|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Course Name:** | | **BSB50415 Diploma of Business Administration** | | | | | | |
| **Unit Name:** | | BSBFIM502 Manage payroll | | | | | | |
| **Please fill in your details** | | | | | | | | |
| **Student Number** | |  | | | | | | |
| **Student Name** | |  | | | | | | |
| **Current Address** | |  | | | | | | |
| **Email** | |  | | | | | | |
| Assessor Name | | | | | | | | |
|  | | | | | | | | |
| Result | Individual Assessments result | | Assessment 1 | S **🞎** NS **🞎** | | Final Result | | **C 🞎** |
| Assessment 2 | S **🞎** NS **🞎** | |
| Assessment 3 | S **🞎** NS **🞎** | | **NC 🞎** |
| **Assessor Signature** |  | | | Date | |  | | |
| Feedback to Student | | | | | | | | |
|  | | | | | | | | |
| **I have received the Assessment Feedback on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_(Date)** | | | | | | | | |
| Students Signature | |  | | | | | | |
| Assessor Signature | |  | | | Date | |  | |

# Assessment 1: Project: Establish the payroll system

## Submission details

|  |  |
| --- | --- |
| Student’s Name |  |
| Assessor’s Name |  |

## Performance objective

The Students will demonstrate the ability to establish procedures for the management of payroll.

## Assessment description

In response to the scenario provided, Students will develop a step-by-step plan to establish a payroll system, develop security procedures, establish control measures, and ensure procedures guarantee substantiation of claims for allowances.

## Procedure

1. Consider the scenario and task provided.
2. Consider the design of a payroll system to cover organisational and legislative requirements.
3. Prepare a planning document in which you outline steps you would take to establish the payroll system. Your plan must include a step-by-step description of review, design, development and implementation. Include:
   1. a survey of legal environment
   2. The development of policies and procedures (refer specifically to those three developed in steps 4–5 of this procedure.
   3. Communication/consultation.
4. Write a policy and procedures document to ensure security of employee payroll information. Include reference to relevant legislation.
5. Write a policy and procedures document to ensure substantiation of claims for allowances. Include reference to relevant legislation.
6. Write a policy and procedures document to safeguard organisational resources. Include reference to relevant legislation or standards.
7. Write a one page reflection on the process of designing the payroll system. Describe how both organisational and legislative requirements are met by each step of your proposed plan. Describe how policy and procedures documents are designed to ensure all legislative and organisational requirements.
8. Submit all documents required in the specifications below to your assessor. Ensure you keep a copy of all work submitted for your records.

## Requirements

You must submit:

* planning document with steps to establish payroll system
* three policy and procedures documents referred to in plan
* One page reflection.

Your assessor will be looking for:

* literacy skills to write detailed instructions
* knowledge of key provisions of relevant legislation from all forms of government, standards, regulations and codes that may affect aspects of business operations, such as:
  + Australian Taxation Office regulations
  + anti‑discrimination legislation
  + ethical principles
  + codes of practice
  + financial legislation
  + privacy laws
  + relevant industrial awards
  + other relevant government and statutory bodies in relation to payroll
  + superannuation guarantee
* knowledge of organisational policies and procedures across the full range of tasks required by payroll processes.

## Scenario: PittStop Inc Pty Ltd

PittStop Inc is a privately owned retail and fuel service company that until recently operated four independent service stations/stores in Melbourne’s north. The company has recently expanded to 13 service stations across Victoria.

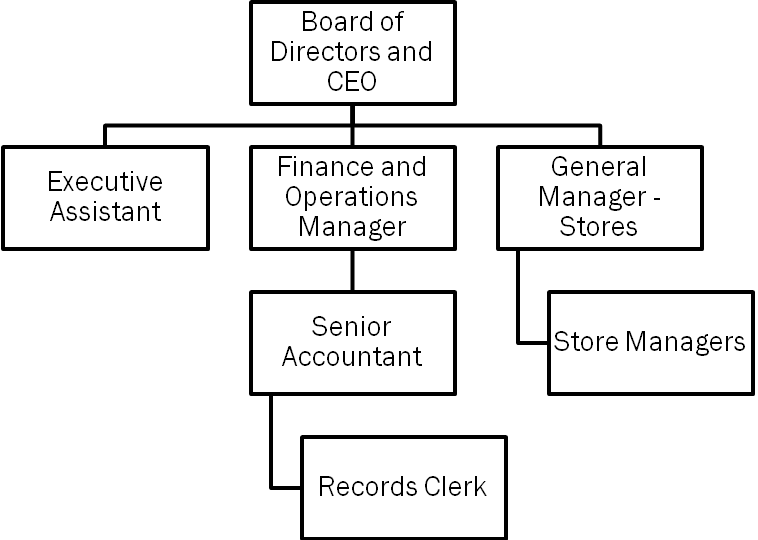
The owner, chairman and CEO, James Murphy, has run the company for the past five years. He has operated service stations for most of the last 25 years and relies on his hands-on approach to operations.

PittStop Inc stores trade 6 am–11 pm daily. They typically include a vehicle access forecourt with at least six pump stations, a retail shop, a food bar, store manager’s office and stockroom. They sell fuel, oil, gas, supermarket goods, hot pies (heated from frozen on the premises) and cold drinks.

For the financial year 2015–2016, PittStop Inc is projected to have an annual turnover of $9,000,000 and generate a profit of $3,000,000. Payroll expense is projected to be $3,000,000. The organisation uses a computerised accounting system: MYOB AccountRight.

### PittStop Inc organisational structure

The flagship PittStop Inc store in Brunswick, Victoria has an attached office space that accommodates head office (the directors, senior management staff and clerical employees).



### Task

In the past eight months, PittStop Inc has raised sufficient finance to buy out the Independent Service Station (ISS) chain of nine stores and rebrand them all as PittStop Inc service stations. James Murphy plans to continue the expansion until the optimum target of 30 services stations is secured for the Victorian market.

Including the retained staff from the buyout stores, PittStop Inc now has a workforce of approximately 70 employees. The employees come from a wide range of cultural and linguistic backgrounds. A significant proportion has poor English literacy, including poor reading comprehension. Most employees, but not all, have a high-school level of education.

