Member of a Couple

**Basis of Payment**

Select the basis of payment. Options are *Casual, Full Time, Labour Hire,* and *Part Time.*

**HELP Debt**

Select if the payee has HELP debt.

**SFSS Debt**

Select if the payee has an SFSS debt.

### *Medicare Levy Details*

**Calculate Levy Adjustment**

Deselect this check box to prevent the system from calculating Medicare levy adjustments. By default, the check box is selected. If you do deselect this check box, the system does not process any other selected options in the group box.

**Spouse**

Select if the payee has a dependent spouse only.

**No. of Dependents** (number of dependents)

Enter the number of dependents, including the spouse if the spouse is a dependent.

### *Rebates*

**FTB Rebate**

If the payee is applying to have this benefit paid by reduced withholding tax, enter the amount of the reduction that the payee is requesting.

**Other Rebates**

If the payee is applying to have combined dependent-spouse, special, or zone rebates paid by reduced withholding tax, enter the amount of the reduction that the payee is requesting.

**Total Rebate**

The system displays the total of the FTB and other rebates.

### *Tax Adjustment*

**PAYG Adjustment** A check box exists for each type of tax: PAYG, Annualised, HELP and SFSS. Select the check box for each tax for which you want to make an adjustment. This makes the adjustment fields available for entry. For each tax, you can set an adjustment of override percentage or amount, or an adjustment of additional percentage or amount.

### *Contractor Details*

**Contractor** Select if the payee is a contractor.

**ABN** If you select *Contractor*, enter the ABN. The system warns you if the number that you enter is not a valid ABN.

**ABN Branch** If you select *Contractor*, enter the ABN branch

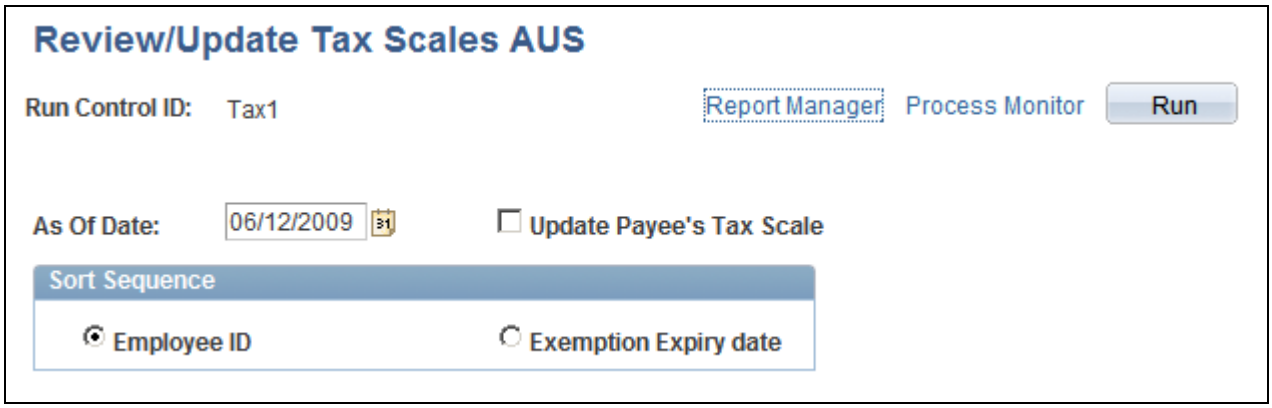
### *Declaration*

**Signature Present** Select if the payee has signed the tax declaration form.

**Date Signed** Enter the date that appears on the declaration.

## Updating a Payee's Tax Scale Automatically

Access the Tax Scale Update page (Global Payroll & Absence Mgmt, Payee Data, Taxes, Review/Update Tax Scales AUS, Review/Update Tax Scales AUS).




Tax Scale Update page

When you hire a new payee and select a tax scale, that tax scale might need to be changed. For example, when someone applies for a TFN, they have a 28-day exemption period. If a TFN is not entered in the system before the expiry of the 28 days, the tax scale must be reset. You can run the GPAUTXO1.SQR process on the Tax Scale Update page to have the system do this for you. This process checks the TFN status to determine if it is *Applied* or *Not Supp* (not supplied). If the 28 days have expired, the system performs the following actions:

- Inserts a new effective-dated row of status *Not Supp* (for both *Applied* and *Not Supp).*
- Sets the exempt start and end dates to null.
- Resets the payee's tax scale to 4N or 4R.

To create a report of only employees whose tax scale needs to be changed—for example, if you want to change them manually—you can use the process page to generate the report without making automatic updates. To create a report only, deselect the Update Payee's Tax Scale check box.

# Submitting the Electronic TFN Declaration

The output of the GPAU_TFN_ELC Application Engine process is a magnetic media file for submission to the ATO.

The TFN declaration has five parts:

- Supplier information, which is generated from supplier data.
- Payer information, which is generated from the Entering Additional Tax Information page.
- Payee information, which is generated primarily from the Entering Payee Tax Data page.

  It includes the TFN, name and address, terminated flag, residency status (from the tax scale), basis of payment, tax-free threshold claimed, and FTB claimed.
- Software information.
- File total.

**Note.** The information that you enter on the tax information pages is included in the following files, which you submit to the ATO: the Group Tax file, the Payment Summaries file, and the TFN Declaration file.

## Page Used to Submit the Electronic TFN Declaration

| *Page Name* | *Definition Name* | *Navigation* | *Usage* |
|---|---|---|---|
| TFN Declaration - Electronic | GPAU_RC_TFN_ELEC | Global Payroll & Absence Mgmt, Taxes, Create TFN File AUS, TFN Declaration - Electronic | Set the report start and end dates and select the pay entities for the report. You can specify a run type of *Production* or *Test.* |

### *See Also*

Chapter 4, "Setting Up for Tax Reporting," page 27

Chapter 11

# Reporting State Payroll Tax Liabilities

This chapter provides an overview of state payroll tax reporting and discusses how to run the State Payroll Tax report.

## Understanding State Payroll Tax Reporting

The State Payroll Tax report provides detailed information about the earnings, benefits, deductions, and expenses that are identified as payroll taxable or payroll tax exempt. Details are also provided for termination payments that are payroll tax exempt

**Note.** The State Payroll Tax report is not a complete representation of payroll tax liabilities. Other payments and earnings that are administered outside the PeopleSoft system should be included in any returns submitted to the State Revenue Office. This may include details of companies that form part of a group but are administered outside the PeopleSoft system.

If an employee moves to a different state during a reporting period, the system uses the Job record that is valid at the time of payment of state payroll tax. For example, suppose that a weekly employee has four pay periods in the month, and the employee moves to another state during the fourth pay period. That fourth pay period is reported for the new payroll tax state.

## Running the State Payroll Tax Report

The GPAU_SPT_RPT Application Engine process extracts data for state payroll tax reporting, and that data is formatted as a report by the GPAUT01 Structured Query Report.

### Page Used to Run the State Payroll Tax Report

| *Page Name* | *Definition Name* | *Navigation* | *Usage* |
|---|---|---|---|
| State Payroll Tax Report | GPAU_RC_SPT | Global Payroll & Absence Mgmt, Taxes, Payroll Tax Report AUS, State Payroll Tax Report | Report the data extracted by the GPAU_SPT_RPT process. |

## Reporting State Payroll Tax Data

Access the State Payroll Tax Report page (Global Payroll & Absence Mgmt, Taxes, Payroll Tax Report AUS, State Payroll Tax Report).

**Group Pay Entity** Enter the group pay entity that you created in the Group Entity table.

**State Payroll Tax Base Date** Select the SPT base date. Options are *Pay End Date*, *Payment Date*, and *Earlier of End/Payment Dates.* With weekly and fortnightly pay frequencies, it is not always clear in which month the earnings should be included for payroll tax purposes. Some pay periods span two months. This field determines the month to which earnings are attributable for payroll tax purposes.

### *See Also*

Chapter 5, "Setting Up State Payroll Tax Reporting," page 31

## Chapter 12

# Administering Superannuation

This chapter provides an overview of superannuation administration and discusses how to:

- Make statutory and customary superannuation deductions.
- Set the calculation rule.
- Use tier-based calculations.
- Use percentage based on employee contributions (matching).
- Accommodate exemption rules and limits.
- Accommodate employee options.
- Display superannuation information on the payslip.
- Create the ComSuper Payroll Interface File.

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**Note.** The PeopleSoft system delivers a query that you can run to view the names of all delivered elements designed for Australia. Instructions for running the query are provided in the *PeopleSoft Enterprise Global Payroll PeopleBook.*

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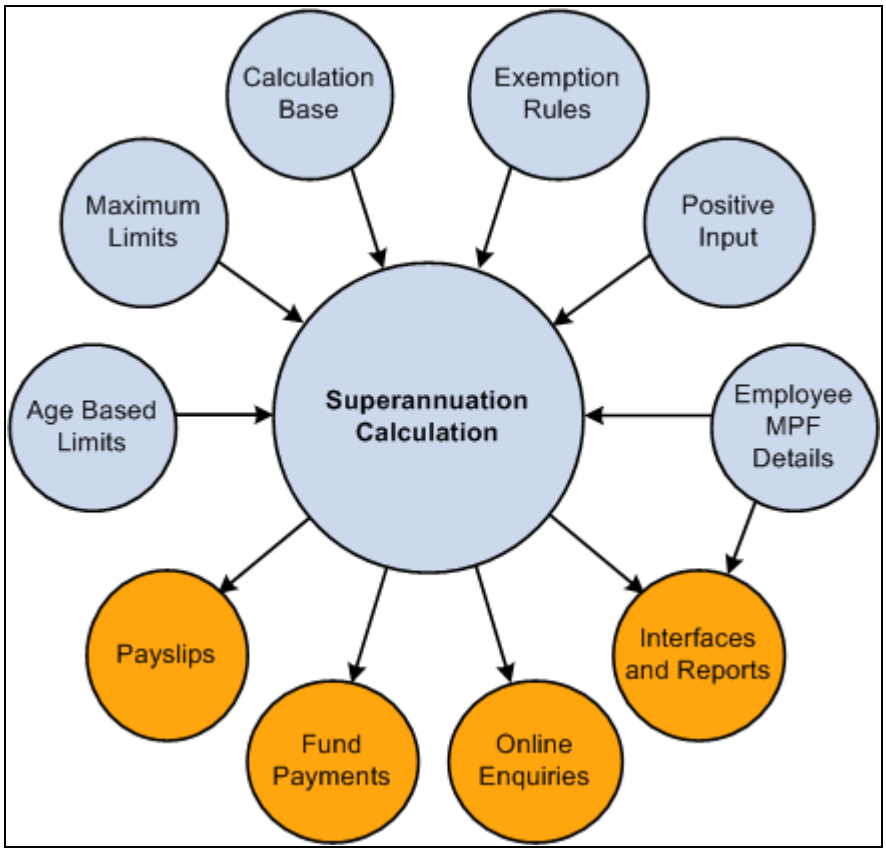
### *See Also*

*PeopleSoft Enterprise Global Payroll 9.1 PeopleBook*, "Viewing Delivered Elements," Understanding How to View Delivered Elements

## Understanding Superannuation Administration

The following diagram shows the settings you must specify to ensure correct superannuation calculation and output:




User input and system output for superannuation

## Making Statutory and Customary Superannuation Deductions

The following deductions are for the common super contributions.

| *Deduction Name* | *Calculation Rule* | *Description* |
|---|---|---|
| SGCMAN (super - mandatory) (Statutory) | Base × Percent | The superannuation guarantee (SG) contribution mandated by Australian legislation. Employers normally pay this on behalf of the employees. This is defined to be a percentage of the employee's actual gross earnings for the period. The PeopleSoft-delivered variable AUS VR SGCMAN PCT holds this user-maintainable value. |

| ***Deduction Name*** | ***Calculation Rule*** | ***Description*** |
|---|---|---|
| ER ADDLSPR (employer additional super)<br>(Customary) | Base × Percent | The super contribution that the company pays in addition to the percentage mandated by the legislation. This is a percentage of the employee's actual gross earnings. The employer defines the value of the percentage. The PeopleSoft-delivered variable SUP VR ERADDL PCT holds this user-maintainable value. |
| EE SSSPR (employee salary sacrifice super)<br>(Customary) | Base × Percent | The super contribution that an employee pays as a salary sacrifice. This is defined as a percentage of the employee's actual gross earnings. The percentage is entered at the payee level as a deduction assignment. Refer to the description of the ER MATCHSPR deduction. |
| AWARDMAN (award - mandatory)<br>(Customary) | Amount | The super contribution likely to be used by award-based employees. It shows how super can be calculated using a tier-based calculation. With the amount being calculated from a formula SUP FM TIERBSD AMT |
| ER MATCHSPR (employer matching super)<br>(Customary) | Base × Percent | The super contribution that the company voluntarily pays on behalf of an employee who contributes to super through salary sacrifice. This shows how a company can match the employee contribution. Only employees with EE SSSPR receive this deduction. Refer to the description of the EE SSSPR deduction. |
| EE SUPER (employee super)<br>(Customary) | Amount | The super contribution that an employee pays as an after-tax deduction. This is defined as a flat amount. Employees need to be enrolled to have this deduction taken. The amount is entered at the payee level as a deduction assignment. |

## Setting the Calculation Rule

Although a superannuation contribution can be a flat amount or the result of a tier-based calculation, most often it is a percentage of a base; for example, regular gross earnings, actual gross earnings, notional salary, super salary earnings, or compensation rate. The standard element calculation rule options accommodate all the calculation methods applicable to superannuation deductions.

## Using Tier-Based Calculations

Tier-based calculation is typically used in the Australian public service and all participating commonwealth agencies. In this calculation, contributions are based on the employee's salary range and may be a flat amount or a percentage as illustrated in the following table:

| ***Annual Salary*** | ***Annual Amount*** | ***Annual %*** |
|---|---|---|
| 0.00 - 40,040.00 | 1,201.20 | |
| 40,041.00 - 64,514.58 | An amount | 3% of superannuation salary |
| 64,514.59 - 96,772.00 | 1,935.44 | |
| > 96,772.00 | | 2% of superannuation salary |

A user-maintained bracket, SUP BR TIERBSD TBL, stores these values. You can store both an amount and a percentage per range, as illustrated by the second row.

The system uses the annualized super salary (rate code AU SUPERSAL × system element RC FREQ FACTOR) to retrieve the flat amount or percentage to be applied. It then deannualizes the retrieved flat amount to the period frequency. The percentage, however, is applied to the period super salary, not the annualized period salary.

Although annualization and deannualization are normally automatic in the system, for this instance, the process is manual. The frequencies used for this process are stored at the pay group level.

## Using Percentage Based on Employee Contributions (Matching)

The percentage of the ER MATCHSPR deduction element is based on the percentage of the EE SSSPR deduction element. For example, a company might contribute an extra 1 percent for employees who are voluntarily contributing 1 to 2 percent through salary sacrifice, an extra 2 percent for employees contributing 3 to 4 percent, and an extra 3 percent for employees contributing 5 percent or more.

**Note.** The EE SSSPR deduction element needs to be resolved before ER MATCHSPR, and ER MATCHSPR needs to be defined as *By Eligibility* so that it does not require a deduction assignment record.

A user-maintained bracket, SUP BR CMPNY PCT, stores the employee contribution ranges and the matching employer contribution. The deduction ER MATCHSPR uses this bracket to determine the percentage to use.

**Note.** If the employee does not have a salary sacrifice super contribution, the resulting percentage from this bracket is 0 percent.

# Accommodating Exemption Rules and Limits

Although it is mandatory for employers to pay super contributions for each employee, the following exemptions exist:

- Employees who earn less than 450.00 AUD in a month.
- Employees who are 70 years old or over.
- Employees who are under 18 years old and work 30 hours or less in a week.
- Employees paid to do work of a domestic or private nature for no more than 30 hours a week.
- Nonresident employees paid for work done outside Australia.
- Resident employees paid by nonresident employers for work done outside Australia.
- Some foreign executives who would have been eligible for the previous class 413 (executive, overseas) visa or entry permit under Migration (1993) regulations.
- Employees who so elect because the benefit exceeds the pension reasonable benefits limit.

Only the first three rules are delivered with this country extension, because the other rules can be accommodated using the standard core employee earnings and deductions assignment functionality.

## Using Exemption Rule Checks

Because some employers still process super contributions for employees who fall into the first three of the exemption rules listed in the previous section, you need a way to specify whether the checks and limits apply or not. You achieve this using variables as supporting element overrides.

### *See Also*

Chapter 5, "Setting Up State Payroll Tax Reporting," page 31

Chapter 12, "Administering Superannuation," Controlling Exemptions and Checking Limits, page 103

## Applying Maximum Earnings Limits

Legislation provides an earnings ceiling that limits the amount an employer is required to contribute. This ceiling is indexed each year and as of July 1, 2009 was 40,170.00 AUD per quarter. Employers do not have to apply the limit, and they can continue to contribute for the employee's super.

The following table shows the reduced amount payable in the third month because the quarterly limit is reached in that month. The SG contribution is based on 9 percent in this example.

| *Month* | *Earnings* | *SG Calc'd On* | *Cumulative Amount / Month* | *SG Contribution* |
|---|---|---|---|---|
| January | 10,000 | 10,000 | 10,000 | 900 |
| February | 20,000 | 20,000 | 30,000 | 1800 |
| March | 10,000 | 5,240 (35,240 – 30,000) | 35,240 | 471.60 |

This limit check is part of the SGCMAN deduction calculation. Variables determine whether the check occurs and the maximum limit. If the check occurs, the system verifies the employee's quarter-to-date gross earnings against the quarterly limit.

## Checking Age-Based Limits

These limits apply to employers claiming deductions from company tax liability for contributions made on behalf of their employees. You can have the system validate the total super deductions that an employer has paid for the employee against an age-related limit provided by the Australian Tax Office (ATO). A company might use this validation to restrict an employee's salary sacrifice deductions—because it cannot claim tax deductions for contributions above these limits.

Different age groups have different limits. These limits are indexed every year. The following table lists the limits for financial years 2004-2005, 2005-2006, and 2006-2007.

| *Age of the Employee* | *2004-2005 Limits* | *2005–2006 Limits* | *2006-2007 Limits* |
|---|---|---|---|
| Under 35 | 13,934 AUD | 14,603 AUD | 15,260 AUD |
| 35 to 49 | 38,702 AUD | 40,560 AUD | 42,385 AUD |
| 50 and over | 95,980 AUD | 100,587 AUD | 105,113 AUD |

A user-maintained bracket, SUP BR AGEBSD LMT stores this data.

**Note.** When you set the variable as a supporting element override to control this check, you must make sure that this deduction adds to the year-to-date (YTD) accumulator that the system uses for the validation. If the YTD accumulator is equal to the limit based on the employee's age, the system does not resolve the super contribution.

The system uses a separate deduction code to resolve the amount necessary to adjust the super contribution.

## Controlling Exemptions and Checking Limits

Supporting element overrides, set as variables at the deduction level, determine whether the checks occur and the limits are imposed. The following table shows the supporting elements and the values that you need to set.

The character value *Y* instructs the system to make the check. The minimum and maximum earnings limits require a second variable to hold the limit.

| *Exemption* | *Variable* | *Character Value* | *Amount Value* |
|---|---|---|---|
| Minimum earnings | SUP VR MINEARN YN | *Y* | |
| Minimum earnings | SUP VR MINERN AMT | | *Applicable Limit* |
| Age 70 and over | SUP VR 70&OVER YN | *Y* | |
| Age under 18, and work 30 or less hours per week | SUP VR UNDER18 YN | *Y* | |
| Maximum earnings limits | SUP VR MAXEARN YN | *Y* | |
| Maximum earnings limits | SUP VR MAXEARN AMT | | *Applicable Limit* |
| Age-based limits | SUP VR AGEBSD | *Y* | |

# Accommodating Employee Options

There are a number of employee options related to superannuation that are met by core functionality. Here is a summary of the options and how they are accommodated:

- Override deduction recipient record.

  Global Payroll enables, at the payee level, the overriding of the recipient record set at deduction level (select Home, Compensate Employees, Manage Global Payroll Data, Use, Deduction Recipients).

- Override percentages and amount.

  Global Payroll enables the overriding of percentages and amounts at different levels. Once set at the deduction level, they can be overridden at the payee deduction assignment level and at the positive input level.

- Automatic assignment of employees to super funds.

  When the deduction element is defined as *By Eligibility Group*, employees belonging to the eligibility group automatically have the deduction element, as if the employees were enrolled in the deduction.

- Employee's super salary.

  This can be stored in the system using the Multiple Components of Pay feature.

- Employee's super fund membership ID.

  The GPAU_RCPPYE_EXT page captures this information. The page includes a Membership ID field, where you can enter the identifier that the recipient has assigned to the payee.

### *See Also*

Chapter 13, "Running Banking and Recipient Processes," Setting Up Additional Deduction Recipient Information, page 109

## Displaying Superannuation Information on the Payslip

Australian law requires that payslips must display the superannuation fund name for any superannuation fund deductions, and they must display the membership ID number.

To display the superannuation fund name, access the Earnings and Deductions page (select Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Payslips, Templates AUS). On the Element Components tab, select *Recipient Name* from the Description Type list for the related deduction element.

To display the membership number on the payslip, access the Earnings and Deductions page (select Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Payslips, Templates AUS). On the Element Details tab, select Display Membership ID for the related deduction element.

## Creating the ComSuper Payroll Interface File

This section provides an overview of the Payroll Interface File (PIF) and discusses how to generate the PIF.

## Payroll Interface File

ComSuper provides an online superannuation service that enables employers to submit, correct, and validate superannuation data using a secure online login. ComSuper worked with employers and payroll providers to replace the Superannuation Exceptions Data (SED) and Continuous Contributions Data (CCD) files with a single file—the Payroll Interface File. Global Payroll for Australia enables you to define PIF data and generate the PIF for delivery to ComSuper.

To define and generate the PIF:

1. Set up a deduction recipient as a Super Fund Administrator on the Deduction Recipients page. Select a Super Reporting Format and ComSuper Agency ID for that deduction recipient. Ensure that the correct pay entity is added to the deduction recipient.

   Enter all required SuperEC information on the SuperEC Detail page.

2. Access the Deduction Recipient page using the Super Reporting link on the Payee Recipient page. Enter all required Super Reporting information.

3. Ensure that the TFN Disclose to Superannuation check box is selected on the Payee Tax Data page for all employees to be included in the PIF.

4. Run and finalize the calendar groups for which you are generating the PIF.

5. Run and finalize the payment preparation process for the calendar groups to be included in PIF.

6. Generate the PIF using the Create Super Rpt File run control page.

### *See Also*

Chapter 13, "Running Banking and Recipient Processes," Setting Up Additional Deduction Recipient Information, page 109

*PeopleSoft Enterprise Global Payroll 9.1 PeopleBook*, "Defining Banking Instructions," Creating Payments for Net Payments and Deductions in a Calendar Run

Chapter 13, "Running Banking and Recipient Processes," Creating the EFT Cemtex File, page 115

## Pages Used to Create the ComSuper Payroll Interface File

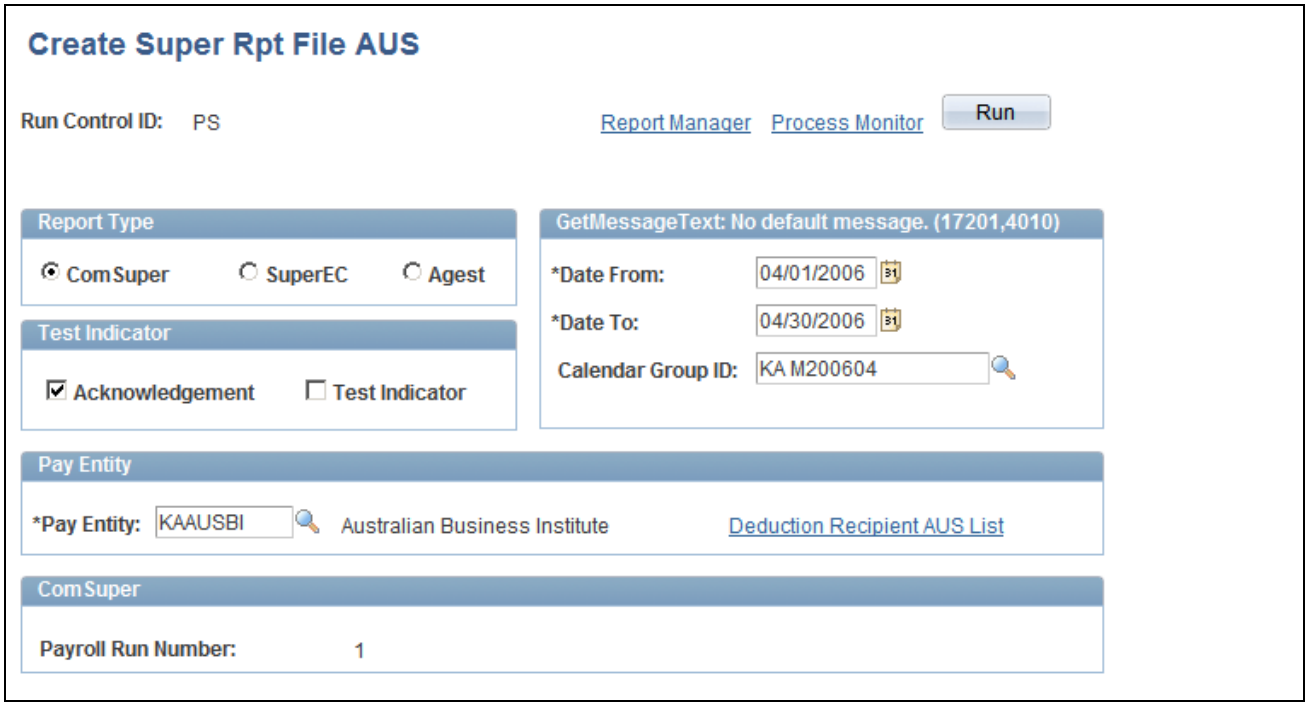
| *Page Name* | *Definition Name* | *Navigation* | *Usage* |
|---|---|---|---|
| Create Super Rpt File | GPAU_RC_SUPEREC | Global Payroll & Absence Mgmt, Authority Correspondence, Create Super Rpt File AUS, Create Super Rpt File AUS | Generate the PIF for delivery to ComSuper. |

| Page Name | Definition Name | Navigation | Usage |
|---|---|---|---|
| Deduction Recipient List | GPAU_SUPEC_RCP_RC | Click the Deduction Recipient AUS List link on the Create Super Rpt File page AUS. | Add deduction recipients to be included in the PIF. |

## Generating the PIF

Access the Create Super Rpt File page (Global Payroll & Absence Mgmt, Authority Correspondence, Create Super Rpt File AUS, Create Super Rpt File AUS).




Create Super Rpt File page

### *Report Type*

Select the type of report you are creating. You can use this page to generate a report file for ComSuper, SuperEC, or Agest.

### *Placeholder*

**Date From** and **Date To** Enter a date range for the report file. The system populates these fields automatically if you select a calendar group in the Calendar Group ID field.

**Calendar Group ID** Select the calendar group to be included in the report file.

**Note.** If you generate the EFT payment file before running this process, the calendar group for which you created the EFT payment file will not be available in the Calendar Group ID field. You must use enter a date range for the PIF file in that case.

### *Test Indicator*

| | |
|---|---|
| **Acknowledgement** | Select to receive an acknowledgement after sending a SuperEC message file. |
| **Test Indicator** | Select to indicate that the SuperEC message file that you are creating is for test purposes only. |

### *Pay Entity*

| | |
|---|---|
| **Pay Entity** | Select the pay entity to be included in the report file. |
| **Deduction Recipient AUS List** | Click to access the Deduction Recipient List where you can add deduction recipients to the report file. |

Chapter 13

# Running Banking and Recipient Processes

This chapter provides an overview of banking and recipient processing and discusses how to:

- Set up additional deduction recipient information.
- Manage electronic funds transfers (EFTs).
- Generate recipient payment report files.

---

**Note.** The PeopleSoft system delivers a query that you can run to view the names of all delivered elements designed for Australia. Instructions for running the query are provided in the *PeopleSoft Enterprise Global Payroll PeopleBook.*

---

### *See Also*

*PeopleSoft Enterprise Global Payroll 9.1 PeopleBook*, "Viewing Delivered Elements," Understanding How to View Delivered Elements

## Understanding Banking and Recipient Processing

The banking process of Global Payroll combines payroll data, pay entity source bank data, and payee or recipient bank data. The EFT file creation process extracts data compiled by the banking process according to the type of EFT file that you are creating, merges it with data provided by the Australian country extension, and creates the file for transmission.

---

**Note.** In this chapter, the payee of group tax is the Australian Tax Office (ATO). The ATO is a recipient just as a health fund or the beneficiary of a garnishment is a recipient. Unless otherwise stated, the term *recipient* includes the ATO.

---

## Setting Up Additional Deduction Recipient Information

To set up additional deduction recipient information, use the Deduction Recipients AUS (GPAU_RECIPIENT) component.

You set up your deduction recipients using the Deduction Recipients page (select Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Banking, Deduction Recipients). You can then add membership ID information about those recipients on the Deduction Recipients AUS page, if needed.

---

**Note.** Use the Deduction Recipients AUS page only if you need to attach membership information to deduction elements. Otherwise, use the generic Add Deduction Recipients page.

