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BARAZA PAYROLL SYSTEM

As your organization grows, the demands on your operations ensure you hire human resources and pay them salaries based on their responsibilities and deliverables. Salaries may be fixed or based on performance or a combination of both.

As the number of variables grows each time you are processing salaries, the chances of errors creeping in increase. You need to keep a track of all your employee details, their attendance, overtime, performance linked incentives, leaves, expense reimbursements as well as various deductions mandated by labour and income tax laws.

Your salary calculations should be efficient enough to provision for any investments that your employees make and which entitle them to various tax exemptions provided by the Government.

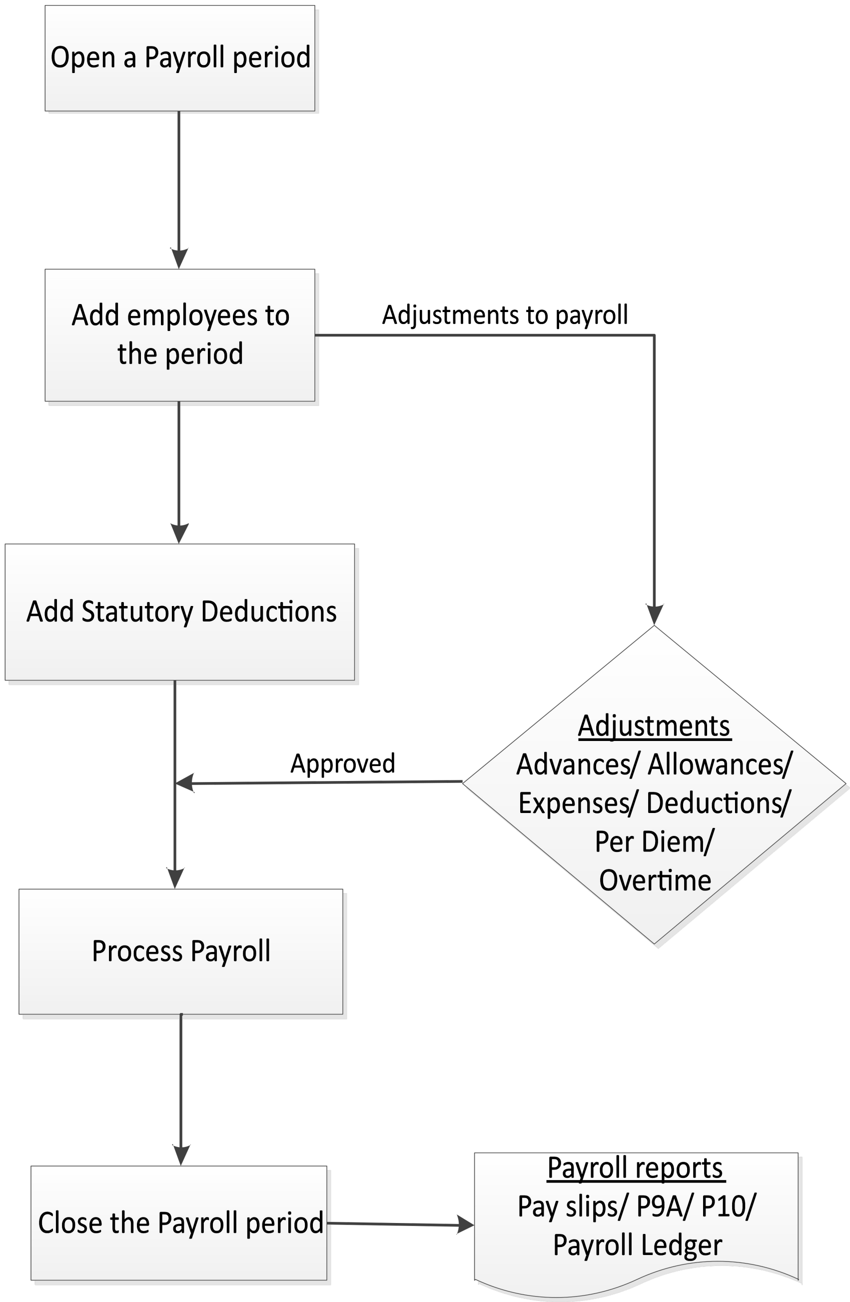
The entire process becomes extremely cumbersome and any errors have serious implications in terms of interest and penalties for delayed statutory compliances as well low employee morale.

Enter **Baraza Payroll System** (BPS).

Below are key advantages that should be the key motivators for you to switch to Baraza Automated Payroll system, a professional and automated payroll system:

- Simplifies data entry, saves time and helps reduce errors.
- Processing payroll becomes fast and easy compared to manual systems; save on time and extra manpower costs.
- Employee Self-help tools help enhances productivity across the board; employees can view their pay slips, apply for reimbursements and declare investments without eating into your quality HR time.
- All payroll information remains in one location, giving you extreme control over your data.
- Uses predefined schemes to auto calculate all deductions related to labour laws and income tax, company overtime remuneration, deductions and advances, and ensure you meet all your statutory compliances.
- All government reporting becomes easy, such as filing mandatory deductions and filing returns accurately and on time.
- It is very user friendly, with a web interface accessible from any web browser.
- High level of security at the server, database level, and the user interface level. Users get their own log-in accounts centrally managed, with which the can log into the system.
- Integrates and shares data with other systems such as Financial and HR systems in the Baraza Open Platform.

Payroll Process Flow



Administrative Log-in

The log-in interface for the system is very straight forward and simple, accessible from any web browser. Users log in with personal log-in accounts created at the administration level of the system

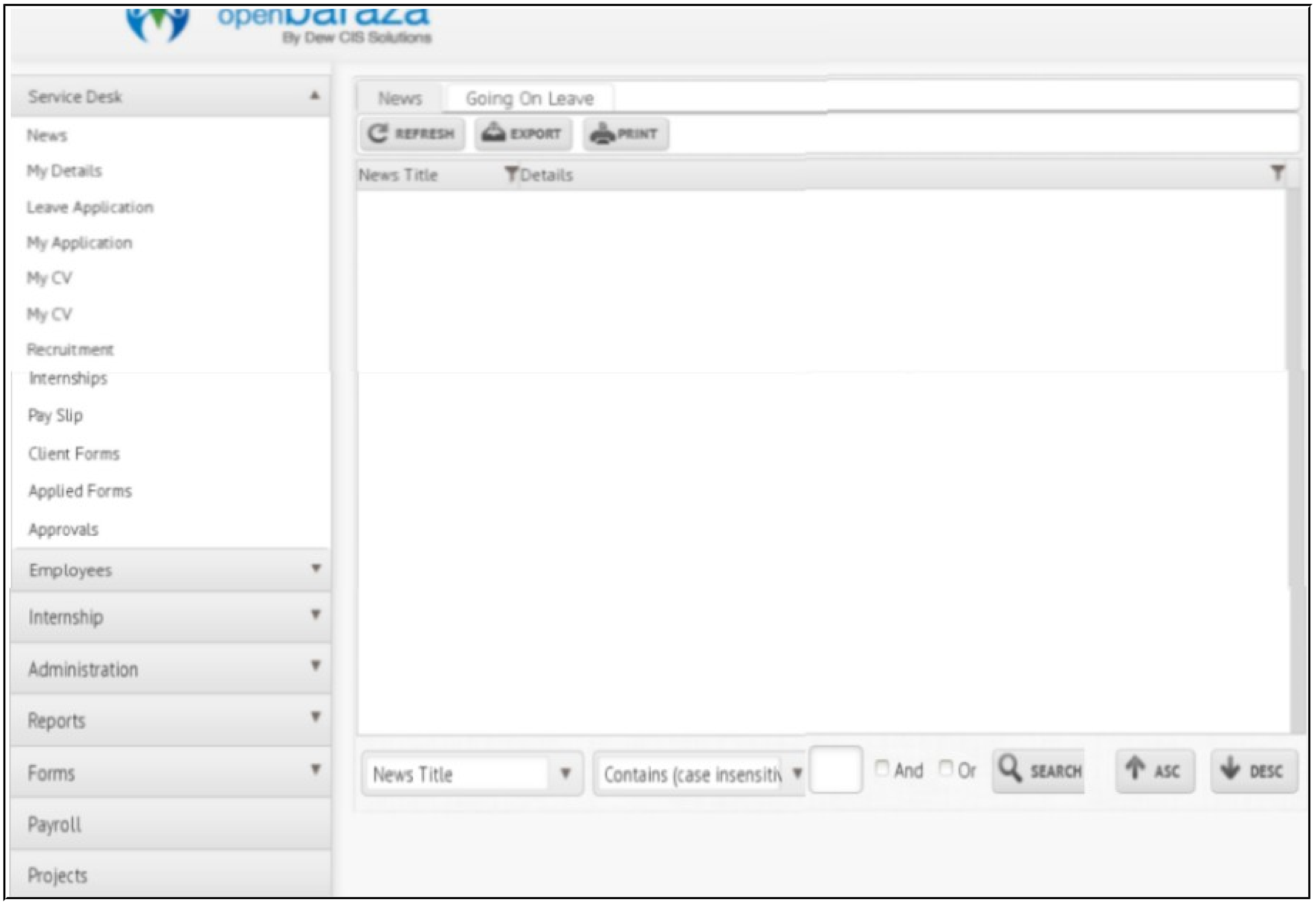
The system's configurations are accessible via the web or by running a Java application launcher.

The administrator logs in with their credentials and proceed to use the system.

Once logged into the system, the admin is presented with an administrative interface with a wide range of system-wide configurable modules.