Previously, with less than 20 employees to pay, James and his Finance and Operations Manager, Jack Tan, ran a cash-based payroll system for the four stores. Because of expansion plans across Victoria, the payroll system is inadequate and will need to be completely redesigned. James has employed you, as an independent contractor, to design a new payroll system for the organisation. He has the following key requirements:

* pay, which was weekly, will now be fortnightly
* a separate payroll register should be prepared for each of the stores
* pay will be checked and reconciled by each store and then rechecked, reconciled, authorised and disbursed by head office
* the payroll system in all stores will be identical
* the payroll system should be scalable: as new stores are added the payroll system will simply be duplicated
* records will be kept at stores and duplicates will stored at head office
* all legislative requirements must be met by the new system.

You will need to plan a payroll system to meet James’s requirements. Prepare a planning document in which you outline steps you would take to establish the payroll system at PittStop Inc.

To support your plan, James has also asked you to provide samples of three policies and procedures documents:

* security of employee payroll information
* substantiation of claims for allowances
* one other policy and procedures document to support financial control or the safeguarding of resources.

Finally, James has asked you to prepare a written document describing how both organisational and all legislative requirements are met by each step of your proposed plan. Describe how policy and procedures documents are designed to ensure legislative and organisational requirements.

# Marking Guide

## Marking Guide 1: Project: Establish the payroll system

|  |  |
| --- | --- |
| Student’s Name |  |
| Assessor’s Name |  |

### Outcomes

|  |  |  |
| --- | --- | --- |
| Student will | Satisfactory | |
| Yes | No |
| Submit a planning document with steps to establish payroll system? |  |  |
| Submit three policy and procedures documents referred to in plan:   * security of employee payroll information * substantiation of claims for allowances * one other policy and procedures document to support financial control or the safeguarding of resources? |  |  |
| Submit a one page reflection? |  |  |
| Complete assessment within agreed deadline? |  |  |

### Record of performance

|  |  |  |
| --- | --- | --- |
| Performance indicators | Satisfactory | |
| Yes | No |
| Establish systems to ensure that statutory obligations are met and records are kept for the period determined by government legislation? |  |  |
| Establish security procedures that ensure the confidentiality and security of payroll information? |  |  |
| Establish control measures to safeguard organisation’s financial resources in accordance with legislative and organisational requirements? |  |  |
| Ensure procedures guarantee substantiation of claims for allowances? |  |  |

### Comments/feedback to participant

|  |  |
| --- | --- |
|  | |
|  | |
|  | |
|  | |
| Outcome: | 🞏 Successful 🞏 Unsuccessful |
| Assessor name: |  |
| Assessor signature: |  |

# Assessment 2: Assignment and Role-play: Prepare payroll data and authorise payment

## Performance objective

The Student will demonstrate the ability to establish procedures for the preparation of payroll data and authorisation of salaries.

## Assessment description

In response to the scenario provided, you will calculate pay within designated timelines, check, reconcile and authorise payroll, and manage enquiries in accordance with organisational policy and procedures.

## Procedure

Consider the scenario and tasks provided.

#### Task A: Calculate pay and provide pay data

1. Calculate pay on worksheet provided.
2. On pay calculation worksheet, schedule submission of payroll data to designated person.

#### Task B: Reconcile payroll register and authorise payment

1. In accordance with organisational policies and procedures, check payroll register for discrepancies and reconcile pay against employee records and timesheets.
2. Correct discrepancies on the payroll register and authorise payment.

#### Task C: Handle payroll enquiry

1. Consider the employee enquiry.
2. Arrange to meet with employee (your assessor) to manage enquiry in accordance with organisational policy and procedures.
3. Meet with employee (your assessor) to manage enquiry.
4. Submit all documents required in the specifications below to your assessor. Ensure you keep a copy of all work submitted for your records.

## Specifications

You must:

* submit payroll calculations
* submit authorised payroll register
* meet with assessor to handle enquiry.

Your assessor will be looking for:

* communication skills to answer enquiries, and to explain and resolve discrepancies with employees
* literacy skills to follow procedures
* numeracy skills to:
  + calculate gross and net pay
  + compare differing rates of pay over a given time span of the same nature
  + reconcile figures and rectify anomalies to ensure accuracy.
* knowledge of key provisions of relevant legislation from all forms of government, standards, regulations and codes that may affect aspects of business operations, such as:
  + Australian Taxation Office regulations
  + anti‑discrimination legislation
  + ethical principles
  + codes of practice
  + financial legislation
  + privacy laws
  + relevant industrial awards
  + other relevant government and statutory bodies in relation to payroll
  + knowledge of the *Superannuation Guarantee (Administration) Act 1992* and superannuation regulations
* knowledge of organisational policies and procedures across the full range of tasks required payroll processes.

## Appendix 1 – Scenario: PittStop Inc Pty Ltd

PittStop Inc is a privately owned retail and fuel service company that until recently operated four independent service stations/stores in Melbourne’s north. The company has recently expanded to 13 service stations across Victoria.

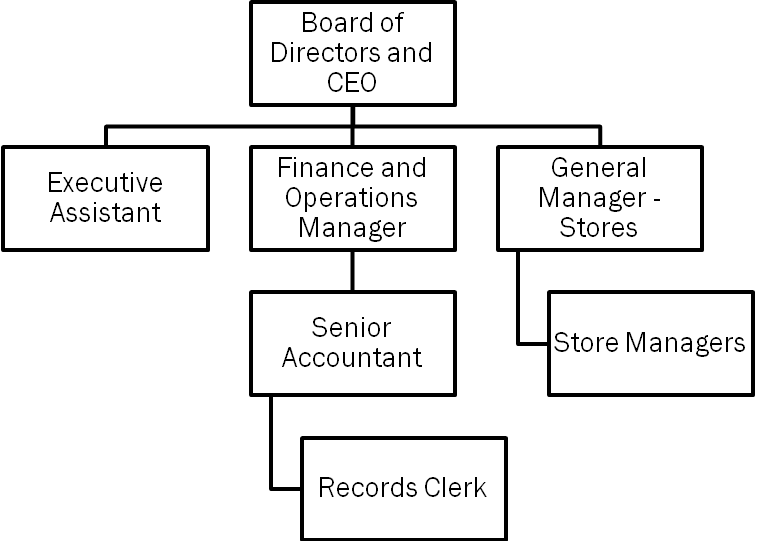
The owner, chairman and CEO, James Murphy, has run the company for the past five years. He has operated service stations for most of the last 25 years and relies on his hands-on approach to operations.