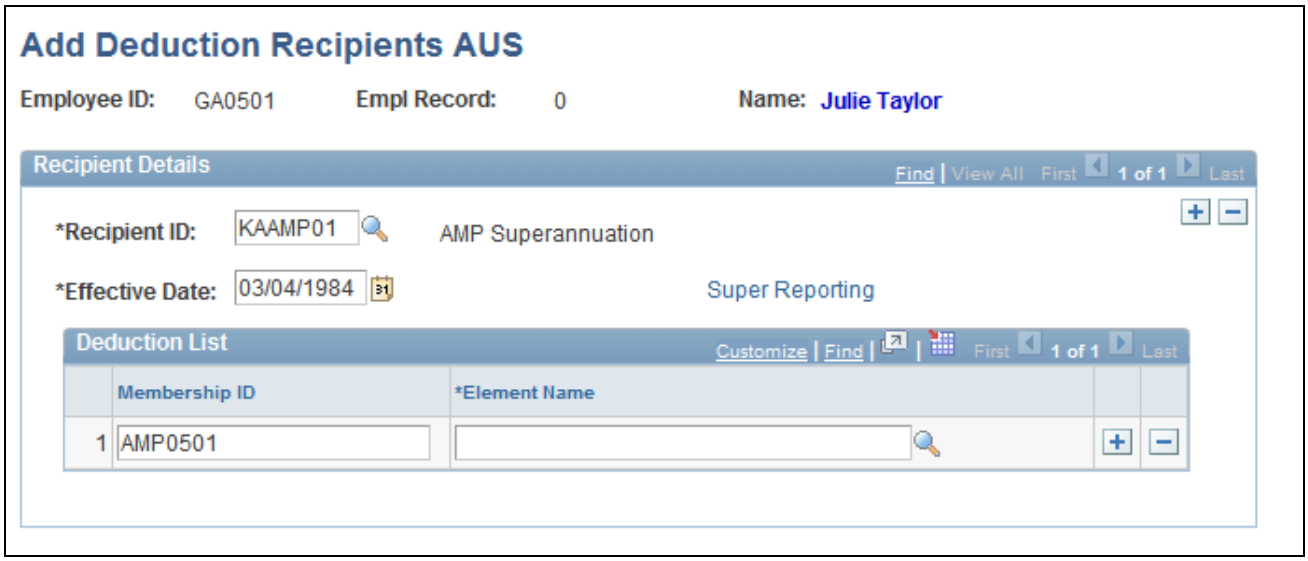
---

## Pages Used to Set Up Additional Deduction Recipient Information

| *Page Name* | *Definition Name* | *Navigation* | *Usage* |
|---|---|---|---|
| Add Deduction Recipients AUS | GPAU_RCPPYE_EXT | Global Payroll & Absence Mgmt, Payee Data, Net Pay / Recipient Elections, Add Deduction Recipients AUS, Add Deduction Recipients AUS | Link a payee to a deduction recipient and enter the payee's membership number with that recipient. |
| Deduction Recipient | GPAU_RCPPYE_SUPER | Click the Super Reporting link on the Add Deduction Recipients AUS page. | Enter Super Reporting details for the payee. |
| Deduction Recipients AUS | GPAU_RECIPIENT_EXT | Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Banking, Deduction Recipients AUS, Add Deduction Recipients AUS | Enter Australia-specific additional information about recipients that are set up in the core application for Global Payroll. |
| SuperEC Detail | GPAU_RECIPNT_SPREC | Click the SuperEC link on the Deduction Recipients AUS page. | Enter receiver, target fund, and sender information according to SuperEC standards. |

## Adding Additional Recipients

Access the Add Deduction Recipients AUS page (Global Payroll & Absence Mgmt, Payee Data, Net Pay / Recipient Elections, Add Deduction Recipients AUS, Add Deduction Recipients AUS).




Payee Recipient page

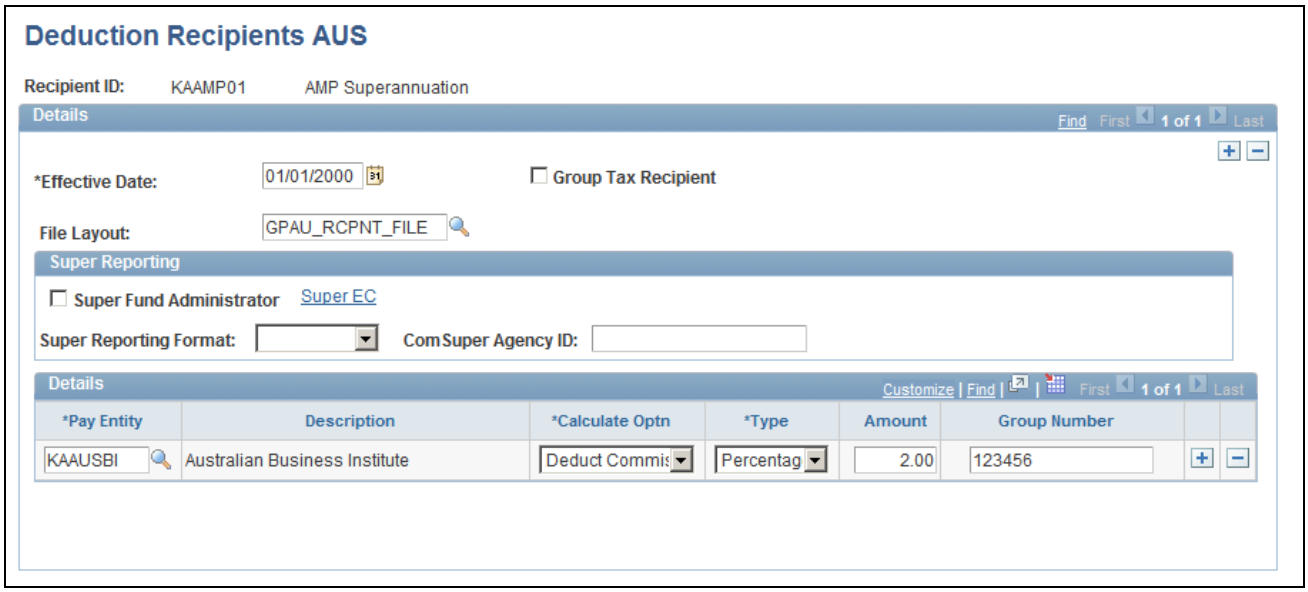
**Recipient ID** Identifier for the recipient of the deduction element.

**Membership ID** Membership ID associated with the recipient ID.

**Element Name** Name of the deduction element.

## Entering Additional Recipient Information

Access the Deduction Recipients page (Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Banking, Deduction Recipients AUS, Add Deduction Recipients AUS).




Deduction Recipients page

**Group Tax Recipient** Select if the recipient is the ATO, the recipient of group tax.

**File Layout** Select the appropriate file layout from those that you have created in Application Designer for report files that you submit to recipients. When you run the Recipient File - Electronic report, the Application Engine process uses the file layout that you enter here.

---

**Note.** The GPAU_RCPFILE Application Engine process uses only the GPAU_RCPNT FILE recipient schedule file. You can make minor changes to that file—for example, field order. However, if you make major file layout changes, you must create additional Application Engine programs to process them.

---

**Pay Entity** Enter the pay entity that receives this commission. If the commission is deducted from the payment due to the recipient, the debit to the pay entity's source bank account is reduced by the commission amount.

**Calculate Optn** (calculate option) Select from the following values:

*Ded Comm* (deduct commission): The system deducts the commission amount from the payment due to the recipient.

*Rpt Only*(report only): The system reports the commission amount in the EFT file but does not deduct it from the payment.

**Type** Select *Flat Amt*(flat amount) or *Percentage.*

**Amount** Enter the flat amount or percentage to be calculated.

**Group Number** Enter the unique identifier that the recipient has supplied for the pay entity. For payment to recipients *excluding* the group tax recipient and payee level recipients, the group number is part of the unique lodgment reference that is part of each recipient EFT file.

---

**Note.** The lodgment reference for net pay is the employee ID plus payment date. For recipient payments, it is the group number plus payment date. For group tax payments, it is the EFT code plus payment date.

---

### *Super Reporting*

**Super Fund Administrator** Select to designate the recipient as a Super Fund administrator.

**Super EC** Click to access the SuperEC Detail page.

**Super Reporting Format** Select a reporting format. Valid values are *Agest*,*ComSuper*, and *SuperEC*.

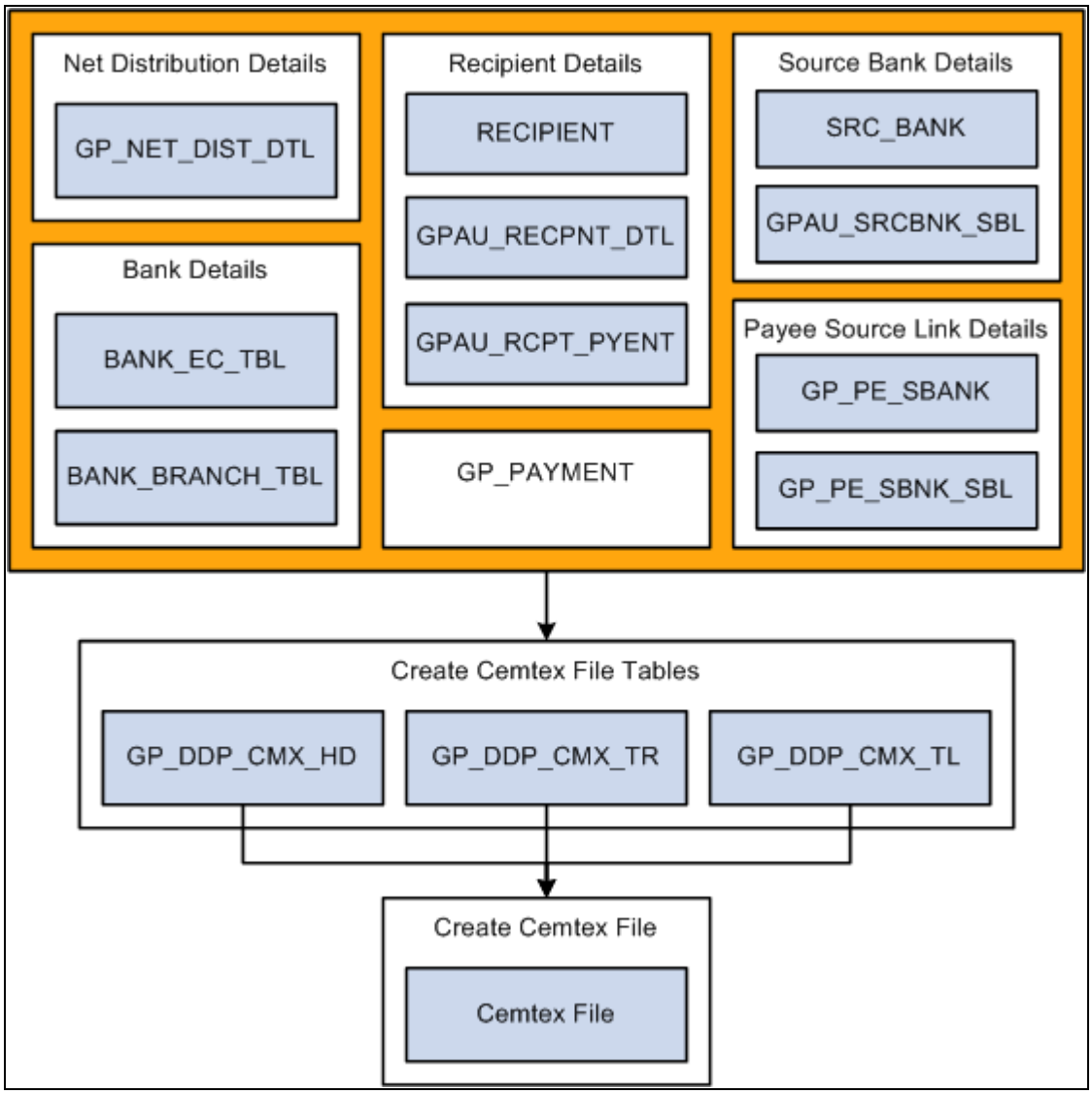
**ComSuper Agency ID** Enter the ComSuper agency ID.

## Managing Electronic Fund Transfers

The Australian standard Cemtex file for EFT is created by a process that provides multiple options to control the file's content. You can create an EFT file that contains:

- Group tax.
- Net pay distribution.
- Recipient deduction.
- Net pay and recipient.

The following diagram shows the tables that contribute data to the Cemtex file that is incorporated into the EFT file.




Tables that contribute to the Cemtex file

---

**Note.** You must finalize the Banking process (GP_PMT_PREPARE) before you can create the Cemtex file. After the Cemtex file is created, the system changes the PMT_STATUS field in the GP_PAYMENT table from *P* (prepared) to *T* (transferred).

---

## Page Used to Manage Electronic Fund Transfers

| *Page Name* | *Definition Name* | *Navigation* | *Usage* |
|---|---|---|---|
| Fund Transfer - Electronic | GPAU_EFT_CMX | Global Payroll & Absence Mgmt, Payment Processing, Create EFT Payment File AUS, Create EFT Payment File AUS | Enter the parameters for the electronic file creation. |

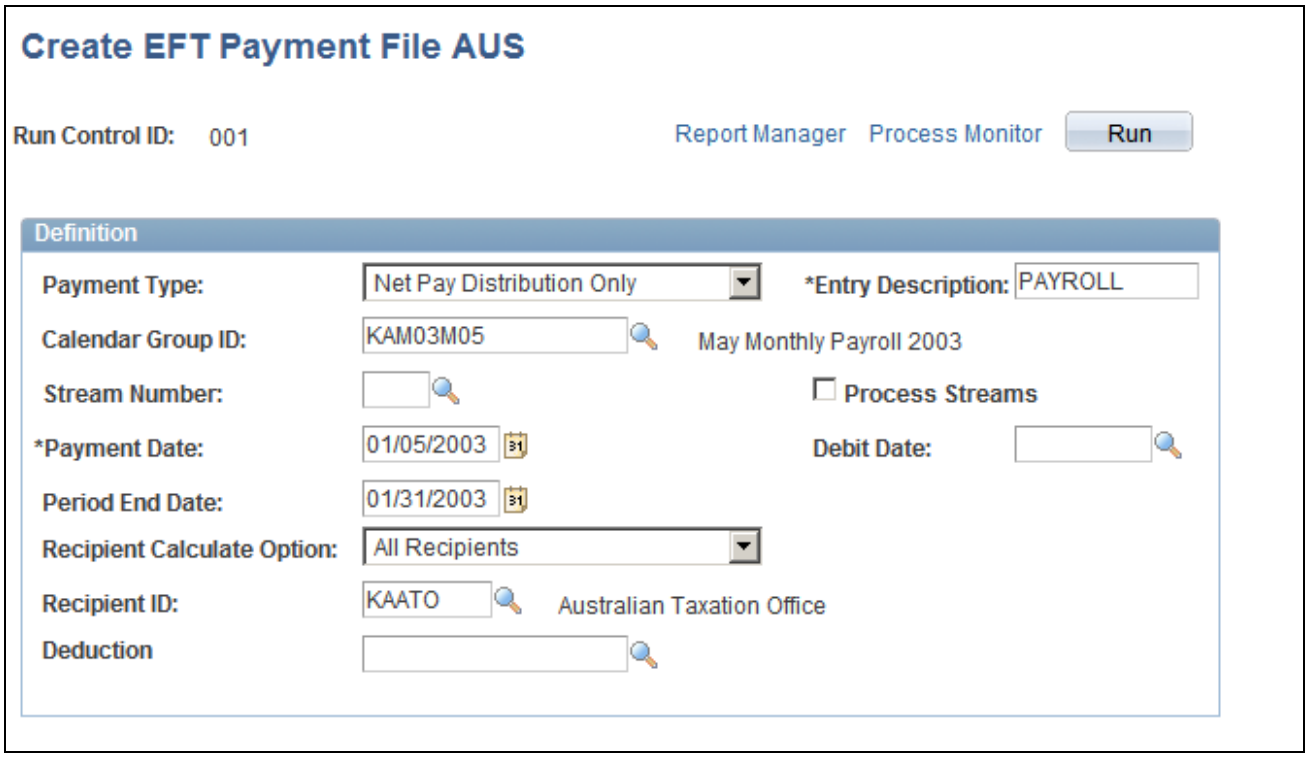
## Generating the EFT Code

The system enters the pay entity's EFT code in the header of group tax EFTs as part of the lodgment reference. (The payment date makes each lodgment reference unique to a particular EFT file.)

The pay entity's EFT code is calculated by the system from your ABN, ABN branch, and ATO office code when you enter that information on the Pay Entities AUS page (select Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Framework, Organizational, Pay Entities AUS). After it is calculated, the system displays it on that page. You cannot change the EFT code directly, but the system recalculates and displays it again if you change the ABN, branch, or office code.

## Creating the EFT Cemtex File

Access the Fund Transfer - Electronic page (Global Payroll & Absence Mgmt, Payment Processing, Create EFT Payment File AUS, Create EFT Payment File AUS).




Fund Transfer - Electronic page

The GPAU_EFT_CMX Application Engine process extracts the salary data from the Payroll Results table and creates the Cemtex file for transmission to the bank. You can create files for net pay only, recipients only, both net pay and recipients, or for specific deductions.

**Payment Type** Select from *Group Tax*, *Net Pay And Recipient*, *Net Pay Distribution Only*, and *Recipient Deduction Only*. The EFT file that the system creates contains only payments of the type specified.

| | |
|---|---|
| **Entry Description** | Included in the header of the EFT file, this indicates the type of data in the file; for example, payroll. |
| **Calendar Group ID** | Enter the ID for the calendar group for which the file is created. |
| **Stream Number** | You can create the EFT file for only the payees in the stream that you enter here. Stream processing is applicable to only *Net Pay Distribution Only, Net Pay,* and *Recipient.* |
| **Process Streams** | This check box is automatically selected if you select the Perform Stream Processing option on the Calendar Group ID page. It indicates that you must select a stream number. |
| **Payment Date** | This is the date of the actual transfer of the funds. It is written to the EFT file header. |
| **Debit Date** | The system extracts recipient payments where their deposit schedule date is equal to the deposit date. If the recipient does not have a deposit schedule, their debit date is equal to the day that the Banking process was run. |
| **Period End Date** | This is the end date for the pay period. |
| **Recipient Calculate Option** | Select *All Recipients, Deduction,* or *Select Recipient Only.*Select a single deduction or a single recipient ID for the second and third options, respectively. For group tax, the recipient is KAATO, the Australian Tax Office.<br>**Note.** You do not have to select anything here for the Net Pay Distribution Only option. |

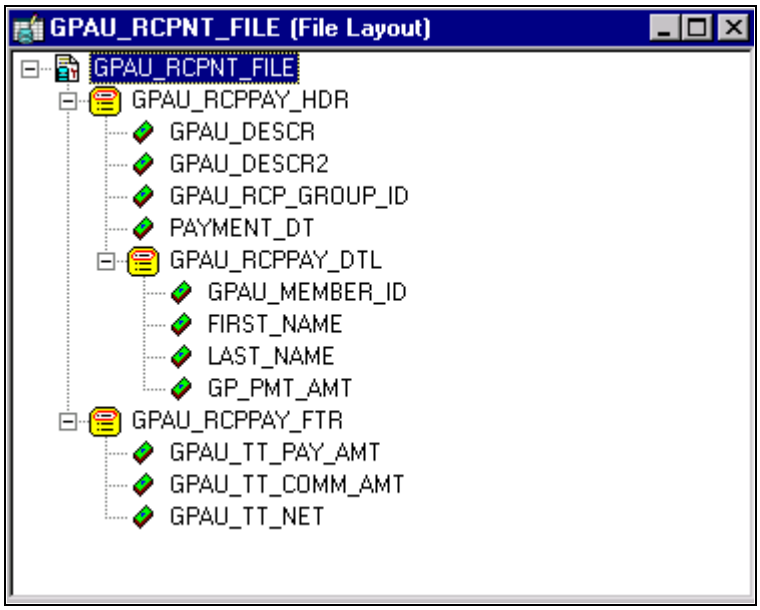
**Note.** If the GPAU_EFT_CMX Application Engine process returns No Success due to the error "Credit and Debit Transactions Sharing the same Bank Account : 1," the file is still generated. The system transfers monies to the source account in the instance that an employee does not have a valid account due to effective dates or inactivity. The user can then run the file again or send the file knowing that the monies will be returned to the source bank.

## Generating Recipient Payment Report Files

It is common for organizations to transmit a file to a recipient so that they can update their records. For example, an organization may pay a recipient weekly and at the end of the month deliver a file with all the payment details. Recipients generally specify the information that they want and the report file layout. After you have created the file layout, link it to the recipient on the Deduction Recipients page (select Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Banking, Deduction Recipients AUS).

The PeopleSoft system provides the GPAU_RCPNT_FILE sample file layout. The GPAU_RCPFILE process retrieves the file layout that is specified on the Deduction Recipients page. The following graphic illustrates a screen capture of a sample recipient file layout




Sample recipient file layout

---

**Note.** This electronic file depends on first running the GPAU_EFT_CMX Application Engine process for recipients.

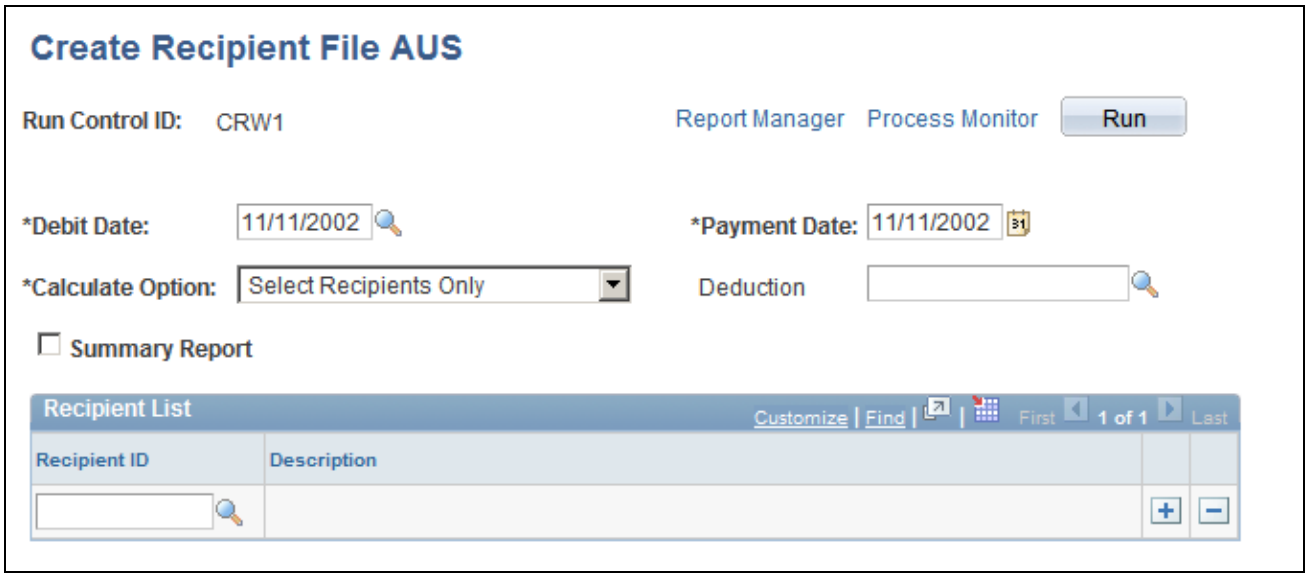
---

## Page Used to Generate Recipient Payment Report Files

| *Page Name* | *Definition Name* | *Navigation* | *Usage* |
|---|---|---|---|
| Recipient File - Electronic | GPAU_RUNCTL_RCP_FL | Global Payroll & Absence Mgmt, Payment Processing, Create Recipient File AUS, Create Recipient File AUS | Enter the parameters for generating recipient payment files. |

## Creating the Recipient Payment Report File

Access the Recipient File - Electronic page (Global Payroll & Absence Mgmt, Payment Processing, Create Recipient File AUS, Create Recipient File AUS).




Recipient File - Electronic page

**Debit Date** The system extracts payment data for the deposit date that you enter here.

**Payment Date** This is the date, from the EFT file header, that the bank passed the payment to the recipient. It's written to the output report file.

**Calculate Option** These are the same options as for the EFT creation process: *All Recipients*, *Deduction*, and *Select Recipients Only*.

Select a single deduction or a recipient ID for the second and third options, respectively.

---

**Note.** The GPAUPY52 recipient file report is a Structure Query Report (SQR) version of the data extracted for the electronic recipient file. When you run the Recipient File Creation Application Engine process from the Process Scheduler Request page, you automatically generate the SQR. If you want the SQR only, you can select its check box and leave the Application Engine check box deselected.

---

## Reporting Net Payment

The Net Payment report extracts data from the Cemtex Transaction table and the Header table and from the Personal Data and Job records.

Select detail or summary reporting.

### *Detail Reporting*

The following table shows sample results of detail reporting:

| *Empl ID* | *Empl Rcd#* | *Name* | *Amount* | *Payment Method* | *Bank Name* | *BSB Number* | *Account Number* | *Paymen t Status* |
|---|---|---|---|---|---|---|---|---|

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| KA0001 | 0 | Taylor, Jane Elizabeth | 2976.65 | Bank Transfer | ANZ | 012002 | 152545689 | Finalized |
| KA0002 | 0 | Kerr, Elizabeth | 4298.16 | Bank Transfer | IMB | 641800 | 765908765 | Finalized |
| | | | | | | | | |
| Total Amount | 7274.81 | | | | | | | |
| Number of Pays | 2 | | | | | | | |

### *Summary Reporting*

The following table shows the same data reported at the summary level:

| | | | | |
|---|---|---|---|---|
| Total Amount | 7274.81 | | | |
| Number of Pays | 2 | | | |

### *See Also*

Appendix A, "Global Payroll for Australia Reports," page 205

## Chapter 14

# Printing and Viewing Payslips

This chapter discusses how to:

- Print payslips.
- Override delivery options.
- View payslips online.

---

**Note.** The PeopleSoft system delivers a query that you can run to view the names of all delivered elements designed for Australia. Instructions for running the query are provided in the *PeopleSoft Enterprise Global Payroll PeopleBook.*

---

### *See Also*

*PeopleSoft Enterprise Global Payroll 9.1 PeopleBook*, "Viewing Delivered Elements," Understanding How to View Delivered Elements

## Printing Payslips

You print payslips by running the GPAUPY01 SQR process (select Global Payroll & Absence Mgmt, Payslips, Create/Print Payslips AUS).

The template that you define controls the layout of the printed payslips.

You print payslips by calendar group ID. You can restrict the payslips printed from the pay run associated with the calendar group ID

You can print payslips for:

- An entire calendar group ID.
- Individual payees for the selected calendar group ID.
- Groups of payees in the selected calendar group ID by pay entity, pay group, department, or location.

  The run control page has links to the options.

  For the Pay Entity option and Pay Group option, you select only pay entities or pay groups, respectively. For the Department option and Location option, you select Set IDs and then departments or location codes, respectively. For the Payee List option, you select only employee IDs.

You can set up to three sort keys from the following options: Department, Employee Name, Location, Not Applicable, Pay Entity, or Pay Group. If you select Not Applicable, the program print the payslips by employee ID.

## Overriding Payslip Delivery Options

The default delivery option for all payslips is the internal or external address that you select when you define the payslip template. You can set an effective-dated override of that delivery option at the payee level. Select Global Payroll & Absence Mgmt, Payee Data, Payslips, Payslip Delivery Option AUS.

## Description of Processes in Payslip Job

The Payslip page launches a Job (GPAUPYSL) containing two processes in sequence:

1. The Structured Query Report (SQR) GPAUPY01 prints the payslip report and provides self service related information for ePay if ePay is licensed.
2. The GP_EPAY Application Engine process uses the payslip report and self service related information provided by the prior processes in this job to create self-service payslips for each payee. If ePay is not licensed, this process will report that ePay has not been licensed and will complete with success.

### *See Also*

*PeopleSoft Enterprise ePay 9.1 PeopleBook*, "Managing Pay Information for Global Payroll," Setting Up View Payslip

## Viewing Payslips Online

If you license PeopleSoft Enterprise ePay, employees can view an online self-service version of the payslip. To aid in resolving questions that employees have about their payslips, the payroll administrator can view employees' self service payslips in an online view that replicates the employees' view. Both the online view and the printed payslip are based on the layout defined in the payslip template.

### *See Also*

Chapter 7, "Setting Up Payslips," page 39

*PeopleSoft Enterprise ePay 9.1 PeopleBook*, "Managing Pay Information for Global Payroll," Viewing Payslips Online

## Chapter 15

# Using the General Ledger Interface

This chapter provides an overview of payroll data processing for general ledger interface (GLI) or QSP and discusses how to:

- Link journal types to general ledger (GL) groupings.
- Calculate accrued salary.
- Calculate leave liability.
- Report leave liability.
- Calculate state payroll tax liability.
- Run the GLI or QSP processes.
- Remap ChartFields after initial calculation.