Administrative home screen

Control Panel

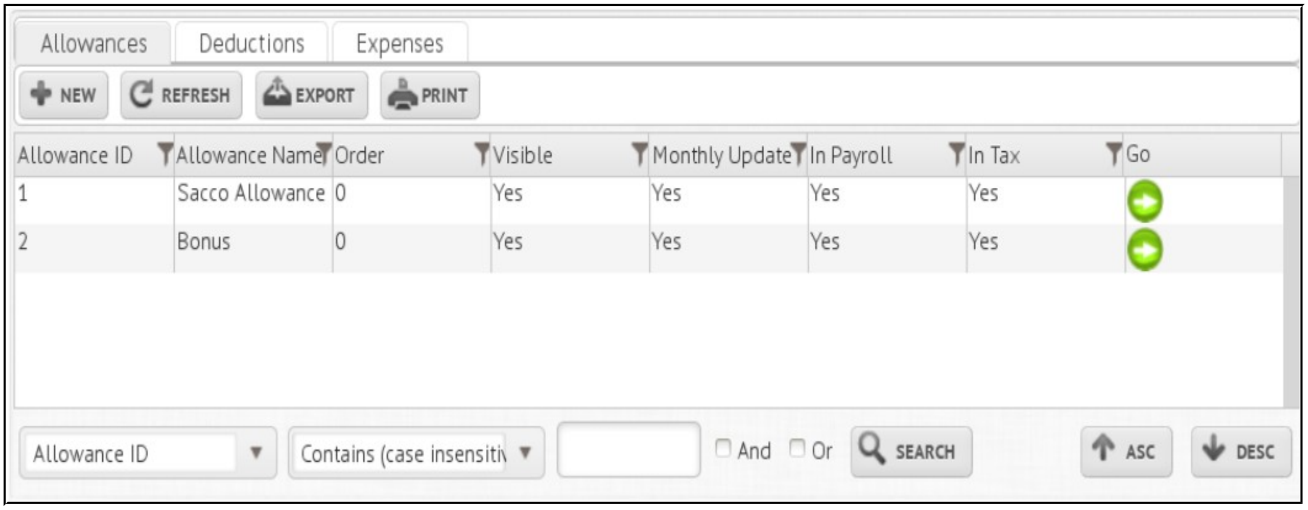


DEFINITIONS:

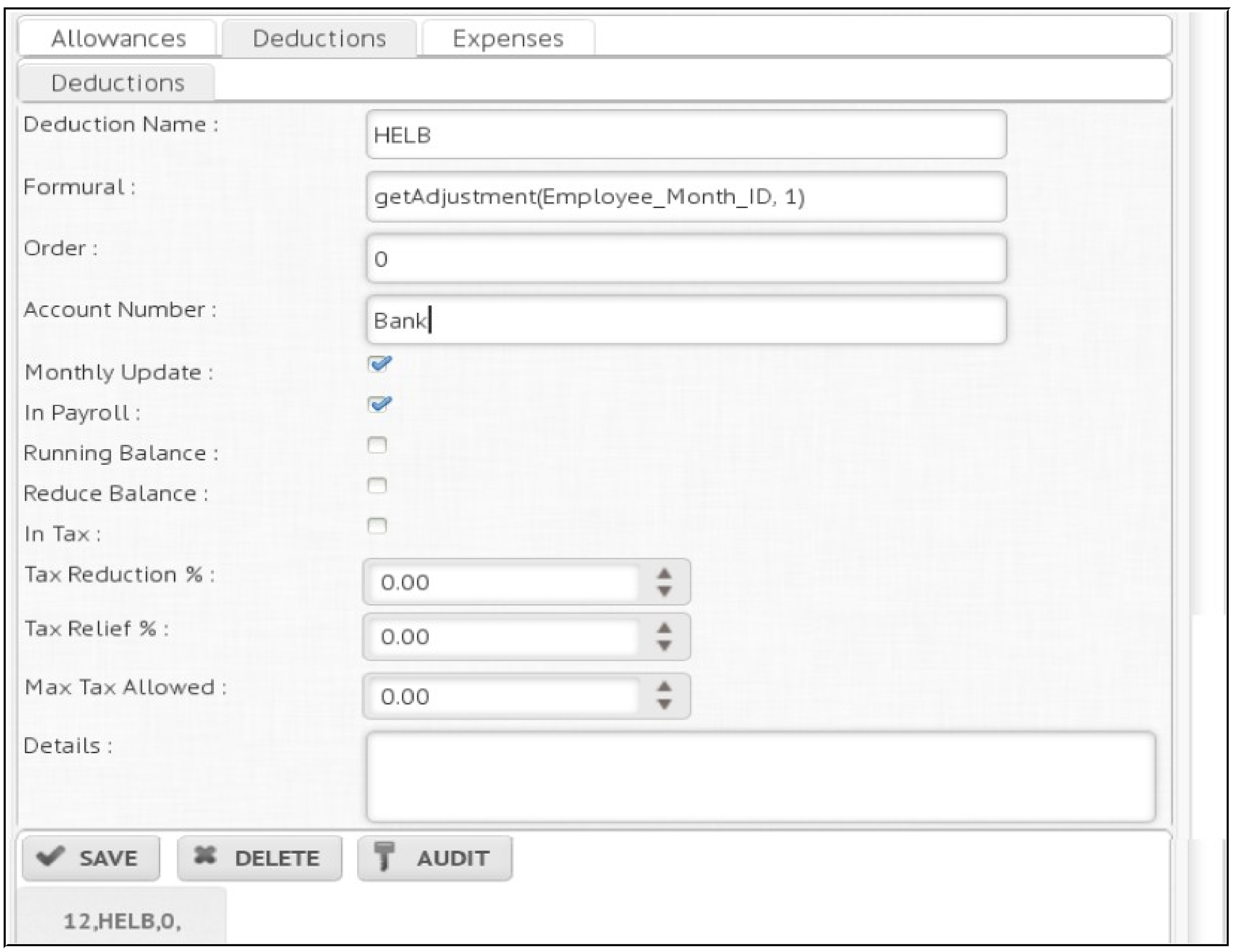
These are the different types of Allowances, Deductions, Expenses and Pay Groups accounted for. To create a new Allowance, Deduction or Expense;

Click on the NEW button under Allowances, Deductions or Expenses Tab.

Inside each tab, e.g. The *Allowances Tab,* shows the amounts paid to an employee over and above their normal salary.

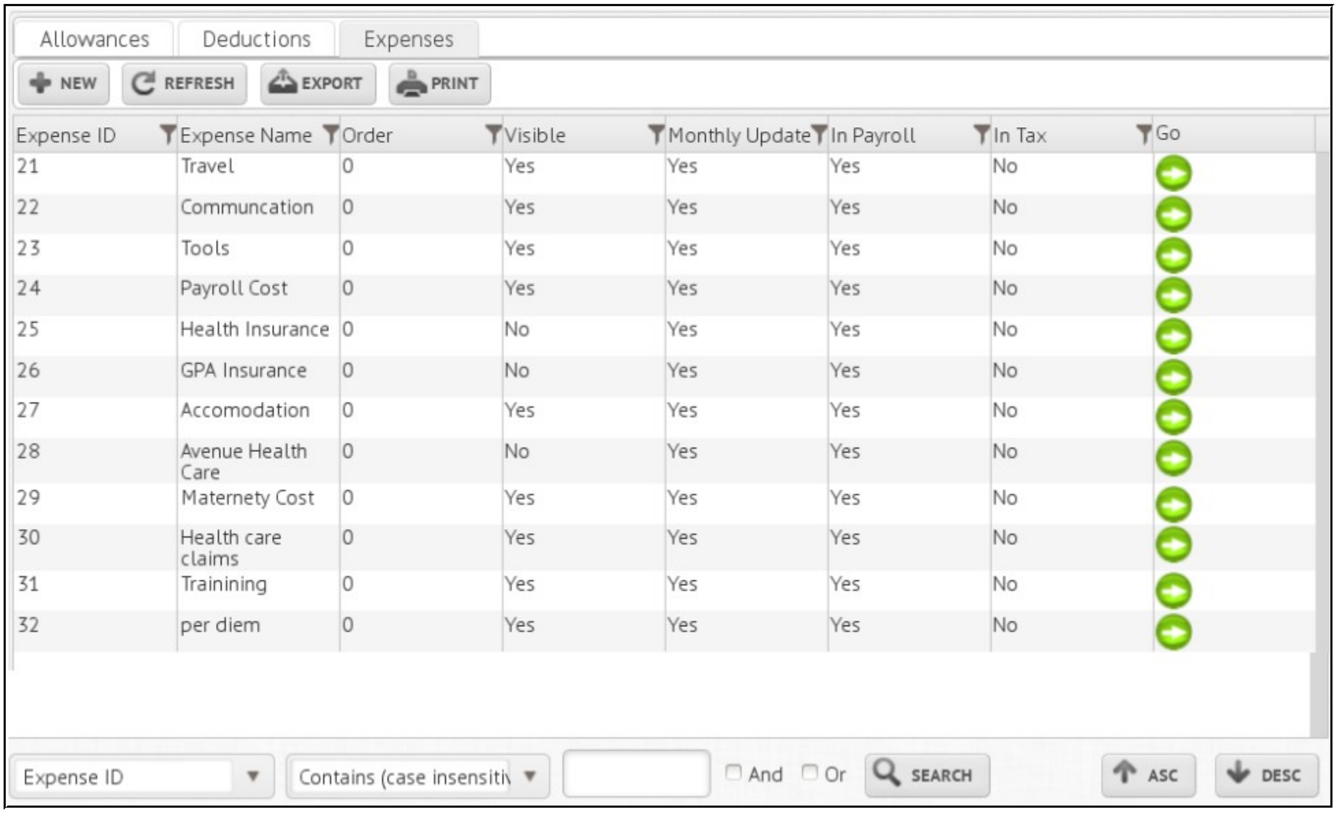


Deductions Tab, shows the deductions pertaining to the employee.



Expenses Tab:

These are costs incurred which are not directly tied to an employee's salary. They include travel, communication, health claims, per diem e.t.c.



Expense ID	Expense Name	Order	Visible	Monthly Update	In Payroll	In Tax	Go
21	Travel	0	Yes	Yes	Yes	No	
22	Communcation	0	Yes	Yes	Yes	No	
23	Tools	0	Yes	Yes	Yes	No	
24	Payroll Cost	0	Yes	Yes	Yes	No	
25	Health Insurance	0	No	Yes	Yes	No	
26	GPA Insurance	0	No	Yes	Yes	No	
27	Accomodation	0	Yes	Yes	Yes	No	
28	Avenue Health Care	0	No	Yes	Yes	No	
29	Maternety Cost	0	Yes	Yes	Yes	No	
30	Health care claims	0	Yes	Yes	Yes	No	
31	Trainining	0	Yes	Yes	Yes	No	
32	per diem	0	Yes	Yes	Yes	No	

The fields above are defined further in the following table.