PittStop Inc stores trade 6 am–11 pm daily. They typically include a vehicle access forecourt with at least six pump stations, a retail shop, a food bar, store manager’s office and stockroom. They sell fuel, oil, gas, supermarket goods, hot pies (heated from frozen on the premises) and cold drinks.

For the financial year 2015–2016, PittStop Inc is projected to have an annual turnover of $9,000,000 and generate a profit of $3,000,000. Payroll expense is projected to be $3,000,000. The organisation uses a computerised accounting system: MYOB AccountRight.

### PittStop Inc organisational structure

The flagship PittStop Inc store in Brunswick, Victoria has an attached office space that accommodates head office (the directors, senior management staff and clerical employees).



### Task A: Calculate pay and provide pay data

According to PittStop Inc policies and procedures, managers at each store are required to check timesheets, authorise overtime, calculate pay and generate a payroll register to be forwarded to head office. Individual pay calculations and payroll register must be forwarded to head office no later than the Monday after the end of the pay week. This deadline allows head office to complete payments to employees by the Thursday following the pay week.

As Bendigo store manager, you are required to:

* check and timesheet hours for the fortnight ending 24 June 2016
* calculate pay for each employee on pay calculation work sheets provided
* schedule forwarding of data on worksheet.

### Task B: Reconcile payroll register and authorise payment

As finance and operations manager at head office, each fortnight you need to reconcile the payroll registers for each store with calculated individual pays and employee data.

You are required to:

* reconcile the Bendigo pay register with the individual pay calculations (completed in task A) and employee data
* complete and authorise (sign) the pay register.

### Task C: Handle payroll enquiry

You are the manager of the Bendigo store. One of your casual employees, Richard Swift has come to you with a complex request for information. You don’t have all the information in front of you so you have agreed to meet with Mr. Swift later in the day to answer his enquiry.

Mr. Swift would like to find out:

* his tax file number
* how much child support is deducted from his pay each fortnight (he thinks it is $75 and there appears to be a discrepancy in his pay)
* why he has no access to overtime because he is divorced (he was told by another employee that this was company policy and Mr. Swift is personally insulted)
* how requests for information on his pay by police or Child Support Australia will be handled by PittStop Inc

Meet with Mr. Swift (your assessor) to answer his enquiry in person.

* Be professional and courteous.
* Answer all points of enquiry and clear up any discrepancies.
* Refer to all relevant legislation and organisational policy and procedures.

## Appendix 2 – Policy and procedures

### Payroll control policy

|  |  |
| --- | --- |
| **Purpose:** | The purpose of this policy is to ensure the integrity of the payroll system against risk from fraud or mismanagement or accidental error. |
| **Scope:** | The scope of this policy covers all employees and contractors of PittStop Inc. |
| **Resources:** | Specific procedures for the implementation of this policy available below. |
| **Responsibility:** | Responsibility for the implementation of this policy rests with all employees and contractors of PittStop Inc, particularly employees and management with responsibility for overseeing the administration of or direct administration and processing of payroll |
| **Relevant legislation etc.:** | * Australian Securities and Investments Commission Act 2001 (Cwlth) * Corporations Act 2001 (Cwlth) * Australian Accounting Standards |
| **Updated/authorised:** | 10/2015 – Jack Tan Finance and Operations Manager |

### Payroll processing procedures

To comply with legislation, AASB standards for financial records and organisational requirements for cost accounting, etc, the following procedure must be followed.

#### To process payroll (Store):

1. Verify employee details.
2. Obtain approval of changes and deductions (requires store manager approval).
3. Obtain approval of overtime (requires store manager approval).
4. Verify the hours worked.
5. Verify leave (if applicable).
6. Compile timesheet totals.
7. Calculate wages due.
8. Calculate tax withholding.
9. Generate payroll register.
10. Forward individual pay information and payroll register to PittStop Inc head office.

#### To process payroll (head office):

1. Reconcile register against calculated pay and employee data.
2. Arrange payments.
3. Post journal entries in accounting system (MYOB AccountRight).
4. Arrange PAYG payments to ATO.
5. Arrange forwarding of other deducted payments.

### Payroll employee records management policy

|  |  |
| --- | --- |
| **Purpose :** | The purpose of this policy is to ensure compliance with legislation and ensure the integrity, confidentiality and security of payroll information. |
| **Scope:** | The scope of this policy covers the administration of payroll records by employees and contractors of PittStop Inc. |
| **Resources:** | Specific procedures for the implementation of this policy are available below and on the company intranet. |
| **Responsibility** | Responsibility for the implementation of this policy rests with employees and management with responsibility for the oversight of or direct administration of payroll records. |
| **Relevant legislation etc.:** | * 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) |
| **Updated/authorised:** | 10/2015 – Jack Tan Finance and Operations Manager |

#### Access to and disclosure of employee information procedures

As all employee information is confidential, all employee records will be stored in a secure environment at all times. Only authorised staff and legal authorities will have access to employee records.

Employee records are their own property and they may have access to their own records at any time.

Information contained in an employee's record will only be disclosed to a third party with the written consent of the employee. PittStop Inc is obliged to disclose information about an employee, with or without the employee's consent, if it is determined by the designated authority to be a legal requirement or to provide reasonable assistance to law enforcement authorities.

#### To manage pay roll enquiries:

1. Determine nature of enquiry.
2. Determine authority using chart below:

| Description of enquiry | Designated person |
| --- | --- |
| The supervisor/manager/business owner may want to access:   * employee details * hours of work * payroll information (summary statements, PAYG, superannuation, HELP, etc.).   There also may be outside enquiries about the information above. In this situation you should always check with the designated person for authority to access and pass on information. | Finance and Operations Manager |
| A Fair Work Australia inspector may want to access:   * employee records * wages * awards * employee timesheets * leave information.   Your workplace may need to be inspected to access employee records and files. In this situation you should always tell the designated person that you have had an enquiry for a workplace visit that will require access to records. | Finance and Operations Manager |
| The Australian Taxation Office may want further information about employees, such as:   * tax file numbers * employee withholding declaration * superannuation * ABN or ACN * PAYG * BAS * HECS/HELP.   Your workplace policy will determine if you are able to pass this information on directly. | Finance and Operations Manager |
| Child support agencies may want further information on:   * an employee’s salary * child support deductions. | Finance and Operations Manager |
| Australian state and federal courts may want further information about an employee’s contributions towards fines and court orders. | Finance and Operations Manager |
| Employee deductions agencies, such as unions and health insurance providers, may require employees to sign a deduction authority form which must be kept in the employee’s file. | Finance and Operations Manager |
| Employee’s request for their own payroll information. | Store Manager |

## Appendix 3 – Payroll information

### Summary employee data

**\*Note:** Modern award defines minimum pay and conditions. Actual pay and conditions at PittStop Inc meet or exceed modern awards and are defined by relevant negotiated enterprise bargaining agreements.