---

**Note.** The PeopleSoft system delivers a query that you can run to view the names of all delivered elements designed for Australia. Instructions for running the query are provided in the *PeopleSoft Enterprise Global Payroll PeopleBook.*

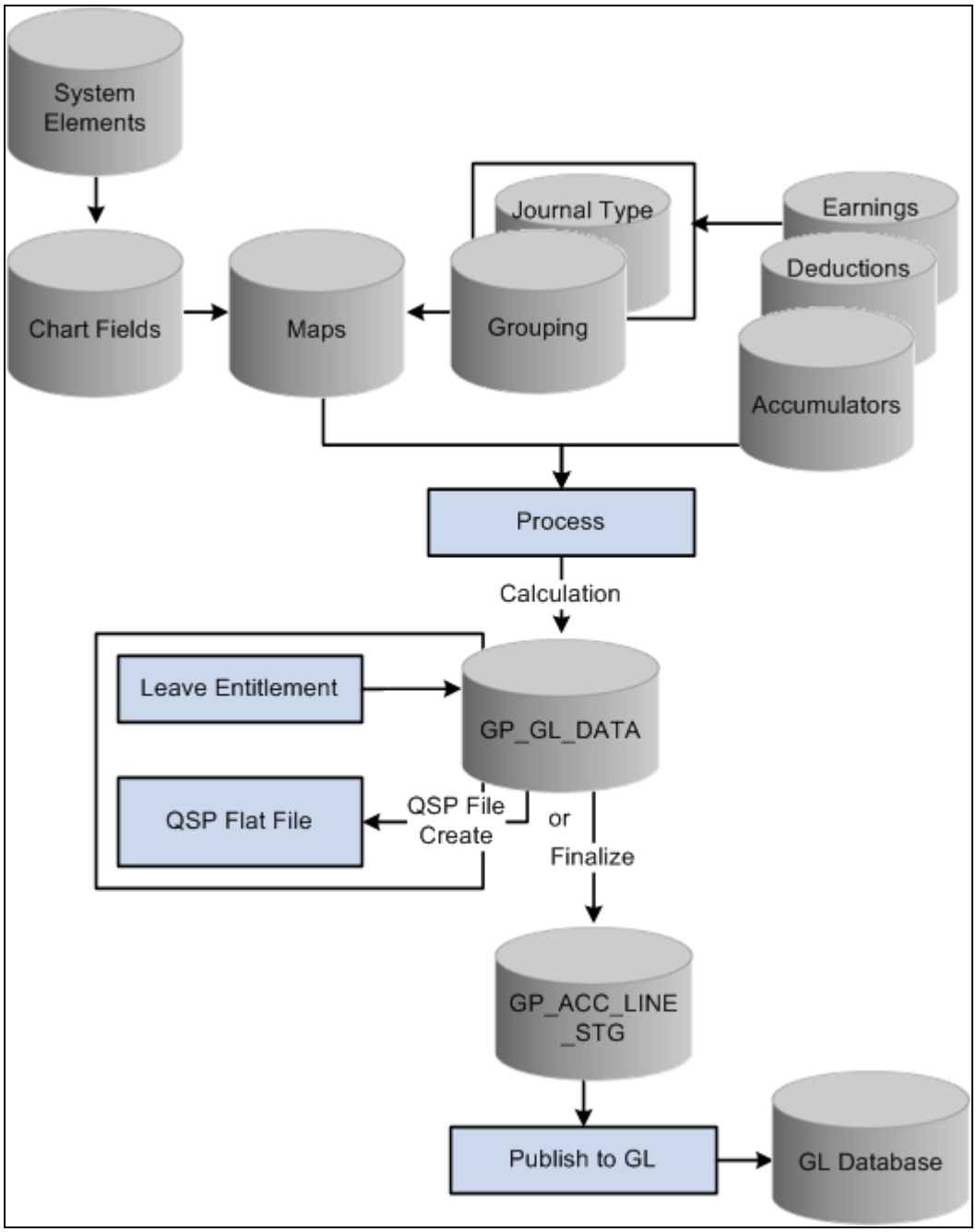
---

### *See Also*

*PeopleSoft Enterprise Global Payroll 9.1 PeopleBook*, "Viewing Delivered Elements," Understanding How to View Delivered Elements

## Understanding Payroll Data Processing for GLI or QSP

The following diagram represents the processing of payroll data for the GLI or QSP. The two shaded boxes with borders show the added local functionality. The selected check boxes represent the options on the processing page. Note that the Leave Entitlement option adds data to the GP_GL_DATA table for inclusion in the output to either QSP or GLI:




Processing of payroll data for GLI or QSP

## Linking Journal Types to GL Groupings

To link journal types to GL groupings, use the Journal Type (GPAU_GLGRP_JOURNAL) component.

The Office for Government Online (OGO) QSP financials file requires payroll data reported by journal type.

You report payroll data to the GL by journal type by linking a journal type to a GL grouping.

A grouping comprises entry types of earnings, deductions, or segment accumulators. There are five delivered journal types: Accrual, Salary, Employee Entitlement, Statistical, and Terminated EE's (employee's) Entitlement.

Accrual and Statistical journal types are for QSP users only.

---

**Note.** The Leave Entitlements Application Engine process selects data for inclusion into the GPAU_LEAVE_LIAB record (from GP_GL_DATA) by the flags for journal types Employee Entitlement and Terminated EE's Entitlement. Therefore, any organization needing to resolve leave entitlement calculations within the Leave Entitlement phase of the GL Interface process needs to select a journal type for each GL grouping code associated with GL Liability earnings codes.

---

The following table shows an example setup. Columns 1 and 2 are from the core Element Groupings page select (Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Integration, Element Groupings, Element Groupings), and column 3 is from the Journal Type AUS page select (Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Integration, Journal Type AUS):

| ***Grouping Code*** | ***Element*** | ***Journal Type*** |
|---|---|---|
| Accrual | GLI Accrual (segment accumulator) | Accrual |
| Earnings | AUS GROSS (segment accumulator) | Salary |
| Entitlements | LIAB ANN DAY, LIAB ANN HRS, LIAB LSL WKS (earnings) | Employee Entitlement |
| Termination | LIAB TAL HRS, LIAB TAL DYS, LIAB TLS WKS (earnings) | Terminated EE's Entitlement |

## Understanding Accrued Salary Calculation

If the end date of the last pay period in a month is before the end of the financial month, you can send a percentage of total salary as the accrued costing for the "gap" between the two dates.

Accumulator GLI ACCRUAL has a single member AUS GROSS that contributes the variable GLI VR ACCRUAL PCT. The variable has a value of 0.00. You only want the accumulator's value to be included in the GLI process in the last month, so on the pay calendar for the last period, you need to set the value of the variable as a calendar supporting element override. The value may vary according to the number of days in the gap.

The value sent to QSP is reversed by the financials system the following month and replaced by actual costings.

---

**Note.** Non-QSP users should give accrued salary journal type Entitlement.

---

## Understanding Leave Liability Calculation

The amount of leave that an employee is owed needs to be costed as a liability in the GL. For leave liability reporting, we have set up earnings that store the monetary value of each employee's leave entitlement. The earnings are not paid as earnings because they do not contribute to AUS GROSS.

Because the GLI and QSP flat file only requires the difference between the liability for the last pay period and the current pay period, this is what the Application Engine (AE) leave entitlement process calculates and passes to GP_GL_DATA.

If an employee has been terminated, the stored value of his or her processed liability has to be reversed out from the GL, because it is no longer a liability.

### *Reversing Leave Liability on Termination*

Termination liability earnings LIAB TAL HRS, LIAB TAL DYS, LIAB TLS WKS, LIAB TLS FTM and LIAB TLS PTM all have a calculation rule of Amount, where the amount is the corresponding liability earnings:

| *Earnings* | *Amount = Earnings (Calc Rule)* |
|---|---|
| LIAB TAL HRS | LIAB ANN HRS (Entitlement balance × Hourly Rate) |
| LIAB TAL DYS | LIAB ANN DAY (Entitlement balance × Daily Rate) |
| LIAB TLS WKS | LIAB LSL WKS (Entitlement balance × Days to Weeks formula × Attrition Bracket) |
| LIAB TLS FTM | LIAB LSLFTM (Entitlement balance × Days to Month formula × Attrition Bracket) |
| LIAB TLS PTM | LIAB LSLPTM (Entitlement balance × Days to Month formula × Attrition Bracket) |

Each earnings element has generation control GLI GC TERM ENT attached, and the generation control's condition is the HR status of Terminated. If an employee is terminated, his or her leave balance liability earnings value becomes the termination liability earnings value for reversal.

## Page Used to Link Journal Types to GL Groupings

| *Page Name* | *Definition Name* | *Navigation* | *Usage* |
|---|---|---|---|
| Journal Type | GPAU_JOURNAL_TYPE | Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Integration, Journal Type AUS, Journal Type | Attach a journal type to each GL grouping. Select from *Accrual, Employee Entitlement, Salary, Statistical,* and *Terminated EE's Entitlement.* |

# Understanding Leave Liability Reporting

The data that the report process extracts for leave liability reporting can be transferred to the GL through the GLI and included in the QSP financials file.

The reports, the interface, and the QSP file depend on data that is created the same way as any other data that's used for reports, the GLI, or the QSP file generation—by the use of Global Payroll rules.

**Note.** In this section, unless otherwise stated, the term *reported* means printed on a report, available for transfer to GLI, and available for inclusion in the QSP file.

Liability and absence history are calculated and reported to assist in the administration of employee absences and leave. They are used to identify trends in absence and for costing purposes.

**Note.** Absence history and its associated report are not part of the GLI functionality.

See Appendix A, "Global Payroll for Australia Reports," Global Payroll for Australia: Additional Reports, page 206.

Liability is reported for annual leave accrued in hours, annual leave accrued in days, and long service leave accrued in weeks and months. The values are calculated as earnings: LIAB ANN HRS, LIAB ANN DAY, LIAB LSL WKS, LIAB LSLFTM and LIAB LSLPTM. These earnings do not contribute to accumulator AUS GROSS.

When you run the liability report, the parameters include the element category. Earnings LIAB ANN DAY and LIAB ANN HRS are category ANN and LIAB LSL WKS, LIAB LSLFTM and LIAB LSLPTM are category LSL. Entitlement ANN ENTHPH does not currently have a corresponding leave liability earnings created and therefore will not be included in the report. The category value is assigned as a variable LVE VR CATEGORY entered as a supporting element override for each earning.

This section discusses how the following leave liability events are calculated:

- Annual leave liability for hourly accrual.
- Annual leave liability for daily accrual.
- Long service leave liability for weekly accrual.
- Long service leave liability for monthly accrual.

- Leave liability reversal when the cost center changes.

---

**Note.** The term *pro rata* refers to accrued leave that the payee may or may not be entitled to take. Pro rata becomes entitlement on an anniversary, usually of the payee's hire date. *Entitlement* refers to leave that the payee is entitled to take and that may have once been pro rata leave. This PeopleBook makes this distinction because both entitlement and pro rata are referred to as *entitlement* in the system.

---

## Annual Leave Liability Calculation for Hourly Accrual

The calculation rule for LIAB ANN HRS is Unit × Rate, where:

Unit = Accumulator ANN ENTHRS_BAL

Rate = System element HOURLY RT

## Annual Leave Liability Calculation for Daily Accrual

The calculation rule for LIAB ANN DAY is Unit × Rate, where:

Unit = Formula LVL FM ANN DYS VAL

Rate = System element DAILY RT

The formula LVL FM ANN DYS VAL adds the values of two accumulators, the day's entitlement balance, and the day's pro rata balance, ANN ENTDYS_BAL and ANN PRODYS_BAL.

## Long Service Leave Liability Calculation for Weekly Accrual

The calculation rule for earning LIAB LSL WKS is Unit × Rate × Percent, where:

Unit = Formula LVL FM LSL WKS VAL

Rate = Formula AUS FM DAYS TO WKS

Percent = Bracket LVL BR LIAB ATT

Formula LVL FM LSL WKS VAL calculates the units of leave that the payee has by adding the Long Service Leave entitlement balance (accumulator LSL ENTWKF_BAL) to the Long Service Leave pro rata balance (accumulator LSL PROWKF_BAL).

Formula AUS FM DAYS TO WKS—the earning's rate—resolves to the payee's pay per week by multiplying his or her FTE (from the Job record) by the variable AUS VR WKLY VAL (set to 5.00; that is, a week is five days) by the employee's daily rate.

Bracket LVL BR LIAB ATT—the earning's percentage—returns a value based upon the payee's years of service and the attrition rates that apply. That is, for example, only 50 percent of payees who have five years of service will stay long enough to qualify for long-service leave.

This table lists the delivered values:

| *After Number of Years of Service* | *Estimated Percentage of Payees Who Will Stay to Qualify for LSL* |
|---|---|
| 5 | 50 |
| 8 | 75 |
| 10 | 100 |

The search key for the bracket is the formula LVL FM DUR IN YRS, which resolves the number of years the payee has served. The formula divides duration LSL DR DYS FR HIRE by the variable LVL VR DAY IN YEAR (set to 365.25) to convert the duration in days to a number of years.

The duration's From date is LVE FM ACCR ST DT, which determines whether to use the payee's hire date or rehire date in calculating the days of service (it uses rehire date if it is later than hire date). The duration's To date is the period end date.

After determining the number of years of service, the bracket can return the value to use as the percentage in the earning's calculation rule.

After the three earnings are calculated their values are available for reporting, passing to GL by the GLI, or including in the QSP file.

## Long Service Leave Liability Calculation for Monthly Accrual

The calculation rules for earnings LIAB LSLFTM and LIAB LSLPTM, the monthly full and part accruals, are Unit × Rate × Percent, where:

Unit = Formula LVL FM LSL MTHFTV and LVL FM LSL MTHPTV, respectively

Rate = Formula AUS FM DAYS TO MTH

Percent = Bracket LVL BR LIAB ATT

Formula LVL FM LSL MTHFTV calculates the units of leave that the payee has by adding the Long Service Leave entitlement balance (accumulator PSH LSLENTFT_BAL) to the Long Service Leave pro rata balance (accumulator PSH LSLPROFT_BAL) for the Full Time leave.

Formula LVL FM LSL MTHFTV and LVL FM LSL MTHPTV calculates the units of leave that the payee has by adding the Long Service Leave entitlement balance (accumulator PSH LSLENTPT_BAL) to the Long Service Leave pro rata balance (accumulator PSH LSLPROPT_BAL) for the Part Time leave.

Formula AUS FM DAYS TO MTH—the earning's rate—resolves to the payee's pay per month by multiplying his or her FTE (from the Job record) by the variable AUS VR MTHLY VAL (set to 30.00; that is, a month is thirty days) by the employee's daily rate.

The attrition rates bracket is the same as that used in the LSL weekly accrual.

### *See Also*

Chapter 15, "Using the General Ledger Interface," Long Service Leave Liability Calculation for Weekly Accrual, page 128

Appendix A, "Global Payroll for Australia Reports," page 205

## Leave Liability Reversal When the Cost Centre Changes

The Leave Entitlements process determines if there is a change of ChartField for each employee—where ChartFields represent cost centres such as department and pay group. When the program detects a change, it reverses the liability from the centre storing the processed liability and sends the full amount of the new (unprocessed) liability (not the difference) to the new cost centre.

# Calculating State Payroll Tax Liability

To set up calculation of state payroll tax liability, use the Sal Pkg Payroll Tax Rates AUS (GPAU_PYTX_RT_TBL) component.

Payroll tax liability is calculated and becomes earning PYRL TX PROV for mapping to the GL, as for any other earnings. Array GLI AR PYTX RT, with its processing formula GLI FM CHK STATE, determines an employee's state and payroll tax rate. The rate is multiplied by the accumulator GLI SPT PROVISION, the members of which are the earnings and deductions liable for payroll tax.

---

**Note.** You need to ensure that all earnings and deductions liable for state payroll tax are in the GLI SPT PROVISION accumulator. This is only a provision for GL reporting, not actual State Payroll Tax amounts.

This section lists the page used to calculate state payroll tax liability.

---

### *See Also*

*PeopleSoft Enterprise Human Resources 9.1 PeopleBook: Administer Salary Packaging*, "Setting Up Salary Packaging," Setting Up and Viewing Salary Packaging Tax Options

Chapter 5, "Setting Up State Payroll Tax Reporting," page 31

Chapter 11, "Reporting State Payroll Tax Liabilities," page 95

## Page Used to Calculate State Payroll Tax Liability

| *Page Name* | *Definition Name* | *Navigation* | *Usage* |
|---|---|---|---|
| State Payroll Tax | PKG_PYTX_RT_TBL | Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Taxes, Sal Pkg Payroll Tax Rates AUS, State Payroll Tax or<br>Set Up HRMS, Product Related, Compensation, Salary Packaging AUS, State Payroll Tax Rates, State Payroll Tax | Maintain the tax rates state by state. The GLI needs the percentages to calculate the state payroll tax (SPT) provision. |

# Running the GLI or QSP Process

This section provides an overview of GLI and QSP processes and discusses how to run the General Ledger process.

## Understanding GLI and QSP Processes

The Calculate phase of GLI processing populates the GP_GL_DATA table. The Leave Entitlement process uses the Leave Entitlement Application Engine process (GPAU_LVE_ENT) to compare previous entitlement liability to current entitlement liability and load the difference into GP_GL_DATA. The GLI/QSP Application Engine process (GPAU_QSP_GLI) manages the payroll data and generates the QSP flat file.

You can also run The GL Mapping Application Engine process (GPAUS_GL_MAP) that updates ChartFields in GP_GL_DATA. The process selects and updates the necessary GP_GL_DATA records with specified ChartField overrides. When you run the GL Interface Finalize process, the data is summarized by using your selected (remapped) ChartFields for correct account mapping.

---

**Note.** You need to have already finalized your payroll to obtain up-to-date entitlement balances—upon which the liability calculation is based—for annual leave and long service leave.

---

After you have updated the GP_GL_DATA table, you can complete the standard core GLI process by running the Finalize process or you can generate the QSP file by running the QSP File Create process.

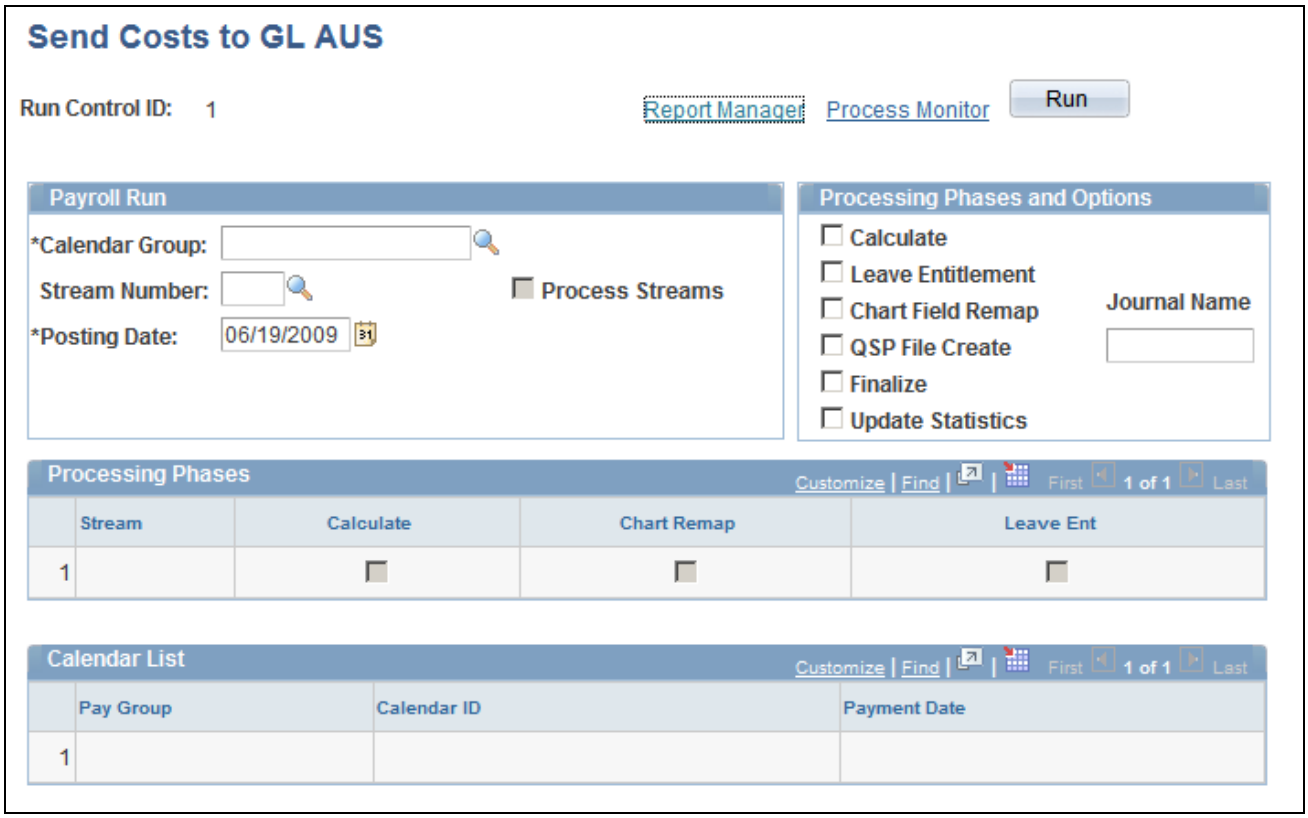
 

## Pages Used to Run the GLI or QSP Process

| *Page Name* | *Definition Name* | *Navigation* | *Usage* |
|---|---|---|---|
| Send Costs to GL AUS | GPAU_GL_PREPARE | Global Payroll & Absence Mgmt, Time and Labor / GL Costs, Send Costs to GL AUS, Send Costs to GL AUS | Initiate the processes for calculation of GL data, leave entitlement, QSP flat file creation, finalization of the GLI, and statistical data updating. |
| Ledger Transaction | GPAU_GL_INQUIRY | Global Payroll & Absence Mgmt, Time and Labor / GL Costs, Review GL Costing Info AUS, Ledger Transaction | View GL costing data. |

## Running the General Ledger Process

Access the Send Costs to GL AUS page (Global Payroll & Absence Mgmt, Time and Labor / GL Costs, Send Costs to GL AUS, Send Costs to GL AUS).




Run General Ledger page

**Note.** The differences between this page and the page that you access by selecting Compensate Employees, Manage Payroll Process, Process are the three additional processing phases and options: Chart Field Remap, Leave Entitlement, and QSP File Create.

### *Processing Phases and Options*

**Chart Field Remap** Select to enable the ChartField Remap Application Engine process (GPAUS_GL_MAP) when running the General Ledger process. This run control page enables you to run an Application Engine process that updates ChartFields in GP_GL_DATA. The program selects and updates the necessary GP_GL_DATA records with specified ChartField overrides. When you run the GL Interface Finalize process, the data is summarized by using your selected (remapped) ChartFields for correct account mapping.

### *Running the ChartField Remapping Process*

The ChartField remapping process:

- Uses specified ChartField overrides and updates the GP_GL_DATA records.
- Enables the GL Interface Finalize process to correctly summarize transactions by using your selected combination of ChartFields, grouping codes, and account values.

You run the new Application Engine process as part of the standard General Ledger Interface process in the following sequence:

1. Ensure that the GL Calculate phase is complete.
2. Run the new Application Engine process to perform department remapping.

   You run the remap before the leave entitlement process. If you alter the remap, you must always rerun the calculate process. You can't rerun the remap process until you have run the calculation process.
3. Ensure that the GL Leave Entitlement phase is complete.
4. Run the GL Finalize process.

**Note.** This process runs as a separate process and is not integrated into existing Application Engines. In this way, it does not affect the existing GLI.

The Journal Name field is used when you select QSP File Create. The journal name is a user-defined and entered value, which is included in the QSP file header.

The following table shows which processes apply:

| *Process or Phase* | *PeopleSoft GL* | *QSP GL* |
|---|---|---|
| Calculate | Y (yes) | Y |
| Leave Entitlement | Y | Y |

| Process or Phase | PeopleSoft GL | QSP GL |
|---|---|---|
| QSP File Create | N (no) | Y |
| Finalize | Y | N |
| Update Statistics | Y | Y |

**Note.** The QSP File Create phase includes some of the GLI Finalize phase processing so that you do not have to finalize after creating the QSP flat file.

# Remapping ChartFields After Initial Calculation

To remap ChartFields, use the GL Chartfield Remapping AUS (GPAU_GL_MAP) component.

Global Payroll for Australia enables you to define ChartField remapping data used during the General Ledger (GL) interface process and post payroll costs to differing levels of ChartFields based on GL groupings codes or accounts. You set up GL ChartField parameters that enable you to remap default ChartFields after you run the initial Calculate process. For example, you might require that a higher level of ChartFields be attached to each of your account codes. Instead of using multiple departments for each account code, you may require one global ChartField level, which covers all departments.

This section discusses how to remap ChartFields.

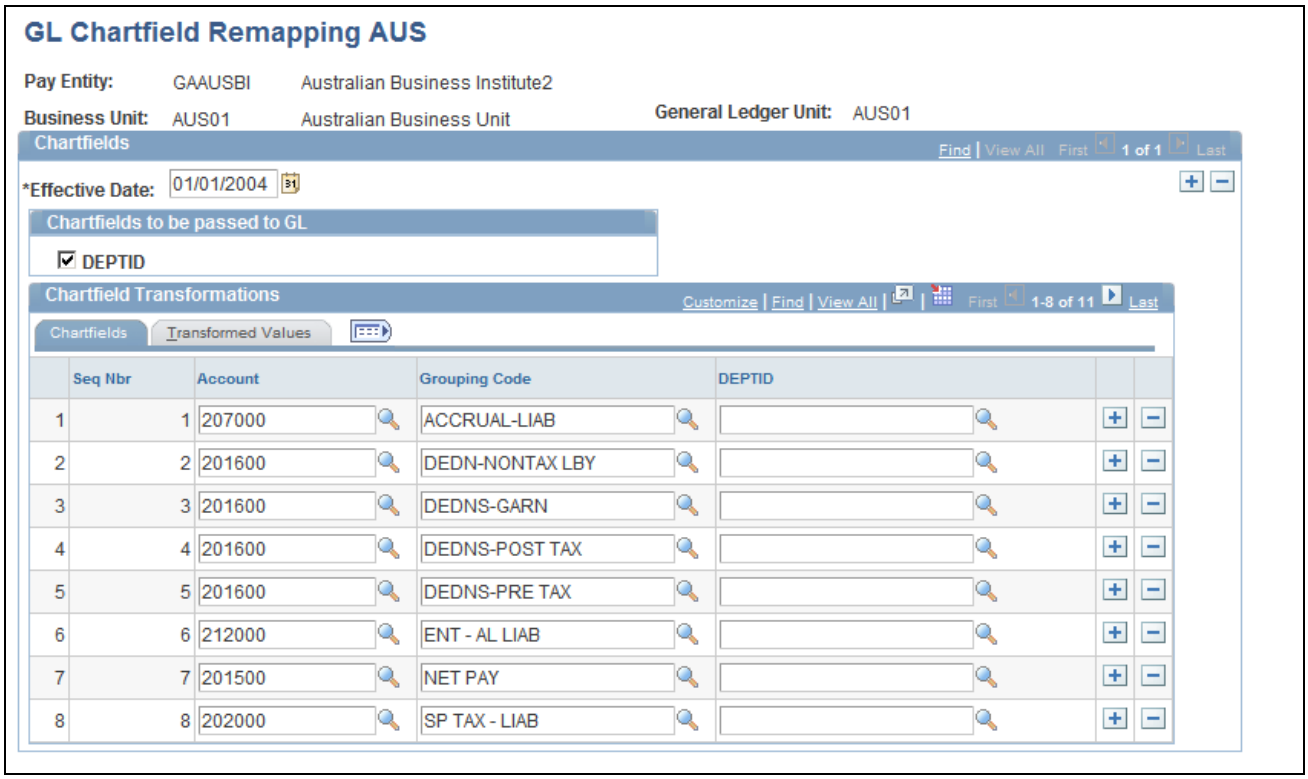
## Page Used to Remap ChartFields After Initial Calculation

| Page Name | Definition Name | Navigation | Usage |
|---|---|---|---|
| GL Chartfield Remapping page | GPAU_GL_MAP | Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Integration, GL Chartfield Remapping AUS, GL Chartfield Remapping AUS | Set up GL ChartField parameters that enable you to remap ChartFields after you run the initial Calculate process. You can configure and maintain GL remapping data. Enables you to set up different levels of ChartFields based on GL groupings codes or accounts. |

## Remapping ChartFields

Access the GL Chartfield Remap page (Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Integration, GL Chartfield Remapping AUS, GL Chartfield Remapping AUS).




GL Chartfield Remap page

### *Chartfields*

ChartFields represent attributes of a payee, such as department, company, or employee ID. When you send a payee's earnings, deductions, or accumulator amounts to General Ledger, you can also transmit the values that are associated with your specific combination of ChartFields for the payee.

**Chartfields to be passed to GL**

A field appears for each ChartField that you set up on the Mapping page in Global Payroll. Use the specific ChartFields check boxes to prevent the system from sending particular ChartFields to the GL. During mapping, ChartFields can be used to cost to different account codes. You can then elect not to send the ChartFields to the GL and only send the values to the accounts. When integrating Global Payroll with General Ledger, you can remap ChartField values to a business unit's GL account numbers. To enter the new, remapped ChartField value, use the Transformed Values tab.

### *Chartfield Transformations*

The default ChartFields values appear in the fields on the ChartFields tab. To remap the default settings, select the new values on the Transformed Values tab.

### *Chartfields and Transformed Values*

**Account**

Displays the GL account number to which your ChartFields and grouping codes will map.

**Grouping Code** Select the code to map to the GL account. This is the grouping code for the elements that are included in the GL transfer. A grouping comprises entry types of earnings, deductions, or segment accumulators. Elements must be in groups before they can be processed by General Ledger. Instead of entering earnings individually, you bundle them into one accumulator and create a grouping code for that accumulator.

### *See Also*

*PeopleSoft Enterprise Global Payroll 9.1 PeopleBook*, "Integrating with PeopleSoft Enterprise General Ledger"

## Chapter 16

# Defining Absence Rules

This chapter provides an overview of absence rules for Australia and discusses how to:

- Deduct leave hours from regular hours.
- Use delivered absence primary elements.
- Accrue entitlement and pro rata leave (non-OGO).
- Accrue and take other types of leave.
- Calculate and take OGO long service leave.
- Pay leave in advance.