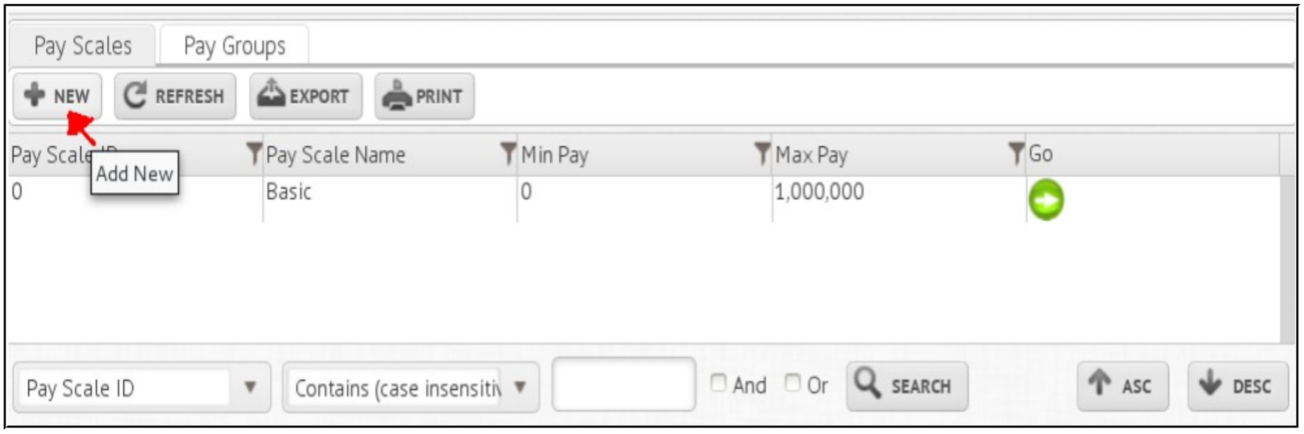
FIELD	DEFINITION
Allowance/Deduction/Expense Name	Descriptive name for the category.
Formula	Calculation needed to generate the item's amount.
Monthly Update	Check this box if you want the item calculated every month
In Payroll	Check this box if the item is reflected in the Payroll.
In Tax	
Account Number	
Details	Capture any other information concerning this item in this field

Salary Scales:

This comprises of Pay Scales and Pay Groups. These pay packages based on any criteria from Job Rank, skill, Education, Experience and Duties.

To add a Pay Scale, click on Pay Scales, then New tab.

Add the necessary details and Save.

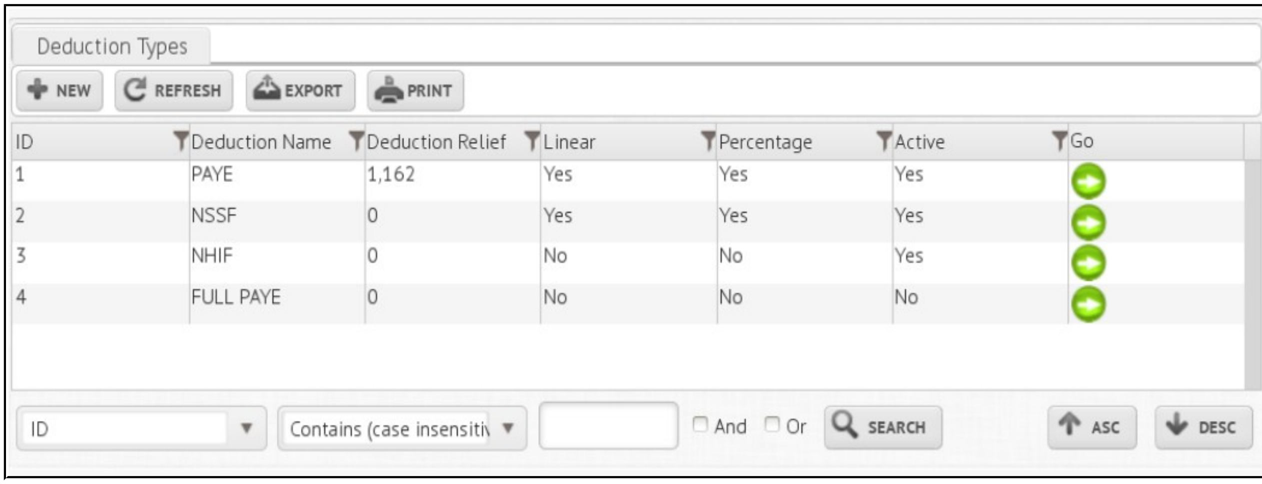


To add a new Pay Group,

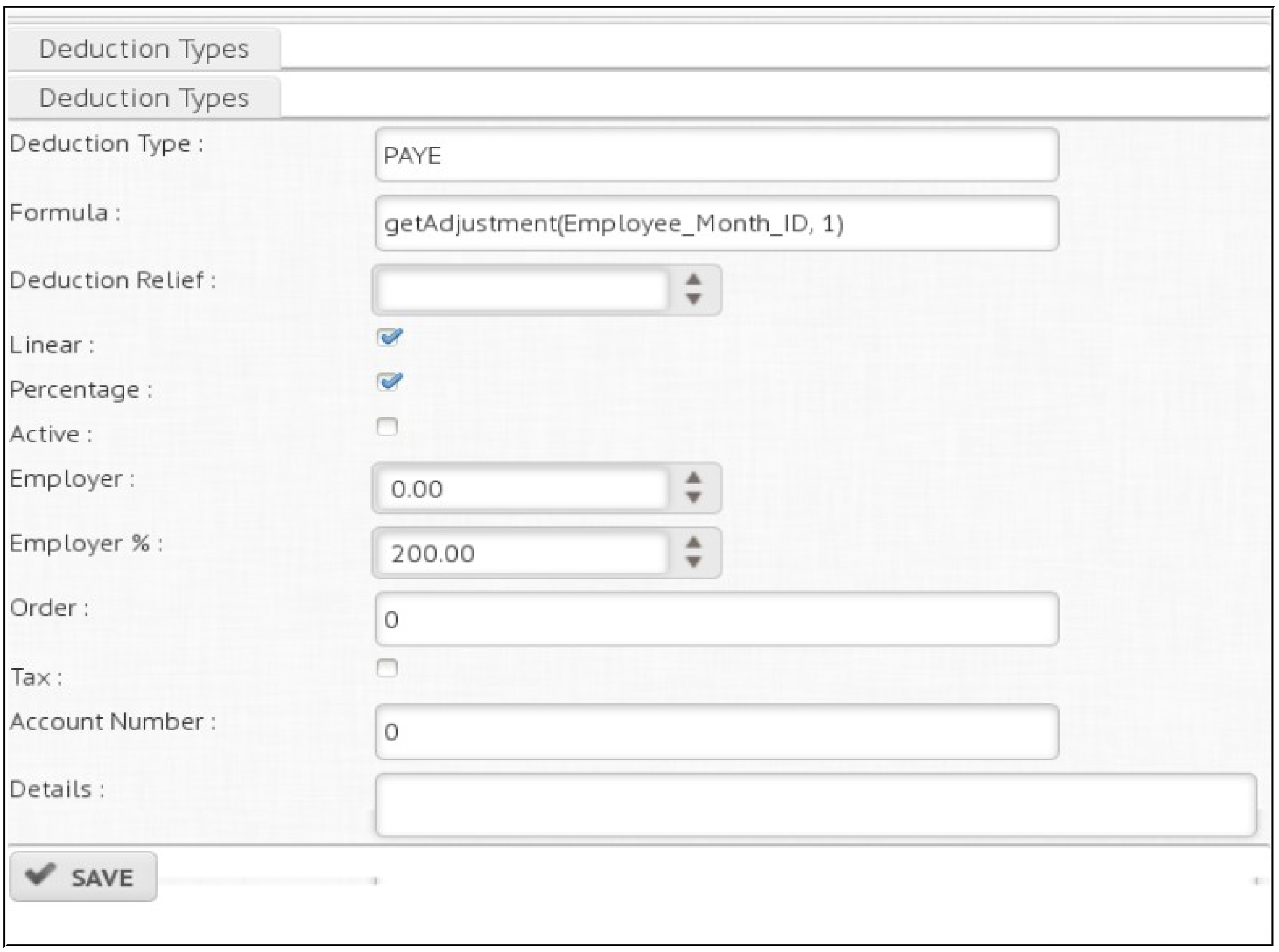
1. Click on Pay Groups and then click on NEW.
2. Fill in the Name of the Pay Group and any more Detail you would like.
3. Click SAVE to store the record.

STATUTORY DEDUCTIONS

These are salary deductions dictated by the laws of the country. These are determined and regulated by the state with clear guidelines on their application.



To add a new Deduction Type, click inside Deduction Types and add the required details. Save