**\*\*Note:** Overtime is paid at 150% for the first three hours and 200% thereafter.

|  | Sue Wang  Employee #001 | Richard Swift  Employee #002 | Paul Singleton  Employee #003 | Al Carron  Employee #004 |
| --- | --- | --- | --- | --- |
| Personal details | | | | |
| Modern award\* | MA000004 | MA000004 | MA000004 | MA000004 |
| Employment classification | Retail Worker level 2 | Retail Worker level 2 | Retail Worker level 3 | Retail Worker level 4 |
| Job title | Store worker | Store worker | Store worker | Store manager |
| Employment category | Permanent | Permanent | Permanent | Permanent |
| Employment status | Casual | Casual | Full-time | Full-time |
| Commencement date | 1/07/2015 | 11/11/2015 | 1/6/2014 | 1/7/2014 |
| Wages/salary | | | | |
| Pay frequency | Fortnightly | Fortnightly | Fortnightly | Fortnightly |
| Rate | $18 per hour | $18 per hour | $20 per hour | $52,000 pa |
| Casual loading | 25% | 25% | No | No |
| \*\*Overtime payable if worked | No | No | Yes | No |
| Sunday OT | 2x | 2x | 2x | No |
| Normal hours per week | 20 | 20 | 38 | 38 |
| Allowances – Motor vehicle for business use. | No | No | $50 per week | $50 per week |
| Saturday loading | 10% | 10% | 25% | No |
| Leave loading | No | No | 17.5% | 17.5% |
| Superannuation | | | | |
| Fund | SUN | SUN | AMP | HESTA |
| Employee # | 63456 | 89076 | 58432 | 27969 |
| Salary sacrifice for additional contribution | No | No | $50 dollars/ week | $50 dollars/ week |
| Entitlements | | | | |
| Holiday (A/L) | No | No | 4 weeks | 4 weeks |
| Sick/personal leave | No | No | 10 days | 10 days |
| Deductions | | | | |
| Child support |  | $50/week to CSA (mandatory by court order and agreed with employee) |  |  |
| Salary sacrifice |  |  |  | Car payment:$100 /wk |
| Union | No | No | No | No |
| Taxes | | | | |
| Tax file number | 789654326 | 675498760 | 342769865 | 976530987 |
| Tax threshold | Threshold claimed | No Threshold | Threshold claimed | Threshold claimed |
| Withholding variation | No | $50/week tax offset | No | No |
| HELP debt | No | Yes | No | No |
| Bank account details | | | | |
| Bank name | CBA | BENDIGO | ANZ | NAB |
| Bank branch | Bendigo | Bendigo | Bendigo | Bendigo |
| BSB | 063 222 | 625 564 | 063 790 | 347 789 |
| Account # | 45367865 | 87696543 | 09876543 | 12345678 |
| Account name | S Wang | R Swift | P Singleton | Penny and Al Carron |

### Timesheet information

**Note:** Employees take 30 minutes unpaid lunch and two 15 minute paid breaks for shifts over 6 hours.

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Day | Sue Wang  Employee #001 | | | Richard Swift  Employee #002 | | | Paul Singleton  Employee #003 | | | Al Carron  Employee #004 | | |
| 13–19 June 2016 | Start | End | Total | Start | End | Total | Start | End | Total | Start | End | Total |
| Mon | 2pm | 7pm | 5 | 7pm | 11pm | 4 |  |  |  | 6am | 2pm | 7.5 |
| Tue |  |  |  | 7pm | 11pm | 4 | 6am | 2pm | 7.6 | 2pm | 7pm | 5 |
| Wed | 7pm | 11pm | 5 |  |  |  | 6am | 2pm | 7.6 | 2pm | 7pm | 5 |
| Thur |  |  |  | 7pm | 11pm | 4 | 6am | 2pm | 7.6 | 2pm | 7pm | 5 |
| Fri | 7pm | 11pm | 5 |  |  |  | 6am | 2pm | 7.6 | 2pm | 7pm | 5 |
| Sat |  |  |  | 7pm | 11pm | 4 | 6am | 4pm | 9.6 | 2pm | 7pm | 5 |
| Sun | 6pm | 11pm | 5 | 2pm | 6pm | 4 |  |  |  | 6am | 2pm | 7.5 |
| **Ord. time** |  |  | **15** |  |  | **16** |  |  | **38** |  |  | **38** |
| **OT and Sunday** |  |  | **5** |  |  | **4** |  |  | **2** |  |  | **2** |

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Day | Sue Wang  Employee #001 | | | Richard Swift  Employee #002 | | | Paul Singleton  Employee #003 | | | Al Carron  Employee #004 | | |
| 20-26June 2016 | Start | End | Total | Start | End | Total | Start | End | Total | Start | End | Total |
| Mon | 2pm | 7pm | 5 | 7pm | 11pm | 4 | A/L | A/L | 7.6 | 6am | 2pm | 7.5 |
| Tue | 6am | 2pm | 7.5 | 7pm | 11pm | 4 | A/L | A/L | 7.6 | 2pm | 7pm | 5 |
| Wed | 7pm | 11pm | 5 | 6am | 2pm | 7.5 | A/L | A/L | 7.6 | 2pm | 7pm | 5 |
| Thur | 6am | 2pm | 7.5 | 7pm | 11pm | 4 | A/L | A/L | 7.6 | 2pm | 7pm | 5 |
| Fri | 7pm | 11pm | 5 | 6am | 2pm | 7.5 | A/L | A/L | 7.6 | 2pm | 7pm | 5 |
| Sat | 6am | 2pm | 7.5 | 7pm | 11pm | 4 |  |  |  | 2pm | 7pm | 5 |
| Sun | 6pm | 11pm | 5 | 2pm | 6pm | 4 |  |  |  | 6am | 2pm | 7.5 |
| **Ord. time** |  |  | **37.5** |  |  | **31** |  |  | **38\*** |  |  | **38** |
| **OT and Sunday** |  |  | **5** |  |  | **4** |  |  |  |  |  | **2** |

**\***Leave records indicate Paul Singleton has already taken three weeks leave and consequently has one week available. A deduction of $320 has already been made from previous leave loading.