---

**Note.** The PeopleSoft system delivers a query that you can run to view the names of all delivered elements designed for Australia. Instructions for running the query are provided in the *PeopleSoft Enterprise Global Payroll PeopleBook.*

---

### *See Also*

*PeopleSoft Enterprise Global Payroll 9.1 PeopleBook*, "Viewing Delivered Elements," Understanding How to View Delivered Elements

## Understanding Absence Rules

Managing absences and periods of leave in Australia is complex, because business practices and state legislation vary on issues such as the rate and frequency at which leave accrues and whether it becomes immediate entitlement or starts as pro rata leave.

---

**Note.** An absence entitlement can be an actual entitlement that is wholly or partially taken, it can be pro rata which is wholly or partially taken (while still pro rata), or it can be taken on its transfer to entitlement on a specified anniversary. In this chapter, the term *entitlement* refers to entitlements only, and the term *pro rata* refers to pro rata only. The term *absence entitlement* refers to both.

---

The PeopleSoft system provides 17 absence entitlement elements and 14 absence take elements. These elements demonstrate how Global Payroll can process typical leave requirements in Australia. They cover annual leave and long service leave—including OGO, sick leave, and other types of leave such as maternity leave, jury service, and workers' compensation.

# Deducting Leave Hours from Regular Hours

When leave is paid to employees who work regular standard hours, the hours paid as leave must be deducted from the regular standard hours.

To achieve this, the leave earnings appear in a section in the process list that is resolved before regular pay. The same earnings contribute to the ERN AC REDUCE HRS accumulator. The unit in the calculation rule for the REGPAY STDHR earnings element is formula ERN FM REGSTD UNIT, and the ERN AC REDUCE HRS accumulator subtracts from the regular hours calculation within the formula.

# Using Delivered Absence Primary Elements

Primary absence elements are absence entitlements—entitlement or pro rata—and absence takes. In the two tables following we cross reference entitlements to takes and takes to entitlements in the description column.

## Delivered Absence Entitlements

The following table lists the delivered absence entitlements in Global Payroll for Australia:

| ***Name*** | ***Description / Corresponding Take*** |
|---|---|
| *Annual Leave* | |
| ANN ENTHRS | Annual Leave Hours Entitlement / ANN TKEHRS |
| ANN ENTDYS | Annual Leave Days Entitlement / ANN TKEDYS |
| ANN PRODYS | Annual Leave Days Pro Rata / ANN TKEDYS |
| ANN ENTHPH | Annual Leave Hours Per Hour Entitlement / ANN TKEHPH |
| *Long Service Leave* | |
| LSL ENTWKF | LSL Federal Entitlement Weeks / LSL TKEWKF |
| LSL PROWKF | LSL Federal Pro Rata Weeks / LSL TKEWKF |
| LSL ENTWKO | LSL Other (State) Entitlement Weeks / LSL TKEWKO |

| ***Name*** | ***Description / Corresponding Take*** |
|---|---|
| LSL PROWKO | LSL Other (State) Pro Rata Weeks / LSL TKEWKO |
| *Long Service Leave (OGO)* | |
| PSH LSLENTFT | LSL Entitlement Full Time incl PSH / PSH LSLTKEFT |
| PSH LSLENTPT | LSL Entitlement Part Time incl PSH / PSH LSLTKEPT |
| PSH LSLPROFT | LSL Pro rata Full Time incl PSH / not used |
| PSH LSLPROPT | LSL Pro rata Part Time incl PSH / not used |
| Sick Leave | |
| SCK ENTDYS V | Sick Leave Variable Days Entitlement / SCK TKEDYS V |
| SCK ENTDYS F | Sick Leave Fixed Days Entitlement / SCK TKEDYS F |
| SCK ENTHRS | Sick Leave Hours Entitlement / SCK TKEHRS |
| SCK PROHRS | Sick Leave Hours Pro Rata / SCK TKEHRS |
| *Other* | |
| GENERIC ENT | Generic Per Absence Entitlement / Various Takes |

## Delivered Absence Takes

The following is a list of the delivered absence takes in Global Payroll for Australia.

| ***Name*** | ***Description / Take Uses*** |
|---|---|
| *Annual Leave* | |
| ANN TKEHRS | Annual Leave Take Hours Entitlement / ANN ENTHRS |

| ***Name*** | ***Description / Take Uses*** |
|---|---|
| ANN TKEDYS | Annual Leave Take Days Entitlement / ANN ENTDYS, ANN PRODYS |
| ANN TKEHPH | Annual Leave Take HoursPerHour Entitlement / ANN ENTHPH |
| *Long Service Leave* | |
| LSL TKEWKF | LSL Take Federal Entitlement / LSL ENTWKF, LSL PROWKF |
| LSL TKEWKO | LSL Take Other (State) Entitlement / LSL ENTWKO, LSL PROWKO |
| *Long Service Leave (OGO)* | |
| PSH LSLTKEFT | LSL FullTime Months Take / PSH LSLENTFT |
| PSH LSLTKEPT | LSL PartTime Months Take / PSH LSLENTPT |
| Sick Leave | |
| SCK TKEDYS V | Sick Lve Take Variable Days / SCK ENTDYS V |
| SCKTKEDYS F | Sick Leave Take Fixed Days / SCK ENTDYS F |
| SCK TKEHRS | Sick Leave Take Hours Entitlement / SCK ENTHRS, SCK PROHRS |
| *Others* | |
| WCOMPTKE | Workers' Compensation Take / GENERIC ENT |
| LWOP TKE | Leave Without Pay Take / GENERIC ENT |
| MATERNITY TKE | Maternity Leave Take / GENERIC ENT |
| JURY SERVICE TKE | Jury Service Leave Take / GENERIC ENT |

# Accruing Entitlement and Pro Rata Leave (Non-OGO)

Annual leave, long service leave, and sick leave are accrued by hours, days, weeks or months, and as either entitlement only or pro rata and entitlement.

## Accruing and Taking Annual Leave

This section discusses each of the annual leave entitlements and their respective take elements.

### *Hours Per Year—Entitlement Only*

This is absence entitlement ANN ENTHRS. It has to determine the accrual rate per frequency and is based on a standard annual accrual of 152 hours and 38 standard weekly work hours (38 × 4 weeks leave per year = 152).

The absence element's entitlement value on the calculation page is formula ANN FM ENTHPY. This formula prorates the annual hours accrual for each employee because their standard hours (on JOB) may not be your organization's standard weekly work hours set in variable LVE VR ENT STD HRS on the Supporting Elements Override page of the absence entitlement. The standard annual entitlement, 152, is set in variable ANN VR ENTHRS.

(Standard weekly hours for employee ÷ Entitlement standard weekly hours) × Annual entitlement = ANN FM ENTHPY

35 / 38 × 152 = 139.999999

---

**Note.** The rounding rules handle the fractions. Standard weekly hours for the employee are calculated by formula LVE FM WK STD HRS, which annualizes and deannualizes the employee's standard hours because the work period (in the Job record) may not be weekly, and the proration of the annual accrual is based on weekly hours.

---

The annualized accrual is deannualized by the absence calendar frequency when the calendar is run. The deannualized accrual adds to the absence entitlement's _ENT and _BAL accumulators.

Accumulators are stored by EMPL ID/EMPL RCD and begin at hire date or rehire in the first instance. When a new accumulator instance is automatically created for a new year to date (YTD) period, the previous value of the _BAL accumulator is rounded and rolled over into the new YTD accumulator instance. The other accumulators are reset to 0.

The related absence take, ANN TKEHRS, decrements the absence units from the _BAL accumulator and stores them in the _TKE accumulator.

The units (hours) to decrement are resolved by the take's hours-based day formula, LVE FM HRS ABS PH which:

1. Determines if the day is a public holiday.

   If it is, the system does nothing further because there are no entitlement hours used or annual leave paid for that day.

2. Checks for scheduled and partial hours and returns partial hours if there are any.

3. If there are no partial hours, it checks for a decimal value in the User Defined 1 field on the Absence Event Input Detail page.

   If there is a value (any value) it halves the scheduled hours.

4. If it isn't a public holiday, there are no partial hours and no halving, and there are scheduled hours, the formula returns the scheduled hours.

5. The units returned become the paid units (DAY COUNT PD) and unpaid units (DAY COUNT UNP) depending on available absence entitlement.

   These units are mapped to the appropriate earnings elements (ANN and LWOP, respectively), which the system processes as positive input when the payroll calendar is run. The value of DAY COUNT PD is also mapped to the LVLD (leave loading) earnings element if a leave loading is required.

---

**Note.** Any value in the decimal field will halve the hours taken. You can use this to take twice as long a leave period at half hours per day, which is effectively half pay per day.

The day formula includes a check to see if a forecasted leave duration (in hours) is overridden in the User Defined 3 field on the take's Calculation page. If it is, that duration represents the whole leave period so the system stops using the day count formula to determine the leave duration in hours.

---

### *Days Per Year—Pro Rata and Entitlement*

This scenario requires two absence entitlements, ANN PRODYS and ANN ENTDYS, which this discussion refers to as *entitlement* and *pro rata*, respectively. The pro rata day entitlement, ANN PRODYS, determines the accrual rate per frequency. Its entitlement value on the calculation page is numeric *20* and the specified frequency is *A* (annual).

The entitlement value, *20*, is deannualized according to the calendar period frequency for each employee.

---

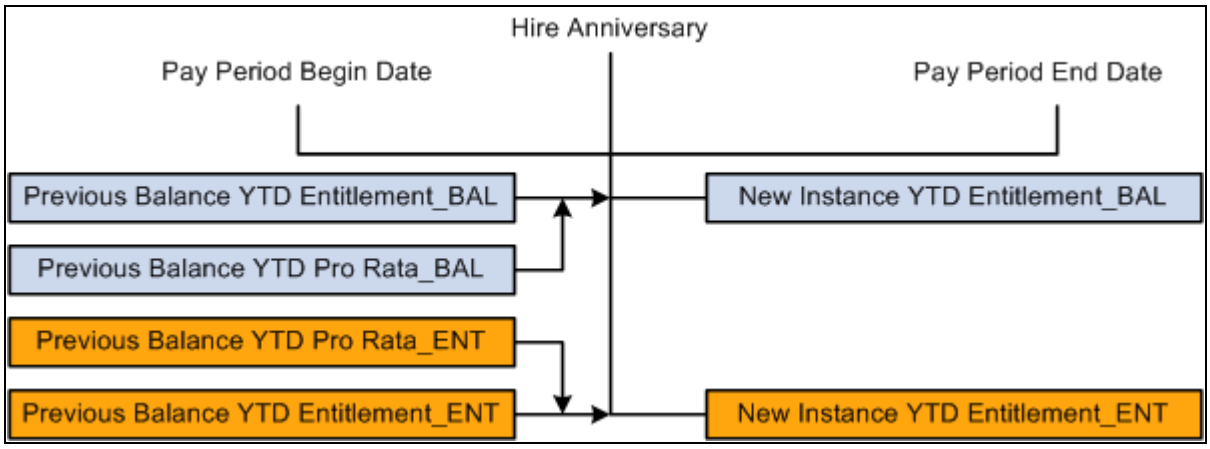
**Note.** When an employee works less than five days per week and therefore accrues less than 20 days per year, you can enter an employee level override on the Entitlement/Take Assignment page to change the entitlement unit value; for example, from *20* to *16* for an employee working a four-day week.

---

When you run the absence calendar, the deannualized value is accrued to the pro rata year-to-date _ENT and _BAL accumulators. The year in the year-to-date is set when the accumulator's begin option is *Specify Date*, and the begin month and begin day are generic variables LVE VR HIRE MONTH and LVE VR HIRE DAY, which hold the employee's hire month and day, respectively. The accumulators are stored by EMPL ID/EMPL RCD.

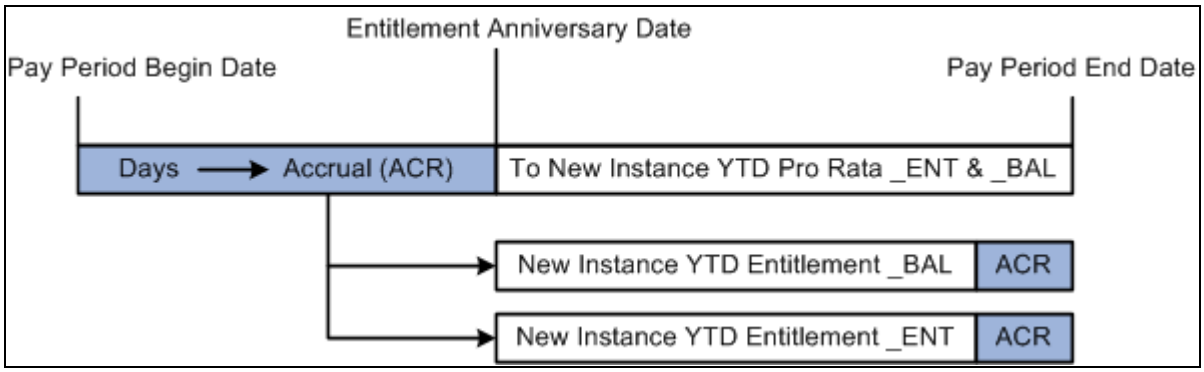
When the system automatically creates new instances of the accumulators at the hire date anniversary, the previous values of the entitlement _ENT and _BAL accumulators are rolled over into their new instances and the previous values of the pro rata _ENT and _BAL accumulators are rounded and rolled over into the new instances of the entitlement _ENT and _BAL accumulators. The following diagram shows this:




Pro rata balances transferring to new instances of entitlement balances

The current calendar period is then split into pre-hire anniversary and post-hire anniversary periods, using generic date element LVE DT HIRE ANN DT. The pre-hire anniversary days are then used in formula ANN FM P2EDYS EMBR to work out the proportion of the accrual that belongs to the pre-hire anniversary period. This value is then sent to variable ANN VR PP2EDYS MBR, which adds to the entitlement _BAL and _ENT accumulators. The following diagram shows this (ACR stands for *accrual).*




Accrual for the days before hire anniversary becoming entitlement

The pre-hire anniversary accrual variable, ANN VR PP2EDYS MBR, also subtracts from the pro rata _ENT and _BAL accumulators. This reduces the pro rata _ENT and _BAL balances by the amount of the accrual that was accrued in the previous accumulator period.

The absence take, ANN TKEDYS, related to both the pro rata and entitlement absence elements (indicating that pro rata days can be used despite not having become entitlement yet) firsts looks to the entitlement balance to decrement absence units before looking to the pro rata balance to further decrement absence units (where the entitlement units are depleted).

The units (days) to decrement is resolved by the take's Day Formula, LVE FM DYS ABS PH which:

1. Determines if the day is a public holiday.

   If it is, it does nothing further because no entitlement hours are used and no annual leave is paid for that day.

2. Checks for scheduled and partial hours; if there are partial hours, the system returns the fraction of the day the hour represents and then rounds them.

   Partial hours ÷ Scheduled hours = Fraction of day absent

   2 ÷ 8 = 0.25

   The formula includes variable LVE VR DYS ABSENT, which holds the cumulative value of the results of the day formula as it resolves for each day in the leave period. It starts as *0*. In this example, its value after the resolution for day 1 would be 0 + 0.25 = 0.25.

3. If there are no partial hours, it checks for a decimal value in the User Defined 1 field on the Absence Event Input Detail page.

   If there is *any* value, it adds 0.5 to LVE VR DYS ABSENT. Assuming this is the case, in this example Day 1 + Day 2 = 0.75.

4. If it isn't public holiday, there are no partial hours or halving, but there are scheduled hours, then the formula adds 1 to LVE VR DYS ABSENT.

The units returned become the paid units (DAY COUNT PD) and unpaid units (DAY COUNT UNP) depending on available absence entitlement days and pro rata days.

The positive input for this absence take is earnings ANN and LWOP. The units for these earnings are formulas LVE FM DY DCP HRS and LVE FM DY DCUP HRS, respectively. The formulas multiply the DAY COUNT PD and DAY COUNT UNP by the scheduled hours, so the system can pay the leave in hours.

---

**Note.** Any value in the decimal field halves the hours taken. You can use this to take twice as long a leave period at half hours per day which is effectively half pay per day.

Anything but a partial day returns either 0.5 or 1, because a day can only be a partial hours fraction, a half day or a full day.

---

### *Hours Per Hour—Entitlement Only*

This leave entitlement is ANN ENTHPH, and there is no pro rata leave. Leave accrues as a fraction of an hour per hour worked. The hourly accrual rate (the fraction) is derived from 4 × 38 hour weeks, or 152 hours per year.

The hour fraction, stored in variable ANN VR ENTHPH, is set to 0.076712. That figure comes from:

(152 ÷ 52.14308 (the weekly annualization factor)) ÷ 38 = 0.076712

Accumulator ANN AC ENTHPH REG stores the units of hourly pay for the calendar period, and ANN ENTHPH entitlement's formula ANN FM ENTHPH multiplies the accumulated hours by the variable when the absence calendar is run and populates its _ENT and _BAL accumulators.

---

**Note.** The formula also checks to see if the employee hasn't been terminated. If he has, the formula returns ANN VR ENTHPH × TER VR FINAL HRS.

---

The absence take for this leave accrual is ANN TKEHPH, and its day formula is LVE FM HRS ABS PH—the same day formula that take ANN TKEHRS uses.

**Note.** If you pay more than 38 hours per week, this entitlement accrues more than the annual maximum of 152 hours (unless there are balancing reductions in other weeks).

## Accruing and Taking Long Service Leave

This section discusses each of the long service leave (LSL) entitlements and their respective absence takes. There are two absence entitlements and two pro rata entitlements—one of each for federal long service leave and *other* (or state-based) long service leave. They are LSL ENTWK*F* and LSL PROWK*F* for federal and LSL ENTWK*O* and LSL PROWK*O* for other (or state).

### *Long Service Leave Pro Rata and Entitlement—Federal*

This scenario is based on 13 weeks LSL after 15 years of service. Pro rata balances transfer to entitlement on the completion of the first 15 years service and then annually.

The pro rata element LSL PROWKF accumulates the leave using variable LSL VR ENTWKF, which has a value of 0.86667 as the maximum yearly accrual value in weeks

15 years × 0.866667 weeks = 13 weeks (rounded)

When the absence calendar is run, the accrual value is deannualized depending on the calendar period frequency of the employee and the value passed to the LSL pro rata year-to-date _BAL and _ENT accumulators. Both accumulators have an initialize rule that transfers their balances to new instances. The initialize rule formulas are LSL FM PROWKF BMBR for _BAL and LSL FM PROWKF EMBR for _ENT. The formulas resolve to the value of system element PREV VALUE ACCM and add to the new instances.

The entitlement element LSL ENTWKF handles the transfer of the pro rata balances to entitlement using its formula LSL FM MVE P2EWKF, which:

1. Checks if the duration LSL DR DYS FR HIRE (days from hire) returns days more than or equal to variable LSL VR 15 Y IN D (15 years expressed in days, or 5, 478) and that the LSL ENTWKF_ENT accumulator is 0 (which indicates that nothing has been transferred to this life-to-date accumulator).

2. If duration does return more than 5,478 days and the entitlement _ENT balance is 0, the formula passes the value of 15 years of accrual to the entitlement and decrements the pro rata.

   By the same method, the formula also transfers the pro rata _ADJ and _TKE balances to their respective entitlement accumulators.

3. If the conditions in step 2 are not met, the formula determines if the duration returns more than 5,478 days, and it verifies that the pro rata _ENT balance is more than or equal to 0.86667.

   This condition indicates that another year's worth of pro rata leave has accrued. Because pro rata becomes entitlement annually after the initial 15 years transfer, the formula transfers the four pro rata balances to their respective entitlement balances by the same method.

**Note.** In step 3, the formula checks the balance of the pro rata _ENT accumulator, because if it checked only for a non-0 balance in the entitlement accumulator after the initial 15 years transfer, subsequent transfers would occur every time the absence calendar runs instead of waiting for a year's worth of accrual in the pro rata accumulator.

The absence take, LSL TKEWKF, related to both the pro rata and entitlement absence elements (indicating that pro rata days can be used despite not having become entitlement yet), firsts looks to the entitlement balance to decrement absence units before looking to the pro rata balance to further decrement absence units (where the entitlement units are depleted).

The units (weeks) to decrement are resolved by the take's day formula, LVE FM WKF ABS NPH. The formula checks the scheduled hours or partial hours for each day and converts them to fractions of a week because the units by which to decrement the leave balances are weeks. The formula does this by dividing all hours returned by the day formula by LVE FM WK STD HRS. The day formula LVE FM WKF ABS NPH:

1. Checks for scheduled and partial hours, and if there are partial hours, the system returns the fraction of the week the hours represent then rounds them.

   Partial hours ÷ Standard weekly hours = Fraction of week absent

   6 ÷ 40 = 0.15

   The formula includes variable LVE VR WKS ABSENT, which holds the cumulative value of the results of the day formula as it resolves for each day in the leave period. It starts as *0.* In this example, its value after the resolution for day 1 would be 0 + 0.15 = 0.15.

2. If there are no partial hours but there are scheduled hours, it converts the hours to a fraction of a week (0.2 for an eight-hour day) and then checks for a decimal value in the User Defined 1 field on the Absence Event Input Detail page.

   If there is *any* value, it halves the value of the fraction of a week and adds the value to LVE VR WKS ABSENT. Assuming this to be the case after processing the second day, LVE VR WKS ABSENT is:

   Day 1 + Day 2 = 0.15 + (0.2 / 2) = 0.25 weeks = LVE VR WKS ABSENT

3. If there are no partial hours but there are scheduled hours and there is no halving, the formula adds the scheduled hours—already converted to a fraction of a week—to LVE VR WKS ABSENT.

   Day 1 + Day 2 + Day 3 = 0.15 + (0.2 / 2) + 0.2 = 0.45 weeks = LVE VR WKS ABSENT

   The units returned become the paid units (DAY COUNT PD) and unpaid units (DAY COUNT UNP) depending on available absence entitlement weeks and pro rata weeks. The positive input for this absence take are earnings LSL and LWOP. The units for these earnings are formulas LVE FM WK DCP HRS and LVE FM WK DCUP HRS, respectively. The formulas multiply the DAY COUNT PD and DAY COUNT UNP (both in weeks) by the standard weekly hours so the system can pay the leave in hours.

---

**Note.** Any value in the decimal field halves the fraction of a week. You can use this to take twice as long a leave period at (weeks per day) ÷ 2, which is effectively half pay per week.

---

### *Long Service Leave Pro Rata and Entitlement—Other (State)*

This scenario is based on 13 weeks LSL after either 10 or 15 years of service, depending on the state. Pro rata balances transfer to entitlement on the completion of the first 10 or 15 years service and then annually.

For the Australian Capital Territory, New South Wales, Queensland, Victoria, and Western Australia the accrual is 0.866667 weeks per year where:

15 years × 0.866667 weeks = 13 weeks (rounded)

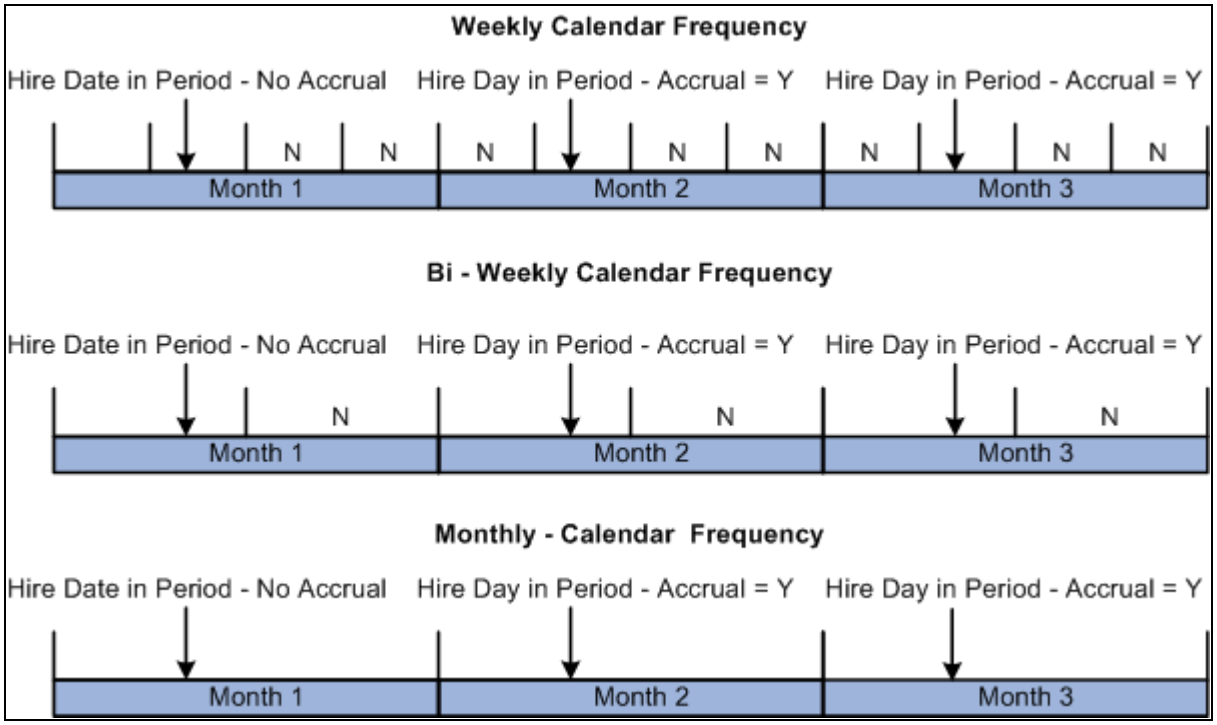
For South Australia and Northern Territory the accrual is 1.3 weeks per year where:

10 years × 1.3 weeks = 13 weeks

The accrual is granted for whole months only so the formula grants the accrual if the hire day value is in the calendar period (and the hire date is not in the period).

The following diagram shows when the accrual is and is not granted. The letter *N* indicates *not granted* (because the hire day is not in the period). You need to distinguish between hire *date* and hire *day*.




Accrual according to hire date and hire day

The pro rata element LSL PROWKO accumulates the leave using entitlement formula LSL FM ACCR FMTH which:

1. Determines if the employee's hire date is in the calendar period; if it is, it stops.
2. If the hire date is not in the period but the hire day is, a full month's accrual is due so the formula retrieves the employee's state from array AUS AR EE JOBJR.
3. Checks bracket LSL BR ACCRUAL, and using the employee's state, retrieves either 0.866667 or 1.3—the annual value.
4. Divides the accrual by 12 to get the monthly accrual and passes it to the pro rata _ENT and _BAL accumulators
5. The annual value is deannualized to the absence calendar frequency and that amount of entitlement.

The absence take, LSL TKEWKO, related to both the pro rata and entitlement absence elements (indicating that pro rata days can be used despite not having become entitlement yet), firsts looks to the entitlement balance to decrement absence units before looking to the pro rata balance to further decrement absence units (where the entitlement units are depleted).

The units (weeks) to decrement is resolved by the formula LVE FM WKO CALC, which does the same thing as LSL TKEWKF's day formula LVE FM WKF ABS NPH. The formula LVE FM WKO CALC is not, however, LSL TKEWKO's day formula. It is called by LSL TKEWKO's day formula, LVE FM WKO ABS ST, which has to check the state before resolving the daily hours into the take's number of weeks.

The formula LVE FM ABS ST determines whether the state value is NSW, QLD, or TAS and the day is not a public holiday; if that is the case, it resolves the day's hours into a fraction of a week using LVE FM WKO CALC. If the day is a public holiday in one of those states, the formula does not resolve the day's hours.

If the state is not NSW, QLD, or TAS, the day's hours are resolved by LVE FM WKO CALC, regardless of whether the day is a public holiday.

## Accruing and Taking Sick Leave

This section discusses each of the sick leave entitlements and their respective absence takes.

### *Accruing and Taking Variable Sick Leave—Days*

This sick leave absence entitlement, SCK ENTDYS V, determines the correct sick leave grant of accrual that is to be 8 days in the first year and 10 days in subsequent years.

1. The entitlement's formula, SCK FM ENTDYS VI, grants the initial accrual by verifying that the _ENT balances is 0; if it is zero, it retrieves a value of *8* from bracket SCK BR DYS V.

   The bracket uses duration GP YEARS OF SVC and it returns *8* (days) if there are no years of service (this is the employee's first year and the duration cannot return decimals of a year). A 0 duration returns bracket value *8*.

2. When the absence calendar is run, the bracket value *8* is accrued to the year-to-date _ENT and _BAL accumulators.

   The accumulators are stored by EMPL ID/EMPL RCD and begin on the hire date.

3. The absence take, SCK TKE DYS V, uses the absence entitlement balance to decrement absence units (days).

   Eligibility criteria defined on the take (on the Period page of the take component) do not allow any payment of sick leave in the first three months of hire or rehire. The date element SCK DT WAIT 3/12 calculates the three-month period. It adds three months to the hire or rehire date, and that is the date on which the employee is eligible for the accrual.

4. The units (days) to decrement is resolved by the take's day formula, LVE FM DYS ABS PH, which is the same formula that annual leave take ANN TKEDYS uses.

5. The units returned become the paid units (DAY COUNT PD) and unpaid units (DAY COUNT UNP), depending on available absence entitlement days.

6. The positive input for this absence take are earnings SCK and LWOP.

   The units for these earnings are formulas LVE FM DY DCP HRS and LVE FM DY DCUP HRS respectively. The formulas multiply the DAY COUNT PD and DAY COUNT UNP by the scheduled hours so the system can pay the leave in hours.

7. When the system creates a new instance of the year-to-date accumulator SCK ENTDYS V_ENT on the employee's hire or rehire anniversary, the accumulator's initialize rule, SCK FM ENDYS V, checks bracket SCK BR DYS V again.

   This time, because GP YEARS OF SVC returns *1*, the bracket returns *10*.