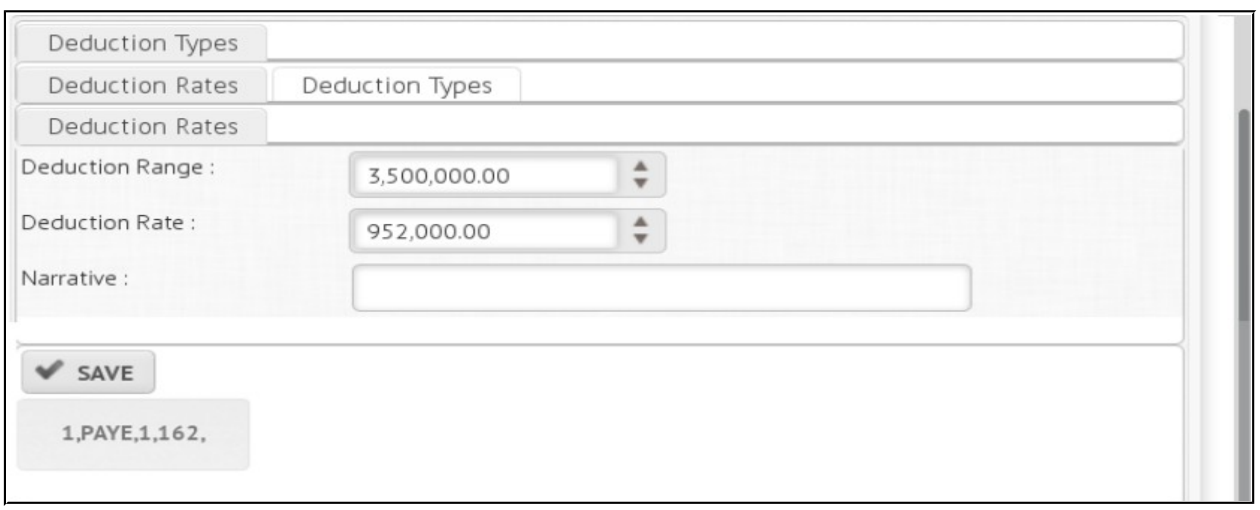


Click on the NEW button under Deduction Types

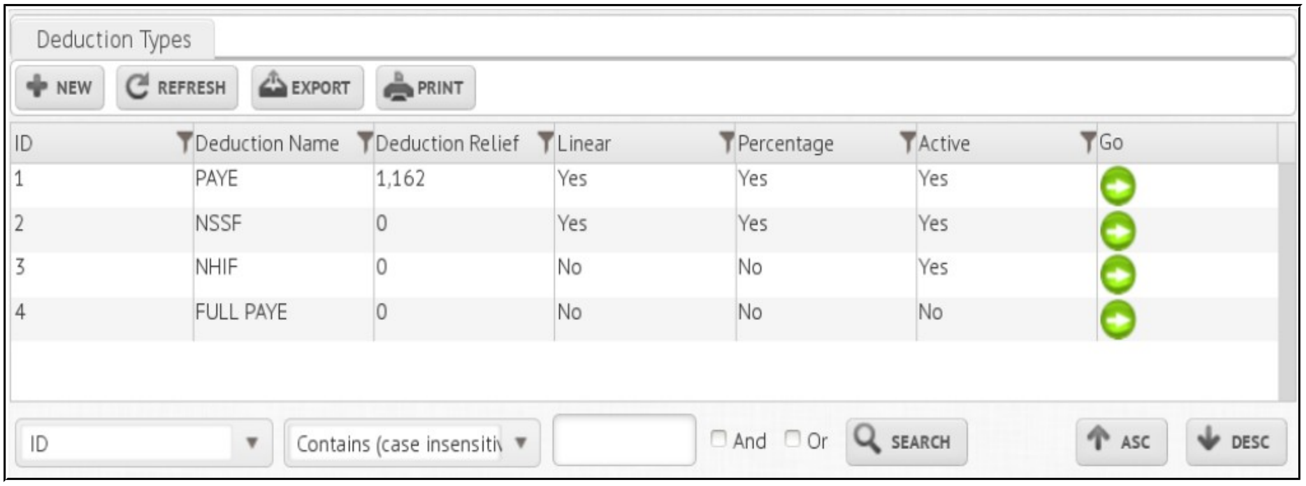
FIELD	DESCRIPTION
Deduction Type	
Formula	Formula to calculate the amount due under this deduction type.
Deduction Relief	If there is a exemption in this type of deduction, fill it here.
Linear	Check this box if the deduction is of a fixed amount regardless of salary.
Percentage	Indicates whether the figures represent a percentile.
Active	Indicates whether the deduction is to be activated or not.
Employer	The amount being contributed by the employer.
Employer %	The % amount being contributed by the employer.
Order	
Tax	
Account Number	
Details	

To add Deduction Rates for each deduction Type;

1. Double click to open the Deduction Type, and click on Deduction Rates to the right of the window.
2. Fill in the Deduction Range and Rate as per the statutory scheme.
3. Add a Narrative (optional).
4. Click SAVE to store the record.
5. Repeat this process to add all the deduction ranges that fall under that deduction type.

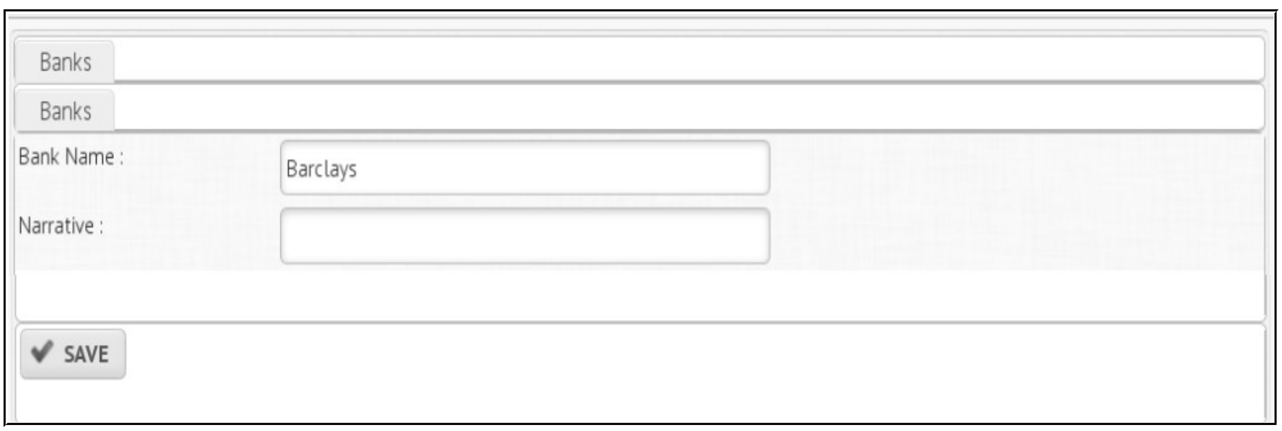


Below is a sample of PAYE deductions scheme;



BANKS

This tab captures the banks and their branches, which receive payments on behalf of the employees. This information is first supplied by the employee upon being employed. To create a new bank in the system, Click on NEW under the Banks tab. In the new window, fill in the Bank's Name. Add a Narrative (optional).



Next, add branch or branches for this bank. To do this,

a) Click on the *Banks Tab* to display all the banks.

b) Click inside the bank you want to add branches to.

c) In the window presented, fill in the Branch Name, Branch Code and a Narrative.

d) Click on SAVE when done. Add all the relevant branches for each Bank.

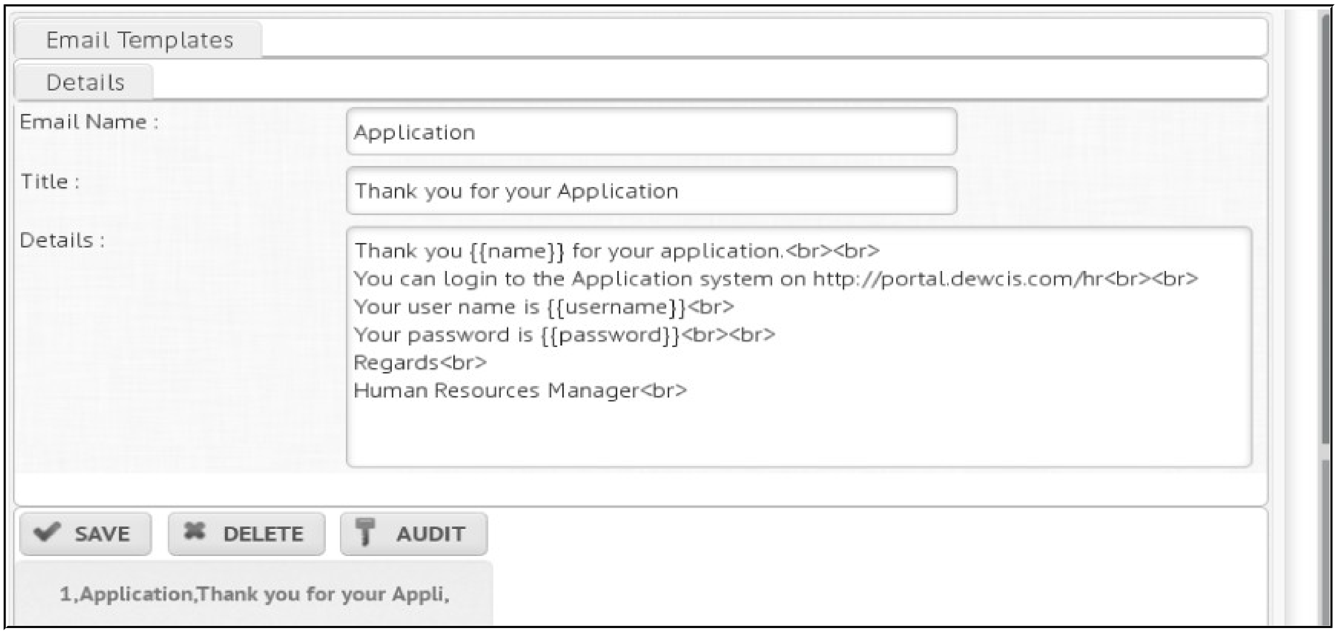
Sample Bank creation window

EMAIL TEMPLATES

This section allows for the creation of email templates which can be used to compose new email or used as automated reply messages.

To create a new email template

a) Click on the NEW button under email templates tab.
b) Fill in the Email Name, Title for the email and the Details the body of the email.
c) Click SAVE to store the template.

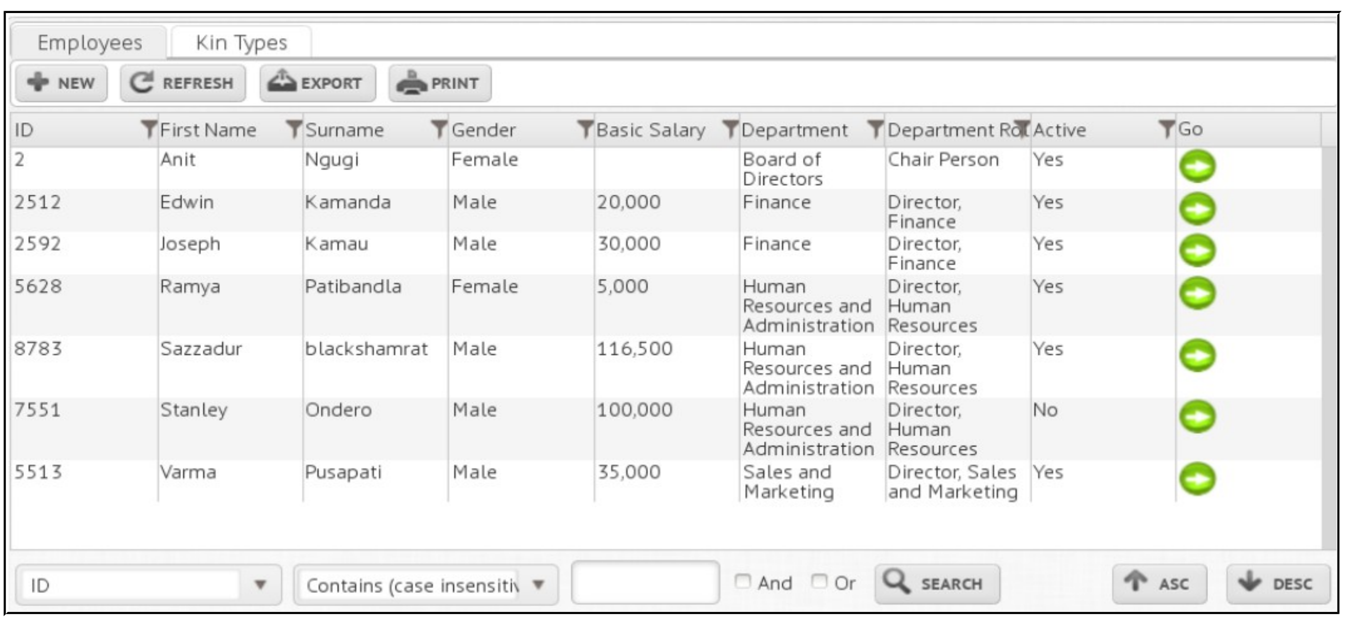


You can create as many templates as you wish to have.