### Payroll register (to be checked and reconciled by head office)

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Payroll register for week ending: 24 April 2015 | | | | | | | | | | | | | | | | | | |
| **Employee** | **Payment** | | | | | | | | | | **Gross Pay** | **Deductions** | | | | | **Super guarantee** | **Net pay** |
| **Ordinary hours** | **O/T (1.5x)** | **O/T (2x)** | **Holiday pay** | **Leave loading** | **Sat. loading** | **Casual loading** | **Personal Leave** | **Car** | **Allowances** | **Salary sacrifice** | **Superannuation contribution** | **PAYG TAX** | **HELP** | **Other** |
| 001 | 945 |  | 360 |  |  | 13.5 | 236.25 |  |  |  | 1,554.75 |  |  | 214 |  |  | 107.52 | 1,340.75 |
| 002 | 846 |  | 288 |  |  | 14.40 | 211.50 |  |  |  | 1,359.90 |  |  | 244 | 54 |  | 96.47 | 1,061.90 |
| 003 | 760 | 60 |  | 760 | 133 | 48 |  |  | 100 |  | 1,806.50 |  | 100 | 224 |  |  | 153.10 | 1,473 |
| 004 | 2000 |  |  |  |  |  |  |  | 100 |  | 2,100 | 200 | 100 | 302 |  |  | 180 | 1,498 |
| **Total** | **4,551** | **60** | **648** | **760** | **133** | **75.40** | **447.75** |  | **200** |  | **6,821.15** | **200** | **200** | **984** | **54** |  | **532.18** | **5,291.15** |

## 

## Appendix 4 – Worksheets

### Employee 001

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Hourly rate:** | $18.00 | **Salary:** |  | |
| **Pay period** | Start date:  11 April 2015 | End date:  24 April 2015 | **Forwarded to head office:** | |
| **Gross wages** | Hours | Rate |  | |
| Ordinary time | 52.5 | 1 | $945 | |
| Overtime (1.5 x hourly rate) |  | 1.5 |  | |
| Overtime (2 x hourly rate) |  | 2 |  | |
| Holiday pay (A/L) |  | 1 |  | |
| Casual loading (25%) |  | 0.25 |  | |
| Saturday loading (10%) |  | 0.1 |  | |
| Holiday leave loading (17.5%) |  | 0.175 |  | |
| Personal leave paid |  | 1 |  | |
| **Total** | | |  | |
| **Allowances** | | | | |
| Car | | |  | |
| **Pre-tax deductions** | | | | |
| Superannuation | | | |  |
| Salary sacrifice | | | |  |
| **Taxes** | | | | |
| PAYG Tax | | | |  |
| HELP | | | |  |
| Tax offsets | | | |  |
| **Total PAYG withholding** | | | |  |
| **Deductions** | | | | |
| Child support | | | |  |
| **Net pay** | | | |  |
| **Superannuation contribution (@ 9% Ordinary + Loading from gross pay)** | | | |  |

### Employee 002

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Hourly rate:** | $18.00 | **Salary:** |  | |
| **Pay period** | Start date:  11 April 2015 | End date:  24 April 2015 | **Forwarded to head office:** | |
| **Gross wages** | Hours | Rate |  | |
| Ordinary time |  | 1 |  | |
| Overtime (1.5 x hourly rate) |  | 1.5 |  | |
| Overtime (2 x hourly rate) |  | 2 |  | |
| Holiday pay (A/L) |  | 1 |  | |
| Casual loading (25%) |  | 0.25 |  | |
| Saturday loading (10%) |  | 0.1 |  | |
| Holiday leave loading (17.5%) |  | 0.175 |  | |
| Personal leave paid |  | 1 |  | |
| **Total** | | |  | |
| **Allowances** | | | | |
| Car | | |  | |
| **Pre-tax deductions** | | | | |
| Superannuation | | | |  |
| Salary sacrifice | | | |  |
| **Taxes** | | | | |
| PAYG Tax | | | |  |
| HELP | | | |  |
| Tax offsets | | | |  |
| **Total PAYG withholding** | | | |  |
| **Deductions** | | | | |
| Child support | | | |  |
| **Net pay** | | | |  |
| **Superannuation contribution (@ 9% Ordinary + Loading from gross pay)** | | | |  |

### Employee 003

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Hourly rate:** | $20.00 | **Salary:** |  | |
| **Pay period** | Start date:  11 April 2015 | End date:  24 April 2015 | **Forwarded to head office:** | |
| **Gross wages** | Hours | Rate |  | |
| Ordinary time |  | 1 |  | |
| Overtime (1.5 x hourly rate) |  | 1.5 |  | |
| Overtime (2 x hourly rate) |  | 2 |  | |
| Holiday pay (A/L) |  | 1 |  | |
| Casual loading (25%) |  | 0.25 |  | |
| Saturday loading (25%) |  | 0.25 |  | |
| Holiday leave loading (17.5%) |  | 0.175 |  | |
| Personal leave paid |  | 1 |  | |
| **Total** | | |  | |
| **Allowances** | | | | |
| Car | | |  | |
| **Pre-tax deductions** | | | | |
| Superannuation | | | |  |
| Salary sacrifice | | | |  |
| **Taxes** | | | | |
| PAYG Tax | | | |  |
| HELP | | | |  |
| Tax offsets | | | |  |
| **Total PAYG withholding** | | | |  |
| **Deductions** | | | | |
| Child support | | | |  |
| **Net pay** | | | |  |
| **Superannuation contribution (@ 9% Ordinary + Loading from gross pay)** | | | |  |

### Employee 004

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Hourly rate:** |  | **Salary:** | $52,000 | |
| **Pay period** | Start date:  11 April 2015 | End date:  24 April 2015 | **Forwarded to head office:** | |
| **Gross wages** | Hours | Rate |  | |
| Ordinary time |  | 1 |  | |
| Overtime (1.5 x hourly rate) |  | 1.5 |  | |
| Overtime (2 x hourly rate) |  | 2 |  | |
| Holiday pay (A/L) |  | 1 |  | |
| Casual loading (25%) |  | 0.25 |  | |
| Saturday loading (10%) |  | 0.1 |  | |
| Holiday leave loading (17.5%) |  | 0.175 |  | |
| Personal leave paid |  | 1 |  | |
| **Total** | | |  | |
| **Allowances** | | | | |
| Car | | |  | |
| **Pre-tax deductions** | | | | |
| Superannuation | | | |  |
| Salary sacrifice | | | |  |
| **Taxes** | | | | |
| PAYG Tax | | | |  |
| HELP | | | |  |
| Tax offsets | | | |  |
| **Total PAYG withholding** | | | |  |
| **Deductions** | | | | |
| Child support | | | |  |
| **Net pay** | | | |  |
| **Superannuation contribution (@ 9% Ordinary + Loading from gross pay)** | | | |  |