---

**Note.** If the Use Next Lower interpolation method is set on the bracket's Lookup Rules page, the bracket returns *10* even when years of service are more than *1*.

---

### *Accruing and Taking Fixed Sick Leave—Days*

This sick leave absence entitlement, SCK ENTDYS F, determines the correct sick leave grant of accrual that is 10 days per year pro rated for the first year. The accrual is granted on January 1 for all employees.

1. The entitlement's formula, SCK FM ENTDYS FI, grants the initial accrual by verifying that the _ENT balances is 0; if it is 0, it retrieves a value from bracket SCK BR DYS F.

   The bracket uses duration SCK DR REST OF YR, which calculates the period of time from hire (or rehire) to the end of the year and returns the duration as a decimal fraction of a year. The bracket prorates the 10 days maximum yearly accrual according to that fraction; for example, for a duration of 0.2 of a year, the accrual is 2 days.

2. The absence take, SCK TKE DYS F, uses the absence entitlement balance to decrement absence units (days).

3. The units (days) to decrement is resolved by the take's day formula, LVE FM DYS ABS PH, which is the same formula that annual leave take ANN TKEDYS and SCK TKEDYS V uses.

4. The units returned become the paid units (DAY COUNT PD) and unpaid units (DAY COUNT UNP), depending on available absence entitlement days.

5. The positive input for this absence take is the same as for SCK TKEDYS V.

6. When the system creates a new instance of the year-to-date accumulator SCK ENTDYS F_ENT at the end of the calendar year, the accumulator's initialize rule, SCK FM 1ST JAN, checks bracket SCK BR DYS F again.

   Because the bracket's duration returns *1* this time, the bracket returns *10*.

---

**Note.** The duration's To date is date element SCK DT 31ST DEC. The date's month and day are 12 and 31, respectively. Its year is the variable LVE VR PRD END YR. Therefore, as soon as the leave process is run in a new year, the duration always returns greater than one year, so the bracket always returns *10*.

---

### *Accruing and Taking Pro Rata and Entitlement Sick Leave—Hours*

The pro rata, entitlement and take processing of hours per year sick leave is the same as the annual leave days per year pro rata and entitlement, except it is in hours not days. The accrual is 76 hours per year.

1. The two entitlement elements are SCK PROHRS and SCK ENTHRS, and the pro rata element calculates the accrual and passes it from its own _ENT and BAL accumulators to the entitlement's ENTHRS _ENT and _BAL accumulators on the employee's hire anniversary.

2. The pro rata entitlement formula is SCK FM ENTHPY, which prorates an employee's standard work hours as a fraction of their leave entitlement standard hours.

   (Standard weekly hours for employee ÷ Entitlement standard weekly hours) × Annual entitlement

   (35 ÷ 38) × 76 = 70 (rounded)

3. The take element that uses the entitlement and pro rata elements SCK TKEHRS uses day formula LVE FM HRS ABS PH, the same as the annual leave days per year pro rata and entitlement.

# Accruing and Taking Other Types of Leave

This section discusses the rules for processing the following other types of leave:

- Workers' compensation.
- Maternity leave.
- Leave without pay.
- Jury service.

These types of leave are *per absence* entitlements, not frequency-based entitlements. They have the following common characteristics:

- They are all based on a generic entitlement GENERIC ENT, for which the entitlement is formula LVE FM ENT HRS. GENERIC ENT also has the conditional formula LVE FM SCHED HRS (per absence entitlements must have a conditional formula).
- The individual takes for these absences all use entitlement GENERIC ENT.
- The individual takes for these absences all map to earnings OTHLV (except LWOP, which maps to LWOP).
- Earnings OTHLV's calculation rule is Unit × Rate, where Unit is payee level (positive input by the take processing) and Rate is hourly rate (LWOP has the same calculation rule but its rate is variable *0*).
- The individual takes for these absences all use the day formula LVE FM HRS ABS PH, which is the same day formula used by the takes for Annual Leave—Hours, Annual Leave Hours per Hour, and Sick Leave—Hours.
- None of the elements have a qualifying eligibility period except the maternity take.

## Processing Other Leaves

This section discusses the general processing of per absence entitlement and explains the single exception.

1. The take's day formula determines the hours to be paid for each day in the leave period.

2. The absence entitlement's formula determines how many hours to grant as entitlement—either the partial hours or the scheduled hours.

   The conditional formula then verifies that there are scheduled hours (that is, the employee would have been working). If there are scheduled hours, the entitlement is granted for the hours that the day formula has determined.

3. The taken hours, to which the employee is entitled according to the entitlement and conditional formulas, become DAY COUNT PD units for the earnings OTHLV or LWOP.

   (There are no DAY COUNT UNP days because entitlement always equals the leave duration requirement.)

The take for maternity leave, MATERNITY TKE, has period eligibility formula LVE FM MAT QUAL DT. The two conditions are:

- The duration of the leave is not more than one year.
- The employee has worked for a year or more.

The formula uses duration LVE DR MAT QUAL to check the first condition and the date LVE FM MAT QUAL DT to check the second.

# Calculating and Taking OGO Long Service Leave

This section provides an overview of OGO long service leave and discusses how to:

- Enter payee service history.
- Calculate the adjusted service date.
- Calculate OGO part-time and full-time pro rata and entitlement.
- Take OGO long service leave.

## Understanding OGO Long Service Leave

The rules for long service leave accrual and take for the Commonwealth Government (referred to as OGO) depend on data entry of prior and current service periods. The rules calculations include such things as full- or part-time work, an adjusted service date, days between different periods of service, and non-service days.

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**Note.** Any organization can use this LSL processing method if it suits its business practice.

---

Leave is accrued as either part-time or full-time pro rata and entitlement, depending on the type of employment at the time of accrual.

This long service leave is based on three months' leave after 10 years, so the accrual rate is:

3 months ÷ (12 months × 10 years) = 0.025 months per month.

Pro rata leave becomes entitlement after the first 10 years and, thereafter, annually.

 

For the system to correctly calculate an employee's pro rata and entitlement balances—full- and part-time—you must record the employee's prior service history initially and thereafter maintain their current service history. Do this on the Define Prior Service AUS page.

---

**Note.** The elements that calculate long service leave—including the division between pro rata and entitlement—access the data entered on the Define Prior Service AUS page each time that you run an absence calendar, so it must be up-to-date.

---

Each time you run an absence calendar, the system:

- Recalculates the adjusted service date.
- Recalculates the duration from the adjusted service date to current period end date.
- Subtracts the between service days.
- Subtracts non service days.
- Determines which part of the remaining duration accrues pro rata LSL leave and which part accrues entitlement LSL leave.
- Determines how much of the entitlement is part-time leave and how much is full-time leave.
- Checks for leave takes and reduces the part-time or full-time entitlement calculations by the amount of the take.
- Calculates the part-time average hours for part-time leave takes.

---

**Note.** Only the pro rata full-time absence entitlement, PSH LSLPROFT, initiates the LSL accrual process rule using its entitlement calculation formula PSH FM LSL ENTLMNT. Absence entitlements PSH LSLPROPT, PSH LSLENTPT, and PSH LSLENTFT have numeric 0.00 as the entitlement calculation. When the rule has finished, the system updates _ENT, _BAL, and _TKE accumulators for all four absence entitlements.

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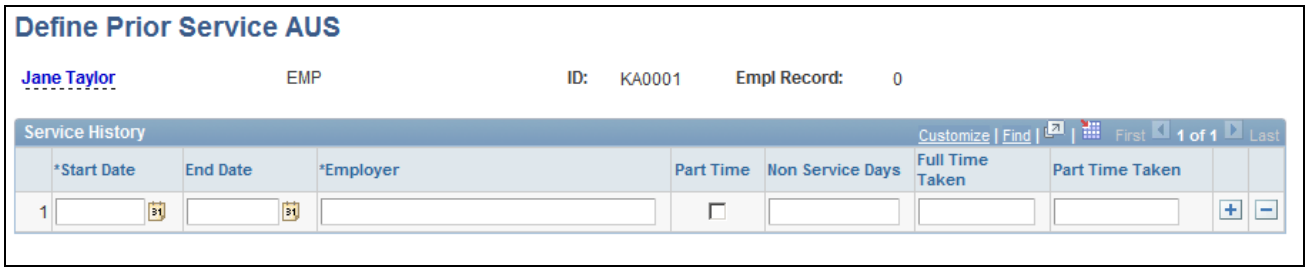
## Page Used to Calculate and Take Long Service Leave

| *Page Name* | *Definition Name* | *Navigation* | *Usage* |
|---|---|---|---|
| Define Prior Service AUS | GPAU_LSL_HISTORY | Global Payroll & Absence Mgmt, Payee Data, Maintain Absences, Define Prior Service AUS, Define Prior Service AUS | Enter details of periods of service. |

## Entering Payee Service History

Access the Define Prior Service AUS page (Global Payroll & Absence Mgmt, Payee Data, Maintain Absences, Define Prior Service AUS, Define Prior Service AUS).




Define Prior Service AUS page

**Start Date** and **End Date** Enter the start and end dates of the service period.

**Note.** Enter service periods in any order. The system sorts them from newest to oldest when you save and refresh the page.

**Employer** This is for information only. It is free-form text box

**Part Time** Select this check box if the service period is part-time. The Std Hrs/Week field appears, where you can enter the average standard weekly hours for the period. The system uses the values in the calculation of the average weekly hours when determining the payment unit for part-time leave takes.

**Non Srv Days** (non service days) Enter your manually calculated non-service days. These are the days in the employment period that do not accrue long service leave.

**Note.** The accrual calculation includes *any* value that you enter here. No validation of rules exist, such as *Count only if greater than 30 days in a calendar year*.

**F/T Taken** (full-time taken) and **P/T Taken** (part-time taken) Enter the duration of the leave take in decimal months (number of days ÷ 30).

**Note.** The system calculates the between-service days from the date that you enter here. It is the duration in days of the period between the end date of one service period and the start date of the next.

The following table shows how the fields populate the variables through array PSH AR SVC PRD ROW.

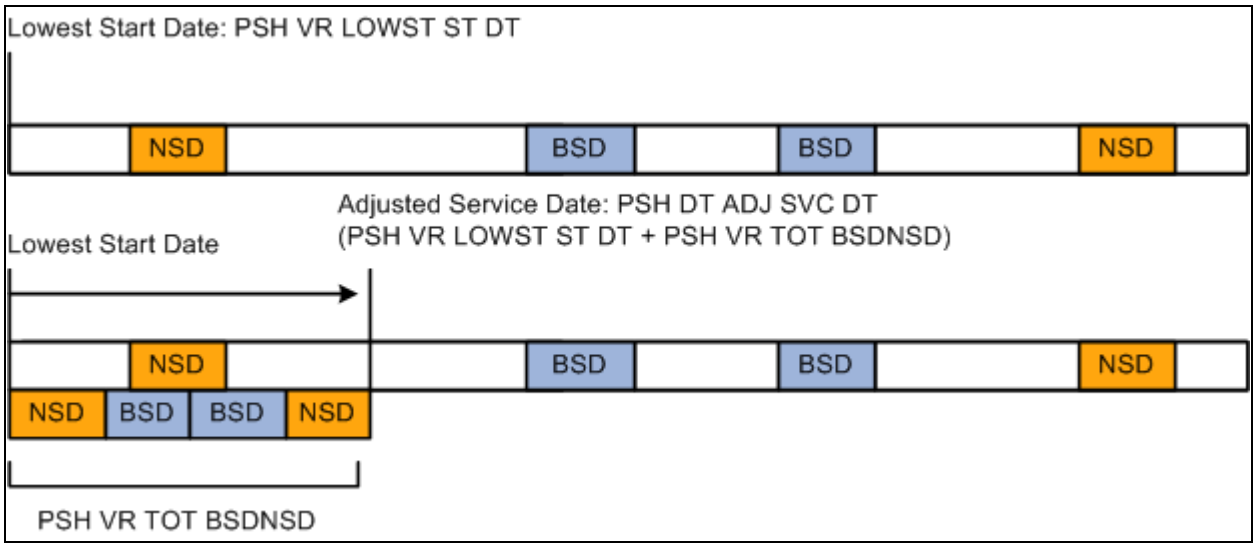
| *Field* | *Variable* |
|---|---|
| Start Date | PSH VR SP START DT |
| End Date | PSH VR SP END DT |
| Part Time | PSH VR SP PT IND |

| *Field* | *Variable* |
|---|---|
| Std Hrs/Week | PSH VR SP PT HRS |
| Non Srv Days | PSH VR SP NSD |
| P/T Taken | PSH VR SP TP TKNM |
| F/T Taken | PSH VR SP FT TKNM |

## Calculating the Adjusted Service Date

The system adjusts the initial service start date before calculating the duration of the service period upon which the accrual is based.

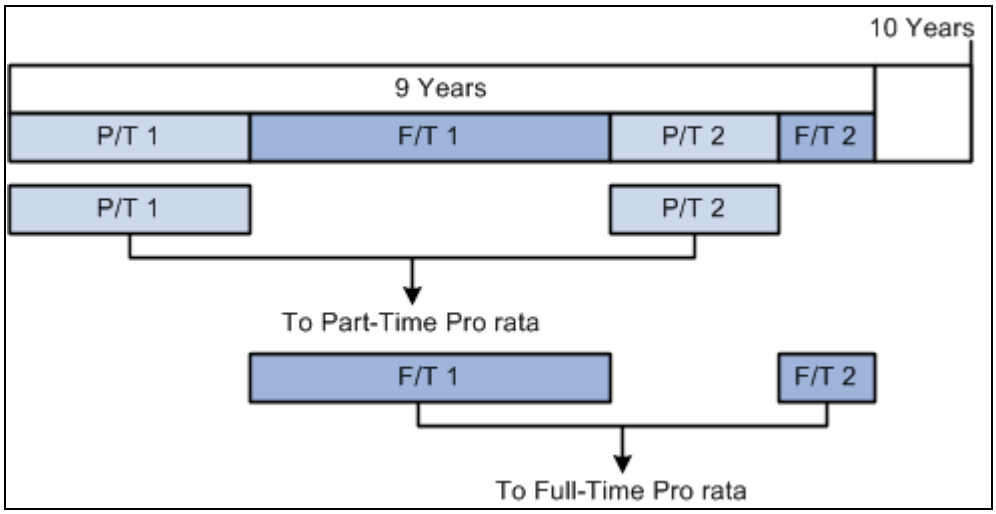
The diagram shows how non-service days and between-service days are totalled then added to the lowest (earliest) start date to reset the lowest start date to a later date. The variable and date elements are also shown.



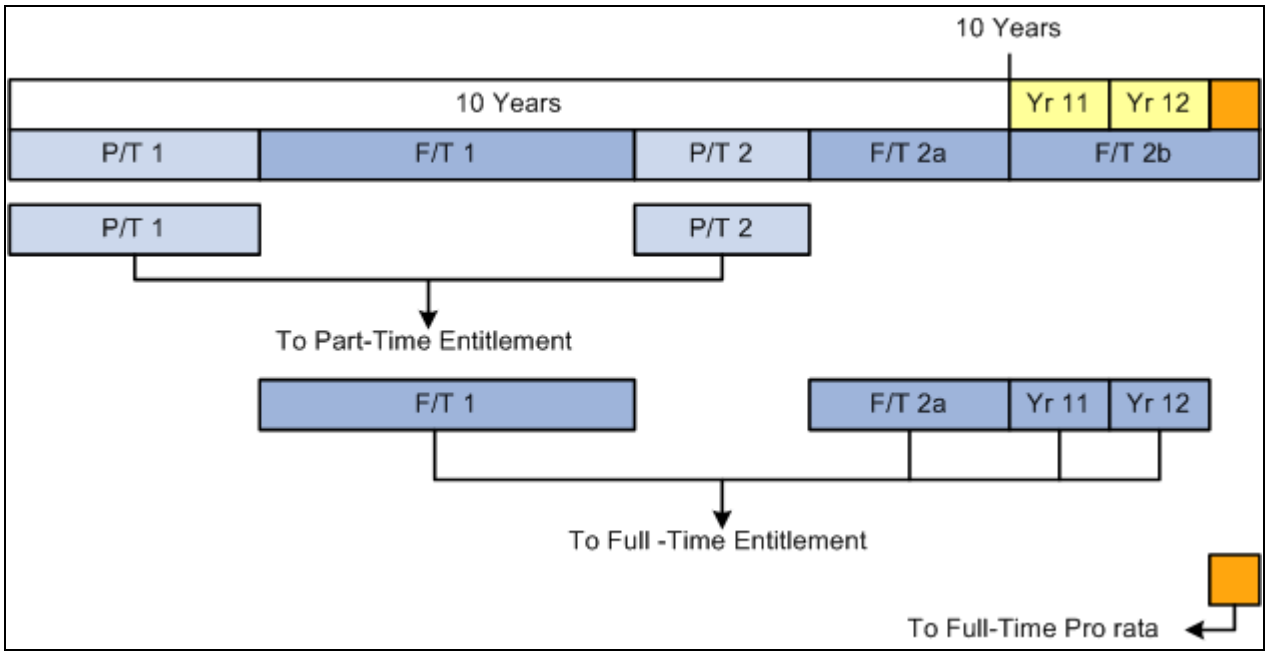

Adjusting the service start date

## Calculating OGO Part- and Full-Time Pro Rata and Entitlement

When you run an absence calendar, the system recalculates *all* the accrued part-time and full-time pro rata and entitled long service leave. The following two diagrams show the accumulators are increased—at 0.025 per month—for an absence calendar run, after 9 years of service and after 12.5 years of service. Both the _ENT and _BAL accumulators for the four accruals are updated. The accumulators are calendar period based.




Update of leave accumulators after 9 years




Update of leave accumulators after 12.5 years

## Taking OGO Long Service Leave

The two absence take elements PSH LSLTKEPT and PSH LSLTKEFT have the same day formula, LVE FM MTH ABS PH. The formula resolves in a similar way to the Federal LSL take. It checks for a public holiday, partial or scheduled hours, and an adjustment made through the User Defined 1 field on the Absence Event Input Detail page. However, each day's hours are converted to months by dividing by the standard hours per month (LVE FM MT STD HRS).

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**Note.** The two takes only check entitlement balances. Pro rata LSL cannot be taken.

---

The months returned become the paid units (DAY COUNT PD) and unpaid units (DAY COUNT UNP), depending on available absence entitlement weeks.

The positive input for these absence takes are the earnings elements LSL and LWOP.

The full-time units for these earnings are formulas LVE FM MT DCP HRS and LVE FM MT DCUP HRS, respectively.

The formulas multiply the DAY COUNT PD and DAY COUNT UNP (both in months) by the employee's standard monthly hours (hours from the Job record, annualized and deannualized to hours per month) so the system can pay the leave in hours at the employee's hourly rate.

The part-time units for these earnings are formulas LVE FM MT PTDCP H and LVE FM MT PTDCUP H, respectively. When calculating the units for part-time accrued LSL, the system must determine the average monthly hours for the employee over the entire period of service.

The average weekly hours value is the greater of:

- The average of all part-time periods in the whole period of service.
- The average of the last 12 months of part-time service if there is any part-time service in the last 12 months.

The average monthly hours replace the standard monthly hours (multiplied by the hourly rate) used for full-time LSL.

---

**Note.** The processing of taken leave for OGO LSL does not include decrementing entitlement balances. You must add any taken part-time or full-time leave on the Define Prior Service AUS page for the employee, and the accrual rules adjust the balances.

---

# Paying Leave in Advance

To set up leave pay in advance, use the Advance Types AUS (GPAU_ADV_TYPES) component.

Periods of leave and regular pay can be paid in a period (or calendar) earlier than the period (or calendar) in which they are normally.

## Pages Used to Pay Leave in Advance

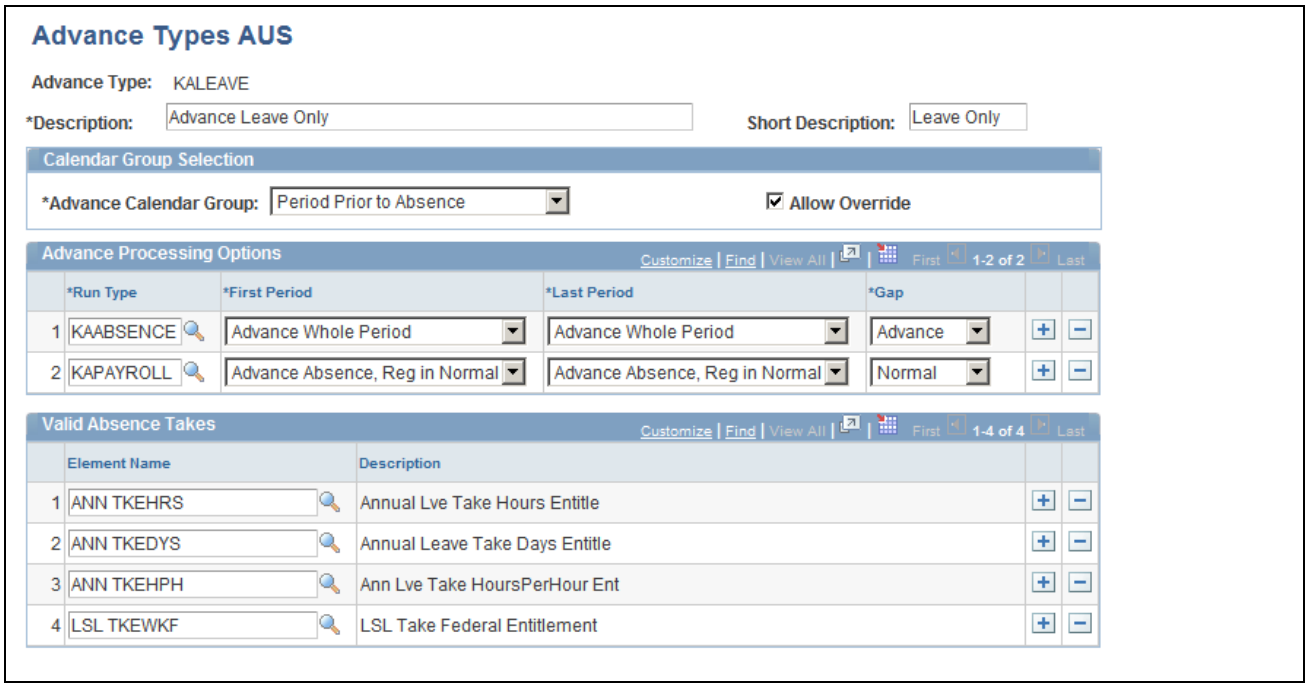
| *Page Name* | *Definition Name* | *Navigation* | *Usage* |
|---|---|---|---|
| Advance Types AUS | GPAU_ADV_TYPES | Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Elements, Absence Elements, Advance Types AUS, Advance Types AUS | Define the first and last period advance processing options and link absence takes to the advance type. |

| *Page Name* | *Definition Name* | *Navigation* | *Usage* |
|---|---|---|---|
| Pay In Advance AUS | GPAU_ABS_EVENT_ADV | Global Payroll & Absence Mgmt, Payee Data, Maintain Absences, Absence Event AUS, Pay in Advance AUS | Enter an advance type and view the details of advance payments. |

## Defining Absence Advance Types

Access the Advance Types AUS page (Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Elements, Absence Elements, Advance Types AUS, Advance Types AUS).




Advance Types AUS page

These are the key points about advance types:

- You define which periods are advanced for an absence.
- You specify the absence takes with which the advance type can be used.
- A single advance type can be used with multiple absence takes.
- Multiple advance types can use the same absence takes.
- When you specify the absence take on an absence event entry, you can select only advance types with which the take has been associated.
- If an absence take has not been associated with any advance types, you cannot pay the absence in advance when you specify that take for an event (because you can't select an advance type).

### *Calendar Group Selection*

**Advance Calendar Group**

Select to determine the calendar group in which to pay the advance. Select from:

*Payment After Absence Begin:* The advance is paid in the calendar group that contains the first payment date after the absence begins.

*Payment Prior to Absence Begin:* The advance is paid in the calendar group that contains the last payment date prior to the absence begin date.

*Period Absence Begins:* The advance is paid in the calendar group that contains the period in which the absence begins.

*Period Prior to Absence:* The advance is paid in the calendar group that contains the period immediately prior to the one in which absence begin date falls.

**Allow Override**

Select to enable an override of the calendar group that the system selects. The system calculates the calendar group using the preceding options above, but you can override it on the Pay in Advance AUS page of the Absence Event AUS component.

### *Advance Processing Options*

**Run Type**

Select a run type. You need to set up the advance processing options for each run type because absence run types generally need to be treated differently from payroll runs. For the system to calculate absences correctly, they must run in the correct sequence. The system does not calculate absences correctly if the previous period's entitlements have not already been accrued. For absence run types, therefore, the options are usually set up to advance the whole first period and the gap period, regardless of the options set for the payroll run types.

---

**Note.** An exception exists if an absence entitlement accrual is based on actual hours worked, such as ANN ENTHPH. This situation reverses the normal absence-then-payroll run sequence to payroll-then-absence. In this situation, you need to define a separate process list (for example, HRLY ACCRUED) with the hours-per-hour entitlement in a section (for example, ABS ENTHPH SEC) in that process list. You then need to create a separate run type for this process list and that run type needs to have the same first period and last period options as the payroll run type.

---

**First Period** and **Last Period**

These options determine how the system handles the period in which the absence begins. Select from the following values:

*Advance Absence, Reg in Normal* (regular in normal): Only the part of the period while on absences is advanced. The rest of the period is paid in its normal calendar group.

*Advance Absence, Reg on Return* (regular on return): Only the part of the period while on absences is advanced. The rest of the period is paid after the absence.

---

**Note.** This is not an option for the last period.

---

*Advance Whole Period:* The entire period is paid in advance.

*No Advance:* The period is not advanced at all. It is paid at the normal time.

**Gap**

A *gap* occurs when a pay period is before the absence but the payment date falls during the absence. Select from the following values:

*Advance:* The gap is paid in advance.

*Normal:* The gap is paid at the normal time.

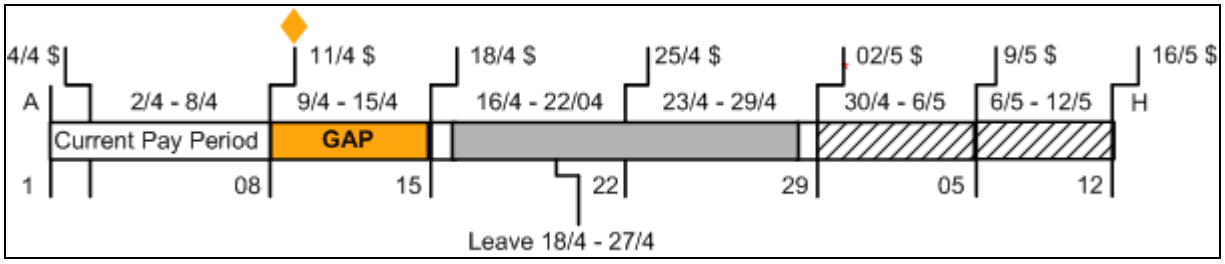
*On Return:* The gap is paid at the normal time.

### *Valid Absence Takes*

**Element Name**

Enter the absence take with which this advance type can be used.

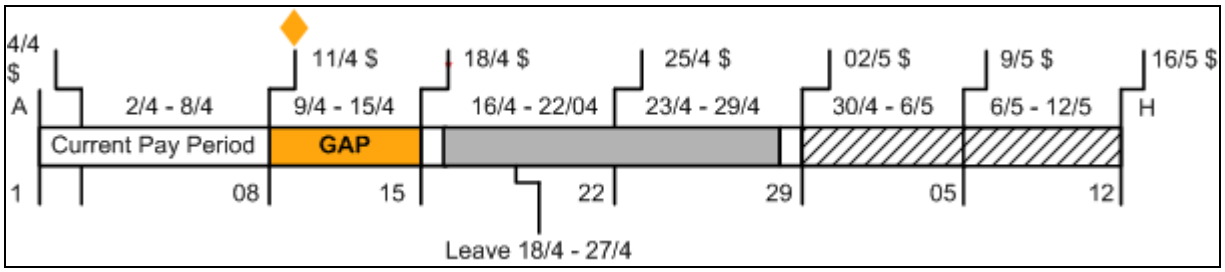
The following two diagrams show the On Return and Normal gap options in effect. For both scenarios, the first period and last period options are *Advance Whole Period.* A diamond indicates the advanced leave payment date and an asterisk indicates the gap pay date.