ENTRIES

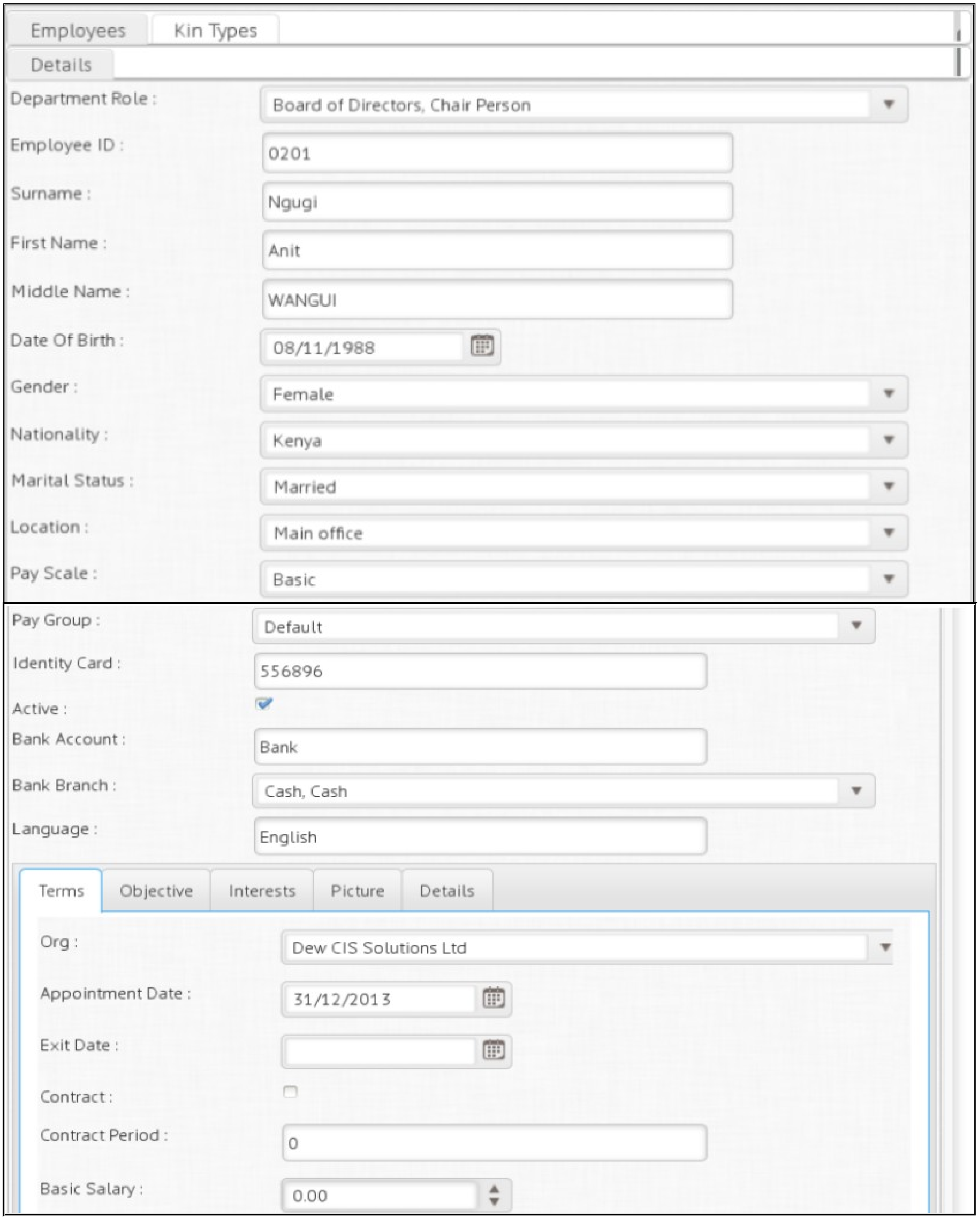
Employees:

This tab allows for the manipulation of Employee profiles. These profiles can either come from the Human Resources management module, or they can be created here manually.



ID	First Name	Surname	Gender	Basic Salary	Department	Department Ro	Active	Go
2	Anit	Ngugi	Female		Board of Directors	Chair Person	Yes	
2512	Edwin	Kamanda	Male	20,000	Finance	Director, Finance	Yes	
2592	Joseph	Kamau	Male	30,000	Finance	Director, Finance	Yes	
5628	Ramya	Patibandla	Female	5,000	Human Resources and Administration	Director, Human Resources	Yes	
8783	Sazzadur	blackshamrat	Male	116,500	Human Resources and Administration	Director, Human Resources	Yes	
7551	Stanley	Ondero	Male	100,000	Human Resources and Administration	Director, Human Resources	No	
5513	Varma	Pusapati	Male	35,000	Sales and Marketing	Director, Sales and Marketing	Yes	

To add a new Employee, click on the New button and fill in all the required details then save.



1. Click NEW button under the Employees tab.
2. In this window, select the Department Role based on the department the employee will fall under.
3. Fill in the form with all the pertinent information regarding the employee.
    - Employee ID - Staff Number
    - Surname
    - First Name
    - Middle Name
    - Date of Birth
    - Gender
4. Click on SAVE to store the record.

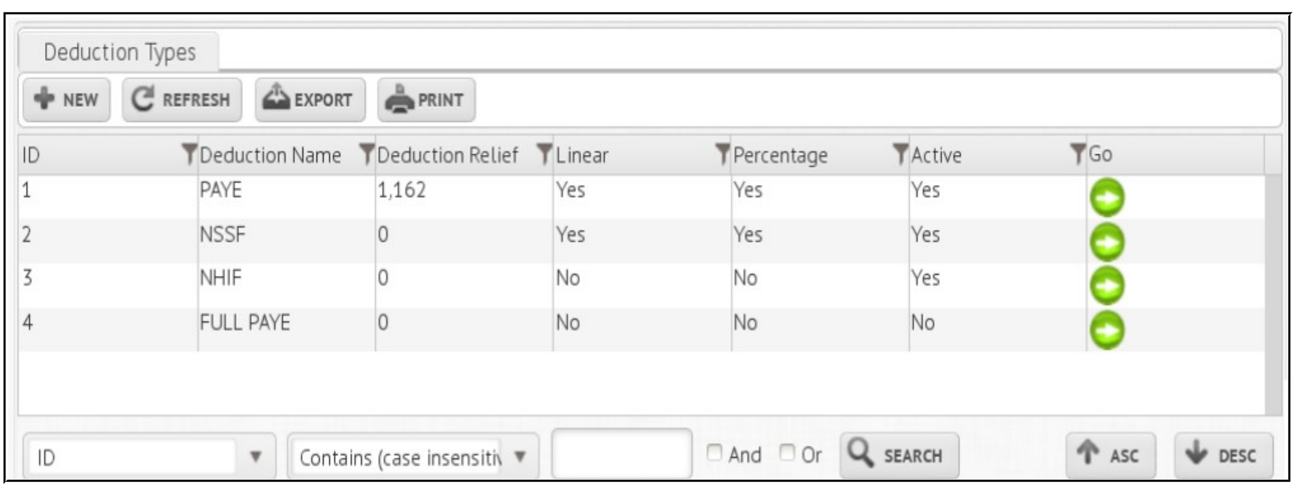
Adding Payroll Details for an Employee;

1. In the Employees tab, Click inside an employee's name.
2. On the top of the screen, you have several tabs to capture payroll details.

Deduction Types Tab

Use this tab to capture deduction types applicable to this employee.

1. Click on the Deduction Types tab, then click the NEW button.
2. Select the deduction types that apply to the employee. The statutory deduction types added earlier in the control panel of this system will be available for you to choose from.
3. Click on NEW and in the new window, select the Deduction Type you want to add to the employee.



ID	Deduction Name	Deduction Relief	Linear	Percentage	Active	Go
1	PAYE	1,162	Yes	Yes	Yes	
2	NSSF	0	Yes	Yes	Yes	
3	NHIF	0	No	No	Yes	
4	FULL PAYE	0	No	No	No	

4. Fill in the other fields as follows;

   Identification :

   Additional :

   Active : Check this box to apply this deduction type to the employee.

   Narrative : Additional information (optional).

MONTHLY PAYROLL

Use this tab to process monthly payroll for all the employees in the system. For each employee, the Statutory Deductions, Allowances and Deductions defined in their profile in the Employees tab of the control panel are automatically added for processing. However, one-time Allowances applicable to an employee can be added in the Advances tab.