### Authorised payroll register

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Payroll register for week ending: 24 April 2015 | | | | | | | | | | | | | | | | | | |
| **Employee** | **Payment** | | | | | | | | | | **Gross Pay** | **Deductions** | | | | | **Super guarantee** | **Net pay** |
| **Ordinary hours** | **O/T (1.5x)** | **O/T (2x)** | **Holiday pay** | **Leave loading** | **Sat. loading** | **Casual loading** | **Personal Leave** | **Car** | **Allowances** | **Salary sacrifice** | **Superannuation contribution** | **PAYG TAX** | **HELP** | **Other** |
| 001 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 002 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 003 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 004 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Total** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

**Authorisation: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

# Marking Guide

## Marking Guide 2: Assignment and Roleplay: Prepare payroll data and authorise

|  |  |  |  |
| --- | --- | --- | --- |
| Student’s Name |  | Phone No. |  |
| Assessor’s Name |  | Phone No. |  |

### Outcomes

|  |  |  |
| --- | --- | --- |
| Students will: | Satisfactory | |
| Yes | No |
| Meet with assessor to role-play enquiry? |  |  |
| Submit payroll calculations? |  |  |
| Submit authorised payroll register? |  |  |
| Complete assessment within agreed deadline? |  |  |

### Record of performance

| Performance indicators | Satisfactory | |
| --- | --- | --- |
| Yes | No |
| Use nominated industrial awards, contracts and government legislation to calculate gross pay and annual salaries? |  |  |
| Calculate statutory and voluntary deductions using government and employee documentation? |  |  |
| Provide payroll data to payroll processor for calculation within designated timelines? |  |  |
| Check payroll, and authorise salaries and wages for payment in accordance with organisational policy and procedures? |  |  |
| Reconcile salaries, wages and deductions in accordance with organisational policy and procedures? |  |  |
| Deal with salary, wage and related enquiries in accordance with organisational policy and procedures? |  |  |

### Comments/feedback to participant

|  |  |
| --- | --- |
|  | |
|  | |
|  | |
|  | |
| Outcome: | 🞏 Successful 🞏 Unsuccessful |
| Assessor name: |  |
| Assessor signature: |  |

# Assessment 3: Case Study: Administer salary records

## Performance objective

The Student will demonstrate the ability to administer salary records.

## Assessment description

.Candidates will develop a set of tools (Schedules and registers) to be used in the administration of a payroll. Students will be required to complete a proof set of government payroll documents.

## Procedure

Consider the scenario and the tasks provided.

#### Task A: Process new employee

1. Develop a schedule for processing forms for new employee.

#### Task B: Schedule payments

1. Develop a schedule to forward funds to nominated creditors and dispatch payments to government authorities.

#### Task C: Complete a BAS summary

1. Using the worksheet provided, complete a BAS summary.

#### Task D: Complete payment summaries

1. Using the worksheets provided, complete organisational and individual employee PAYG payment summaries.
2. Reconcile organisational and individual employee PAYG payment summaries so that total amounts for the organisation and individual amounts agree.
3. Submit all documents required in the specifications below to your assessor. Ensure you keep a copy of all work submitted for your records.

## Specifications

You must submit:

* a schedule for processing forms for new employee
* a schedule for forwarding funds to nominated creditors and dispatching payments to government authorities
* BAS summary worksheet
* organisational and individual employee PAYG payment summary worksheets.

Your assessor will be looking for:

* literacy skills to follow complex financial procedures and to follow detailed instructions
* numeracy skills to calculate obligations and reconcile PAYG summaries
* knowledge of key provisions of relevant legislation from all forms of government, standards, regulations and codes that may affect aspects of business operations, such as:
  + Australian Taxation Office (ATO) regulations
  + financial legislation
  + other relevant government and statutory bodies in relation to payroll
  + knowledge of *Superannuation Guarantee (Administration) Act 1992* and superannuation regulations
* knowledge of organisational policies and procedures across the full range of tasks required payroll processes.

## Appendix 1 – PittStop Inc Pty Ltd

PittStop Inc is a privately owned retail and fuel service company that until recently operated four independent service stations/stores in Melbourne’s north. The company has recently expanded to 13 service stations across Victoria.

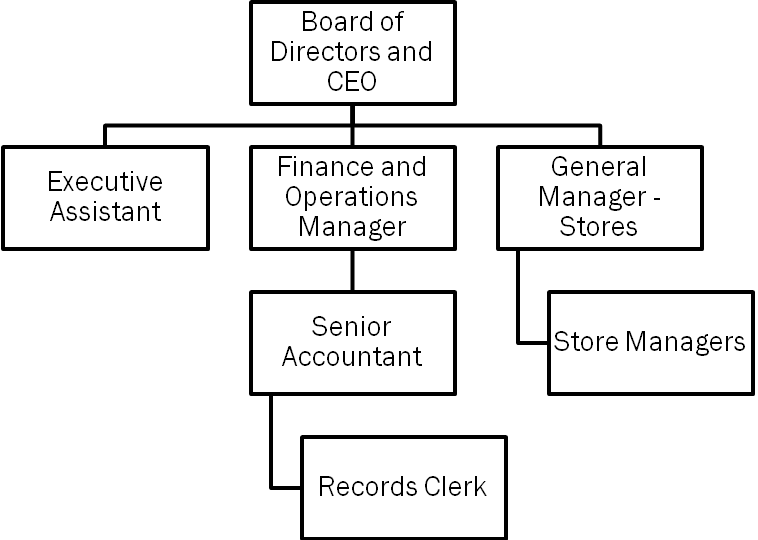
The owner, chairman and CEO, James Murphy, has run the company for the past five years. He has operated service stations for most of the last 25 years and relies on his hands-on approach to operations.

PittStop Inc stores trade 6 am–11 pm daily. They typically include a vehicle access forecourt with at least six pump stations, a retail shop, a food bar, store manager’s office and stockroom. They sell fuel, oil, gas, supermarket goods, hot pies (heated from frozen on the premises) and cold drinks.

