***Assessment 1: Project: Establish the payroll system***

# **Payroll system plan**

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| ***Task*** | ***Responsibility*** | ***Timeline*** |
| **MYOB Set-up**  * Purchase software * Setup the company profile * Input salary information of employees * Design roaster | *Al Carron* | 23/Jul/2017 |
| **Blood vessel Recognition system set-up for time records**  * Purchase blood vessel recognition devices * Install devices around the entrance of office * Train employees how to use them | *Al Carron* | 26/Jul/2017 |
| **Employees Information Records**  * Gather personal information of employees * Store them in a secure folder which cannot be accessed by an unauthorised person | *Paul Singleton* | 28/Jul/2017 |
| **Legislative Requirements**  * Privacy Act 1998 (Cwlth) * Equal Opportunity Act 2010 (Vic) * Australian Securities and Investments Commission Act 2001 (Cwlth) * Corporations Act 2001 (Cwlth) * A New Tax System (Goods and Services Tax Administration) Act 1999 (Cwlth) * A New Tax System (Goods and Services Tax) Act 1999 (Cwlth) * Income Tax Assessment Act 1997 (Cwlth) * Superannuation Guarantee (Administration) Act 1992 (Cwlth) * Fair Work Act 2009 (Cwlth) | *Al Carron* | 28/Jul/2017 |
| **Taxes and superguarantee calculation**  * Calculate all mandatory taxes and superguarantee * Print them out and post on the notice board * Input these amount in MYOB system * Check it again with accountants of head office to make sure | *Al Carron* | 28/Jul/2017 |
| **Payroll Register**  * Make payroll register * Submit it to head office * Make payment approved | *Al Carron* | 1/Aug/2017 |
| **Provide payslip**  * Print out payslip using MYOB and give out to employees * Store them in a secure folder | *Al Carron* | 8/Aug/2017 |

# **Policies and Procedures Document**

* 1. *Security of employee payroll information*

*Objective: To comply with the Privacy Act. To keep secret documents in safety.*

*Scope: The general manager is responsible for all sensitive, secret information. And all staff must not try to get it confidentially.*

* + 1. Employees’ salary details are recorded in MYOB system and only authorised person can access them, the security of records will be checked by every last day of a week. This complies with the Privacy Act.
    2. The computer of the accountant cannot be used by unauthorised staff, the accountant should change his/her computer password weekly and do not leave the computer turn on when it is unattended.
    3. In the end of financial year, the result of salary negotiation should not be shared with other employees.
    4. Payslip paper must be sealed every time it is given.
  1. *Substantiation of claims for allowances*

*Objective: To follow the guidance from substantiation rules introduced by ATO*

*Scope: General manager, and store manager are able to approve claims from staff.*

* + 1. Full-time worker who commute by car will be given car allowance $50 per week
    2. All workers are given laundry allowance $20 per week in accordance with industrial awards.
    3. A staff who has a child entering the school, uni, college will be given $500 education-support allowance once.
    4. The receipts of unexpected expenses related with business must be kept for reimburse by the company
    5. Staff can claim to reimburse their expense (inc. travel expense) about work under the approval of general manager.
  1. *Workhour records integrity*

*Objective: To pay right amount of salary, to record work hours equally and exactly. Fair Work Act is absolutely considered as the standard of this policy.*

*Scope: All staff must do blood vessel recognition regardless of full-time or part-time worker. Only general manage have the power to fix it.*

* + 1. All workers must use the blood vessel recognition device both when they come to work and when they finish, if someone miss it out, he/she will get a penalty. Once it’s recorded in the system, it can’t be changed manually.
    2. Staff who get salary on an hour basis should fill out their time sheets and get approved by the general manager daily.
    3. If over-time work is needed, it will be required the general manager’s approval. Overtime extra wage will be added by Fair Work Act.
    4. Overtime work details must be recorded by general manager.

# **Reflection**

Before we set-up payroll system, we must know how to comply with legislation, but we have no professional accountant in this office at the moment, so I am going to ask one from the head office. He/she will check if everything goes on track. General manager has a lot on his plate, this can lesson his burden.

And about the installation of blood vessel recognition devices, store manager will test its reliability beforehand. And once it is proved, devices will be set up in no time. The introduction will be provided to all staff to use it appropriately, and penalties will be addressed as well. Furthermore, we will recommend staff to make their own timesheets to prevent the situation they get more or less paid. And in case of some technical problems and corruption, the surveillance camera will be installed around the devices to watch over.

Since we have only small office, we can’t give enough space for security room where for store secret documents, and some sensitive information. General manager will handle all these kinds of stuff. He will be responsible all of that to make it in safety. His space in the office must be separated with other staff’s one. So, we are going to ask a quote from ASDF company to install stable room divider or construction for that.

And we are about to using MYOB account rights to computerise our payroll system. In my opinion, we need at least 2 people who know how to use it. I think Sue is the best staff to do it. She is reliable and honest, and has knowledge in accounting owe to her previous work experience.

And the government informed us that they are going to give a presentation at 28 Jul for Fair Work act, Anti-discrimination Act, and Privacy Act in related with office life. All staff are highly encouraged to attend this to know not only their rights but also responsibility. I have a plan to hold a meeting with all staff for improvement our company’s policies about it, our work environmental and the balance between work life and private life after the presentation.

After all, general manager is going to be out of office for 2 weeks from 10 Jul to 24 Jul to be trained taxation skill. Paul, the store manager is going to cover his work up.

These changes will be noticed to all staff and consultation will be offered how do these things affect them.