Periods Tab

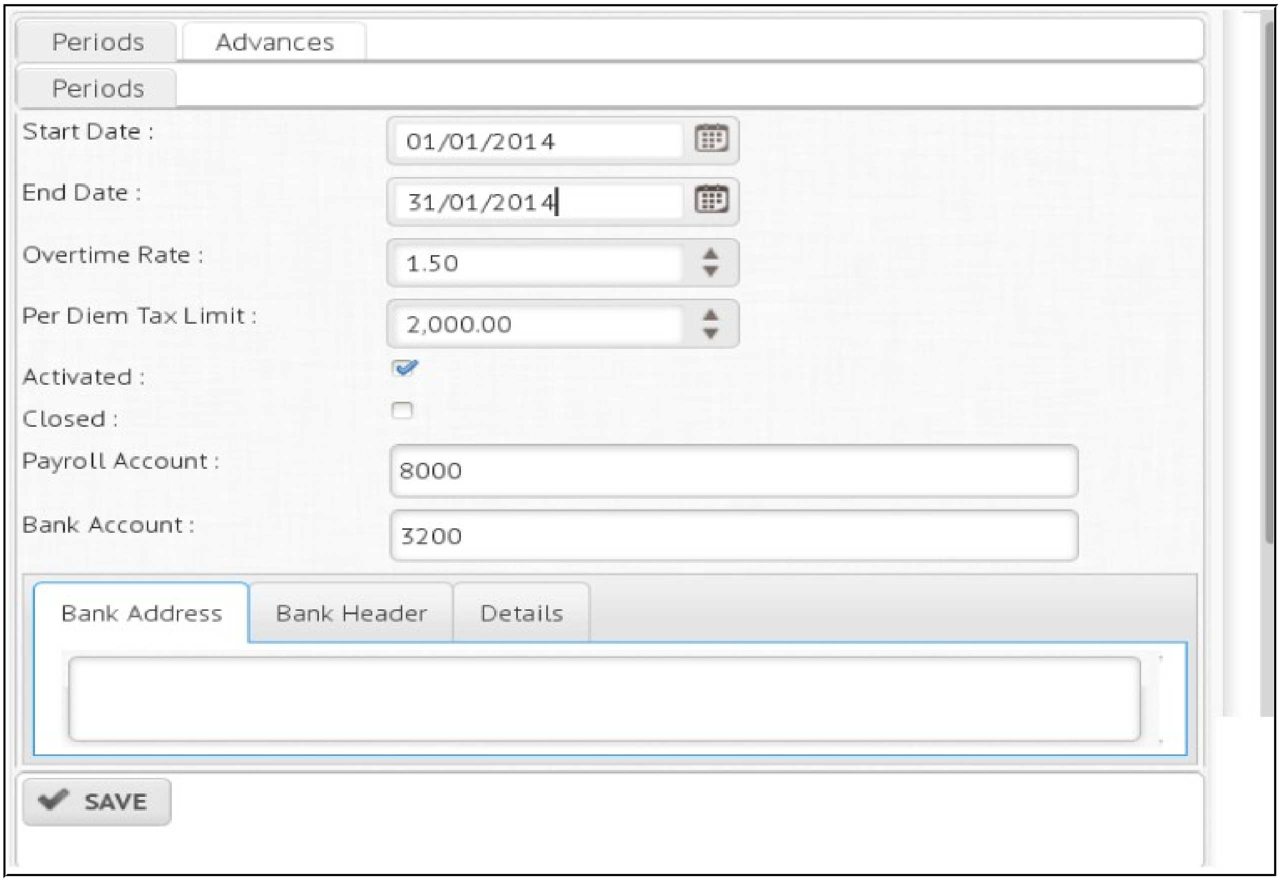
Processed payroll periods appear listed in the default window.

To calculate the monthly payroll, you need to create a period for it.

1. Click on NEW button to start creating a payroll period.

FIELD NAME	DETAIL
Start Date	Date period starts
End Date	Date period ends
Overtime Rate	Overtime rate figure
Per Diem Tax Limit	Amount at which per diem tax should stop calculating.
Activated	Check this box to activate the period, or vice versa.
Closed	Check this box to Close the period to block further input. This is an administrative task.
Payroll Account	
Payroll Account	
Bank Address	Name of the Bank
Bank Header	
Details	Additional information on the period (optional).

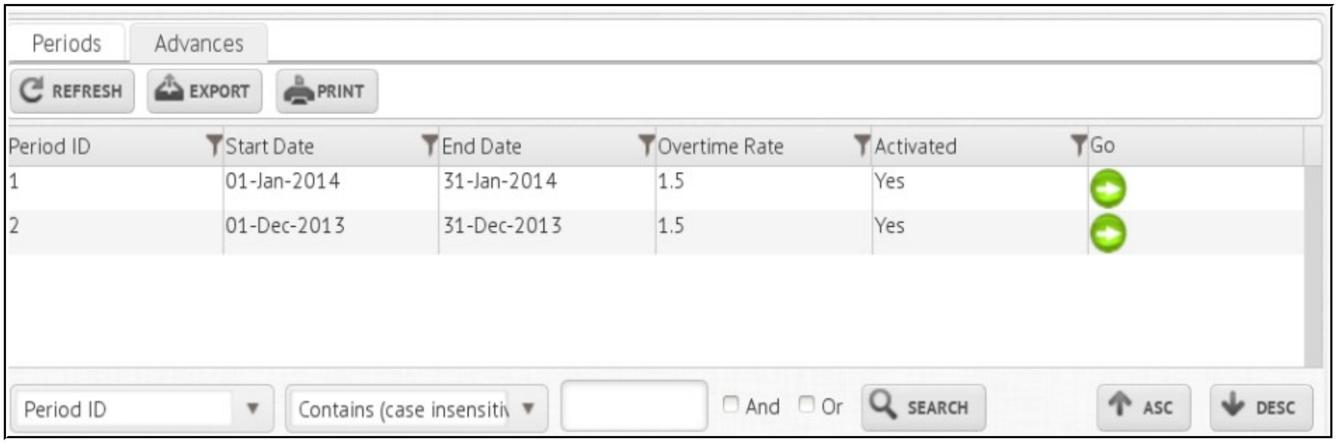
Sample monthly payroll period



Advances Tab

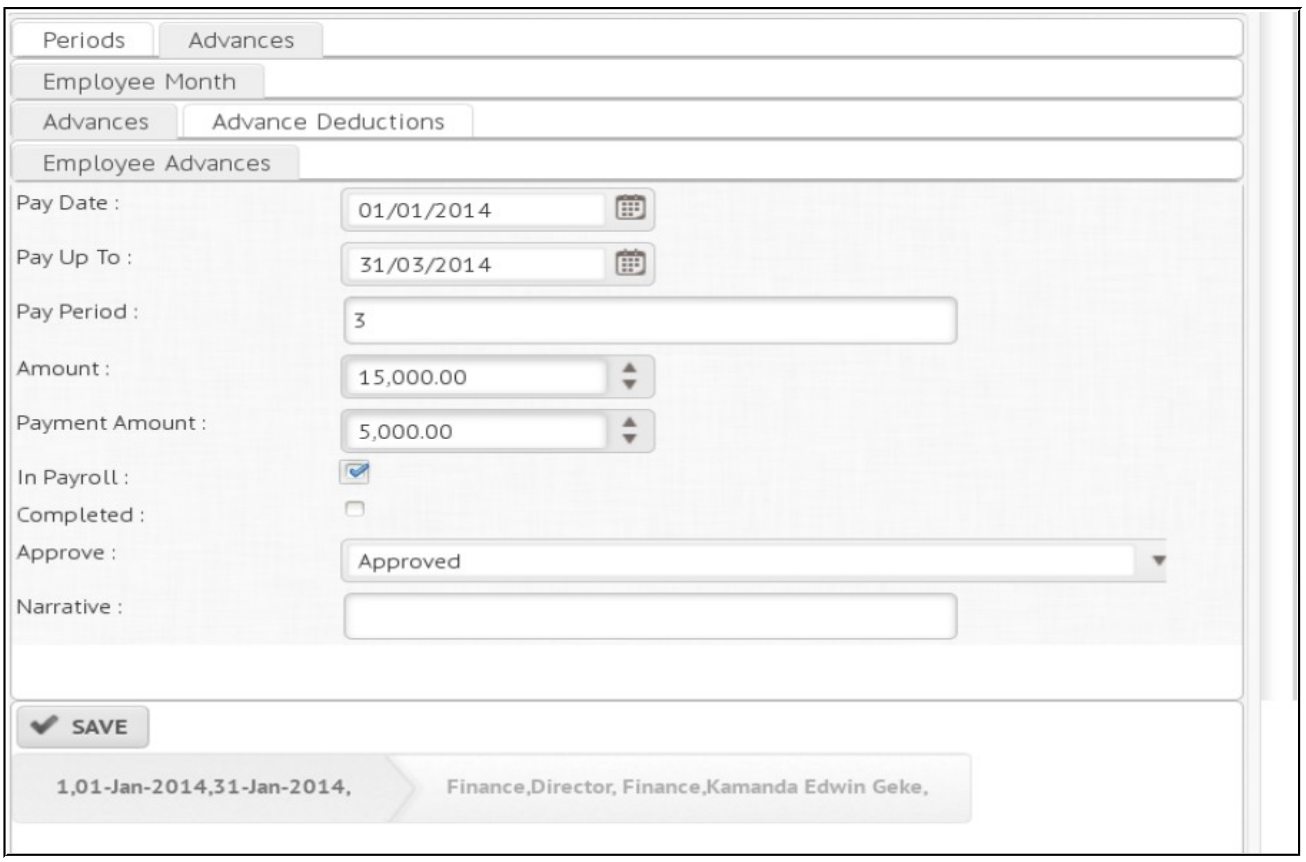
Use this tab to add any new Advance payments and deductions for employees in an existing Period. Advance Payments and Deductions added here are only applicable for that period they are input under, and will not replicate to the next period.

Advances Window;



To add an **Advance Payment**;

1. Select the Period to add the payment to. Click inside it.



2. Click inside the employee record in which the payment will be recorded.
3. In the window that opens, click on NEW button. A window for Employee Advances opens up.

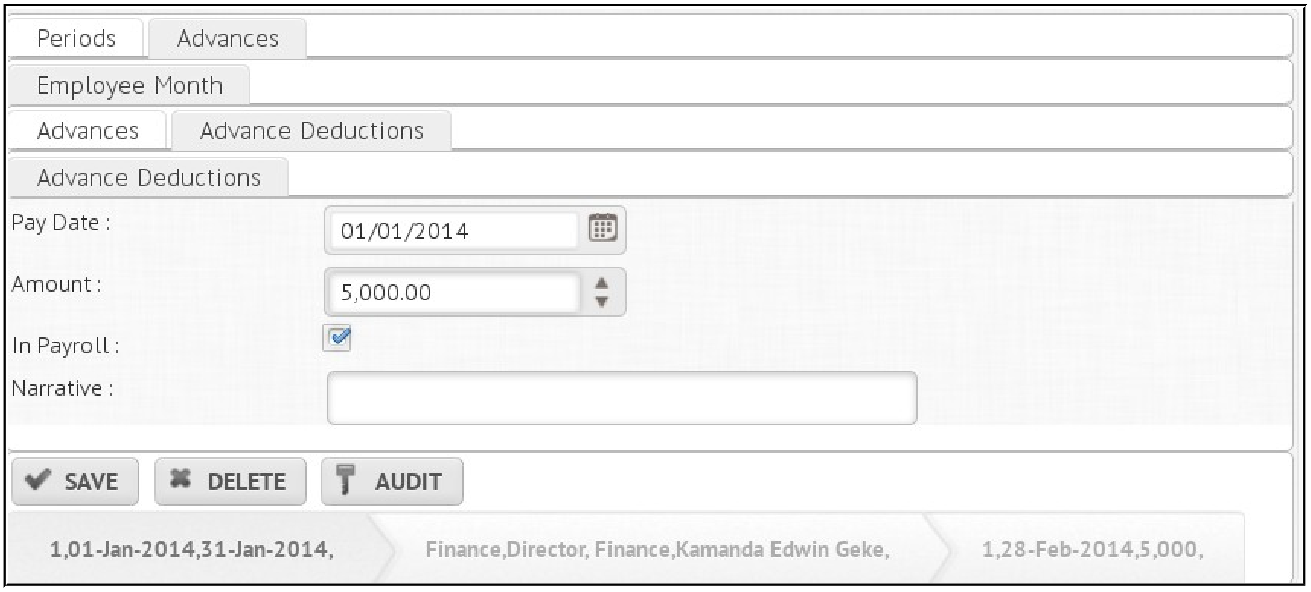
FIELD	**DETAILS**
PAY DATE	Date to make the payment.
PAY UP TO	Last day to pay the amount.
PAY PERIOD	Period the payment applies to. (Period ID)
AMOUNT	Amount to pay
IN PAYROLL	Whether the amount is included in the Payroll
COMPLETED	Check this box if the amount is paid.
APPROVED	Check this box if the Advance request is approved.
REJECTED	Check this box if the Advance request is rejected.
NARRATIVE	Optional free text.