For the financial year 2015–2016, PittStop Inc is projected to have an annual turnover of $9,000,000 and generate a profit of $3,000,000. Payroll is expense is projected to be $3,000,000. The organisation uses a computerised accounting system: MYOB AccountRight.

### PittStop Inc organisational structure

The flagship PittStop Inc store in Brunswick, Victoria has an attached office space that accommodates head office (the directors, senior management staff and clerical employees).



### Task A: Process new employee

It is 30 June 2016. You are the manager of the Bendigo store. You are starting a new casual employee on Monday.

You are required to develop a schedule for processing forms. Your schedule should:

* include specific dates for providing, collecting and forwarding forms
* adhere to ATO requirements
* adhere to organisational requirements such as policies and procedures.

### Task B: Schedule payments

It is 30 June 2016, the end of Q4. You are the Finance and Operations Manager at PittStop Inc. Your duties include planning and executing payments to nominated creditors and government authorities.

Consider:

* BAS statements are prepared and associated PAYG, HELP, and fringe benefits tax (FBT) payments are made quarterly
* PittStop Inc is liable for payroll tax
* PittStop Inc is liable for workers compensation 15 days after the end of the quarter
* extra superannuation contributions (SUN, HESTA, AMP) are forwarded at the same time as those associated with the superannuation guarantee
* all other nominated or required payments such as child support are due on the 15th of each month
* car salary sacrifice amounts are managed by VIC Finance.

You are required to develop a July schedule for dispatching payments in. Your schedule should:

* include specific dates for dispatching payments to specific organisations
* include name of organisation or authority to receive payment
* adhere to ATO requirements
* adhere to all other obligations for timely payment.

### Task C: Complete a BAS summary

It is 30 June 2016. You are the Finance and Operations Manager at PittStop Inc. Your duties include completing a BAS statement at the end of each quarter of the financial year.

Consider the following information from the Q4 BAS:

|  |  |  |
| --- | --- | --- |
| PAYG Tax withheld | | |
| Total salary, wages and other payments | W1 | 580,950 |
| Amount withheld from payments shown at W1 | W2 | 87,000 |
| Amount withheld where no ABN is quoted | W4 | - |
| Other amounts withheld (excluding any amount shown at W2 or W4 | W3 | - |
| Total amounts withheld | W5 | 87,000 |

|  |  |
| --- | --- |
| F1 | 7,500 |

You are required to complete the BAS summary worksheet provided to determine the amount to forward to the ATO (following the schedule you developed in task B).

### Task D: Complete payment summaries

It is 30 June 2016. You are the Finance and Operations Manager at PittStop Inc. Your duties include creating individual PAYG summaries for PittStop Inc employees and reconciling these amounts with the amounts stated on the PittStop Inc PAYG summaries for each store. You must also ensure the summaries are forwarded to the ATO and the individuals concerned within legislated deadlines:

You are required to use the payroll information provided in this assessment task to complete PAYG payment summaries worksheets for the Bendigo store:

* complete the PAYG payment summary worksheets
* ensure individual amounts on individual PAYG payment summaries tally with totals on the PittStop Inc Bendigo summary
* include scheduled dates on the worksheet provided for forwarding forms to the ATO and to individuals.

## Appendix 2 – Policies and procedures

### Payroll employee records management policy

|  |  |
| --- | --- |
| **Purpose:** | The purpose of this policy is to ensure compliance with legislation and ensure the integrity, confidentiality and security of payroll information. |
| **Scope:** | The scope of this policy covers the administration of payroll records by employees and contractors of PittStop Inc. |
| **Resources:** | Specific procedures for the implementation of this policy are available below. |
| **Responsibility** | Responsibility for the implementation of this policy rests with employees and management with responsibility for the oversight of or direct administration of payroll records. |
| **Relevant legislation etc.:** | * 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) |
| **Updated/authorised:** | 10/2015 – Jack Tan Finance and Operations Manager |

### Collection of records procedures

Files will be established for each employee, for the storage of information and documentation provided by each employee. Employees are to provide all documents required to undertake payroll, which may include but are not restricted to:

* tax forms
* employee details
* superannuation choice form.

It is the employee’s responsibility to provide accurate information and relevant records. No responsibility will be taken for any consequences incurred as a result of non-current or incorrect information being supplied.

### To collect records from new employee:

1. Provide employees with copies of tax file declaration and tax withholding declaration form at earliest possible time (within three days of commencement maximum).
2. Provide employees with superannuation choice form at earliest possible time (Within three days of commencement maximum).
3. Collect forms within one week.
4. Forward forms to applicable authorities.
5. File forms and duplicates under employee name in secure, locking cabinet.

## Appendix 3 – Payroll information

### Draft pay summary report for Bendigo store July 2015 to June 2016

Data for individuals compiled from and reconciled with general ledger accounts and employee earnings cards. Totals need to be checked for accuracy.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| \*\*Employee | Gross pay | Allowances (car) | \*Salary sacrifice | PAYG withheld | Superannuation | Net pay |
| S Wang | 24,570 |  |  | 5,564 | 2,795.52 | 34,859.5 |
| R Swift | 21,996 |  |  | 6,344 | 2,508.22 | 29,013.4 |
| P Singleton | 19,760 | 2,600 |  | 7,020 | 3,852.94 | 38,753 |
| A Carron | 52,000 | 2,600 | 5,200 | 7,852 | 4,680 | 38,948 |
| **Total** | **118,326** | **5,200** | **5,200** | **25,780** | **13,836.7** | **141,574** |

\*All salary sacrifice is FBT reportable

### Summary employee data

**\*Note:** Modern award defines minimum pay and conditions. Actual pay and conditions at PittStop Inc meet or exceed Modern Awards and are defined by relevant negotiated enterprise bargaining agreements.