Gap on return

| *Payment Schedule* | *16/4 - 17/4 Regular* | *Pay Period Ending 08/4 (Paid 11/4)* |
|---|---|---|
| | 18/4 - 27/4 Leave | Pay Period Ending 08/4 (so paid 11/4) |
| | 28/4 - 29/4 Regular | Pay Period Ending 08/4 (so paid 11/4) |

| *Payment Schedule* | *16/4 - 17/4 Regular* | *Pay Period Ending 08/4 (Paid 11/4)* |
|---|---|---|
| | 09/4 - 15/4 Gap | Pay Period Ending 29/04 (so paid 02/5) |

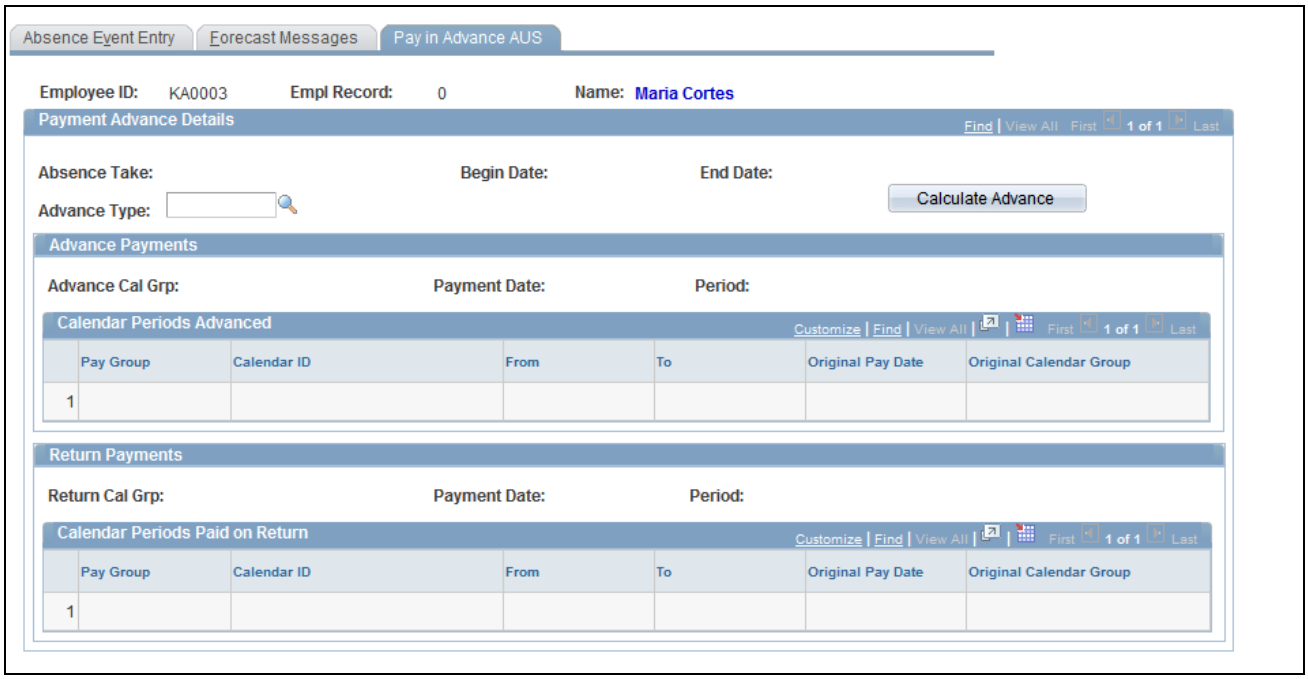



Gap in normal

| *Payment Schedule* | *16/4 - 17/4 Regular* | *Pay Period Ending 08/4 (Paid 11/4)* |
|---|---|---|
| | 18/4 - 27/4 Leave | Pay Period Ending 08/4 (so paid 11/4) |
| | 28/4 - 29/4 Regular | Pay Period Ending 08/4 (so paid 11/4) |
| | 09/4 - 15/4 Gap | Pay Period Ending 29/04 (so paid 18/4) |

## Setting Payment Advance Details

Access the Pay in Advance AUS page (Global Payroll & Absence Mgmt, Payee Data, Maintain Absences, Absence Event AUS, Pay in Advance AUS).




Pay in Advance AUS page

This page is an addition to the Absence Event component. The page displays details of the advance payment according to the advance type that you enter.

Enter the advance type for the absence event. When you click the Calculate Advance button, the system displays information about how and when the advance payment is made based on the rules for the advance type.

The system displays the information in two group boxes, Advance Payments and Return Payments.

### *Advance Payments*

**Advance Cal Grp** (advance calendar group) — This is the calendar group for the advance payment.

**Payment Date** — This is the payment date of the regular pay calendar in the calendar group.

**Period** — These are the From and To dates of the regular pay calendar in the calendar group.

### *Calendar Periods Advanced*

**Pay Group** — This is the pay group in which the payment would be made if it were not advanced.

**Calendar ID** — This is the calendar in which the payment would be made if it were not advanced

**From** and **To** — These are the From and To dates of the period being advanced.

**Orig Pay Dt** (original payment date) This is the payment date when the payment would be made if it were not advanced.

**Orig Cal Grp** (original calendar group) This is the calendar group in which the payment would be made if not it were not advanced.

### *Return Payments*

**Return Cal Grp** (return calendar group) This is the calendar group in which any unadvanced payment is made.

**Note.** None of the Return Payments fields are populated if the advance type advances all pay from the period in which the leave occurs, or if the advance type advances some of the pay and pays the balance in its normal period.

**Payment Date** This is the payment date of the regular pay calendar in the calendar group.

**Period** These are the From and To dates of the regular pay calendar in the calendar group.

### *Calendar Periods Paid on Return*

**Pay Group** This is the pay group in which the payment would have been made if not paid on return.

**Calendar ID** This is the calendar in which the payment would have been made if not paid on return.

**From** and **To** These are the From and To dates of the period being paid on return.

**Orig Pay Dt** (original payment date) This is the payment date for the calendar in which the payment would have been made if not paid on return.

**Orig Cal Grp** (original calendar group) This is the calendar group in which the payment would have been made if not paid on return.

---

**Note.** If you select the Allow Override check box when you define the advance type, you can override the advance or return calendar group the system selected for this advance. You cannot, however, change any calendars or calendar data for a system-selected or overridden calendar group.

For leave be correctly paid in advance, you must specify a regular run type in the Leave Paid in Advance group box on the Pay Groups AUS page (select Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Framework, Organizational, Pay Groups AUS).

You must select the check box on the Australian Information page for all of the calendars that can be advanced (select Set Up HRMS, Product Related, Global Payroll & Absence Mgmt, Framework, Calendars, Calendars Groups AUS).

---

### *See Also*

Chapter 3, "Setting Up Global Payroll for Australia," Entering Additional Pay Group Information, page 19

Chapter 3, "Setting Up Global Payroll for Australia," Entering Additional Calendar Information, page 21

Chapter 17

# Understanding Termination Payment Management

This chapter discusses:

- Termination processing.
- Termination earning elements.
- The termination section.
- The offset days for retroactive termination triggers.
- Delivered termination earnings.
- Calculation of hourly and daily rates.
- Resolution of termination earnings.

---

**Note.** The PeopleSoft system delivers a query that you can run to view the names of all delivered elements designed for Australia. Instructions for running the query are provided in the *PeopleSoft Enterprise Global Payroll PeopleBook.*

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### *See Also*

*PeopleSoft Enterprise Global Payroll 9.1 PeopleBook*, "Viewing Delivered Elements," Understanding How to View Delivered Elements

## Termination Processing

When an employee's services are terminated, regardless of the reason, the employer must make mandatory payments to the employee, depending on the circumstances. Payments can consist of:

- Final wages.
- Unused leave entitlements.
- Redundancy and retrenchment payments.
- Early retirement.
- Invalidity and disability payments.

- Pay in lieu of notice (considered an ETP).
- Ex gratia payments (considered an ETP).

The calculation of these payments can vary from organization to organization depending on the reason for termination.

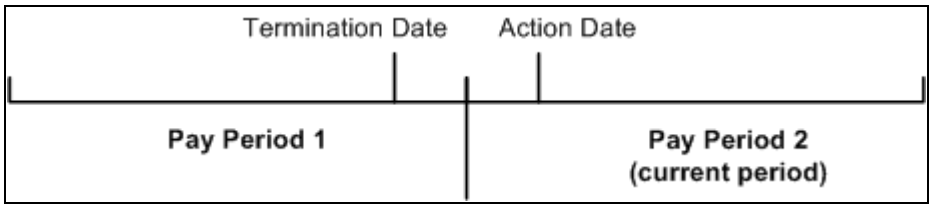
## Termination Earning Elements

The Termination section comprises a formula, 21 earning elements, and a single deduction. They ensure that all legal obligations are met and that you have the flexibility to make changes to suit your business practices. You need to maintain only a few of the formulas upon which the earnings are based. You also have to set the values of some of the variables that the formulas use.

## The Termination Section

The Termination section contains a conditional formula, TER FM TERM CHECK, to check if there is either a termination date in the pay period or a termination action date in the period. The formula checks for both to accommodate a situation in which you may have not entered the termination until the pay period after the period in which the termination occurred. If the check is only on the termination date, the section is not processed, because that date is outside the current pay period begin and end dates.

This diagram shows the process of checking for a termination date or termination action date:




Checking for a termination date or termination action date

The check shows that the Termination section should be processed even though the termination date was in the previous pay period.

## Offset Days for Retroactive Termination Triggers

When you define retro triggers on the Trigger Definitions-Field Values page, you can enter a positive or negative number in the Offset Days field to increase or decrease the retro trigger effective date in relation to the date of a field value change. For example, if you enter -1 in the Offset Days field for one of the values listed in the Field Values group box, and you retroactively enter that value into the database with an effective date of January 1, 2000, the system automatically adjusts the trigger effective date to December 31, 1999 (one day earlier). The system then processes pay periods going back to December 1999 rather than January 2000.

Global Payroll for Australia uses the offset days feature to define the triggers for retroactive terminations entered in the JOB record using the Action field:

**Trigger Definitions**

## Field Values

**Country:** AUS Australia
**Record (Table) Name:** JOB
**Field Name:** ACTION

Field Values — Customize | Find | View 3 | First 1-15 of 15 Last

| *Sequence | *Character Value | *Trigger Event ID | Offset Days |
|---|---|---|---|
| 1 | HIR | JOB | 0 |
| 2 | TER | JOB | -1 |
| 3 | RET | JOB | -1 |
| 4 | LOA | JOB | 0 |
| 5 | ADL | JOB | 0 |
| 6 | LOF | JOB | 0 |
| 7 | REC | JOB | 0 |
| 8 | REH | JOB | 0 |
| 9 | RFD | JOB | 0 |
| 10 | RFL | JOB | 0 |
| 11 | RWB | JOB | 0 |
| 12 | RWP | JOB | -1 |
| 13 | SUS | JOB | 0 |
| 14 | TWP | JOB | -1 |
| 15 | TWB | JOB | -1 |

Trigger Definitions-Field Values page showing Australia JOB actions that trigger retroactive termination processing

Note that the offset for the termination actions *TER,RET,RWP,TWP*, and *TWB* is -1.

The reason for this offset is that the PeopleSoft system considers the effective date of a termination entered in the Action field in JOB to be the first day that a payee is no longer working (in other words, the day before the termination is the last day the payee is considered active); however, the effective date of the trigger generated in response to this termination is identical to the termination date. This can create problems when the termination date in the JOB record is equal to the pay period begin date (meaning, the last day worked is the last day of the prior pay period). For example, assume that you enter a termination in JOB on February 1 after processing and closing the January calendar. In this situation, the system generates a trigger with an effective date of February 1, which is within the current period—a period in which the payee is "inactive" and is not picked up for processing. Because there is no trigger in the prior, closed period (January), this period will not be recalculated and any rules set up to generate termination payments will not be processed. To avoid this problem, Global Payroll for Australia sets the offset days for the *TER (termination),RET (retirement), RWP (Retirement with Pay),TWP (termination with pay),* and *TWB (termination with benefits)* action values in the JOB record equal to *-1*.

---

**Important!** If you define additional action values to trigger retroactive termination payments, you should set the offset days to -1.

---

## Delivered Termination Earnings

This table lists the earning elements resolved in the Termination section and each earning calculation rule. Individual elements are later discussed in sufficient detail for you to understand how they are correctly resolved. The code *(gc)* in the first column indicates that the earning has a generation control:

| ***Name and Description*** | ***Unit*** | ***Rate*** | ***Percent*** | ***Amount*** |
|---|---|---|---|---|
| AL MARGINAL<br>Ann Lve - Marginal (Term) (gc) | TER FM AL BAL HRS | TER FM HOURLY RATE | | |
| AL MARGIN DY<br>Ann Lve - Marginal (Term Days) (gc) | TER FM AL BAL DYS | TER FM DAILY RATE | | |
| LSL MARGINAL<br>LSL – Marginal (Term) | TER VR LS MARGINAL | TER FM DAILY RATE | | |
| LL MARGINAL<br>Lve Loading - Marginal(Term) (gc) | TER FM LL BAL HRS | TER FM HOURLY RATE | 17.5 | |

| ***Name and Description*** | ***Unit*** | ***Rate*** | ***Percent*** | ***Amount*** |
|---|---|---|---|---|
| LL MARGIN DY<br>Leave Load on Term (Days-MAR) (gc) | TER FM LL BAL DYS | TER FM DAILY RATE | 17.5 | |
| ETP TAX<br>ETP- Taxable | | | | TER FM ETP PST83 |
| ETP NONTAX<br>ETP - Non Taxable | | | | TER FM ETP PRE83 |
| ETP TRA TAX<br>Transitional ETP-Taxable | | | | TER FM ETP PST83 |
| ETP TRA NTAX<br>Transitional ETP - Non Taxable | | | | TER FM ETP PRE83 |
| AL LUMP A<br>Annual Leave - Lump Sum A | TER FM AL BAL HRS | TER FM HOURLY RATE | | |
| AL LUMPA DY<br>Ann Lve Lump sum A (Term Days) (gc) | TER FM AL BAL DYS | TER FM DAILY RATE | | |
| LSL LUMP A<br>LSL - Lump Sum A | TER VR LS LUMPA | TER FM DAILY RATE | | |
| LL LUMP A<br>Leave Loading - Lump Sum A (gc) | TER FM LL BAL HRS | TER FM HOURLY RATE | 17.5 | |
| LL LUMPA DY<br>Leave Load on Term (Days-LSA) (gc) | TER FM LL BAL DYS | TER FM DAILY RATE | 17.5 | |

| Name and Description | Unit | Rate | Percent | Amount |
|---|---|---|---|---|
| LSL LUMP B<br>LSL - Lump Sum B | TER VR LS LUMPB | TER FM DAILY RATE | | |
| TERM LUMP D<br>Termination - Lump Sum D | | | | TER FM LUMPD |
| INV POST 94<br>Invalidity Post 94 Component | | | | TER FM INV POST94 |
| REDUNDANCY | | | | Payee Level |
| EX GRATIA | | | | Payee Level |
| PAY IN LIEU | | | | Payee Level |
| INVALIDITY | | | | Payee Level |
| INV POST 94 | | | | TER FM INV POST94 |

# Calculation of Hourly and Daily Rates

All the rates are either hourly or daily. For both, we have allowed for the situation in which employees have salary packages and need to have their hourly or daily rate calculated from their total package value.

## Calculating the Hourly Rate

To calculate the hourly rate, use the formula TER FM HOURLY RATE to:

1. Determine if the employee is salary-packaged by checking for a value for rate code AUTVP.

   If there is no value for AUTVP, the system uses the employee's hourly rate.

2. Retrieve the employee's standard hours frequency from the Job record in the Work Period field and passes it to AUS VR TEMP FREQUENCY.

3. Use the variable to get the annualized factor AUS VR ANNL FCTR from the array AUS AR FREQUENCY.

4. Divide AUTPV by the annualized factor, then divides by the employee's standard hours.

   (AUTVP ÷ AUS VR ANNL FCTR) ÷ STD HOURS = Hourly rate for packaged employee

### Calculating the Daily Rate

To calculate the daily rate, formula TER FM DAILY RATE:

1. Determines if the employee is salary-packaged by checking for a value for rate code AUTVP.

   If there is no value for AUTVP, the system uses the employee's daily rate.

2. Divides AUTVP by the annualized factor for the daily frequency specified on the Additional Info - AUS page in the pay group component.

   AUTVP ÷ AUS DY FACTOR = Daily rate for packaged employee

---

**Note.** The system uses the system element DAILY RT as the daily rate for non-packaged employees. The daily rate is currently based on weekly rate ÷ 5. To calculate the daily rate differently, revise this formula.

---

## Resolution of Termination Earnings

This section discusses each of the earning elements in the Termination section and shows how they are resolved.

### Calculating Annual Leave Marginal Tax and Lump Sum A—Hours

The calculation rule for both AL MARGINAL and AL LUMP A is Unit × Rate, where:

Unit = TER FM AL BAL HRS

Rate = TER FM HOURLY RATE

The unit formula sums accumulators ANN ENTHRS_BAL and ANN ENTHPH_BAL.

Generation controls attached to each earning determine which of the two earnings to use to pay the hours.

For Annual Leave Marginal (hours), generation control TER GC TERM NORMAL uses TER FM NORM TERM to determine if the employee's status is Retired with Pay, Retired, Terminated, or Terminated with Pay. If it is and the action reason *is not* Staff Reduction, Early Retirement or Partial or Total Disability, then the system pays the hours value as AL MARGINAL.

For Lump Sum A, generation control TER GC TERM REDUN uses TER FM REDUN TERM to determine if the employee's status is Retired with Pay, Retired, Terminated, or Terminated with Pay. If it is and the action reason *is* Staff Reduction, Early Retirement, or Partial or Total Disability, then the system pays the hours value as AL LUMP A.

---

**Note.** The system does not provide for annual leave accrued prior to 1993, so the payout for annual leave on resignation, retirement, or dismissal is all to AL MARGINAL and is taxed at the marginal rate.

---

## Calculating Annual Leave Marginal Tax and Lump Sum A—Days

The calculation rule for both AL MARGIN DY and AL LUMPA DY is Unit × Rate, where:

Unit = TER FM AL BAL DYS

Rate = TER FM DAILY RATE

The unit formula sums accumulators ANN ENTDYS_BAL and ANN PRODYS_BAL.

The same two generation controls used with AL MARGINAL and AL LUMP A - Hours are attached to these two earnings, respectively. They do the same job, but this time the system pays the days value to either AL MARGIN DY or AL LUMPA DY.

***See Also***

Chapter 17, "Understanding Termination Payment Management," Calculating Annual Leave Marginal Tax and Lump Sum A—Hours, page 171

## Calculating Annual Leave Loading Marginal Tax and Lump Sum A—Hours

The calculation rule for both LL MARGINAL and LL LUMP A is Unit × Rate × Percent, where:

Unit = TER FM LL BAL HRS

Rate = TER FM HOURLY RATE

Percent = 17.5

The unit formula sums accumulators ANN ENTHPH_BAL and ANN ENTHRS_BAL.

The same two generation controls used with AL MARGINAL and AL LUMP A are attached to these two earnings, respectively. They do the same job, but this time the system pays the hours value to either LL MARGIN or LL LUMP A.

## Calculating Annual Leave Loading Marginal Tax and Lump Sum A—Days

The calculation rule for both LL MARGIN DY and LL LUMPA DY is Unit × Rate × %, where:

Unit = TER FM LL BAL DYS

Rate = TER FM DAILY RATE

% = 17.5

The unit formula is accumulator ANN ENTDYS_BAL.

The same two generation controls used with AL MARGINAL and AL LUMP A are attached to these two earnings, respectively. They do the same job, but this the system time pays the days value to either LL MARGIN DY or LL LUMPA DY.

## Calculating Long Service Leave—Marginal Tax and Lump Sums A and B

Long service leave (LSL) payment calculations are affected by legislation that requires different tax rates to apply to the different periods during which the employee accrued the leave. We supply three LSL earnings: LSL MARGINAL, LSL LUMP A, and LSL LUMP B.

To calculate these earnings, you use the PeopleSoft-maintained formula TER FM LSL CALC. This formula is invoked by the formula TER FM PRE PROCESS, which is the first element in the Termination section. As soon as the Termination section's conditional formula TER FM TERM CHECK returns *True*, TER FM PRE PROCESS is invoked, which in turn invokes TER FM LSL CALC.

---

**Note.** TER FM PRE PROCESS also invokes TER FM LSL PRE90, which is used to calculate LSL payments that are exempt from State Payroll Tax in NSW.

---

The formula first determines if the termination was for redundancy, early retirement, or partial or total disability (referred to as *Redundancy* in the following table).

Formula TER FM LSL CALC returns values for variables TER VR LS LUMPA, TER VR LS LUMPB and, if the termination was not redundancy, TER VR LS MARGINAL. These three variables are the units in the Unit × Rate calculation rules for the three LSL earnings. (The rate for all three earnings is TER FM DAILY RATE.)

This table shows how LSL may be paid according to the Action Reason of the termination:

| ***Termination Is Redundancy*** | ***Termination Is Not Redundancy*** |
|---|---|
| Lump Sum A only | Lump Sum A only |
| Lump Sum B only | Lump Sum B only |
| Lump Sum A and B | Marginal only |
| | Lump Sum A and B |
| | Lump Sum A and B and Marginal |

Formula TER FM LSL CALC then uses other formulas that in turn use durations and system-generated accumulators based on the absence entitlements and take elements setup.

**Note.** TER FM LSL CALC uses formulas that in turn use system-generated accumulators, the current members of which are customary data. If you create new absence entitlement or take elements, you must adjust the formulas to use the accumulators that the system generates for those elements. You may have to adjust the following formulas: TER FM LSL TKES, TER FM LSTKE PST78, TER FM LSTKE PST93, and TER FM LSL BAL. The first three of those four formulas use variables of which you need to set the values. They are, respectively: TER VR LSTKW TOTAL or TER VR LSTKM TOTAL, TER VR LSTKW PST78 or TER VR LSTKM PST78, and TER VR LSTKW PST93 or TER VR LSTKM PST93, depending on the frequency of the take (weekly or monthly). In the formulas and variables tables in this chapter, these elements appear in bold to indicate that you may need to adjust them.

## Calculating Lump Sum D

Lump Sum D payments, which are not taxed, are for redundancy and approved early retirement payments, but they have a limit. Whatever you pay over that limit is paid as a Lump Sum C eligible termination payment (ETP), which may or may not be taxed. The resolution of Lump Sum C payments depends on the prior resolution of Lump Sum D.

The calculation rule for TERM LUMP D earning is Amount, where the amount is formula TERM FM LUMP D.

This is how the formula resolves:

1. It first uses Australian Tax Office (ATO)-supplied, PeopleSoft-maintained, variable values, and a duration that determines an employee's complete years of service to arrive at a figure—called the *calculated amount* in this chapter.

   The calculated amount is the limit that can be paid as Lump Sum D. The variables are TER VR LUMPD YRLY (yearly amount) and TER VR LUMPD INIT (initial amount), and the duration is TER DR TOTAL DAYS. The formula multiplies the yearly amount by the years of service, then adds the initial amount. This is the calculated amount or limit.

2. The formula then compares the calculated amount with the balance of accumulator TER AC RED/AER (Redundancy/Approved Early Retirement).

**Note.** The members of accumulator TER AC RED/AER are only ever REDUNDANCY (which is supplied) or [EARLY RETIREMENT] (which is not supplied). Both of these earnings are also members of accumulator TER AC ETP. The redundancy and early retirement earnings are not paid as such; they do not add to accumulator AUS GROSS. They exist so that you can enter their amounts as positive input and add to accumulators. The actual payment of redundancy or retirement amounts is as earning TERM LUMP D or a combination of TERM LUMP D and ETPTAX/ETP NON TAX.

Based on the results of the formula calculation, one of the following events occurs:

- If the calculated amount is greater than the accumulator amount, the payments do not exceed the limit and the full accumulator amount becomes the Lump Sum D payment.
- If the calculated amount is less than the accumulator amount, the payments exceed the limit, so only the calculated amount (the limit) becomes the Lump Sum D payment.

  The balance becomes the basis of ETP calculations.

The balance becomes ETP (taxed or nontaxed—to be calculated) because the redundancy and retirement amounts also add to TER AC ETP, and whatever is paid as Lump Sum D by earning TERM LUMP D subtracts from TER AC ETP. If the redundancy and retirement accumulator was less than the calculated amount, and was therefore paid as Lump Sum D in full, then the balance of redundancy and retirement in the ETP accumulator is nil.

RED/RET = TERM LUMP D so

RED/RET − TERM LUMP D = Nil

If the redundancy and retirement accumulator was more than the calculated amount, only the calculated amount would be Lump Sum D, so there would be a positive balance of redundancy and retirement payment in the ETP accumulator.

RED/RET > TERM LUMP D so

RED/RET − TERM LUMP D = +ve Bal of RED/RET

## Calculating Lump Sum C-Eligible Termination Payment

ETP payments may or may not be taxed.

The system has to determine which part of the ETP earning is taxable and which part isn't.

Payments such as payment in lieu (of notice), ex gratia, invalidity, and, sometimes, the balance of redundancy and retirement payments are included in the ETP payments.

---

**Note.** Earnings for payment in lieu (of notice), ex gratia, and invalidity are, like redundancy and retirement earnings, not resolved and paid as such; the amounts that you enter for them as positive input do not add to accumulator AUS GROSS. They do, however, add to accumulator TER AC ETP, and formulas use that accumulator to determine if the payments are to be ETP-taxed or ETP-nontaxed. Invalidity payments have additional processing.

---

### *Calculating Nontaxable Transitional ETP*

The calculation rule for ETP TRA NTX is Amount, and the amount is TER FM ETP PRE83.

### *Calculating Taxable Transitional ETP*

The calculation rule for ETP TRA TAX is Amount, and the amount is TER FM ETP PST83.

The formula checks that accumulator TAX AC TRLUMPC TAX has a balance.

If it does, then the formula calculates the tax and resolves the LUMPC TAX TR deduction element .

### *Calculating Nontaxable ETP*

The calculation rule for ETP NONTAX is Amount, and the amount is TER FM ETP PRE83.

The formula checks that accumulator TER AC ETP has a balance.

If it does, it multiplies the accumulator balance by the duration TER DR PRE JULY, which calculates the employee's service days from hire (or rehire) to June 30, 1983. It then divides by duration TER DR ELIG SERV, which calculates the employee's total eligible service days.

Accumulator balance × Days from hire (or rehire) to June 30, 1983 / Days from service date to termination date = TER FM ETP PRE83 = Amount of earning ETP NONTAX.

The start date for duration TER DR PRE JULY is formula TER FM DUR START, which returns the rehire date if the hire date is earlier than the rehire date.

### *Calculating Taxable ETP*

The calculation rule for ETP TAX is Amount, and the amount is TER FM ETP PST83.

The formula checks that accumulator TER AC ETP has a balance.

If it does, it subtracts the previously calculated value of TER FM ETP PRE83 (ETP NONTAX amount) from the accumulator and resolves it to be the amount value of the ETP TAX earning.

Accumulator balance − TER FM ETP PRE83 = TER FM ETP PST83 = Amount of earning ETPTAX.

---

**Note.** Deduction ETP R/OVER, entered a payee level, subtracts from TER AC ETP because it is to be excluded from the ETP tax or nontaxed calculation since it is not being taken as an earning.

---

## Calculating Invalidity and Invalidity Post 94 Payments

The calculation rule for earning INVALIDITY is Amount, and the amount is Payee Level. It is another earning for which you enter the value by positive input and that does not add to AUS gross. It does, however, add to the accumulator TER AC ETP. It also adds to its own accumulator TER AC INVALIDITY.

The calculation rule for earning INV POST 94 is Amount, and the amount is formula TER FM INV POST94.

---

**Note.** Despite its name, the calculation of post 94 invalidity earning does not involve any durations based on the year 1994.

---

The formula multiplies the amount of accumulator TER AC INVALIDITY (added to by your positive input) by duration TER DR TERM RETIRE, which calculates the days from the employee's termination date to his or her normal retirement date. It then divides by duration TER DR HIRE RETIRE, which calculates the days from the employee's hire or rehire date to normal retirement date.

Accumulator amount × days from term to norm retirement / days from hire (or rehire) to norm retirement = TER FM INV POST94 = earning INV POST 94

The start date for duration TER DR HIRE RETIRE is formula TER FM DUR START, which returns the rehire date if the hire date is earlier than the rehire date.

Because the positive input for earning INVALIDITY adds to TER AC ETP, and earning INV POST 94 subtracts from it, the balance of INVALIDITY is processed as any other ETP payment.

### *See Also*

Chapter 17, "Understanding Termination Payment Management," Calculating Lump Sum C-Eligible Termination Payment, page 175

## Entering Final Hours

For employees who accrue annual leave-in hours based on hours worked, you must enter their final hours in the variable TER VR FINAL HRS on the Supporting Elements Override page (select Global Payroll & Absence Mgmt, Payee Data, Create Overrides, Supporting Elements) when they are terminated. Those hours grant the correct accrual during the resolution of section ABS ENTHPHG in the GEN ABSENCE process list for payment by the AUS PAYROLL process. The section resolves only if its conditional formula returns that the employee has been terminated. Employees who accrue hours based on hours and who are not terminated have their accrual processed through the HRLY ACCRUED process list, which is run after AUS PAYROLL when the hours on which to base the accrual are known.

## Chapter 18

# Managing End of Year Reporting

This chapter discusses how to:

- Set earnings and deduction categories.
- Collect fringe benefit tax (FBT) liable earnings.
- Generate payment summary data.
- Separate eligible termination payment data.

---

**Note.** The PeopleSoft system delivers a query that you can run to view the names of all delivered elements designed for Australia. Instructions for running the query are provided in the *PeopleSoft Enterprise Global Payroll PeopleBook.*

---

### *See Also*

*PeopleSoft Enterprise Global Payroll 9.1 PeopleBook*, "Viewing Delivered Elements," Understanding How to View Delivered Elements

## Setting Earnings and Deduction Categories

The earnings and deductions categories determine where earnings and deductions appear on the payment summary.

You categorize earnings and deductions that appear on the payment summary by assigning a character value to the variable EOY VR CATEGORY on the Supporting Element Override page for a selected earnings or deduction.

### Earnings and Deductions Categories and Values

The following table lists the character values for the EOY VR CATEGORY on the Supporting Element Override page for a selected earnings or deduction:

| *Earnings and Deduction Category* | *EOY VR CATEGORY Value* |
|---|---|
| Allowances | A |

| ***Earnings and Deduction Category*** | ***EOY VR CATEGORY Value*** |
|---|---|
| CDEP (Community Development Employment Project) | C |
| Reportable FBT | F |
| Gross Pay | G |
| Exempt Foreign Employment Income | O |
| Total Tax Withheld | T |
| Union Fees | U |
| Lump Sum A Payments | LA |
| Lump Sum B Payments | LB |
| Lump Sum D Payments | LD |
| Lump Sum E Payments | LE |
| ETP Pre 83 Payments | E1 |
| ETP Post 83 Taxed Elements | E4 |
| ETP Post 83 Untaxed Elements | E2 |
| ETP Post 94 Invalidity Payments | E3 |
| ETP Withheld Tax | ET |
| Pre-tax Deductions | PT |
| Reportable Salary Packaged Superannuation Components That Do Not Further Reduce From Gross | RS |
| Salary Sacrifice | SS |

| *Earnings and Deduction Category* | *EOY VR CATEGORY Value* |
|---|---|
| Charity Deduction | W |

# Collecting FBT-Liable Earnings

The ATO requires that you report FBT-liable earnings when the gross-up value (of all FBT-liable earnings) exceeds a minimum figure. To have the system calculate the reportable fringe benefits amount for inclusion on the payment summary, you run a collect process.

This section discusses how to:

- Collect reportable FBT-liable earnings.
- Enter manually calculated FBT-liable earnings and view post calculation earnings.
- Report FBT for terminated employees.

### *Summing Category F Earnings*

Use the FBT Collection page (select Global Payroll & Absence Mgmt, Year-End Processing, Collect FBT Earns AUS) to set the parameters to have the system sum the net amounts of all earnings categorized as *F* (variable EOY VR CATEGORY) and gross them up. This is the same run control page—GPAU_RC_FBT_COLLEC—as used for Create Payment Summary. The difference is that this process uses the Application Engine program GPAU_FBT_COL and Create Payment Summary uses GPAU_PSM_CRE.

You need to enter the tax year and the population you are generating the data for. The population can be pay entity, pay group, or payee.

The Update if Record Exists check box relates to the record values that appear on the Reportable FBT Earnings page. If you select this check box and the record exists (either because of a manual entry only—status Entered—or because you have run the collect process previously—status Created), rerunning the process updates the calculated amount only. It does not change any manual entry.

The process is Application Engine process GPAU_FBT_COL.

---

**Note.** You need to set up your FBT percent and minimum reportable FBT-liable earnings in Salary Packaging before you can run this process.

---

### *See Also*

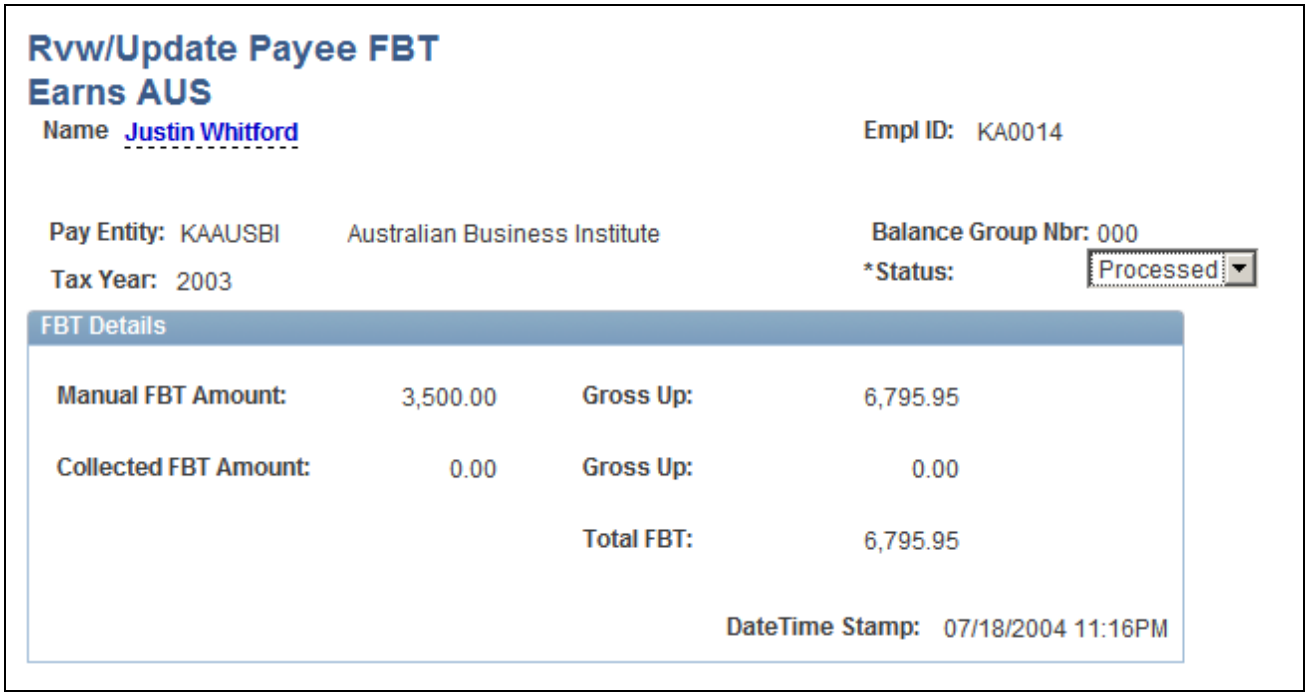
*PeopleSoft Enterprise Human Resources 9.1 PeopleBook: Administer Salary Packaging*, "Setting Up Salary Packaging," Setting Up and Viewing Salary Packaging Tax Options

## Page Used to View and Adjust FBT-Liable Earnings

| *Page Name* | *Definition Name* | *Navigation* | *Usage* |
|---|---|---|---|
| FBT Earnings | GPAU_EE_FBT | Global Payroll & Absence Mgmt, Year-End-Processing, Rvw/Update Payee FBT Earns AUS, FBT Earnings | View calculated amounts, add manual amounts, conditionally change the status, or view gross-up values. You view the calculated amounts after you have run the Collect Reportable FBT process. |

## Entering Manually Calculated FBT-Liable Earnings and Viewing the Collected Earnings

Access the FBT Earnings page (Global Payroll & Absence Mgmt, Year-End-Processing, Rvw/Update Payee FBT Earns AUS, FBT Earnings).




FBT Earnings page

**Status**

You can change the status from *Processed* to *Created* but only if the status of the Payment Summary process is still Created (not Processed or Issued). You change it to rerun the collect process to repopulate the Collected FBT Amount field. The statuses are:

*Entered:* The page has had a manual entry only.

*Created:* The Collect Reportable FBT has been run (even if the process didn't pick up any amount)

*Processed:* Payment summaries have been created and the FBT data included (if there was any).

*Issued:* Refers only to the Payment Summary processes.

**Manual FBT Amount**

This is for any manually calculated amounts. Any values entered here are not affected by rerunning the collect process, which updates only the Collected FBT Amount field. The system displays the gross-up value of the amount that you enter in the associated Gross Up field.

**Collected FBT Amount**

This is the result of the Collect Reportable FBT process (which may be 0.00). The system displays the gross-up value of the collected amount in the associated Gross Up field.

**Total FBT Amount**

This is the total of the gross-up amounts. If the amount exceeds the minimum FBT-liable earnings for payment summary reporting, it is reported on the employee's payment summary and included in the electronic file submission to the ATO.

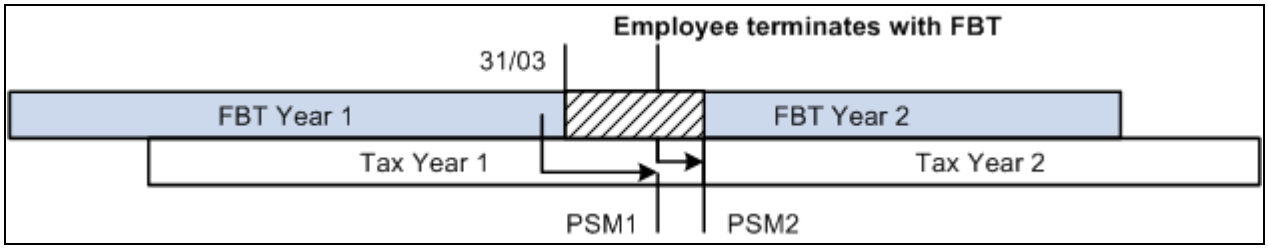
**Date Time Stamp**

This is the date and time that the page (record) was last updated—manually or by the process.

## Reporting FBT for Terminated Employees

An employee might terminate employment between the end of the FBT year and the end of the corresponding tax year. If, during that period—April 1 to June 30—that employee received reportable FBT-liable earnings over the reportable limit, you need to process two FBT collections and two payment summaries. The first is for the tax year in which the employee terminated employment. The second is solely to report the FBT-liable earnings that would normally have been reported on the payment summary for the next tax year. The system retrieves the FBT-liable earnings even though there is no tax balance record for that next tax year.

In the following diagram, the position of PSM2 indicates the tax year to which the FBT belongs.




Indicating the FBT Tax Year

# Generating Payment Summary Data

When data preparation is complete, you can generate the payment summary data for each employee. You can view the data before printing payment summaries for issue to payees.

After you have generated the payment summary data, you must print the payment summaries before you can create the electronic file for the ATO.

The system uses the data that the Application Engine program extracts for the following:

- Printed payment summaries for employees.
- The creation of the electronic file for the ATO.
- The Payment Summary Exceptions and Payment Summary Reconciliation reports.

This section discusses how to:

- View payment summary data.
- Print the payment summary.
- Generate the payment summary file for the Australian Tax Office (ATO).

**Note.** The system only includes FBT in the payment summary if its gross-up value exceeds the PeopleSoft-maintained minimum amount. You can see the minimum amount on the FBT/GST Rate page.

## Pages Used to Generate/View Payment Summary Data

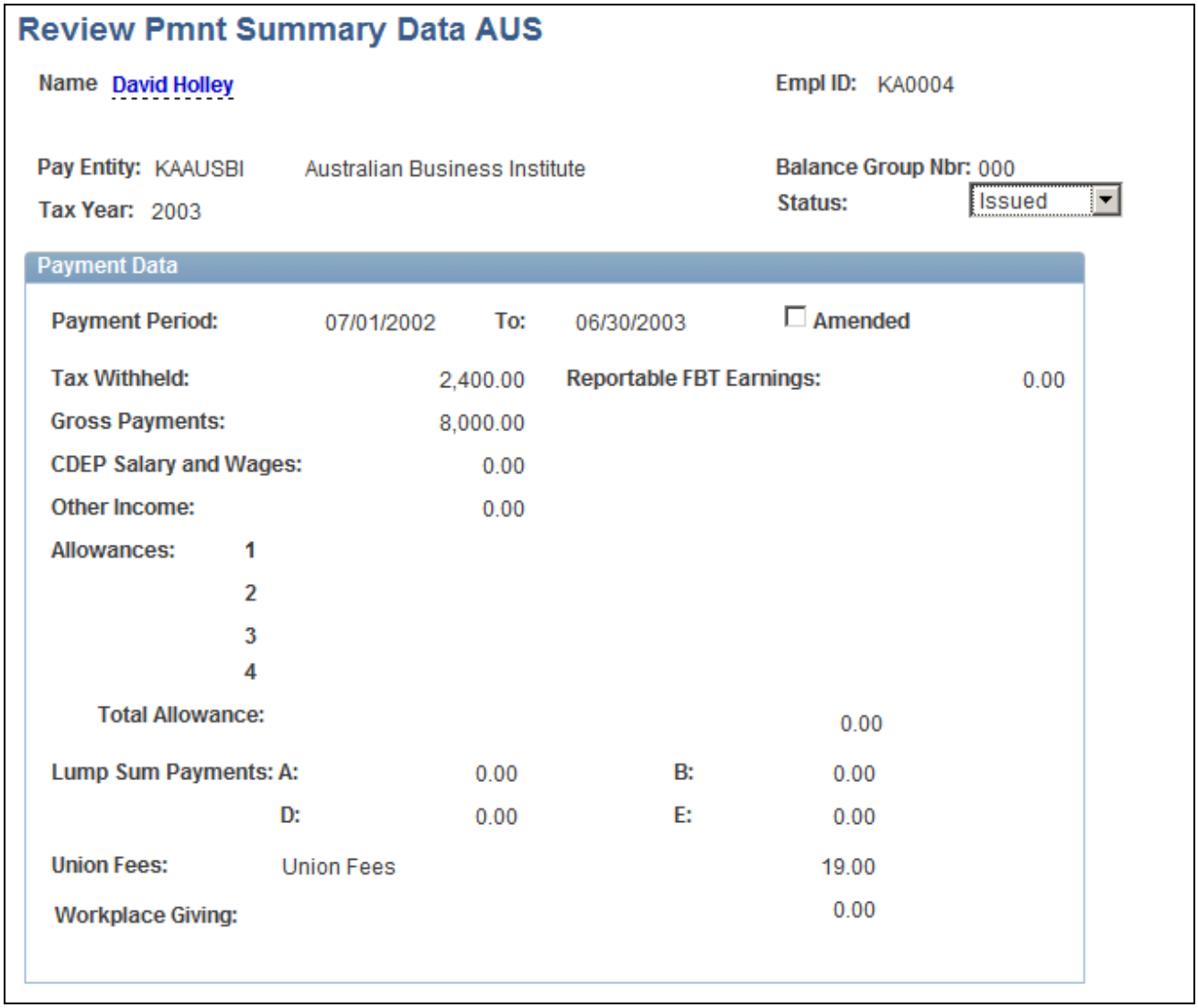
| *Page Name* | *Definition Name* | *Navigation* | *Usage* |
|---|---|---|---|
| FBT Collection | GPAU_RC_FBT_COLLEC | Global Payroll & Absence Mgmt, Year-End-Processing, Collect FBT Earns AUS, FBT Collection | Enter the tax year and the payee population, which can be *Pay Entity*, *Pay Group*, or *Payee.*<br>There is an Update if Record Exists check box. If you have already run the process, (and the payment summary status Created), this process overwrites the stored values in the record.<br>The process is Application Engine process GPAU_FBT_COL. |

| Page Name | Definition Name | Navigation | Usage |
|---|---|---|---|
| FBT Earnings | GPAU_EE_FBT | Global Payroll & Absence Mgmt, Year-End-Processing, Rvw/Update Payee FBT Earns AUS, FBT Earnings | View the results of running the Collect FBT Earns AUS report. |
| Payment Summary - Creation | GPAU_RC_FBT_COLLEC | Global Payroll & Absence Mgmt, Year-End-Processing, Create Pmnt Summary Data AUS, Payment Summary - Creation | This process generates a payee's payment summary information. Enter the tax year and the payee population, which can be pay entity, pay group, or payee. The process is Application Engine process GPAU_PSM_CRE. |
| Review Pmnt Summary Data AUS | GPAU_EE_PSM | Global Payroll & Absence Mgmt, Year-End Processing, Review Pmnt Summary Data AUS, Review Pmnt Summary Data AUS | View the results of running the Create Payroll Summary process. |
| Payment Summary Exception | GPAU_RC_PSM_EXCPT | Global Payroll & Absence Mgmt, Year-End-Processing, Payment Summary Exceptions AUS, Payment Summary Exception | This process generates the Payment Summary Exceptions report. This report is used to list discrepancies between YTD amounts and actual results per period. |
| Pay Summary - Reconciliation | GPAU_RC_PSM_RECON | Global Payroll & Absence Mgmt, Year-End-Processing, Payment Summary Reconcile AUS, Pay Summary - Reconciliation | Generates the Payment Summary Reconciliation Report. It reconciles all of the amounts reported in the online payment summary panels. There are 3 separate sections, one for employees, one for contractors with ABN and one for contractors with no ABN, as well as the company totals. |
| Payment Summary - Print | GPAU_RC_PSM_PRINT | Global Payroll & Absence Mgmt, Year-End Processing, Payment Summary/ETP Certs AUS, Payment Summary - Print | Set the parameters to print payment summaries and/or ETP Certificates for payees or groups of payees. |
| Create Pmnt Summ Elec File AUS | GPAU_RC_PSM_ELEC | Global Payroll & Absence Mgmt, Year-End-Processing, Create Pmnt Summ Elec File AUS, Create Pmnt Summ Elec File AUS | Set the parameters for the generation of the electronic file to the ATO. |

## Viewing Payment Summary Data

Access the Review Pmnt Summary Data AUS page (Global Payroll & Absence Mgmt, Year-End Processing, Review Pmnt Summary Data AUS, Review Pmnt Summary Data AUS).




Review Pmnt Summary Data AUS page

After running the Create Payment Summary Data process for the tax year and payee population that you select, you can view the results. The EOY VR CATEGORY Supporting Element Override value that you set for each earning and deduction dictates in which total their values are included. The display is by employee name and ID, pay entity, balance group ID, and tax year.

**Payment Period** For normal end-of-tax-year processing, this shows 01/07/YY - 1 to 30/06/YY. For terminated employees, it shows 01/07/YY - 1 to termination date. For hired employees, it shows hire date to 30/06/YY.

**Tax Withheld** Total of all category T deductions.

| | |
|---|---|
| **Gross Payments** | Total of all category G earnings. |
| **CDEP Salary and Wages** | Total of all category C earnings. |
| **Other Income** | Total of all category O earnings. |
| **Reportable Super Contributions** | Displays the Reportable Employer Super Contributions (RESC).<br>The system provides two override values for the EOY VR CATEGORY:<br>• PT captures only pre-tax deductions<br>• RS captures the salary packaged superannuation components that must be reported under RESC, but should not further reduce from gross. |
| **Allowances** | Total of all category A earnings. If there are more than four allowances, three are listed alphabetically. The fourth field displays the total for the other allowances. |
| **Total Allowances** | Total of 1-4 (where 4 might be the subtotal of the other allowances.) |
| **Lump Sum Payments (A, B, D and E)** | All earnings of category LA, LB, LD, and LE, respectively. |
| **Type** | Displays the type of Lump Sum A payment, based on the Action Reason of the termination specified in the Job Data pages. This field does not display a value when the employee has not received any Lump Sum A payments.<br>The system displays the value *R*when the termination Action Reason is Elimination of Position (redundancy), Partial/Total Disability (invalidity), or Early Retirement. displays the value *T* for all other reasons. |
| **Union Fees** | All deductions of category U. |
| **Workplace Giving** | Total of all workplace giving. |

**Note.** Lump Sum C earnings don't appear, because Lump Sum C ETPs are extracted and reported separately.

## Printing the Payment Summary

When all your data is correct, you can use the Payment Summary/ETP Certs page to print either or both of the two variations of the payment summary and any ETP certificates the system generated during the Create Payment Summary process.

**Note.** After you have generated the payment summary data, you must print the payment summaries before you can create the electronic file for the ATO.

## Generating the Payment Summary File for the ATO

Access the Create Pmnt Summ Elec File AUS page (Global Payroll & Absence Mgmt, Year-End-Processing, Create Pmnt Summ Elec File AUS, Create Pmnt Summ Elec File AUS).

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**Note.** After you have generated the payment summary data, you must print the payment summaries before you can create the electronic file for the ATO.

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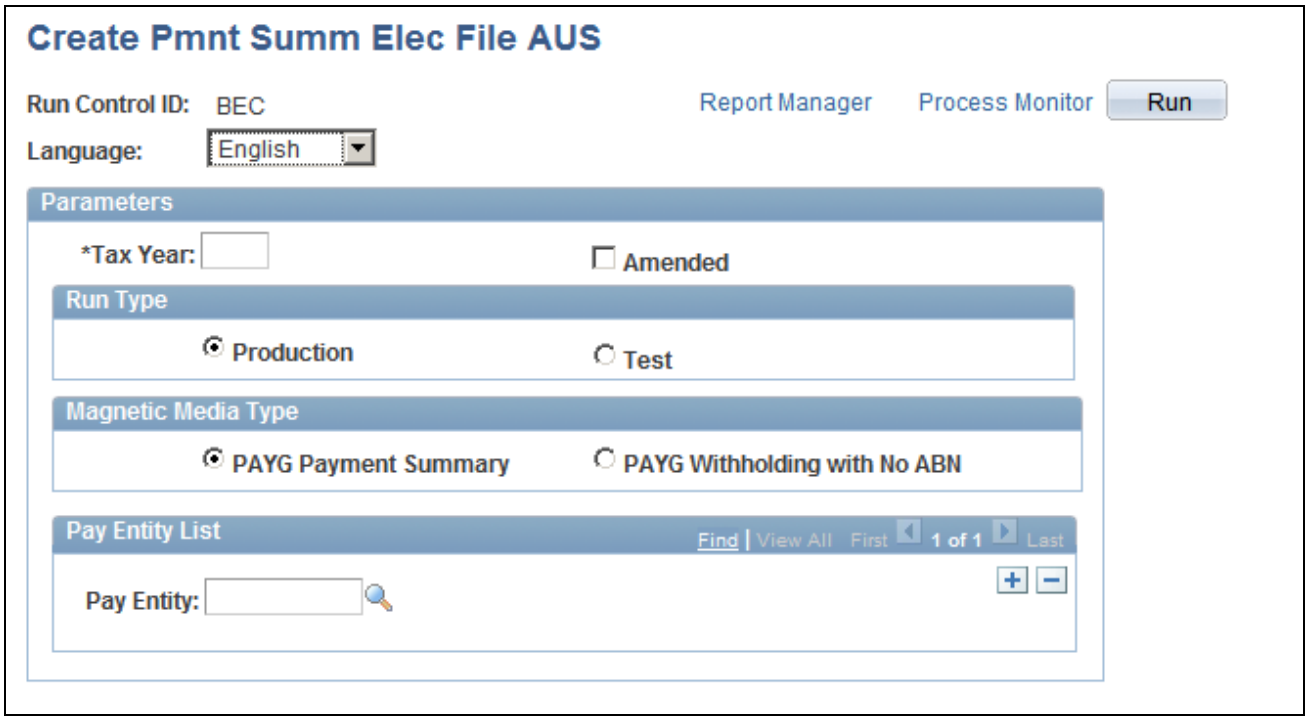



Create Pmnt Summ Elec File AUS page

The ATO requires an electronic file containing all the data that the system has extracted for payment summaries and ETP certificates. You can create a single file for multiple pay entities. The ATO also requires two separate files: one for regular payees and one for contractors who do not have an ABN. The file contains software information, payer information such as ABN and contact details, and payee information such as the tax file number, gross payment, and withheld tax.

The file is created by Application Engine program GPAU_PSM_ELEC. This program uses data extracted by the Application Engine program that created the payment summary.

Before you remit payment summary information electronically to the ATO or distribute printed summaries to your payees, you can use the Payroll Summary Exceptions and Payment Summary Reconciliation reports to verify the data extracted by the Application Engine program.

### *Run Type*

**Production** or **Test** Select Test when preparing a file to send to the ATO for validity testing. Ensure that a test submission can never be mistaken for production data.

### *Magnetic Media Type*

**PAYG Payment Summary** Select to produce a file of data for regular payees.

**PAYG Withholding with No ABN** Select to produce a file of data for contractor payees who do not have an ABN.

### *Pay Entity List*

**Pay Entity** Select as many pay entities as you want to include in the file.

# Separating Eligible Termination Payment Data

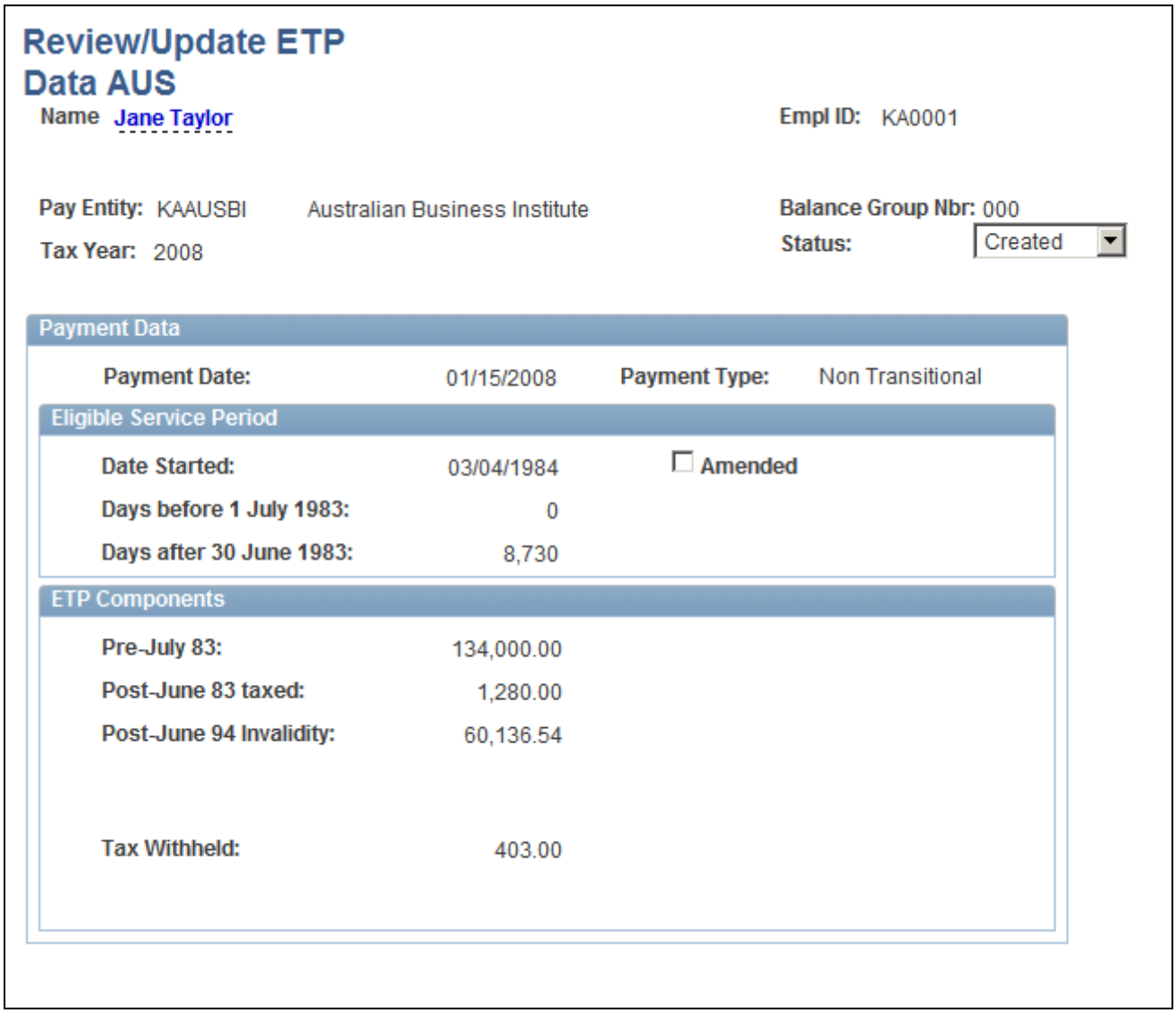
If the system detects Lump Sum C ETPs during the Create Payment Summary process, it stores the data separately.

## Page Used to View ETP Data

| *Page Name* | *Definition Name* | *Navigation* | *Usage* |
|---|---|---|---|
| Review/Update ETP Data AUS | GPAU_EE_ETP | Global Payroll & Absence Mgmt, Year-End-Processing, Review/Update ETP Data AUS, Review/Update ETP Data AUS | View the breakup of Lump Sum C ETP payments by employee name and ID, Pay Entity, Balance Group ID and Tax Year. |

## Viewing Eligible Termination Payment Data

Access the Review/Update ETP Data AUS page (Global Payroll & Absence Mgmt, Year-End-Processing, Review/Update ETP Data AUS, Review/Update ETP Data AUS).




Review/Update ETP Data AUS page

You can print ETP certificates using the ETP Payment Summary printing option on the Print Payments Summary page.

**Status**

Values are:

*Created:* The Create Payment Summary process has been run.

*Issued:* The ETP certificate has been printed. You can change the status from *Issued* to *Created* to regenerate the data through the Create Payment Summary process.

*Entered* and *Processed:* These are not applicable statuses for ETP certificates.

**Payment Date**

The date that the ETP was made. The date appears by default as the payment check date of the employee's last pay.

**Payment Type** Identifies the payment as either a transitional or non-transitional payment. Positive input to the earning elements ETP TRA TAX (Transitional ETP – Taxable) and ETP TRA NTAX (Transitional ETP – Non Taxable) are shown as transitional payments. While positive input to the earning elements ETP TAX (Life Benefit – Taxable) and ETP NONTAX (Life Benefit – Non Taxable) are shown as non-transitional ETP Payments.

### *Eligible Service Period*

**Date Started** The payee's hire date.

**Days before 1 July 1983** If the hire date is before July 1, 1983, this is the difference between the hire date and July 1, 1983.

**Days after 30 June 1983** If the hire date is on or before June 30, 1983, this is the difference between June 30, 1983 and the termination date.

If the hire date is after June 30, 1983, this is the difference between hire date and termination.

### *ETP Components*

**Pre-July 83 (X)** System-calculated based on the *Days before 1 July 1983* result.

**Post-June 83 taxed (Y)** System-calculated based on the *Days after 30 June 1983* result.

**Post-June 83 untaxed** System-calculated based on the *Days after 30 June 1983* result.

**Post-June 94 Invalidity (Z)** System-calculated based on any post June 1994 invalidity payments made.

**Gross Amount** Sum of X, Y, and Z

**Tax Withheld** Tax deducted from ETP.

**Assessable Amount** If the Death Benefit check box is selected, the assessable amount is 0.00. Otherwise, it is based on the following formula: (0.05 × Pre-July 83) + Post-June 83 taxed or (0.05 × X) + Y

Chapter 19

# Monitoring Salary Packaging Expenditure

This chapter provides an overview of monitoring salary package expenditure for Australia and discusses how to:

- Update expenditure data for employee salary packages.
- Review salary package expenditures.

## Understanding Monitoring Salary Package Expenditure

The Administer Salary Packaging business process in Human Resources enables you to monitor and project employee expenses during a salary package period. It also provides tools to ensure that actual spending, for both employees and the organization, stays within the limits of budgeted salary packages. You can view package expenditures online as they take place, or generate reports that detail employee expenditures from their package budgets.

**Note.** Before you can begin monitoring expenditures against a salary package, you must have completed the modeling, confirmation, and enrollment of the salary package in Human Resources. Doing so provides you with the base budgeted package against which your expenditure is tracked.

### *See Also*

*PeopleSoft Enterprise Human Resources 9.1 PeopleBook: Administer Salary Packaging*, "Modelling Salary Packages"

*PeopleSoft Enterprise Human Resources 9.1 PeopleBook: Administer Salary Packaging*, "Managing Salary Packages"

## Updating Expenditure Data for Employee Salary Packages

The integration of Administer Salary Packaging with the Human Resources and Global Payroll systems enables you to enter actual expenditures against a budgeted salary package. When you define components, you use the Expense Data page to identify whether the component is administered as a deduction, earnings, or expense type.

For deductions and earnings, expenditure is based on the payments made through Global Payroll. For components or additional components identified as expenses, expenditure is based on amounts that you enter on the Business Expenses page in the Administer Workforce business process in Human Resources.

The remainder of this section discusses how to:

- Calculate salary package expenses.
- Enter salary package business expenses.

### *See Also*

*PeopleSoft Enterprise Human Resources 9.1 PeopleBook: Administer Workforce*, "Entering Additional Data in Human Resources Records," Tracking a Worker's Business Expenses

*PeopleSoft Enterprise Human Resources 9.1 PeopleBook: Administer Salary Packaging*, "Setting Up Salary Packaging," Defining Expense Details for Salary Packaged Components

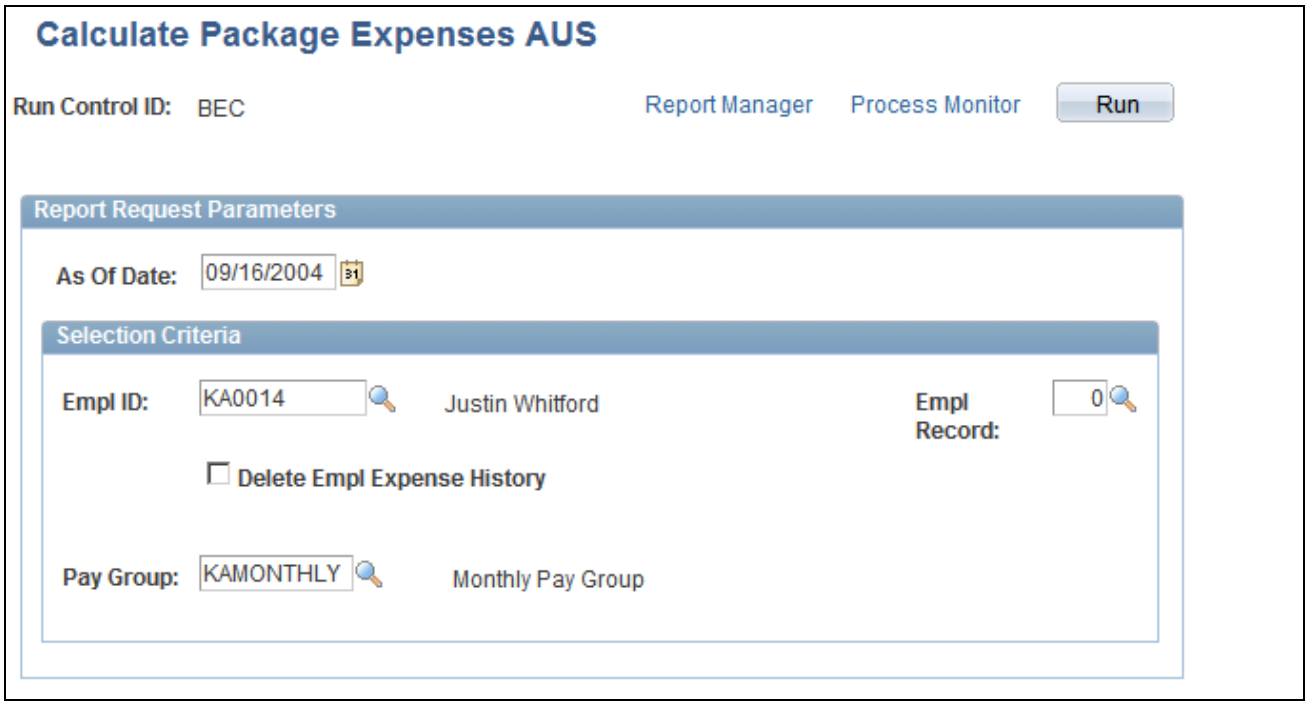
## Page Used to Update Expenditure Data for Employee Salary Packages

| *Page Name* | *Definition Name* | *Navigation* | *Usage* |
|---|---|---|---|
| Calculate Package Expenses AUS | GPAU_RC_SP02 | Global Payroll & Absence Mgmt, Absence and Payroll Processing, Calculate Package Expenses AUS, Calculate Package Expenses AUS | Run the Calculate Package process, which updates the Package Summary page, enabling you to view details of the budgeted, expended, and projected year-to-date totals for the package. This gives you vital information for observing and addressing spending and overspending trends. |

## Calculating Salary Package Expenses

Access the Calculate Package Expenses AUS page (Global Payroll & Absence Mgmt, Absence and Payroll Processing, Calculate Package Expenses AUS, Calculate Package Expenses AUS).




Calculate Package page

### *Report Request Parameters*

**As Of Date** The date on which package expenses are calculated.

**Note.** Align this date with the pay period end date, end of a reporting period, and the end of the FBT or tax year. You should consider these dates when running the process.

**Delete Empl. Expense History** (delete employee expense history) Select to delete previous expenses on the Package Summary page.

### *Package Expense Calculation Process*

Regardless of the selection criteria, the package expense calculation is only completed for *confirmed* salary packages. This process retrieves the expenditure from the expenses and payroll tables and aggregates them in your Salary Packaging records.

You can view the actual and projected expenditure both online and as a report. To facilitate expense tracking throughout the package year, run the process on a regular basis. Typically, you run it at the completion of the payroll process, when you have the most up-to-date information on earnings and deductions paid through Global Payroll. Any expense amounts that have been entered through Business Expenses are included in the Package Expense Calculation.

You can run the expense calculation process as often as you like. You can also rerun the process if the expense details change—for example, when you add new business expenses to the employee's records.

**Note.** Components with a payroll type of None do not have any expenditure tracked against them unless they have expenses entered on the Expense Data page. Components with nothing on the Expense Data page do not have anything tracked against them, even if they enroll a payroll item.

## Entering Salary Packaging Business Expenses

When you define a component with an expense code on the Expense Data page, you enter expenditures for the employee using the Business Expenses page. The amounts entered here do not affect payment of the expenses. You use this page merely for recording expenditures.

When tracking expenditures against expense codes, you must be sure that there is a unique expense code for each component included in the employee salary package model.

Business expenses relate to Administer Salary Packaging only if the expense code is linked to a package component on the Package Component Exp (expense) page of the Package Component table.

### *See Also*

*PeopleSoft Enterprise Human Resources 9.1 PeopleBook: Administer Workforce*, "Entering Additional Data in Human Resources Records," Tracking a Worker's Business Expenses

# Reviewing Salary Package Expenditures

Use the Salary Package Summary AUS component (which you access in the Review Absence/Payroll Info menu) to review the overall expenditure for an employee's salary package. You can also review the expenditures against individual components that make up a salary package.

Some of the components that are paid through the payroll system do not require close monitoring during the package year, as they are based on the details that you defined in the salary package. For example, expenditures for the employee's salary, health benefits, and superannuation will probably not vary much during the year. However, for components that are subject to ad hoc payments, you might monitor expenditure more closely. For example, an employee's actual spending against an expense account for motor vehicle operating costs could easily exceed the budgeted amount for the benefit if you do not monitor it carefully.

The remainder of this section discusses how to:

- View year-to-date employee package expense summary information.
- View period employee package expense summary information.
- Check package expenditure progress during the year.
- Reconcile payments at the end of the package period.
- Monitor overspending and underspending expenditure .

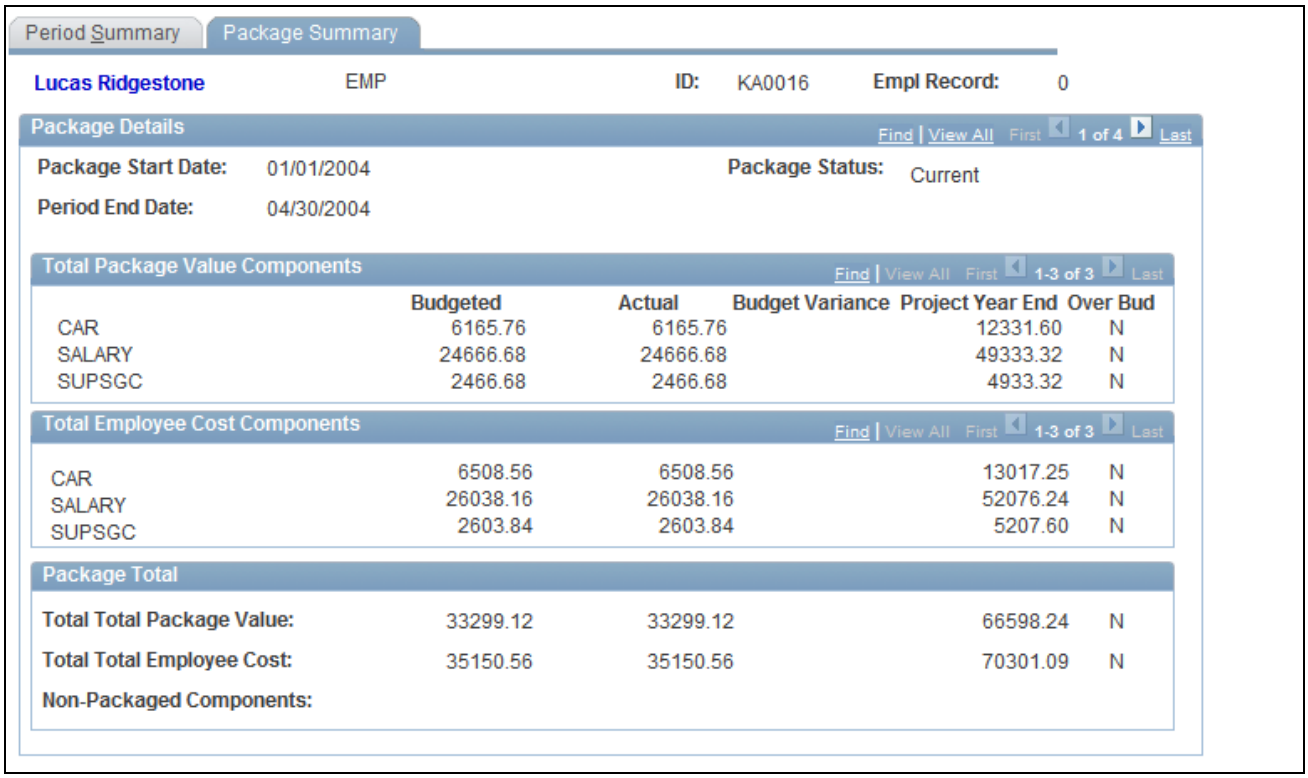
 

## Pages Used to Review Salary Package Expenditures

| *Page Name* | *Definition Name* | *Navigation* | *Usage* |
|---|---|---|---|
| Period Summary | GPAU_PKG_EXP_PRD | Global Payroll & Absence Mgmt, Absence and Payroll Processing, Review Absence/Payroll Info, Salary Package Summary AUS, Period Summary | View actual and budget summary amounts for a package and its components by pay period. This information is stored in the Package Expense table. |
| Package Summary | GPAU_PKG_EE_EXP | Global Payroll & Absence Mgmt, Absence and Payroll Processing, Review Absence/Payroll Info, Salary Package Summary AUS, Package Summary | View year-to-date employee package expense summary Information. Displays the actual expenses and budget amounts for an employee from the Year-to-Date Expenses table. |

## Viewing Year-to-Date Employee Package Expense Summary Information

Access the Package Summary page (Global Payroll & Absence Mgmt, Absence and Payroll Processing, Review Absence/Payroll Info, Salary Package Summary AUS, Package Summary).




Package Summary page

**As of Date**

Indicates the date that the package expense calculation was processed. The page calculations include only those expenditures for the employee up to this date.

---

**Note.** Totals are divided into three areas—TPV (total package value) Components,TEC (total employee cost) Components, and the Package Total. The TPV Components and TEC Components identify each component, and they display the value of components that add to TPV and TEC respectively. These values include the component value and any additional components that add to that package total. The system also displays Budgeted,Actual,Budget Variance, and Project Year End totals.

---

### *Total Package Value Components and Total Employee Cost Components*

**Budgeted**

The budgeted values for each component and the budget totals reflect in the package component details that you enter and adjust on the Employee Salary Package - Base Components pages.

**Actual**

For each component, the system determines the expenditure based on the payroll type definition on the component. If a component is linked to an earnings type, any payment made against that earnings type is regarded as expenditure against the component if you've set up the component with an earnings type on the Expense Data page.

The package expense calculation aggregates expenditure from business expenses and payroll data based on the preceding criteria. This process accounts for the expenditure against the base component amount but doesn't take into account additional component liabilities.

---

**Note.** For actual expenditure, the values processed through the payroll or entered in business expenses are disregarded for additional components. The system calculates additional component liabilities based on the percentage of the base component amount that has been expended.

---

To display the actual expenditure for the component, the system calculates the additional component liability based on the percentage of the base component amount that the employee has expended. The system calculates these values and incorporates them into the display of the actual expenditure for each component that is listed on the Package Summary page.

**Budget Variance**

This amount represents the difference between the actual amount and the budgeted amount. It is expressed as a percentage of the budgeted amount. The system uses the following calculation to determine percentage variance amount:

(Actual Amount − Budget Amount) ÷ (Budget Amount × 100) = Variance Amount

**Project Year End**

Depending on the method that you select for projecting values to year-end for the component, the system calculates this value accordingly. Different components use different methods and rates of expenditure. You identify whether a component is expended on a regular or ad hoc basis when you define components.

For components identified with a regular rate of expenditure, the system uses the following method to project earnings:

Actual Expenditure ÷ (Total Days in Package Period × Days Passed in the Package Period)

For components identified with an ad hoc rate of expenditure the system does not calculate a projection. Because they are expended at an ad hoc rate, it is not possible to presume any future expenditure.

Because package periods can be for periods other than a single year, the projection amount is calculated to the package end, not to year's end.

**Over Bud** (over budget)

The Over Bud column displays either *Y* (yes) or *N* (no) to indicate whether the component is exceeding the assigned budget limits. The system determines whether a component or the package is over budget by prorating the package budget or the component budget. It calculates the value of the package or component from the start date to the package expense date. To determine any over- or underspends, the system compares the result to the actual expenditure as of the date you last ran the Expense Calculation process.

### *Package Total*

**Total Total Package Value**and **Total Total Employee Cost**

For each column amount that is displayed in the Total Package Value and Total Employee Cost Components group boxes, the system provides the Total Total Package Value and Total Total Employee Cost in the Package Total group box.

**Non-Packaged Components**

Because it is possible in an organization for earnings or deductions not included in the employee's salary package to be paid, the system also displays the non-packaged components. This field identifies the total value of any deductions, earnings, and expenses that are not included as a packaged component but have been paid out to the employee in the payroll.

You can see if expenditure outside the package has occurred for the employee, and you can quickly respond to the non-packaged payments. These types of payments may prompt you to perform a package review or some other corrective action. To view the individual totals for these values, refer to the Non Packaged group box on the Period Summary page. The system displays the totals for non-packaged earnings, deductions, and expenses on the Period Summary page if any non-packaged payouts for these earnings types have taken place.

---

**Note.** You determine the non-packaged components that appear on the Package Summary page by using the Ern/Ded Included page.

---

### *See Also*

*PeopleSoft Enterprise Human Resources 9.1 PeopleBook: Administer Salary Packaging*, "Setting Up Salary Packaging," Setting Up Salary Packaging Human Resources and Global Payroll Tables

*PeopleSoft Enterprise Human Resources 9.1 PeopleBook: Administer Salary Packaging*, "Setting Up Salary Packaging," Defining Non-Salary Packaged Earnings and Deductions Elements

*PeopleSoft Enterprise Human Resources 9.1 PeopleBook: Administer Salary Packaging*, "Modelling Salary Packages," Modelling Salary Packages for Employees

## Checking Package Expenditure Progress During the Year

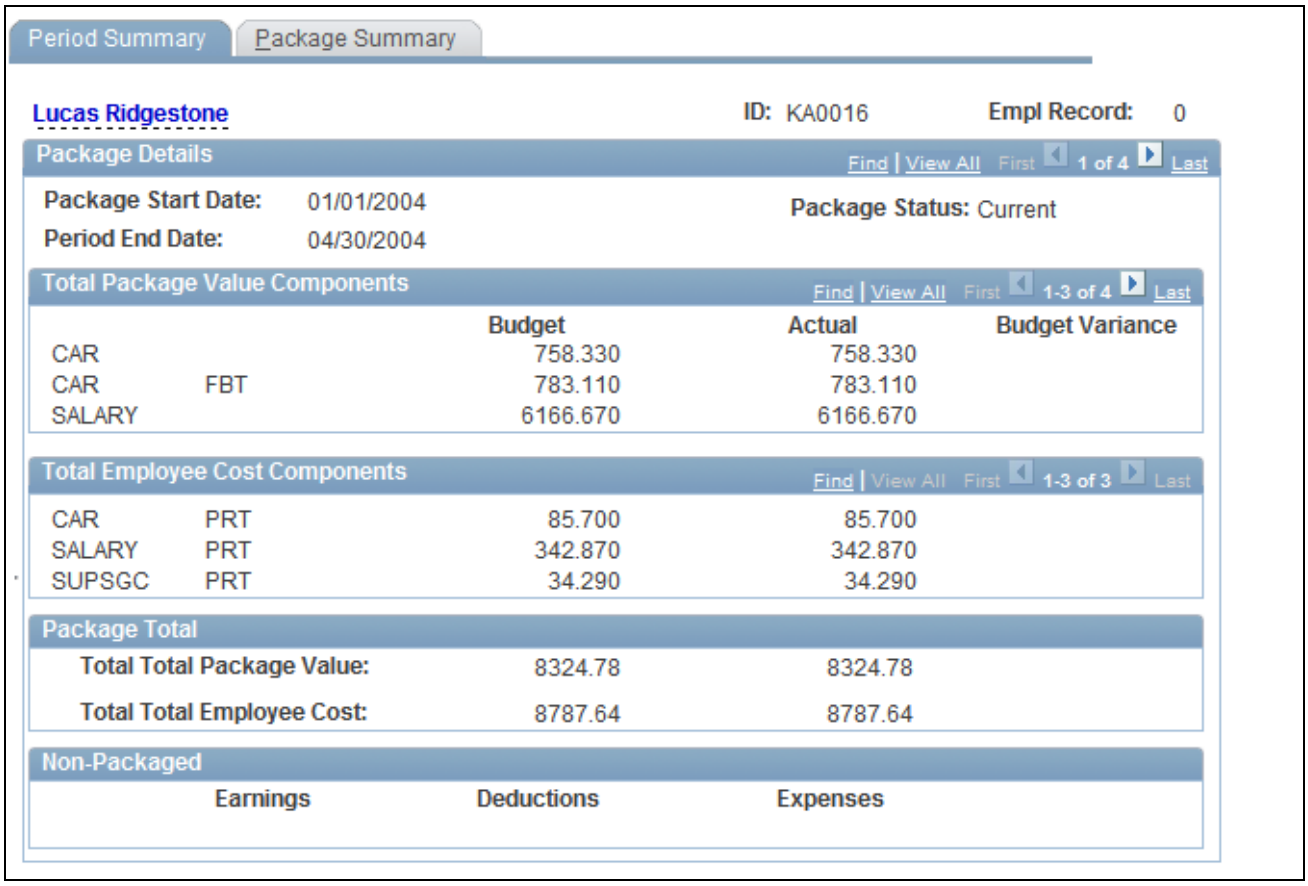
During the package year, you should review package expenditure on a regular basis to identify any potential over-expenditures on the part of the organization or employee.

You need information about employee benefits to determine whether you need to correct an over-expenditure at any time during the package period. Employees might not be aware of the rate of expenditure and may potentially overspend on their expense accounts.

## Viewing Period Employee Package Expense Summary Information

Access the Period Summary page (Global Payroll & Absence Mgmt, Absence and Payroll Processing, Review Absence/Payroll Info, Salary Package Summary AUS, Period Summary).




Period Summary page

**Package Start Date** and **Period End Date**

The period end date is the end date for the pay period that you are viewing. The page calculations include only those expenditures for the employee for that indicated pay period.

---

**Note.** The information on the Package Summary pages is current up to the date that you run the Package Expense Calculation process, and the page calculations include only those pay period expenditures for the employees up to that date.

---

**Budget**

The budgeted values for each component and the budget totals are reflected in the package component details that you enter and adjust on the Employee Salary Package - Base Component pages.

### *Non-Packaged*

**Earnings, Deductions,** and **Expenses**

The Package Summary page includes a Non-Packaged Components group box to identify the total values of earnings, deductions, and expenses that are not included as a packaged components.

All the other fields on this page are identical to the fields on the Package Summary page.

---

**Note.** You determine the non-packaged components that display appear on the Package Summary page using the Ern/Ded Included page.

---

### *See Also*

*PeopleSoft Enterprise Human Resources 9.1 PeopleBook: Administer Salary Packaging*, "Setting Up Salary Packaging," Setting Up Salary Packaging Human Resources and Global Payroll Tables

*PeopleSoft Enterprise Human Resources 9.1 PeopleBook: Administer Salary Packaging*, "Setting Up Salary Packaging," Defining Non-Salary Packaged Earnings and Deductions Elements

*PeopleSoft Enterprise Human Resources 9.1 PeopleBook: Administer Salary Packaging*, "Modelling Salary Packages," Modelling Salary Packages for Employees

## Reconciling Payments at the End of the Package Period

During the package review process for each employee, you must reconcile expenditure in the previous package period. At this time, you should recover any overpayments, or make any adjustments for underpayments. Salary Packaging enables you to identify these amounts, but it doesn't automate any payment or recovery for package balances.

When reviewing these amounts, you should also consider the balances for each component and consider the reasons for the overspend or underspend before making any adjustments.

For example, at the end of the package period, you might find that one of the employee's salary components is under-spent. You should consider what has caused the underspend for the component. It might be that the employee took two weeks leave without pay. In that case, the underspend is valid and no adjustment should be made. Alternately, an expense account that is under-spent could have been under-utilized, and the employee should receive some adjustment for the balance remaining through payroll.

The actions that you take to acquit a salary package at year's end depend on your business practices. Some organizations allow balances to be carried forward to future years; others pay out or recover differences at year's end.

## Monitoring Expenditure Overspending and Underspending

The Package Summary pages clearly identify package and component overspending and underspending.

Some organizations choose not to control employee package expenditure at the component level. The package total information is most important to package administrators for these organizations. When budgeting or modelling packages, package administrators in these organizations define individual package components in the usual way. But component values act more as a guideline than a rule for tracking expenditures against the employee's package.

For organizations that are concerned with the overall package expenditure overspends and underspends, you can easily identify this information at the package level using the Package Summary pages. The pages also track expenditure at the component level, but expenditure caps are enforced at the package level.

In other organizations, business rules require that the package administrator track expenditure at the individual component level. Using the Package Summary pages, any overspending or underspending of the components is easy to see.

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**Note.** The system does not issue warning messages regarding overspending or underspending of either packages or components in salary packages other than indicating that the package or the components are over- or under-spent on the Package Summary pages.

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## Appendix A

# Global Payroll for Australia Reports

This appendix provides an overview of Global Payroll for Australia reports and enables you to view summary tables of all reports.

**Note.** For samples of these reports, see the PDF files published on CD-ROM with your documentation.

## Global Payroll for Australia Reports: A to Z

These tables list the Global Payroll for Australia reports. There is additional information about report run control pages within the chapter for particular features. All reports are Structured Query Report (SQR) reports, although some obtain data from Application Engine programs.

**Note.** Reports that can be at detail or summary level in include the suffix - *A* or - *B*, respectively, in the ID when printed. For example, the BAS report can be GPAUPY13 - A or GPAUPY13 - B.

An asterisk after the report name in the first column indicates that there is more information in this PeopleBook. For links to that information, use the cross-references following the table

### Global Payroll for Australia: Australian Bureau of Statistics Reports

| *Report ID and Report Name* | *Description* | *Navigation* | *Run Control Page* |
|---|---|---|---|
| GPAUPY16<br>Average Weekly Earnings (AWE) | These quarterly reports use earnings data stored in any of five Australian Bureau of Statistics (ABS) accumulators. Ensure that all earnings to be reported are included in the selected accumulators. The process produces both hardcopy reports and ASCII, comma-delimited electronic files. | Global Payroll & Absence Mgmt, Authority Correspondence, QTR-ABS Avg Wkly Rpt/File AUS, ABS Average Weekly | GPAU_RUNCTL_AWE |
| GPAUPY17<br>Survey of Employment & Earning (SEE) | Same as GPAUPY16. | Global Payroll & Absence Mgmt, Authority Correspondence, QTR-ABS Empl Srvy Rpt/File AUS, ABS Survey if E/E | GPAU_RUNCTL_AWE |

# Global Payroll for Australia: Additional Reports

| ***Report ID and Report Name*** | ***Description*** | ***Navigation*** | ***Run Control Page*** |
|---|---|---|---|
| GPAUAM01<br>Absence History * | Lists, for each employee, all leave taken, with dates and duration, paid status, and other information. If you don't specify a leave type, the report lists all types. | Global Payroll & Absence Mgmt, Absence and Payroll Processing, Reports, Leave History AUS, Absence History | GPAU_RC_ABS_HIST |
| GPAUAM02<br>Leave Liability * | Lists, for each employee, absence entitlement converted to leave liability. It includes the earning codes used to pass liability to the general ledger interface (GLI) or QSP. It shows rate and unit type, category (for QSP reporting), accrual date (pay date) balance units and the balance amount (Rate × Balance). | Global Payroll & Absence Mgmt, Absence and Payroll Processing, Reports, Leave Liability AUS, Leave Liability | GPAU_RC_LVELIAB |
| GPAUPSO1<br>Payment Summary | Reports year-end payee earnings, which is a legislative requirement. | Global Payroll & Absence Mgmt, Year-End Processing, Payment Summary/ETP Certs AUS, Payment Summary - Print | GPAU_RC_PSM_PRINT |
| GPAUPT01<br>State Payroll Tax | Lists, state by state, tax that is based on total salary per pay period. | Global Payroll & Absence Mgmt, Taxes, Payroll Tax Report AUS, State Payroll Tax Report | GPAU_RC_SPT |
| GPAUPY01<br>Payslip * | Lists payee details of period earnings, taxes and other deductions, leave balances, and payment distributions. | Global Payroll & Absence Mgmt, Payslips, Create/Print Payslips AUS, Print Payslip | GPAU_RUNCTL_PSLP |

| ***Report ID and Report Name*** | ***Description*** | ***Navigation*** | ***Run Control Page*** |
|---|---|---|---|
| GPAUPY15<br>Business Activity Statement | The BAS Information Register report provides information to assist you to complete the organization's business activity statement.<br>You specify From and To dates and the pay entities on which you report. You can print a summary version of this report.<br>Employee tax appears in the Amt. Withheld No ABN column because employees don't have ABN numbers. | Global Payroll & Absence Mgmt, Taxes, BAS Information Report AUS, BAS Information | GPAU_RC_PY15 |
| GPAUPY21<br>Payment Summary Exceptions | Identifies discrepancies between the year-to-date amounts and actual results per period to avoid problems with payment summaries at year end. The report uses data extracted by the GPAU_PSM_EXC Application Engine process, which also reports any ETP exceptions.<br>You run the report by tax year and pay entity and you can sort by payee name. | Global Payroll & Absence Mgmt, Year-End Processing, Payment Summary Exceptions AUS, Payment Summary Exception | GPAU_RC_PSM_EXCPT |
| GPAUPY22<br>Payment Summary Reconciliation | Lists the results of the GPAU_PSM_CRE Application Engine process, which provides payment summary information. | Global Payroll & Absence Mgmt, Year-End Processing, Payment Summary Reconcile AUS, Payment Summary - Reconciliation | GPAU_RC_PSM_RECON |
| GPAUPY51<br>Net Payment Report | Extracts data from the Cemtex Transaction and Header tables, from the Personal Data record, and from the Job record. You can have report at summary or detail level. | Global Payroll & Absence Mgmt, Payment Processing, Net Payment Report AUS, Net Payment Report | GPAU_PMT_RPT |

| Report ID and Report Name | Description | Navigation | Run Control Page |
|---|---|---|---|
| GPAUPY52<br>Recipient File Report | SQR version of the Recipient File - Electronic report, which details payment of deductions sent to recipients by Cemtex file. You can get the report automatically by running the Application Engine process for the electronic file or by selecting its check box and leaving the Application Engine check box deselected. | Global Payroll & Absence Mgmt, Payment Processing, Create Recipient File AUS, Recipient File - Electronic | GPAU_RUNCTL_RCP_FL |

### See Also

Chapter 15, "Using the General Ledger Interface," Understanding Leave Liability Reporting, page 127

Chapter 14, "Printing and Viewing Payslips," Printing Payslips, page 121

Chapter 13, "Running Banking and Recipient Processes," Reporting Net Payment, page 118

 

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