4. Once the form fields have been populated, click on SAVE button.
5. To add a new Advance Payment for a different employee, click on the Employee Month tab to the right of the window.
6. You will be presented with Employee Month window from which you select the employee. From there, proceed as instructed above in steps 1 to 4.

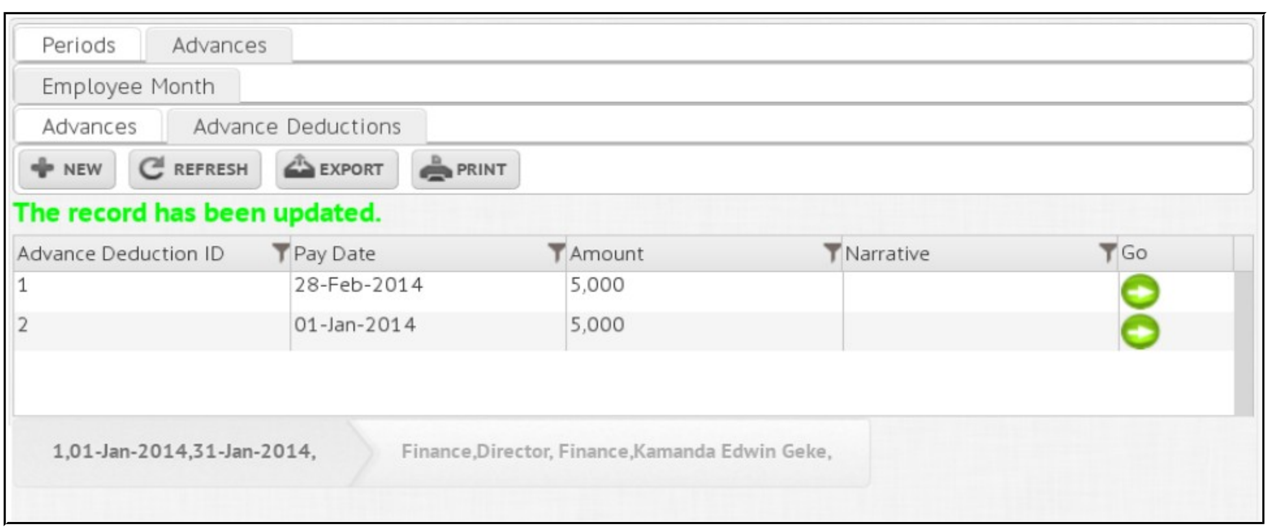
To add an **Advance Deduction**;

While still in the Advances tab, you can add any Advance deductions to any employee in the specific period you are working on.

1. Select the Period to add the deduction to. Click inside it.
2. To the right of the open window. Click on Advance Deductions.Click on NEW button to add a new Deduction for this employee



Click on Save to save the new record. They appear in the window shown below.



PROCESS TAB

…............

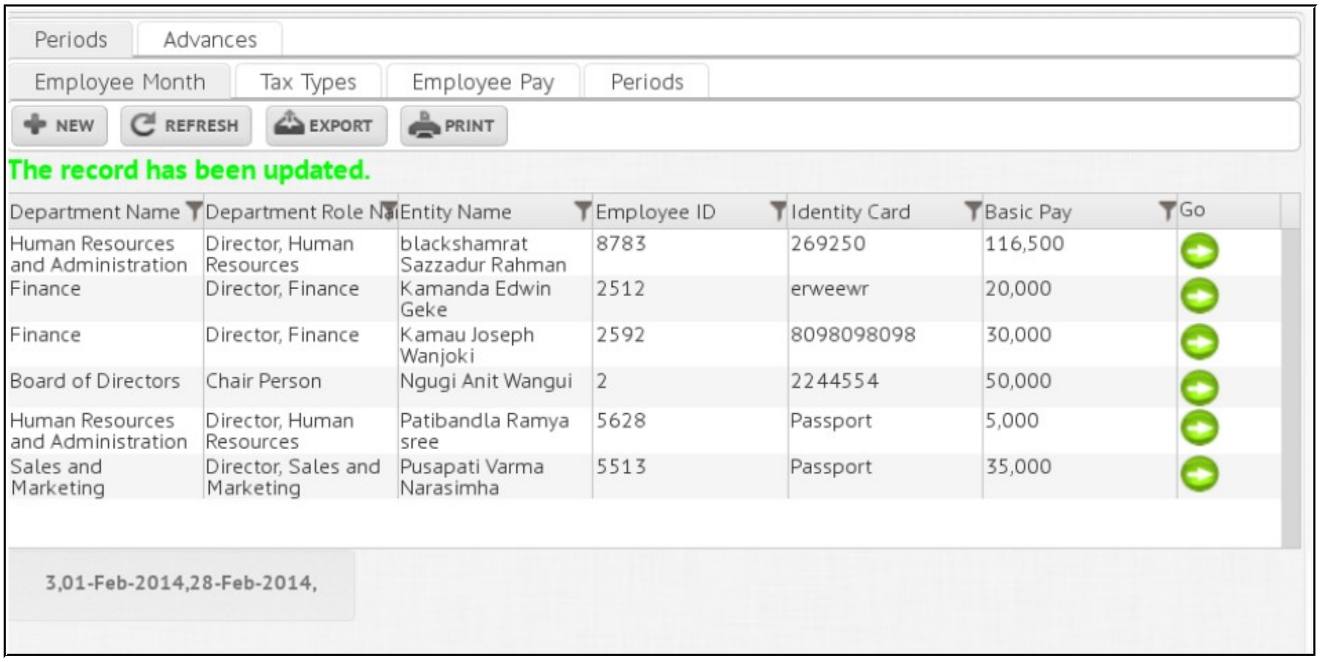
…...........

…..........

PAYROLL MONTHLY ADJUSTMENTS

Use this tab to make adjustments to the payroll period entries already made. You can add new Advance Payments, Deductions, Tax types, Allowances, Expenses, Overtime and Per Diem entries for an employee.

To make adjustments, Click inside the employee concerned.

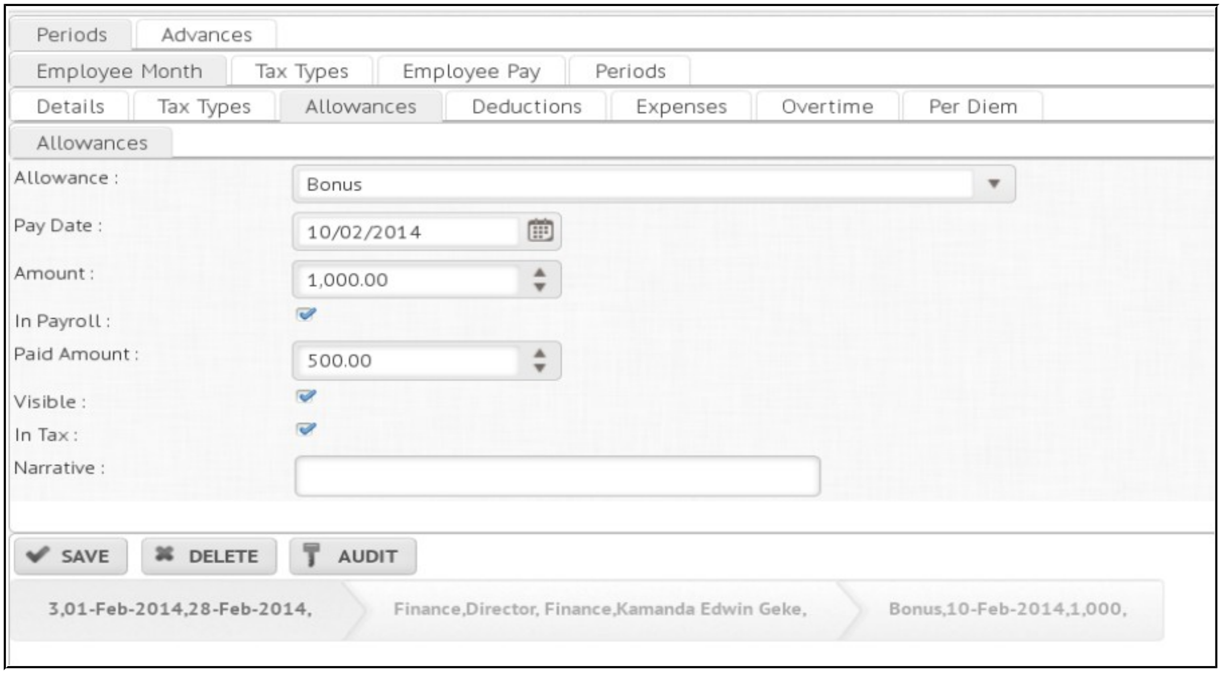


To the right of the window, you find different tabs for the various categories of packages that the payroll carries.

FIELD	DETAILS
Tax Types	Mandatory tax types
Allowances	Examples such as SACCO and bonuses.
Deductions	Examples such as HELB, rent.
Expenses	Examples such as Medical, Travel, Insurance
Overtime	Overtime
Per Diem	Per diem

To adjust each of the categories above, first, select the employee whose information you want to adjust.