**\*\*Note:** Overtime is paid at 150% for the first 3 hours and 200% thereafter

|  | Sue Wang  Employee #001 | Richard Swift  Employee #002 | Paul Singleton  Employee #003 | Al Carron  Employee #004 |
| --- | --- | --- | --- | --- |
| Personal details | | | | |
| Modern award\* | MA000004 | MA000004 | MA000004 | MA000004 |
| Employment classification | Retail worker level 2 | Retail worker level 2 | Retail worker level 3 | Retail worker level 4 |
| Job title | Store worker | Store worker | Store worker | Store manager |
| Employment category | Permanent | Permanent | Permanent | Permanent |
| Employment status | Casual | Casual | Full-time | Full-time |
| Commencement date | 1/07/2015 | 11/11/2015 | 1/6/2014 | 1/7/2014 |
| Wages/salary | | | | |
| Pay frequency | Fortnightly | Fortnightly | Fortnightly | Fortnightly |
| Rate | $18  per hour | $18  per hour | $20  per hour | $52,000 pa |
| Casual loading | 25% | 25% | No | No |
| \*\*Overtime payable if worked | No | No | Yes | No |
| Sunday OT | 2x | 2x | 2x | No |
| Normal hours per week | 20 | 20 | 38 | 38 |
| Allowances – Motor vehicle for business use. | No | No | $50 per week | $50 per week |
| Saturday loading | 10% | 10% | 25% | No |
| Leave loading | No | No | 17.5% | 17.5% |
| Superannuation | | | | |
| Fund | SUN | SUN | AMP | HESTA |
| Employee # | 63456 | 89076 | 58432 | 27969 |
| Salary sacrifice for additional contribution | No | No | $50 dollars/ week | $50 dollars/ week |
| Entitlements | | | | |
| Holiday (A/L) | No | No | 4 weeks | 4 weeks |
| Sick/Personal leave | No | No | 10 days | 10 days |
| Deductions | | | | |
| Child support |  | $50/week to CSA (mandatory by court order and agreed with employee) |  |  |
| Salary sacrifice |  |  |  | Car payment-$100 /wk |
| Union | No | No | No | No |
| Taxes | | | | |
| Tax file number | 789654326 | 675498760 | 342769865 | 976530987 |
| Tax threshold | Threshold claimed | No Threshold | Threshold claimed | Threshold claimed |
| Withholding variation | No | $50/week tax offset | No | No |
| HELP debt | No | Yes | No | Yes |
| Bank account details | | | | |
| Bank name | CBA | BENDIGO | ANZ | NAB |
| Bank branch | Bendigo | Bendigo | Bendigo | Bendigo |
| BSB | 063 222 | 625 564 | 063 790 | 347 789 |
| Account # | 45367865 | 87696543 | 09876543 | 12345678 |
| Account name | S Wang | R Swift | P Singleton | Penny and Al Carron |

## Appendix 4 – Worksheets

### BAS summary for Q4

|  |  |  |
| --- | --- | --- |
| Amounts you owe the Australian Taxation Office | | |
| GST on sales or GST instalment | 1A | $250,000 |
| Wine equalisation tax | 1C | $0 |
| Luxury car tax | 1E | $0 |
| PAYG tax withheld | 4 | $ |
| PAYG income tax instalment | 5A | $187,500 |
| FBT instalment | 6A | $ |
| Deferred company fund instalment | 7A | $0 |
| Amount owed | 8A | $ |
| Amounts the tax office owes you | | |
| GST on purchases | 1B | $75,000 |
| Wine equalisation tax refundable | 1D | $0 |
| Luxury car tax refundable | 1F | $0 |
| Credit from PAYG income tax instalment variation | 6B | $0 |
| Credit FBT instalment variation | 8B | $0 |
| **Total owed to ATO (8A - 8B)** |  | $ |

### PittStop Inc (Bendigo) PAYG payment summary worksheet

|  |  |
| --- | --- |
| Number of individual payment summaries | 4 |
| Total gross payments | $ |
| Total tax withheld | $ |
| Date summary sent to ATO |  |
| Date summary sent to employee |  |

### PittStop Inc individual payment summary worksheets

#### Sue Wang

|  |  |
| --- | --- |
| Tax file number |  |
| Tax withheld | $ |
| Gross payments | $ |
| Reportable FBT amounts | $ |
| Superannuation | $ |
| Allowance (specify) | $ |
| Allowance (specify) | $ |
| Date summary sent to ATO |  |
| Date summary sent to employee |  |

#### Richard Swift

|  |  |
| --- | --- |
| Tax file number |  |
| Tax withheld | $ |
| Gross payments | $ |
| Reportable FBT amounts | $ |
| Superannuation | $ |
| Allowance (specify) | $ |
| Allowance (specify) | $ |
| Date summary sent to ATO |  |
| Date summary sent to employee |  |

#### Paul Singleton

|  |  |
| --- | --- |
| Tax file number |  |
| Tax withheld | $ |
| Gross payments | $ |
| Reportable FBT amounts | $ |
| Superannuation | $ |
| Allowance (specify) | $ |
| Allowance (specify) | $ |
| Date summary sent to ATO |  |
| Date summary sent to employee |  |

#### Al Carron

|  |  |
| --- | --- |
| Tax file number |  |
| Tax withheld | $ |
| Gross payments | $ |
| Reportable FBT amounts | $ |
| Superannuation | $ |
| Allowance (specify) | $ |
| Allowance (specify) | $ |
| Date summary sent to ATO |  |
| Date summary sent to employee |  |

# Marking Guide 3: Case Study: Administer salary records

|  |  |
| --- | --- |
| Student’s Name |  |
| Assessor’s Name |  |

### Outcomes

|  |  |  |
| --- | --- | --- |
| Did the Student: | Satisfactory | |
| Yes | No |
| Submit a schedule for processing forms for a new employee? |  |  |
| Submit a schedule for forwarding funds to nominated creditors and dispatching payments to government authorities? |  |  |
| Submit a BAS summary worksheet? |  |  |
| Submit organisational and individual employee PAYG payment summary worksheets? |  |  |
| Complete assessment within agreed deadline? |  |  |

### Record of performance

| Performance indicators | Satisfactory | |
| --- | --- | --- |
| Yes | No |
| Process declaration forms for new and existing employees in accordance with Australian Taxation Office requirements? |  |  |
| Forward periodic deductions to nominated creditors within designated timelines? |  |  |
| Prepare and despatch payments to government authorities accurately and in accordance with the relevant government legislation? |  |  |
| Calculate and transcribe group tax amounts and make payments in accordance with taxation procedures? |  |  |
| Prepare and reconcile employee group certificate amounts from salary records? |  |  |

### Comments/feedback to participant

|  |  |
| --- | --- |
|  | |
|  | |
|  | |
|  | |
| Outcome: | 🞏 Successful 🞏 Unsuccessful |
| Assessor name: |  |
| Assessor signature: |  |