1. Click inside that employee's name.
2. Next, click on the appropriate tab on the right hand side of the window.
3. Edit an existing record, which will be displayed in the screen, or create a new entry.

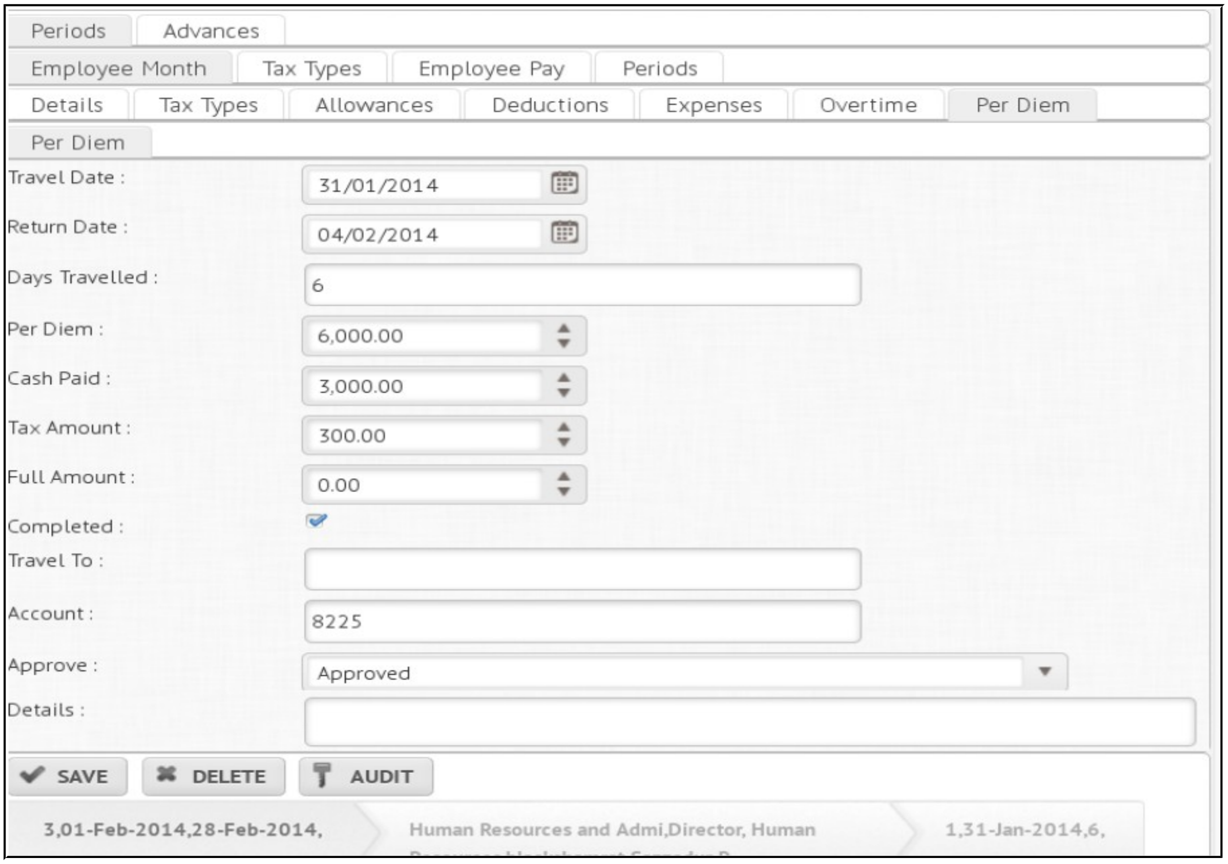


Examples

Overtime rate – rate at which overtime is compensated, e.g. rate per hour

Overtime – number of hours/days of overtime to be compensated.

We look at an example of the Per Diem Screen



Periods | Advances

Employee Month | Tax Types | Employee Pay | Periods

Details | Tax Types | Allowances | Deductions | Expenses | Overtime | Per Diem

Per Diem

Travel Date :	31/01/2014
Return Date :	04/02/2014
Days Travelled :	6
Per Diem :	6,000.00
Cash Paid :	3,000.00
Tax Amount :	300.00
Full Amount :	0.00
Completed :	
Travel To :	
Account :	8225
Approve :	Approved
Details :	

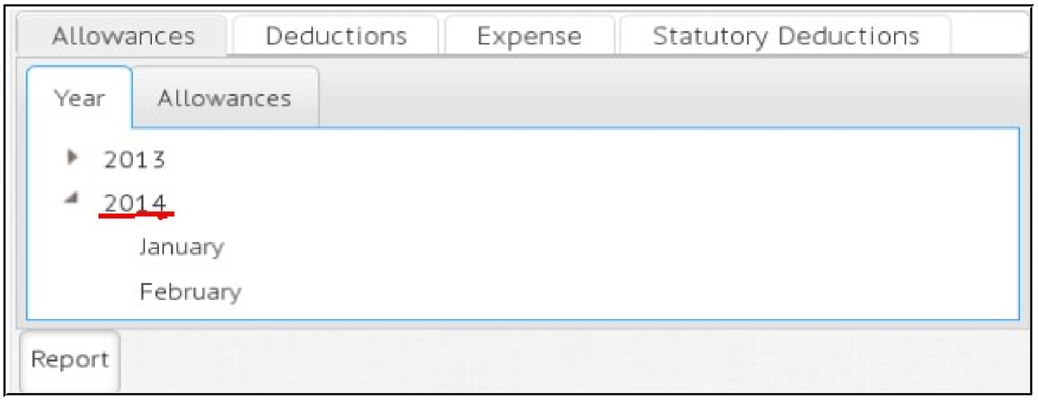
SAVE | DELETE | AUDIT

3,01-Feb-2014,28-Feb-2014, | Human Resources and Admi,Director, Human | 1,31-Jan-2014,6,

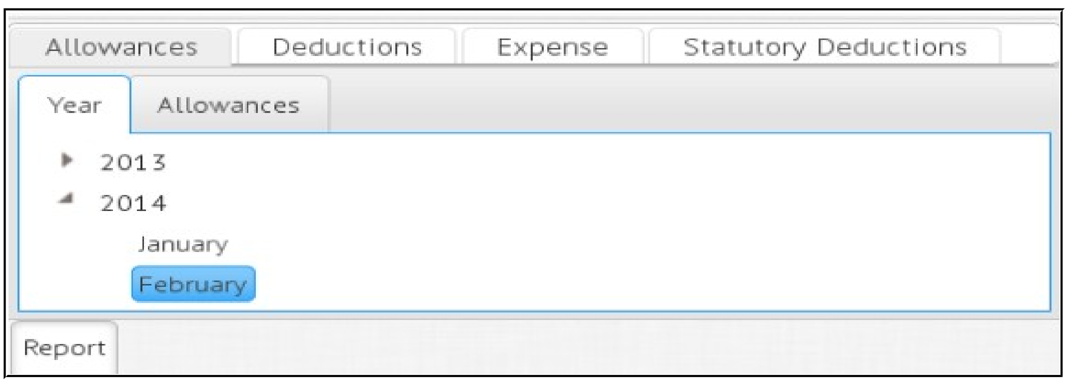
REPORTS

Follow these steps to generate reports for the different adjustments/deductions on the Payroll

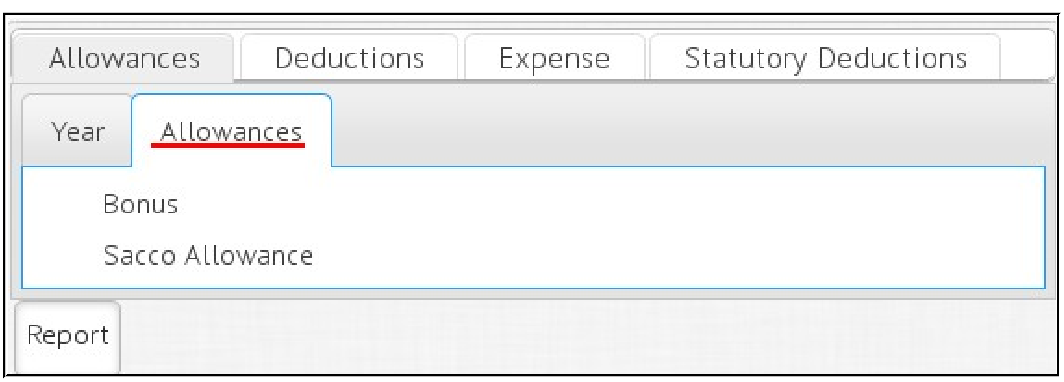
i. Select year from which a particular report is to be generated-



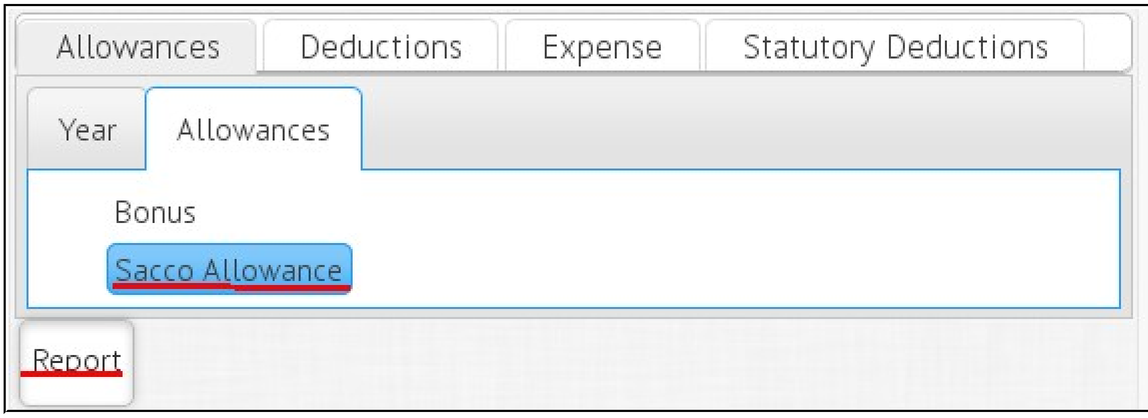
ii. Select the month from which the report is to be generated-



iii. Select the adjustment type you want to generate a report for, e.g. A deduction, an allowance, expense, statutory deduction, etc -



iv. Specify the allowance or deduction for which the report is to be generated, i.e. Sacco Allowance, then click Report as highlighted in the screen below.



After a user follows these screens successfully, they should view the following report: