ADP ES Solution Design

Business Blueprint: Vietnam

RMIT Vietnam

Commercial in Confidence

|  |  |
| --- | --- |
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##### Release Notice

This document applies to the ECC6 SAP R/3 version of the GlobalView® product solution. It is valid for ECC6-upgraded projects as well as new implementations done on the ECC6 template. It includes documentation of template enhancements from January 2011 and forward. Check the Document Attributes panel for reference to the ECC5 version.

##### Authorizations and Amendments History

| Version | Authored | Changes | CRM Ticket | Next Review Date |
| --- | --- | --- | --- | --- |
| 0.1 | Qi Wang |  |  |  |
| 0.2 | Qi Wang |  |  |  |
| 0.3 | Qi Wang | 1. Add SI&Tax deduction items to the config worksheet 2. Extended Sick Lv will not affect YOS for SP 3. New cash-refunding wage type 3299 for EE added to config worksheet 4. Wage type 3298 & 3297 added for ChildCare&Sick Lv Government payment 5. Wage type 2375 defined for auto-calculation of Long Service Award (new scheme) 6. Parental/prenatal leave now shares the same logic with maternity leave (government pays and RMIT VN will make-up the difference later) 7. Hourly base amount will be interfaced via IT2002 instead of IT008 for wage type 2300 8. Unpaid sick lv will be generated as separated deduction items |  |  |
| 0.4 | Qi Wang | 1. LWOP including maternity/prenatal/parental leave will not be factored out of Basic Pay and allowances. Separated deduction items will be generated 2. Basic pay and allowances will only be factored by mid-month entry/leaving 3. Remove Benefits window from payslip 4. Display VND and USD final bank transfer amount in the bottom of payslip 5. EG/ESG definition awaits confirmation for short contracted employees 6. Description added for RMIT VN payslip 7. Time off in lieu will not be compensate |  |  |
| 1.0 | Qi Wang | 1. Unpaid leaves generated as <Deduction for Basic Pay> and <Deduction for Allowance> instead of factoring or separated deduction items for each absence type 2. /002 added with WORK\_LOAD% 3. Payslip layout adjustment |  |  |
| 1.1 | Qi Wang | 1. Provide new option for urgent termination case, which uses live-payroll run. 2. Added total accrual amount reversal logic in BPCW 3. Added accrual logic for Exec Bonus and Severance Pay in BPCW 4. Finalise House Rental Fee logic 5. Added ER-taxed Benefit In-kind items 6. Medical/Dental insurance rule change |  |  |
| 1.2 | Qi Wang | 1. Adding Full Month Unpaid leave check logic into factoring and /00X valuation basis generation 2. Adding Full Month Unpaid leave check logic into 13th Salary factoring logic |  |  |
| 1.3 | Qi Wang | 1. Correct formula of /003 and /004 2. Correct formula of /80X 3. Define custom dependent type 9VN2 for MI/DI insurance program 4. Add new section < Logics to generate WT\_3113 13th Month Salary> |  |  |
| 1.4 |  | 1. 13th salary accrual and reversal need to be handled not only in Jan, but also in case of mid-year termination 2. Fixed exchange rate for SI base 3. Exec Bonus Accrual & Reversal 4. Severance Pay Accrual & Reversal | 9766128  9766131 |  |
| 1.5 |  | 1. Define 3AB3 to separate non-taxable deduction for non-taxable allowance 2. Define /006 for Maternity Lv vPay and non-taxable deduction of unpaid leave |  |  |
|  |  |  |  |  |

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# Purpose of Business Blueprint

The ADP Business Blueprint provides the basis for setup and testing of the GlobalView® ES solution during realization and subsequent phases of project implementation. It will also document the terminology, definitions, groupings and other categorisations required for the successful implementation of the GlobalView® service for the benefit of both parties.

The Business Blueprint will not include all of the details described in subsequent ADP documentation including the Implementation Plan, Data Conversion Plan, etc, which are generally developed later in the implementation process, on the basis of details provided in the Business Blueprint.

The complete list of entries referred to in this document is provided by the **Blueprint Configuration Worksheet**, a copy of which is included. Generally speaking, the section headings in this document will correspond with Worksheet Tabs in the Blueprint Configuration Worksheet.

# Global and Local Template Definitions

The Business Blueprint describes the functional scope and the design decisions that have been made by during the blueprint workshops for the RMIT Vietnam implementation. However it needs to be understood that the **Global Template Document** describes the *global* decisions which have already been taken for RMIT and that the Business Blueprint is required to conform with the global design in respect of processes and global data definitions. Therefore, all data and field entries which have been designated as ‘global’ need to be treated as such, to facilitate consistent, global conventions and reporting.

In case of a conflict between the Global Template Document and the local Business Blueprint, the Global Template Document takes precedence, except for in a case where the Global Template Document needs to be updated in accordance with a requirement that emerges during the country Business Blueprinting process.

The Business Blueprint will therefore describe the implementation of processes and data which are by definition ‘local’, or country-specific. The Business Blueprint will also document any additions and gaps between the local requirements and the Global Template document, if required.

# Scope of Country Implementation

ADP GlobalView is to provide MS for RMIT Vietnam.

The modules of ADP ES’ GlobalView solution that are in scope for this country are as follows:

* Personnel Administration
* Payroll (country)
* Time Management (Time Evaluation)
* Employee Self Service

Each of these modules will be blueprinted separately, if required.

# Overview of Company Structure

RMIT VN has one legal entities.

For the purpose of this blueprint, it will be assumed that unless specified, the Blueprint is consistent across all companies. Should any of the individual sites require special rules this will be clearly indicated in the document.

|  |  |  |  |
| --- | --- | --- | --- |
| **Co Code** | **Company Name** | **City** | **Currency** |
| VN10(legacy code = RUV) | RMIT Vietnam | Ho Chi Minh City | USD/VND |

# Business Processes

## Current Payroll Solution

RMIT VN currently uses MS-Excel as their payroll tool. All payroll calculation and reporting is based on self-designed Excel sheet.

## Current Payroll Processes

RMIT VN has the pay day on every 25th of calendar month normally. In case of termination or relocation, there could be off-cycle payment ahead of regular pay day.

The time attendance information is provided at the middle of next month, so the corresponding time wage types including absence deductions, OT payments etc will be calculated based on current month payroll master data but paid next month.

RMIT VN has one banking interface in the format of Excel sheet. And they also have one GL posting Excel file which is submitted to FICO team.

# General – Tracking Employees

## GlobalView Payroll Number

### 1. GlobalView assigns Payroll Number

All RMIT employees will be assigned a unique GlobalView Payroll Number (GV PERNR) which will be different to their current RMIT employee ID. However, reference to the employee ID will be maintained in the GlobalView system, so employees will continue to see it on their payslips and the RMIT payroll team will be able to access it in the GlobalView system, if required.

Both inbound and outbound interfaces will continue to reference the RMIT employee ID, if required.

Payroll reporting will be based on the RMIT employee ID, if required.

### 2. Country Transfer

The GlobalView Payroll Number is country-specific, so that if an employee is transferred to a new country a new GV PERNR number will be generated. In the event of return to a country in which they have previously been employed, the previous GV PERNR will be re-used.

When an employee is transferred to a new country, the ADP interface program will identify the change in the country code and will generate a GV PERNR for use in the new country. As above, however, employee’s existing HR ID may be maintained in the system for reference.

### 3. Company Transfer within Vietnam

RMIT VN will follow RMIT AU’s approach for domestic transfer. Currently RMIT VN has only one company code, so no domestic transfer actually exists. But if there are such case, Org.Transfer solution will be used as below description:

1. **Organizational Transfer Option**

This option can be only used if the transfer is done at the beginning (1st) of the month. For the transfer in the middle of the month, this approach cannot be used.

* 1. No Termination payroll is processed in this option.
  2. Employee will be able to view their previous payslip and leave history without any cut off.
  3. No split reporting - From current payroll onwards, all Income and deduction will be reported in new legal entity only
  4. All auto calculation (Bonus, severance, leave balance) will be triggered in system without any manual intervention since this employee record is holding full history data.

Example: If employee X is transferred on 1st of the month (e.g 01/07/2015), from company A to Company B.

* Employee X from 01/01/2015 – 30/06/2015 income will be reported under Company A.
* Employee X from 01/07/2015 – 31/12/9999 income will be reported under Company B.

Company Definitions

This section details company particulars for which configuration may not be required but which may require definition within GlobalView.

## Basic Salary/ Package Definition

For each RMIT Company, the definition of basic salary/ package will be provided for:

**Regular Local Staff / Regular Foreign Staff**

The package break up for regular local and foreign staffs is made up of below main components in IT0008:

* Wage type 1000 – Salary
* Wage type 1001 – Nominal Salary (this wage type is auto-generated by the payroll driver which is for the unprorated amount of basic salary )

**For Hourly Rated Staff**

The Package break up for hourly rated staff is made up of:

* Wage type 1055 - Hourly Rate Wage

## Cost Centre Structure

RMIT cost center structure is as follows:

Please refer to the Blueprint Configuration Worksheet, Cost Centers Tab, for details.

## Expatriate/ International Assignee/ Other (regional definitions)

**Employees in their Home Country**

Employees who exist on the system under the country they are originally from/ declare as their base country (Home Country) will be considered common staff as the others (e.g: as Permanent Full-time) .

**Employees in their Host Country**

Employees who exist on the system under the country they are currently working under (Host Country) will be considered Inpats

**Employees not in their Host/ Home Country**

Employees who are being paid a part of their remuneration in a country that is not their Host or Home country will be considered ‘others’.

Configuration Definitions

## Company Code Structure

In GlobalView terminology a Company Code represents each legal entity for which Balance Sheets and P&L statements are produced.

The following Company Codes will be created in the system:

| Co Code | Company Name |
| --- | --- |
| VN10(legacy code = RUV) | RMIT Vietnam |
|  |  |
|  |  |
|  |  |

## Enterprise Structure (Branch Structure)

The Enterprise Structure corresponds to the company’s physical branch structure. RMIT has the following Enterprise Structure:

| Co Code | P. Area | P. Area Text | Psub Area | Psub Area Text |
| --- | --- | --- | --- | --- |
| VN10 | ;I10 | RMIT Vietnam | 0001 | Ho Chi Minh |
| VN10 | ;I10 | RMIT Vietnam | 0002 | Ha Noi |
| VN10 | ;I10 | RMIT Vietnam | 0003 | Da Nang |
|  |  |  |  |  |

The Enterprise Structure controls elements such as Public Holiday groupings, applicable work schedules, wage-type groupings, absence/ leave groupings and business place, state and territory specific on costs, medical and pension insurance details.

## Employee Group Structure (Employment Terms)

The Employee Group (‘EE Group’) Structure represents categories of employment within the company – e.g. Permanent Officers/ Factory Hourly worker/Part time, etc. The Employee Subgroup is used to create further sub-divisions within Employee Groups.

For RMIT the following Employee Groups/Subgroups will be created in the system:

| EE Group | EE Group Text | EE Sub Group | EE Subgroup Text |
| --- | --- | --- | --- |
| 1 | Perm. / Active - FT | ;A | Academic |
| 1 | Perm. / Active - FT | ;E | English |
| 1 | Perm. / Active - FT | ;P | Professional |
| 1 | Perm. / Active - FT | ;I | Industry Fellow |
| 3 | Temporary - FT | ;A | Academic |
| 3 | Temporary - FT | ;E | English |
| 3 | Temporary - FT | ;P | Professional |
| 3 | Temporary - FT | ;I | Industry Fellow |
| 4 | Temporary - PT | ;A | Academic |
| 4 | Temporary - PT | ;E | English |
| 4 | Temporary - PT | ;P | Professional |
| 4 | Temporary - PT | ;I | Industry Fellow |
| C | Casual (hourly rate) | ;A | Academic |
| C | Casual (hourly rate) | ;E | English |
| C | Casual (hourly rate) | ;P | Professional |
| C | Casual (hourly rate) | ;I | Industry Fellow |
| P | Perm. / Active - PT | ;A | Academic |
| P | Perm. / Active - PT | ;E | English |
| P | Perm. / Active - PT | ;P | Professional |
| P | Perm. / Active - PT | ;I | Industry Fellow |
| I | Inpats | ;A | Academic |
| I | Inpats | ;E | English |
| I | Inpats | ;P | Professional |
| I | Inpats | ;I | Industry Fellow |
| S | Seasonal | ;V | Visiting Professor |
| 9 | Contractor-3rd Party | ?? | ???? |
|  |  |  |  |

## Pay Frequency

‘Pay Frequency’ in the Payroll Area describes both when an employee will be paid and pay-period start and end date.

| Payroll Area | Payroll Area Text |
| --- | --- |
| ;M | RMIT VN - Monthly |
| ;L | VN - PTD Monthly |
| ZZ | No Pay |

Refer to the <Pay Frequency> tab page in Configuration Worksheet for details of available payroll area types.

## Groupings [PSG & ESG]

Groupings are used in GlobalView to classify groups of employees with similar characteristics and may be used to configure both data input and payroll calculations based on that input. Every employee will be in both a PS Group and ES Group. Accurate classification of all employees in terms of both Groupings will ensure that wage types are correctly aligned with company requirements and employee entitlements.

### Personnel Sub-area Grouping [PSG]:

This describes division of personnel sub-areas into groups to which the same

Attendance and Absence types apply.

* Daily work schedules, period work schedules, and break schedules
* Work Schedule rules
* Time quota types
* (In Time recording) time types, time transfer specifications, access control groups, and error descriptions are defined.

### Employee Subgroup Grouping [ESG]:

Employees are grouped in payroll subgroups for the following purposes:

* Work schedule
* Personnel calculation rules
* Primary wage types
* Collective agreement rules
* Time quota types
* Account determination

Please refer to the Blueprint Configuration Worksheet, Groupings Tab, for details.

## Payscale Structure

The payscale structure classifies pay-grade information within the system.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Payscale Type | Text | Payscale Area | Text | ESG CAP | Payscale Group | Payscale Level |
| 01 | International | 01 | Associate Lecturer | 03(Salary) | A1 | 01 |
| 01 | International | 01 | Associate Lecturer | 03(Salary) | A2 | 01 |
| 01 | International | 01 | Associate Lecturer | 03(Salary) | A3 | 01 |
| 01 | International | 01 | Associate Lecturer | 03(Salary) | A4 | 01 |
| 01 | International | 01 | Associate Lecturer | 03(Salary) | A5 | 01 |
| 01 | International | 01 | Associate Lecturer | 03(Salary) | A6 | 01 |
| 01 | International | 01 | Associate Lecturer | 01(hourly) | FA-HR | 01 |
| 01 | International | 02 | Lecturer | 03(Salary) | B1 | 01 |
| 01 | International | 02 | Lecturer | 03(Salary) | B2 | 01 |
| 01 | International | 02 | Lecturer | 03(Salary) | B3 | 01 |
| 01 | International | 02 | Lecturer | 03(Salary) | B4 | 01 |
| 01 | International | 02 | Lecturer | 03(Salary) | B5 | 01 |
| 01 | International | 02 | Lecturer | 03(Salary) | B6 | 01 |
| 01 | International | 02 | Lecturer | 01(hourly) | FB-HR | 01 |
| 01 | International | 03 | Senior Lecturer | 03(Salary) | C1 | 01 |
| 01 | International | 03 | Senior Lecturer | 03(Salary) | C2 | 01 |
| 01 | International | 03 | Senior Lecturer | 03(Salary) | C3 | 01 |
| 01 | International | 03 | Senior Lecturer | 03(Salary) | C4 | 01 |
| 01 | International | 03 | Senior Lecturer | 03(Salary) | C5 | 01 |
| 01 | International | 03 | Senior Lecturer | 03(Salary) | C6 | 01 |
| 01 | International | 04 | Associate Professor | 03(Salary) | D1 | 01 |
| 01 | International | 04 | Associate Professor | 03(Salary) | D2 | 01 |
| 01 | International | 04 | Associate Professor | 03(Salary) | D3 | 01 |
| 01 | International | 04 | Associate Professor | 03(Salary) | D4 | 01 |
| 01 | International | 05 | Professor | 03(Salary) | E | 01 |
| 01 | International | 09 | Visiting Professor | 03(Salary) | VP | 01 |
| 01 | International | 06 | Professional | 03(Salary) | PSF7 | 01 |
| 01 | International | 06 | Professional | 03(Salary) | PSF8 | 01 |
| 01 | International | 06 | Professional | 03(Salary) | PSF9 | 01 |
| 01 | International | 06 | Professional | 03(Salary) | PSF10 | 01 |
| 01 | International | 07 | Educator | 03(Salary) | CEL-EF1 | 01 |
| 01 | International | 07 | Educator | 03(Salary) | CEL-EF2 | 01 |
| 01 | International | 07 | Educator | 03(Salary) | CEL-EF3 | 01 |
| 01 | International | 07 | Educator | 03(Salary) | CEL-EF4 | 01 |
| 01 | International | 08 | Senior Educator | 03(Salary) | CEL-SEF1 | 01 |
| 01 | International | 08 | Senior Educator | 03(Salary) | CEL-SEF2 | 01 |
| 01 | International | 08 | Senior Educator | 03(Salary) | CEL-SEF3 | 01 |
| 01 | International | 07 | Educator | 01(hourly) | EF1-HR | 01 |
| 01 | International | 07 | Educator | 01(hourly) | EF2-HR | 01 |
| 01 | International | 07 | Educator | 01(hourly) | EF3-HR | 01 |
| 01 | International | 07 | Educator | 01(hourly) | EF4-HR | 01 |
| 01 | International | 08 | Senior Educator | 01(hourly) | SEF1-HR | 01 |
| 01 | International | 08 | Senior Educator | 01(hourly) | SEF2-HR | 01 |
| 01 | International | 08 | Senior Educator | 01(hourly) | SEF3-HR | 01 |
| 01 | International | E1 | Executives | 03(Salary) | E1 | 01 |
| 01 | International | E1 | Executives | 03(Salary) | E2 | 01 |
| 01 | International | E1 | Executives | 03(Salary) | E3 | 01 |
| 02 | Local | 01 | Associate Lecturer | 03(Salary) | A1 | 01 |
| 02 | Local | 01 | Associate Lecturer | 03(Salary) | A2 | 01 |
| 02 | Local | 01 | Associate Lecturer | 03(Salary) | A3 | 01 |
| 02 | Local | 01 | Associate Lecturer | 03(Salary) | A4 | 01 |
| 02 | Local | 01 | Associate Lecturer | 03(Salary) | A5 | 01 |
| 02 | Local | 01 | Associate Lecturer | 03(Salary) | A6 | 01 |
| 02 | Local | 01 | Associate Lecturer | 01(hourly) | VA-HR | 01 |
| 02 | Local | 02 | Lecturer | 03(Salary) | B1 | 01 |
| 02 | Local | 02 | Lecturer | 03(Salary) | B2 | 01 |
| 02 | Local | 02 | Lecturer | 03(Salary) | B3 | 01 |
| 02 | Local | 02 | Lecturer | 03(Salary) | B4 | 01 |
| 02 | Local | 02 | Lecturer | 03(Salary) | B5 | 01 |
| 02 | Local | 02 | Lecturer | 03(Salary) | B6 | 01 |
| 02 | Local | 02 | Lecturer | 01(hourly) | VB-HR | 01 |
| 02 | Local | 03 | Senior Lecturer | 03(Salary) | C1 | 01 |
| 02 | Local | 03 | Senior Lecturer | 03(Salary) | C2 | 01 |
| 02 | Local | 03 | Senior Lecturer | 03(Salary) | C3 | 01 |
| 02 | Local | 03 | Senior Lecturer | 03(Salary) | C4 | 01 |
| 02 | Local | 03 | Senior Lecturer | 03(Salary) | C5 | 01 |
| 02 | Local | 03 | Senior Lecturer | 03(Salary) | C6 | 01 |
| 02 | Local | 04 | Associate Professor | 03(Salary) | D1 | 01 |
| 02 | Local | 04 | Associate Professor | 03(Salary) | D2 | 01 |
| 02 | Local | 04 | Associate Professor | 03(Salary) | D3 | 01 |
| 02 | Local | 04 | Associate Professor | 03(Salary) | D4 | 01 |
| 02 | Local | 05 | Professor | 03(Salary) | E | 01 |
| 02 | Local | 06 | Professional | 03(Salary) | PSV1 | 01 |
| 02 | Local | 06 | Professional | 03(Salary) | PSV2 | 01 |
| 02 | Local | 06 | Professional | 03(Salary) | PSV3 | 01 |
| 02 | Local | 06 | Professional | 03(Salary) | PSV4 | 01 |
| 02 | Local | 06 | Professional | 03(Salary) | PSV5 | 01 |
| 02 | Local | 06 | Professional | 03(Salary) | PSV6 | 01 |
| 02 | Local | 06 | Professional | 03(Salary) | PSV7 | 01 |
| 02 | Local | 06 | Professional | 03(Salary) | PSV8 | 01 |
| 02 | Local | 06 | Professional | 03(Salary) | PSV9 | 01 |
| 02 | Local | 06 | Professional | 03(Salary) | PSV10 | 01 |
| 02 | Local | E1 | Executives | 03(Salary) | E1 | 01 |
| 02 | Local | E1 | Executives | 03(Salary) | E2 | 01 |
| 02 | Local | E1 | Executives | 03(Salary) | E3 | 01 |
|  |  |  |  |  |  |  |

## Rates of Pay

Rates of Pay refers to any rate-based calculation within the system. These are typically calculations such as overtime and leave calculations (except unpaid leave).

**Example**

|  |  |  |
| --- | --- | --- |
| ESG PCR | Hourly Rate (OT) | Daily Rate for Leave Balance Compensation |
| 3 | /001 | /002 |

### Hourly Rate for Overtime - /001

**Salaried employees**

Hourly rate is to be calculated using the period salary (WT1000)

= [(<unprorated monthly base salary> - <School Fee & Home Airfare>) \* 12 months] / (52 weeks \* 40 hours)

**Hourly rated employees**

Hourly rate = EE wage hourly rate (WT2300)

Hourly rate 1 is used for hourly rated wages, overtime, shift allowances, standby allowance and ETP termination payments. So:

* Hourly rate (/001) = WT2300-AMT in IT0008

### Hourly Rate for Leave Balance Compensation - /002

Daily rate /002 = [<unprorated monthly base pay + managerial allowance + higher duty allowance + **<merit payment>**> - <school fee & Home Airfare>] \* 12months / <52 weeks \* 40 hours>

This daily rate will be used for leave compensation e.g unused annual leave compensation when termination.

### Hourly Rate for Unpaid Leave Deduction for Basic Pay - /003

This rate will be used to generate unpaid leave deductions 3AB1 for basic pay

### Hourly Rate for Unpaid Leave Deduction for taxable Allowance - /004

This rate will be used to generate unpaid leave deductions 3AB2 for taxable allowances.

### Hourly Rate for Unpaid Leave Deduction for non-taxable Allowance - /006

This rate will be used to generate unpaid leave deductions 3AB3 for non-taxable allowances of 3525-Meal Allow and 3501-Clothing Allow.

This rate will also be used to generate 2410 - <Maternity Lv vPay>

Time module will generate and send over WT\_2PO0 for PH on OFF days. Since time evaluation only evaluates those active days, so WT\_2PO0 will only include PH on OFF for active period.

Payroll schema needs to get <Total Unpaid Leave Days> across all WPBP sub-periods

IF [<Monthly Planned Working Days> - (Total PH days - WT\_2PO0)] == <Total Unpaid Leave Days>

Then it is full month unpaid leave

ELSE

Then it is not full month unpaid leave

IF full month unpaid leave

/003 = [<Target Basic Pay> - <School Fee & Home Airfar>/FTE\_RATE ] / [<Monthly Planned Working Hours> / FTE\_RATE]

/004 = <Target managerial allow + HDA+ ~~Meal Allow + Clothing Allow~~ + Merit Pay + Mobile Allow + Contribution to Social Security paid to employee by RMIT VN> / [<Monthly Planned Working Hours> / FTE\_RATE]

/006 = <Meal Allow + Clothing Allow> / [<Monthly Planned Working Hours> / FTE\_RATE]>

ELSE

/003 = [<Target Basic Pay> - <School Fee & Home Airfar>/FTE\_RATE ] / ([<Monthly Planned Working Hours> / FTE\_RATE]+ WT\_2PO0\*8)

/004 = <Target managerial allow + HDA+ ~~Meal Allow + Clothing Allow~~ + Merit Pay + Mobile Allow + Contribution to Social Security paid to employee by RMIT VN> / [<Monthly Planned Working Hours> / FTE\_RATE]+ WT\_2PO0\*8）

/006 = <Meal Allow + Clothing Allow> / ([<Monthly Planned Working Hours> / FTE\_RATE]+ WT\_2PO0\*8)

### Hourly Rate for Emergency Teaching Allowance - /005

This hourly rate will be used to generate Emergency Teaching Allowance.

**For salaried employees:**

Hourly rate is to be calculated using the period salary (WT1000)

= (<unprorated monthly base salary WT\_1000> \* 12 months) / (52 weeks \* 40 hours)

For example:

* Monthly employee basic salary without factoring is $4,500
* Hourly rate (/001) = ( $4,500 \* 12 ) / ( 52\*40 ) = $25.96 /hr

Pay attention that when calculating /005, WT\_1000 is unprorated (neither mid-month factoring nor FTE proration) amount, and it has not been reduced by salary packaging items (school fee and home airfare). But the final value of WT\_1000 should be:

WT1000 =  (<unprorated WT\_1000> \*FTE -<School Fee> - <Home Lv Airfare>) \*/801

**For salaried employees:**

Hourly rate (/001) = WT2300-AMT in IT0008

## Prorating Rules

GlobalView allows payments/deductions to be automatically re-calculated by a preset formula if required: for example, in the event of New Hire, Termination, Unpaid Leave, Organizational Assignment Change, Change to Basic Pay or Work Schedule. This method of pro rata calculating actual payment is referred to as ‘factoring’. The factoring method is more accurate than the usual rate- based reduction calculation, which calculates a rate (such as daily rate), multiplies this by the number of days worked and then reduces payments on this basis of calculation. Factoring instead multiplies an amount by a ratio, such as the number of days that be paid / the number of days if the employee worked the full period.

A summary of pro-rating factors (rules) is as follows; details are in the Config Worksheet

|  |  |
| --- | --- |
| Factor 1 | (/801) 🡪 for basic pay and most WTs factoring |
|  |  |
| Factor 3 | (/803) 🡪 for 13th month salary factoring |
|  |  |

**Proration Rule (factor-1):**

This factor is used for basic pay and allowances proration.

**Proration Rule (factor-3):**

This factor will be used in 13th month salary case.

~~We will set PH on OFF days as NORM so <Monthly Planned Working Days> would include not only the <normal working days> but also <PH on OFF days>~~

Time module will generate and send over WT\_2PO0 for PH on OFF days. Since time evaluation only evaluates those active days, so WT\_2PO0 will only include PH on OFF for active period.

Payroll schema needs to get <Total Unpaid Leave Days> across all WPBP sub-periods

~~IF (<Monthly Planned Working Days> - WT\_2PO0) == <Total Unpaid Leave Days>~~

IF [<Monthly Planned Working Days> - (<Monthly total PH days> - WT\_2PO0)] == <Total Unpaid Leave Days>

Then it is full month unpaid leave

ELSE

Then it is not full month unpaid leave

IF full month unpaid leave

~~/801 = (<active working days> - <WT\_2PO0>) / (<Monthly Planned Working Days> - WT\_2PO0)~~

/801 = (<active working days>) / (<Monthly Planned Working Days>)

~~/803 = (<active working days> - <WT\_2PO0> - <All unpaid lv days in the sub-period>) / <total working days in the year >  🡨 here the < total working days in the year > will include PH on OFF days~~

/803 = (<active working days> - <All unpaid lv days in the sub-period>) / <total working days in the year >  🡨 here the < total working days in the year > will include PH on OFF days

ELSE

~~/801 = <active working days> / <Monthly Planned Working Days>~~

/801 = [<active working days> + WT\_2PO0] / [<Monthly Planned Working Days> + WT\_2PO0]

~~/803 = (<active working days>  - <All unpaid lv days in the sub-period>) /  <total working days in the year >  🡨 here the < total working days in the year > will include PH on OFF days~~

/803 = (<active working days> + WT\_2PO0  - <All unpaid lv days in the sub-period>) /  <total working days in the year >  🡨 here the < total working days in the year > will include PH on OFF days

<all unpaid lv days> above includes:

1- Sick Lv w/o Pay more than 90 days

2- Lv w/o Pay 🡪 This leave type will include both Leave w/o Pay and Sick Leave w/o Pay

3- Lv w/o Pay more than 90 days

4- Those unpaid lvs which are actually paid by the government should NOT be included here

## Salary Packaging (School Fee & Home Airfare)

Salary packaging items will deduct basic pay, and will impact the factoring logic and valuation basis logic.

An example combines salary packaging and FTE proration as below:

# Original basic pay = 10000

# Planned working days (without FTE) = 20 days => 160 hours

# Full month Unpaid leave days (90% FTE inlcuded) = 18 days =>144 hours from time module

# School Fee 7065 = 500 => If no unpaid leave, final pay will be 10000\*0.9-500 = 9000 - 500

# /003 = (10000 - 500/0.9) / 160

# WT\_3AB1 = /003 \* 144 = [(10000 - 500/0.9) / 160] \* 144 = 10000\*0.9 - 500

## Payments

The Payments Tab documents all the payments that will be made to employees through the system. The following is a brief description of the columns that will directly affect payroll:

**ESG & PSG**

These determine the ability to enter a wage type into the system against an employee –refer to Groupings, above.

**Basic Infotypes IT0008, IT0014, IT0015, IT0267, IT0416, IT2010, IT2001**

These columns indicate the basic infotypes into which payment codes will be entered.

Each infotype is designed for a specific function, as follows:

* **IT0008 Basic Pay:** Any payment codes that are considered part of basic salary or affect calculations such as overtime/ leave calculations. These payment codes are paid each pay period and usually do not change often. e.g. Monthly Basic Salary/ Packaged Bonus.
* **IT0014 Recurring Payments/Deductions:** Any payment codes that are paid on a regular/ periodic basis – e.g. every month, or every 2nd month. These payment codes can be designed to reduce based on new hire dates/ termination **dates and unpaid leave, e.g. Car Allowance.**
* **IT0015 Additional Payments:** Any payment codes that are paid on an ad-hoc/ once off basis, in the regular pay-run – e.g. once-off bonus/ performance bonus.
* **IT0267 Additional Off-cycle Payments:** As above (IT0015), but made outside of the regular pay-run (off cycle run) – e.g. expense reimbursements, bonus payment etc.
* **IT0416 Time Quota Compensation:** Any payment of unused leave types (e.g. year-end payout of leave).
* **IT2010 Employee Remuneration info:** Any time related payments such as overtime payment codes, meal allowance, shift allowance.
* **IT2001 Absences:** Any leave type – e.g. Annual Leave, Sick Leave etc.

**Amount/ Number Unit**

Indicates if the wage type will be entered in as an amount, or as a number/ unit calculation. E.g. A commission/ bonus payment is usually entered in as an amount, but overtime is entered as number of hours multiplied by an hourly rate. Refer to the Rates of Pay tab in the configuration worksheet for details on how the leave rate and overtime hourly rate will be calculated.

**Prorating Rule**

Indicates the prorating rule that will be used to reduce the amount paid of the wagetype, based on new hire date, termination date and unpaid leave. Refer to ‘Prorating or Factoring’ worksheet for descriptions.

**Specific Wage Type Settings**

The remaining columns on the Payment spreadsheet indicate details such as if the wagetype will actually be paid to the EE (Total Gross), if it is taxable/ non-taxable, where it will appear on the payslip etc, and any special rules that are to be noted for this payment code.

Please refer to the Blueprint Configuration Worksheet, Payments Tab, for details.

**Specific Rules**

Column < Specific Rules> in Payment tab in configuration worksheet is used to describe some specific rules that cannot be fully defined with standard settings attributes. There will be detailed formulas or rule descriptions in this column to define the calculation logic of those complicated wage types. If needed, those complicated scenarios will also be sampled/explained in this WORD version document.

### Basic Salary & Hourly Wage

#### Basic Salary (wage type 1000)

WT\_1000 final amount = <WT\_1000 target amount> x /801

#### Hourly Rate Wage (wage type 1055)

WT\_1055 final amount = <Hourly Rate> \* <Number of hrs>

* Hourly Rate is stored in WT\_1055 AMT field
* Number of hrs will be interfaced from time wage type via WT\_2300

### Overtime & Time Related Payments

~~When TIME module sending over OT wage types with different rates, payroll~~

#### OT Weekday 150% (wage type 2020)

WT 2020 = /001 x OT hours x 150%

The 100% taxable part will be added into wage type /420. All OT taxable part will be added into /420, which will be accumulated into /106 – taxable income. 50% exceeding part will be tax-free.

#### OT Weekday Night 195% (wage type 2021)

WT 2021 = /001 x OT hours x 195%

The 100% taxable part will be added into wage type /420. All OT taxable part will be added into /420, which will be accumulated into /106 – taxable income. The exceeding part will be tax-free.

#### OT Weekend day 200% (wage type 2025)

WT 2025 = /001 x OT hours x 200%

The 100% taxable part will be added into wage type /420. All OT taxable part will be added into /420, which will be accumulated into /106 – taxable income. The exceeding part will be tax-free.

#### OT Weekend night 216% (wage type 2026)

WT 2026 = /001 x OT hours x 260%

The 100% taxable part will be added into wage type /420. All OT taxable part will be added into /420, which will be accumulated into /106 – taxable income. The exceeding part will be tax-free.

#### OT Holiday (wage type 2035)

WT 2035 = /001 x OT hours x 300%

The exceeding part will be tax-free.

#### OT Holiday Night (wage type 2036)

WT 2036 = /001 x OT hours x 390%

The 100% taxable part will be added into wage type /420. All OT taxable part will be added into /420, which will be accumulated into /106 – taxable income. The exceeding part will be tax-free.

#### Emergency Teaching Allowance (wage type 2100 in IT2010)

WT 2100 = /001 x OT hours x 150%

#### Long Service Cash Award (wage type 4271)

Please refer to <Long Service Leave Quota Compensation> section for details.

### 13th Month Salary – WT3113

In RMIT VN, the 13th month salary is paid out every Jan, or in Termination month. Local permanent FT/PT VNMs (EG=1 or P AND PayScalType=02) are eligible for the 13th month salary.

~~WT\_3113 amount = ∑ {<monthly std basic pay \* FTE%> \* WT\_/803 }~~

* < Monthly std basic pay \* FTE%> is the work-load percentage which can be fetch from WPBP master data (IT0007 percentage field).
* WT\_9113 = <monthly std basic pay \* FTE%> \* WT\_/803

WT\_9113 will be generated each month and accumulated yearly. So that in every Jan, yearly total WT\_9113 can be fetched from last Dec. And the yearly total of WT\_9113 is the total 13th month salary

* Eligibility:
  + When paid in Jan, only applicable to those employees whose <active calendar days of previous year> is equal or larger than 31 days
  + When paid in termination month, only applicable to those employees whose <active calendar days of current year> is equal or larger than 31 days.
  + Define wage type 9ACD to accumulate active calendar days . And this wage type needs to be included in the PTD scope. In Jan payout, need to check 9ACD in LCRT; in Dec payout, need to check 9ACD in CRT

**Examples:**

If in Jan there are 22 planned working days, and 22nd Jan is a public holiday lies on an OFF day. And one EE joined RMIT VN from 16th Jan, and took 2 days of unpaid leave.

During 16th Jan – 31st Jan there are 12 planned working days, and there are 10 planned working days during 1st Jan – 15th Jan.

The basic salary = 2000000 VND

The work-load percentage = 100%

Then the Jan monthly WT\_9113 will be:

WT\_9113 = 2000000 \* 100% { 0/(261) + (12+1-2)/(261) } 🡪 the yearly 261 constant includes national PH lies on OFF days

**New rule:**

In RMIT 13th month salary in paid out in very Jan for previous year 13th month salary (if not paid outdue to termination) or in termination month for current year 13th salary. In particular case, if the employee leaving RMIT VN in Jan, then the 13th month salary of last year and the one month share of this year 13th salary will both be paid.

* Eligibility of employee group:

Local permanent FT/PT VNMs (EG=1 or P AND PayScalType=02) are eligible for the 13th month salary.

* Monthly accrual for 13th Salary:

WT\_9113 = <monthly std basic pay \* FTE%> \* WT\_/803

< Monthly std basic pay \* FTE%> is the work-load percentage which can be fetch from WPBP master data (IT0007 percentage field).

WT\_9113 will be generated each month and accumulated yearly.

* 13th Salary – Wage type 3113 logic:
  + Wage type 9ACD is defined as <monthly active calendar days> and accumulated yearly
  + In every Jan:
    - If <WT\_9ACD in LCRT – total active calendar days of last year> is larger or equal than 31 days, the EE is eligible to 13th Salary of last year
    - Then read previous year total 9113 from LCRT (if the employee quitted RMIT VN in previous year, the 9113 in LCRT should be cleaned already).

WT\_3113 = <WT\_9113 in LCRT>

*Pay attention that here WT\_3113 is only the 13th Salary of previous year. If the EE leaves RMIT VN in Jan, there will 2nd part 13th Salary for current year added later in the Termination logic*

* + In the termination month in the termination processing block:
    - If <WT\_9ACD in CRT – total active calendar days of current year> is larger or equal than 31 days, then the EE is eligible to 13th salary of current year.
    - Total accrued 13th Salary of current year should be paid out:

WT\_3113 = <WT\_9113 in CRT> + <WT\_9113 in termination month>

* + - If the termination is in Jan, do not forget to add current year amount to the last year amount
    - In termination month, we need to clean up the WT\_9113 in CRT, otherwise if the employee rehired in next Jan, 13th month salary could be double paid.

#### Logics to generate WT\_3113 13th Month Salary

Step-1:

If current month is Jan {

WT\_3113 = <Yearly Accumulated WT\_9113 in LCRT>

}

Else {

Do nothing

}

Step-2:

If current month is Termination month {

WT\_3113 = WT\_3113 + <Yearly Accumulated WT\_9113 in CRT>

Clear WT\_9113 in CRT because that amount is paid out in the leaving month

}

Else {

Do nothing

}

### Severance Pay – WT5080

Below is the solution of Severance Pay for RMIT Vietnam.

* **Severance Pay Base – WT\_9032**

1. For local VNM

By standard, system will generate /031 (last 6 months average) as the SP base. But if WT\_9031 is input, use WT\_9031 as the SP base.

So move /031 amount to 9032, and if 9031 exists, use 9031 amount to overwrite 9032.

1. For foreigners

By standard, system will generate /031 (last 6 months average) as the SP base. But if WT\_9031 is input, use WT\_9031 as the SP base.

So move /031 amount to 9032, and if 9031 exists, use 9031 amount to overwrite 9032.

As above, local VNM and foreigner’s SP base logic will be aligned as the same. But when generate /031 average, the ingredients WTs will be different:

For local VNM the average base items will be:

* 1001 Nominal Salary 🡪here GV should use WT\_1001 instead of WT\_1000 because those LWOP deduction will not be considered in SP base. And since “only those who worked for 12 months can get SP pay” & “SP base is based last 6 months average excluding leaving month”, we do not need to consider entry/leaving month scenario.
* Managerial allowance
* Higher Duties Allowance
* Meal Allowance
* Clothing Allowance
* 5V10 Merit Payment

For foreigners the average base items will be:

* 1001 Nominal Salary 🡪Be aware that for foreigners, here the Base Salary is the packaged value, which means: <WT\_1001 Nominal Salary > = [<Salary WT\_1000> - <School Fee> - <Home Leave Airfare>] \* /801
* 5V10 Merit Payment

All above average items’ processing class 70 will be marked as 0. These average items’ unprorated amount (non-FTE-prorated but still mid-month factored by /801) will be accumulated into wage type 9030. WT\_9030’s processing class 70 will be marked as 1 which means its value will be accumulated into /030 standard average base.

* **YOS for Severance Pay – WT\_9033 / WT\_9034**

~~For local VNM~~

1. ~~Unrounded Year of Service = (<working days of service before 2009.1.1=WT\_9200> - <total days of WT\_3002+3000+3001 before 2009.1.1=WT\_9201> + <WT\_3004 days of maternity lv after 2009.1.1> ) / 261~~
2. ~~Total WT 3002/3000/3001/3004 before 2009.1.1(WT\_9201), are all leaves on WORKING days (uploaded via 9201 as PTD item)~~

~~For foreigners:~~

~~YOS should be calculated based on whole employment duration.~~

~~RMIT VN can use WT\_9034 to manually overwrite the YOS result, so that RMIT VN can manually handle those “Historical Higher Salary” case. The basic logic is:~~

1. ~~Unrounded Year of Service = (<working days of service from entry date to leaving date WT\_9220> - <total days of WT\_3002+3000+3001 in the employment cycle>) / 261~~

~~The overall logic for WT\_9033 for both local VNM and foreigner will be:~~

1. ~~Calculate <Unrounded year of service> according to above formula. This <Unrounded year of service > will in 2 digits accuracy.~~
2. ~~Rounding <Unrounded year of service> as: 0.01 – 0.49 will be rounded as 0.5, and 0.5-0.99 will be rounded as 1. So for example: 1.02 YOS will be rounded as 1.5 YOS, and 1.51 YOS will be rounded as 2 YOS.~~
3. ~~Pay attention that when accumulating WT\_9200 and WT\_9220, both planned working days and payable public holidays should be included. So that this logic will be aligned with other factoring rules.~~

~~Mocking example based on local VNMs:~~

1. ~~Local VNM entered RMIT VN on 2008.9.1 and quit on 2019.1.1. Total working days during 2008.9.1 – 2008.12.31 are 107 days.~~
2. ~~There are 5 days of Lv without Pay during 2008.9.1-2008.12.31~~
3. ~~After 2009.1.1 she took 110 days of maternity leave (on working days)~~

~~Then:~~

~~< Unrounded year of service > = (107 – 5 + 110)/261 = 0.81 years~~

~~WT\_9033 = 0.81 rounded to 1 YOS = 1 year~~

* + For local Vietnamese (checked by PayScale Type)

The YOS before golive will be uploaded into time module via <Time transfer infotype>. After golive, only maternity leaves will be counted as YOS and the corresponding FTE shall be 100%.

* + For foreigners (checked by PayScale Type)

The YOS before golive will be uploaded into time module via <Time transfer infotype>. After golive, the YOS will be :

∑[(<total working days with certain FTE%> - <total unpaid leave days with certain FTE%>) \* FTE%]

In above formula, the unpaid leave days includes below high-lighted absence types:

|  |  |  |  |
| --- | --- | --- | --- |
| **Leave Type** | **GV Leave Type Text** | **Paid / Unpaid  (Local)** | **Paid / Unpaid  (International)** |
| ~~4320~~ | ~~Extended Sick Leave~~ | ~~Paid~~ | ~~Paid~~ |
| 3000 | Leave Without Pay | Unpaid | Unpaid |
| 3001 | Sick Leave Unpaid < 90d | Unpaid | Unpaid |
| 3330 | Leave Without Pay > 90d | Unpaid | Unpaid |
| 3331 | Sick Leave Unpaid > 90d | Unpaid | Unpaid |
| ~~3020~~ | ~~Paternity Leave Unpaid~~ | ~~Unpaid (Paid by Gov't)~~ | ~~Paid~~ |
| ~~3021~~ | ~~Prenatal Check-Up~~ | ~~Unpaid (Paid by Gov't)~~ | ~~Paid~~ |

An Excel sample for both VNMs and Foreigners is embedded as below:



Time evaluation will calculate YOS on daily basis (since FTE will change on daily basis) and save it into wage type 9033 **without rounding**.

For the legacy YOS, it will be uploaded into time module as <Time Transfer> which is **without rounding**.

As for the rounding of YOS, it will be done in payroll schema. The rounding logic is : ceiling number of served years of nearest 0.5.

Example:

If YOS = 2.12 🡪 Final YOS = 2.5

If YOS = 2.65 🡪 Final YOS = 3

* **Severance Pay – WT\_5080**

WT\_5080 is copied from template WT M200. To trigger SP calculation, this WT should be input into IT0015 without RTE/NUM/AMT maintained. Because the number and amount will be generated by GV.

WT\_5080=<WT\_9032 SP base>\*<WT\_9033 YOS for SP> \* 50%

50% is defined in V\_T511K constant \_SRVP.

In normal case, WT\_5080 will be input as RTE=NUM=AMT= 0 to trigger the SP calculation. But if RMIT VN want to generate 100% SP amount, then WT\_5080-NUM=1 should be input. Then those exceeding 50% SP amount will be moved to WT\_5090 by GV PCR which is ER-taxed. If WT\_5080-NUM=2 is input, then the exceeding 50% SP amount will be moved to WT\_5091 which is EE-taxed.

* **SP Additional ER-Taxed – WT\_5090**

ER taxed amount of additional SP. As for the ER paid taxation (gross-up algorithm), please refer to the related part in Taxation section.

* **SP Additional EE-Taxed – WT\_5091**

EE taxed amount of additional SP.

## Deductions

The Deductions Tab documents all the non-statutory deductions that will be made from employees through the system. The following is a brief description of the columns that will directly affect payroll:

**ESG & PSG**

These determine the ability to enter a wage type into the system against an employee –refer to Groupings [PSG & ESG] for further information.

**IT0008, IT0014, IT0015, IT0267**

These columns indicate the basic infotypes from which deductions can be made:

* **IT0008**: Any deduction codes that are considered part of basic salary or affect calculations such as overtime/ leave calculations. These deduction codes are deducted each pay period and usually do not change often., e.g. Monthly Basic Salary/ Packaged Bonus.
* **IT0014**: Any deduction codes that are taken on a regular/ periodic basis – e.g. every month, or every 2nd month. These deduction codes can be designed to reduce based on new hire dates/ termination dates and unpaid leave. E.g. Housing Loan.
* **IT0015**: Any deduction codes that are paid on an ad-hoc/ once off basis, in the regular pay-run – e.g. laptop deduction.
* **IT0267**: As above (IT0015), but made outside of the regular pay-run (off cycle run) – e.g. advance repayment.

**Amount/Number unit**

Indicates if the wagetype will be entered in as an amount, or as a number \* unit calculation. For example, a variable insurance deduction is usually entered as an amount, but a Club Membership deduction is usually calculated as number of units \* amount per unit.

**Prorating Rule**

Indicates the prorating rule that will be used to reduce the amount deducted of the wagetype, based on new hire date, termination date and unpaid leave. Refer to the worksheet entitled ‘Proration or Factoring’ for a description of each prorating rule and assignment details.

**Priorities**

Indicates the priority by which a deduction will be taken from an employee if there is insufficient net pay for deductions to be made.

**Claim**

Indicates whether the deduction must be taken even if there is not enough net pay – the remaining amount (negative figure) will be recovered from the employee automatically when there is enough net pay in a subsequent period.

**Specific Wagetype Settings**

The remaining columns on the Deduction Worksheet indicate details such as if the wagetype will actually be paid to the EE (Total Gross), if it is taxable/ non-taxable, where it will appear on the payslip etc, and any special rules that are to be noted for this payment code.

Refer to the Config Worksheet for specifics.

## Off-cycle Payroll Processing for Special Cases

~~In some cases like Severance Payment processing or Relocation Allowance processing, RMIT VN needs to pay the employee before regular pay day. In such case, GV offers below option.~~

~~If an EE leaves RMIT VN before main cycle, and needs to be paid urgently, GV will run LIVE-Payroll for him/her even the main cycle has not started yet. Then GV will run banking file (including Pre.DME) with “Flagged for bank transfer” checked. By doing so, GV will be able to provide not only payroll register report and payslip, but also banking file. Later in main cycle, this EE will be posted together with all other employees. Example as below:~~

~~An employee leaves RMIT VN on 2~~~~nd~~ ~~Nov when Oct payroll cycle has been exited. GV will open Nov payroll cycle to run live-payroll for this EE even before actual Nov main cycle. With live-payroll run, GV will be able to export banking file and payslip for this EE to support urgent payment. When doing Pre.DME run, “Flagged for bank transfer” needs to be checked for official DME recording. After urgent payment, payroll control record needs to be set back to “early correction” which is required for PECI/SSL data interfacing subsequently. Then in the 25~~~~th~~ ~~Nov main cycle this leaving EE will be rerun payroll together with other normal employee and the final result should be the same as 2~~~~nd~~ ~~Nov urgent run. Then this leaving EE will be included in GL posting together with the others. In main cycle Pre.DME banking run, GV will recognize that this EE has been processed in previous urgent payroll run and no bank transfer amount will be generated for this EE again~~

### Off-cycle Run for Bonus and Allowance

Wage type <3011 – International Relocation Assistance> is enabled for both infotype 0015 and 0267.

If the relocation happens before 10th, the relocation allowance will be input as infotype 0267 items which will then be processed by off-cycle bonus run (off-cycle type A). With the off-cycle run, the relocation allowance will be paid out stand-alone. Dedicated banking file and GL posting will be processed.

If the relocation happens after 10th , the relocation allowance will be input as infotype 0015 items which will then be processed by regular payroll run. In such case, it will be paid together with main payroll.

### Correction Run for Urgent Termination and Bank Info Delay

* + Emergent Termination Processing

If an EE leaves RMIT VN before main cycle, and needs to be paid urgently, GV will run “Correction Run” (run type B) for such urgent termination case.

For example, a personal quits RMIT VN on 5th May, RMIT VN payroll team will need to raise ticket for the Correction Run for this quitting employee. During Correction Run, GV will run the same payroll logic as regular run, and trigger banking/posting process before entering the main payroll cycle.

Later when entering main payroll cycle for May (eg. 20th May – 25th May), since this employee has already been processed in Correction Run, so he will be excluded from the main cycle run.

* + Bank Info Delay Case

In some cases, some employee cannot get their bank account info ready before 1st payroll cycle. RMIT VN would like to exclude these employee from main payroll cycle. A few days later, when their bank info gets ready, RMIT VN wants to pay them immediately (after hiring month payroll cycle but before 2nd month main cycle).

This case can also be processed by Correction Run. Firstly, RMIT VN will need to raise ticket to exclude such no-bank-info employees from hiring month payroll cycle (otherwise there will be “bank account info missing ” error during banking processing). When their bank account info ready (still before next main payroll cycle), RMIT VN will need to raise ticket to trigger Correction Run for them. The correction run will use the same payroll logic to calculate the hiring month payment, and all subsequent payroll processing like banking or GL posting will be done apart from main cycle.

## Average Calculation Baseline

For RMIT VN, average calculation will be based on SAP standard FOR-PERIOD logic. Which means, if retro-calculation happens, the retro-delta amount will be counted in the FOR-PERIOD month instead of IN-PERIOD (payout month).

## Holiday Calendar

Public holiday calendar for each region is part of standard configuration. Details requiring attention include the Substitution Rule determining the action in the event that a public holiday falls on a Saturday or Sunday (i.e. move to previous/next day), or any company-specific holiday information or rules concerning absences on days adjacent holidays.

## Work Patterns

Work patterns within the system determine an employee’s expected specific work hours and public holidays (see above). Work patterns are used in:

* Counting of leave
* Calculation of pay for new hires/ leavers/ unpaid leave

A work pattern consists of a number of components:

* Daily Work Schedules – representing start-, end- , and break-time for each working day
* Period Work Schedules – representing a pattern of daily work schedules.
* Work Schedule Rules – consist of period work patterns, public holiday calendars and informational values such as Daily Working Hours/ Weekly Working hours,. etc.

## Absences

Absences in the ADP GlobalView are measured by variances to the work patterns. They also affect whether an employee is paid during absences and also the amounts and the formulae that will be used to calculate pay. The following absences will be used (delete those not required):

GV will count absence types (IT2001) in different counting classes as below:

|  |  |  |
| --- | --- | --- |
| Leave Types | Trait | Counting Class |
| Childcare Leave | unpaid by RMIT, paid by government | 02 |
| Leave Due to Miscarriage | unpaid by RMIT, paid by government | 02 |
| Accident Leave | unpaid by RMIT, paid by government | 02 |
| Adoption Leave | unpaid by RMIT, paid by government | 02 |
| Sick leave-SI compensation | unpaid by RMIT, paid by government | 02 |
| Paternity leave | unpaid by RMIT, paid by government | 06 |
| Prenatal Check-up | unpaid by RMIT, paid by government | 06 |
| Sick Leave Without Pay | unpaid leave | 03 |
| Sick Leave Without Pay - more than 90 days | unpaid leave | 03 |
| Leave Without Pay | unpaid leave | 03 |
| Leave Without Pay - more than 90 days | unpaid leave | 03 |
| Maternity Leave |  | 04 |

Above leave types will be counted and used for factoring calculation.

For those absence types which are not listed above, they are not used for payroll calculation since the payment for paid absence will be included in gross amount.

For more details about absence definition and attributes, please refer to time management blueprint.

### Absence Quotas Compensated

Absence Quotas provide the ability to track the number of annual leave days that the employee has remaining for the current period from categories of leave.

The following absence quotas will be configured for RMIT:

| Quota Type | Text |
| --- | --- |
| 50 | Annual Leave Quota |
| 71 | Long Service Leave Scheme 1 Quota (OLD SCHEME) |
| 72 | Long Service Leave Scheme 2 Quota (NEW SCHEME) |
| 40 | Time in Lieu Quota |
| 60 | Sick Leave Quota |

#### Annual Leave Quota Compensation

WT\_5050 = /002 \* <Annual Leave Quota Remaining >

When P0416 being processed in payroll schema, WT\_5050 AL quota compensation will be generated and those remained AL quota in IT2006 will also be cleaned.

In case of AL quota over-used, RMIT VN want GV to generate negative amount of WT\_5050 so that over-used AL quota will be paid back to the employer. In such case, time management will generate WT\_5050 which holds the negative/overused AL quota, then payroll schema should:

WT\_5050 = /002 \* WT\_5050-NUM \* -1

#### Long Service Leave Quota Compensation

RMIT VN has Schema-1 (OLD) and Schema-2 (NEW) for Long Service Leave Quota.

By standard, RMIT VN employee will follow schema-2 (NEW). If the employee uses schema-1 (OLD), then time type 9LSL should be input, then time evaluation will not generate WT\_2375/WT\_2376 which are used for schema-2 percentage.

* For Schema-1 (OLD)

For schema-1, GV time management module will generate Long Service Leave quota in the month of 10 years’ service anniversary, as one-time benefit. When terminated, IT0416 should be input to trigger the quota compensation for unused Long Service Leave quota.

WT\_5070 = /002 \* <Unused Long Sick Leave Quota>

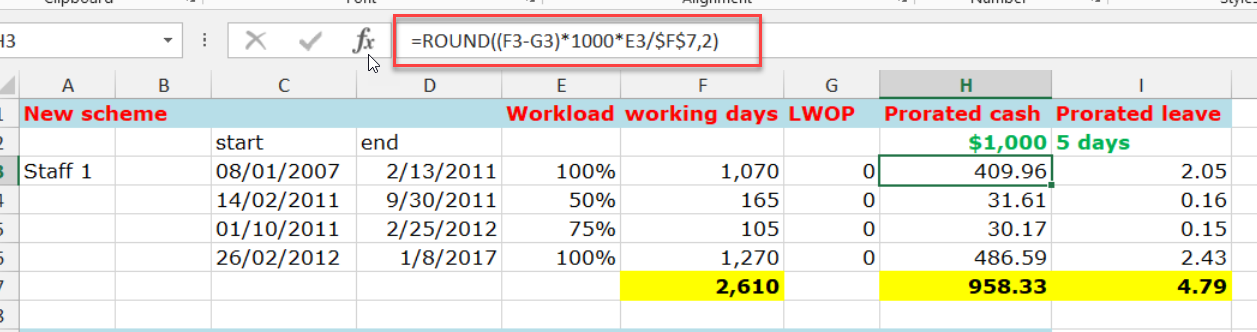
* For Schema-2 (NEW)

For schema-2, both Long Service Leave quota and < Long Service Cash Award > will be granted in 5, 10, 15, 20 years anniversary month.

To payout unused LSL quota IT0416 should be maintained just the same as Schema-1:

WT\_5070 = /002 \* <Unused Long Sick Leave Quota>

As for the cash payout for LSL under schema-2 (NEW):



The above formula in the screen-shot describes the factoring logic of Long Service Cash Award (taking example for 10 years anniversary). WT\_2375 will be generated by TIME module with RTE field stores the PERCENTAGE and the NUM field stores the indicator of the year-of-service.

When it is 5 year’s anniversary, then:

WT\_2375-AMT = 300$ \* WT\_2375-RTE

When it is 10/15/20 year’s anniversary, then:

WT\_2376-AMT = 1000$ \* WT\_2376-RTE

#### Sick Leave Quota Compensation

Sick Leave Quota will be available for cash out on termination only for the purpose of recovering sick leave overused. If not on termination case, overused sick leave quota will be recovered by future entitlement. There will be no payout of unused sick leave.

Need to input IT0015 record to trigger the sick leave quota compensation:

1. When the unused quota is positive: no payment item generated
2. When there is overused sick lv quota (negative quota): WT\_5060-AMT = /002 \* (negative number of overused sick lv quota)

#### ~~Time in Lieu Compensation~~

~~WT\_4280 = /002 \* <Unused Time in Lieu Quota>~~

~~GV will use P0416 record to compensate unused Time in Lieu quota left in IT2006.~~

Time in Lieu will not be paid out.

### Unpaid Leave Deductions

RMIT VN has below unpaid leaves.

|  |  |  |  |
| --- | --- | --- | --- |
| Leave Types | Trait | Counting Class | Wage Type |
| Childcare Leave | unpaid by RMIT, paid by government | 02 | 3007 |
| Leave Due to Miscarriage | unpaid by RMIT, paid by government | 02 | 3009 |
| Accident Leave | unpaid by RMIT, paid by government | 02 | 3003 |
| Adoption Leave | unpaid by RMIT, paid by government | 02 | 3008 |
| Sick leave-SI compensation | unpaid by RMIT, paid by government | 02 | 3010 |
| Sick Leave Without Pay | unpaid leave | 03 | Merged into WT\_3000 |
| Sick Leave Without Pay - more than 90 days | unpaid leave | 03 | 3002 |
| Leave Without Pay | unpaid leave | 03 | 3000 |
| Leave Without Pay - more than 90 days | unpaid leave | 03 | 3001 |
| Maternity Leave Unpaid | Unpaid leave | 04 | 3004 |
| Paternity Leave Unpaid | Unpaid leave | 06 | 3005 |
| Prenatal Check-Up | Unpaid leave | 06 | 3006 |

<WT\_3AB1 – Unpaid Lv Deduct – Base Pay> & <WT\_3AB2 – Lv Deduct – Taxable Allow> will be generated separately to deduct basic pay and allowances due to unpaid leaves.

<WT\_3AB1 – Unpaid Lv Deduct – Base Pay> = /003 \* <Total unpaid leave days of above wage types>

<WT\_3AB2 – Lv Deduct – Taxable Allow > = /004 \* <Total unpaid leave days of above wage types>

<WT\_3AB3 – Lv Deduct – Non-Taxable Allow > = /006 \* <Total unpaid leave days of above wage types>

Be aware that for Maternity/Parental/Prenatal leaves, GV will generate deduction wage type first, and EE will receive lump-sum from the government and the make-up amount from RMIT VN later. Details of this scenario described in next section.

### Maternity Leave Processing

Take an example to explain the maternity leave with sample figures as below.

Let’s say, an EE starts maternity lv from 13th Jan – 8th Jun, then for each month:

* For Jan

From 13th Jan – 31st Jan, there are 13 maternity leave days

From 1st Jan – 12th Jan, there are 9 planned working days

Total monthly planned working days of Jan is 22

The 1st Jan is a public holiday lies on OFF day

Basic Salary = 10000

Meal Allowance = 5000

Clothing Allowance = 0

Then:

<WT\_1000 Basic Salary for 1st half month of Jan> =

10000 \* (9+1+13) / (22+1)

<Meal Allowance> = 5000 \* (9+1+13) / (22+1)

<WT\_2410 Maternity Lv Virtual Pay> = (/003 + /004) \* <WT\_3004 – Maternity Lv Days>

< WT\_3AB1 – Unpaid Lv Deduct – Base Pay > = /003\*<WT\_3004 – Maternity Lv Days> \*-1

< WT\_3AB2 – Unpaid Lv Deduct – Allow > = /004\*<WT\_3004 – Maternity Lv Days> \*-1

* For Feb, Apr, May

Basic Salary = 10000

Meal Allowance = 5000

Clothing Allowance = 0

Then:

<WT\_1000 Basic Salary for 1st half month of Jan> = 10000

<Meal Allowance> = 5000

< WT\_3AB1 – Unpaid Lv Deduct – Base Pay > = /003\*<WT\_3004 – Maternity Lv Days> \*-1 = -10000

< WT\_3AB2 – Unpaid Lv Deduct – Allow > = /004\*<WT\_3004 – Maternity Lv Days> \*-1 = -5000

* For Mar

In Mar, the government pays the lump-sum maternity allowance (WT\_3220) to the employee:

Basic Pay and Meal Allowance = 15000

<WT\_3220 - Allowance(s) paid by Social Security> is manually input as 45000

<WT\_3255 - 2 Months of MIN Base Pay> will be generated as <national MIN salary x 2>, let’s say 6000

<WT\_2410 Maternity Lv Virtual Pay> = 15000 will still be generated

<WT\_3AB1 + WT\_\_3AB2> = -15000

* For Jun

Basic Salary = 15000

Meal Allowance = 5000

From 1st Jun – 8th Jun, there are 7 maternity lv days

From 9th Jun – 30th Jun, there are 13 planned working days

Then:

<WT\_1000 Basic Salary for 1st half month of Jan> = 15000

<Meal Allowance> = 5000

<WT\_2410 Maternity Lv Virtual Pay> = 20000 \* 7 / 20

<WT\_3AB1 + WT\_3AB2> = -1 \* 20000 \* 7 / 20

When EE returning from maternity lv in Jun, <Additional allowance(s) paid by RMIT VN WT\_3230>-num=1 will be input as trigger to make-up payment for the maternity lv.

<WT\_3230> = <Total WT\_2410> - <WT\_3220> -<WT\_3255> = [(10000+5000) \* 13 / (22+1) + 15000 \* 4 + 20000 \* 7 / 20] – 45000 – 6000

* <WT\_2410 Maternity Lv Virtual Pay> 🡪 this virtual pay is not payable but only accumulated total
* <Additional allowance(s) paid by RMIT VN WT\_3230> is the make-up amount of maternity leave

### Parental/Prenatal/Miscarrage Leave Processing

Parental leave processing logic is almost the same with maternity leave. The only difference is that:

~~Since parental leave virtual pay is much less than maternity leave (because it is just a few days), so we do NOT deduct WT\_3255 – 2 months of minimum salary~~ .

When WT\_3220/WT\_3221 is input, WT\_3255 will be auto-generated and its amount is state-wise MIN salary x 2. The wage types related are as below:

|  |  |  |
| --- | --- | --- |
| 2411 | Parntl/Prentl/Miscar vPay | Parental lv virtual pay is the same logic with maternity lv virtual pay. Only to replace maternity lv days with parental lv days. |
| 3221 | Parntl/Prentl/Miscar Gov | parental lv lump-sum from government Direct amt inut |
| 3231 | Parntl/Prentl/Miscar ER | When EE returning from parental lv, WT\_3231-num=1 will be input as trigger.  <WT\_3231> = <Total WT\_2411> - <WT\_3221>  The Paternity/Prenatal Leave process is similar with Maternity Leave process without the component of WT3255 2 months of MIN base pay. However, there would be a case when a male employee applying Paternity Leave and can submit the evidence that his wife is not joining the Social Insurance Contribution, he can actually claim that 2 months of MIN base pay.  In such case, WT\_3231-num=2 should be input as trigger. <WT\_3231> = <Total WT\_2411> - <WT\_3221> - <WT\_3255>  If the final amt of 3231 is negative, then ZERO it, because negative amt will not be deducted. |

## Social Insurance

### Standard Social Insurance Type

Social Insurance is a legislative requirement in Vietnam. All new employees are set up in the company fund as a default rate.

List of Social Insurance details:

| Insurance Type | Insurance Fund | Insurance Scheme | ER % Contribution | EE % Contribution |
| --- | --- | --- | --- | --- |
| 01 - CSI | 01 | 01(local) - CSI | 17.0% | 8.0% |
| 04 - HI | 01 | 01(local) | 3.0% | 1.5% |
| 03 - UI | 01 | 01(local) | 1.0% | 1.0% |
| 01 - CSI | 01 | 03(local) – CSI & AI | 17.5% | 8.0% |
| 01 - CSI | 01 | 05(local) - AI | 0.5% | 0.0% |
| 01 - CSI | 01 | 02(expat) | 3.0% | 0.0% |
| 04 - HI | 01 | 02(expat) | 3.0% | 1.5% |
| 03 - UI | 01 | 02(expat) | 0.0% | 0.0% |
| 01 - CSI | 01 | 04(expat) – CSI & AI | 17.5% | 8.0% |
| 01 - CSI | 01 | 06(expat) - AI | 0.5% | 0.0% |

Scheme 03 & 04 are defined to merge Occupational Accident Insurance into Compulsory Insurance.

Scheme 05 & 06 are defined for Accidental Insurance Only case.

For detailed contribution setups, please refer to configuration worksheet <Social Insurance> tab page.

### Fixed Exchange Rate Used for Social Insurance

Vietnam social insurance base amount uses a fixed exchange rate which differs from standard exchange rate. This fixed exchange rate will be updated half-yearly.

Right before /171 being used by social insurance function, it needs to be converted as:

1. /171-amt = </171-amt> \* <WT\_9FXU-amt> / <WT\_9USD>
2. If WT\_9SIB exists, use WT\_9SIB-amt to override /171

### Medical Insurance Processing

RMIT VN has commercial medical insurance benefit. Below medical insurance wage types are defined.

* <MI Monthly Target> – WT\_5V00

Yearly target amt will uploaded. Then this amount should be prorated by:

<Active calendar days of the month> / <total calendar days of the year>

For foreigner EE:

<total calendar days of the year> will be based on calendar year(Jan-Dec) and stored in V\_T511K-ZTCD1

For VNM local EE:

<total calendar days of the year> will be based on Nov-Oct and stored in V\_T511K-ZTCD2

* <Monthly MI by ER> – WT\_5V01

For foreigner EE:

<Monthly MI by ER> = <MI Monthly Target> \* {WORK\_LOAD\_PERCENT}

For local VNM EE:

<Monthly MI by ER> = <MI Monthly Target> \* 100%

* <Monthly MI by EE> – WT\_5V02

WT\_5V02 = (WT\_5V00 - WT\_5V01) \* -1

* <One-time Adj MI by EE> - WT\_5V08

Direct negative amt to be deducted from salary in case 20+ consecutive unpaid lv happens, which mean EE should paid the MI premium

* <Monthly MI by ER – DP> – WT\_5V03

1- For foreigner dependents

<Monthly MI Paid by ER - DP> = <MI Monthly Target for DP> \* <active calendar days of the month>\*WORK\_LOAD\_PERCENT \* ZTCD1

2- For local VNM dependents

<Monthly MI Paid by ER - DP> = <MI Monthly Target for DP> \* <active calendar days of the month>\*WORK\_LOAD\_PERCENT \* YOS\_PERCENT \* ZTCD2

3- Using the last calendar day of the month to calculate the YOS.

If 3 > YOS: YOS\_PERCENT = 0%

If 3<=YOS<6 years: YOS\_PERCENT = 50%

If 6 years <= YOS: YOS\_PERCNET = 100%

4- For <MI Monthly Target for DP> each dependent will incur MI cost

For foreigner dependent >= 18 years old => target amt == 2466.55 USD

For foreigner dependent < 18 years old => target amt == 863.29 USD

For local dependent < 65 years old => target amt == 2369796 VND

* <Monthly MI by EE – DP> – WT\_5V04

WT\_5V04 = (<MI Monthly Target for DP> - WT\_5V03) \* -1

For <MI Monthly Target for DP>

For foreigner dependent >= 18 years old => target amt == 2466.55 USD

For foreigner dependent < 18 years old => target amt == 863.29 USD

For local dependent < 65 years old => target amt == 2369796 VND

* <DI Monthly Target> - WT\_5V05

Direct amt uploaded as the whole month target. Then this amount should be prorated by:

<Active calendar days of the month> / <total calendar days of the year>

<total calendar days of the year> will be based on calendar year(Jan-Dec) and stored in V\_T511K-ZTCD1

* <Monthly DI by EE> - WT\_5V06

Dental Insurance is only eligible for foreigner and local VNMs.

<Monthly DI Paid by EE> = -1\* <DI Monthly Target>

* <Monthly DI by EE - DP> - WT\_5V07

For Foreigner dependents (only foreigner dependents has this wage type):

<Monthly DI Paid by EE - DP> = -1 \* <DI Monthly Target for DP> \* <active calendar days of the month>\*WORK\_LOAD\_PERCENT \* ZTCD1

For <DI Monthly Target for DP> each foreigner's dependent will incur DI cost:

For foreigner dependent >= 18 years old => target amt == 297.1 USD

For foreigner dependent < 18 years old => target amt == 103.98 USD

The dependents of the Medical insurance and Dental insurance are different from standard dependent type which are defined for tax calculation. So for RMIT VN, we will define custom dependent type 9VN2 specially for MI/DI insurance program.

## Taxation

Taxation is a legislative requirement in Vietnam. List of Employer details:

| Personnel Area | Tax Office | Tax office Text | Company Tax ID |
| --- | --- | --- | --- |
| VN10 | 04 | Ho Chi Minh | 0302169193 |
|  |  |  |  |

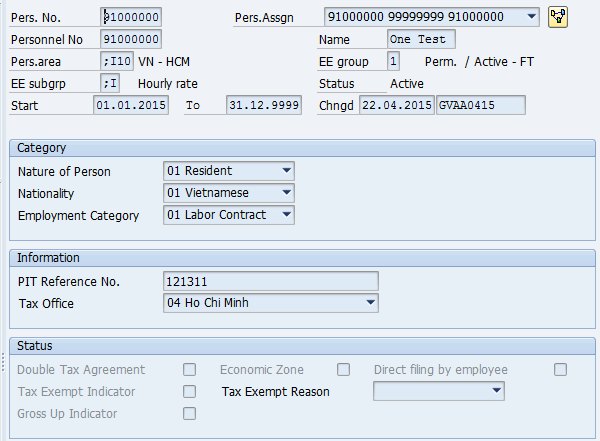
### Monthly Tax Calculation

**Tax Rate**

Monthly Tax will be calculated in system either in Progressive Tax Rate or Flat Tax rate based on the combination maintained in Info Type 9520. Below are the 12 combination will be configured in system and RMIT VN need to maintain applicable combination to employee to get the correct tax deduction.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **ADP Fields** | **Combination A** | **Combination B** | **Combination C** | **Combination D** |
| **Nature Of Person** | **01 Resident** | 01 Resident | 01 Resident | 02 Non-Resident |
| **Nationality** | **01 Vietnamese** | 01 Vietnamese | 02 Foreigner | 02 Foreigner |
| **Employment Category** | **01 Labor Contract**  **(Definite labor contract 3 months and above OR Indefinite labor contract)** | ~~03 Probation~~  XX Contract less than 3 months | 01 Labor Contract  ~~03 Probation~~ | 01 Labor Contract  ~~03 Probation~~ |
| **Result** | **Progressive Tax Rate** | **10% Flat Rate** | **Progressive Tax Rate** | **20 % Flat Rate** |
| **Lower Bound of Income per Month** |  | If taxable income is < 2,000,000, no Tax will be deducted |  | NA - Flat rate |

Vietnam Tax infotype 9520 will looks as below



Dependents constants

|  |  |  |  |
| --- | --- | --- | --- |
| **Personal Ded. /M** | **Personal Ded. /Y** | **Dependent Ded./M** | **Dependent Ded./Y** |
| 9,000,000 | 108,000,000 | 3,600,000\*N | 43,200,000\*N |

Tax Rate

|  |  |  |  |
| --- | --- | --- | --- |
| **Tax level** | **Yearly Taxable Income** | **Tax rate (%)** | **Tax on Income: Year** |
| 1 | Up to 60 | 5 | 0 |
| 2 | Over 60 up to 120 | 10 | 3,000,000 |
| 3 | Over 120 up to 216 | 15 | 9,000,000 |
| 4 | Over 216 up to 384 | 20 | 23,400,000 |
| 5 | Over 384 up to 624 | 25 | 57,000,000 |
| 6 | Over 624 up to 960 | 30 | 117,000,000 |
| 7 | Over 960 | 35 | 217,800,000 |

Any changes to the above constant will be updated automatically in system as part of legal update.

**Tax Calculation method**

The tax calculation methods that are applicable are

* Progressive Tax Rate
* Flat % Tax Rate

**Progressive Tax calculation method**

Say the EE has 2 dependents, monthly taxable income = 72,915,000 and falls in progressive tax rate method

**Step 1 : Calculate annual equivalent**

Taxable earnings - month to date 72,915,000 (i.e. /106 Taxable Income in that month)

Tax periods in year 12 (i.e. No of months in a year)

Annual Taxpayer Deduction 108,000,000 (constant)

Dependent exemption

Dependent(s): 02

Annual Dependent Deduction per dependent 43,200,000

Total Annual Dependent Deduction: 86,400,000 = 43,200,000 \* 02

Annual taxable income: 874,980,000 = 72.915.000 \* 12

Annual taxable income after deductions: 680,580,000 = 874.980.000 – 108,000,000 – 86,400,000

**Step 2: Calculate tax deduction**

Annual equivalent: 680,580,000

Bracket lower base: 624,000,000 (as per the table provided above)

Tax on bracket lower base: 117,000,000(as per the table provided above)

Tax rate on bracket: 30(as per the table provided above)

Tax periods in year: 12

Taxable value greater than bracket: 56,580,000 = 680,580,000 – 624,000,000

Tax on value greater than bracket: 16,974,000 = 56,580,000 \* 30 %

Annual tax: 133,974,000 = 16,974,000 + 117,000,000

Period tax: 11,164,500 = 133,974,000 / 12

Monthly Tax: 11,164,500

**Flat Rate Method**

**Step 1: Calculate annual equivalent**

Taxable earnings - month to date 72,915,000(i.e. /106 Taxable Income in that month)

Tax periods in year: 12

Annual Taxpayer Deduction: 0

Per Period Deduction per dependent:

Dependent(s): 04

Annual Dependent Deduction per dependent 0

Total Annual Dependent Deduction: 0 = 0 \* 04

Annual taxable income: 874,980,000 = 72,915,000 \* 12

Annual taxable income after deductions: 874,980,000 = 874,980,000 - 0 - 0

**Step 2: Calculate tax deduction**

Annual equivalent: 874,980,000

Bracket lower base: 24,000,000

Tax on bracket lower base: 2,400,000

Tax rate on bracket: 10.00

Tax periods in year: 12

Taxable value greater than bracket: 850,980,000 = 874,980,000 - 24,000,000

Tax on value greater than bracket: 85,098,000 = 850,980,000 \* 10.00 %

Annual tax: 87,498,000 = 85,098,000 + 2,400,000

Period tax: 7,291,500 = 87,498,000 / 12

Tax: 7,291,500

Based on the data maintained in the IT 9520 the tax method gets applied.

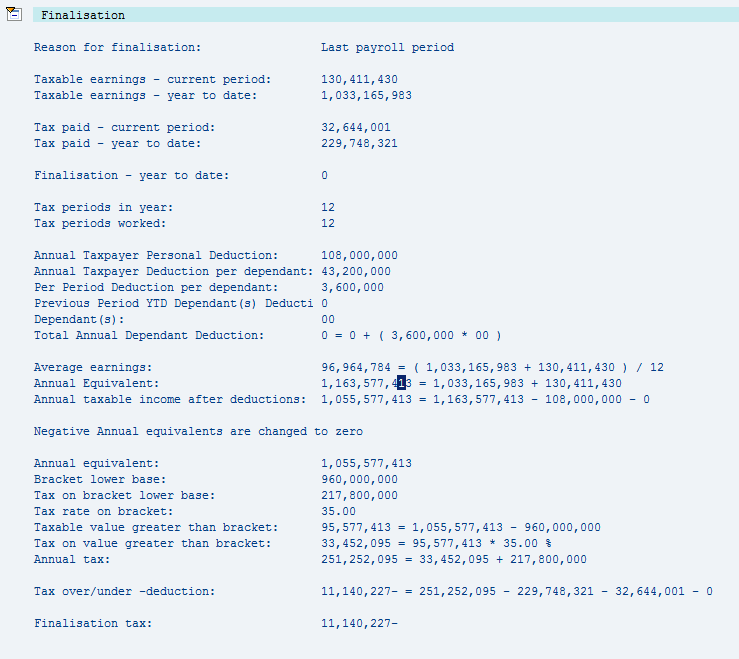
### Year End Tax Calculation:

Tax Finalization is the Year End process for Vietnam.

If the employee hired/terminated in the middle of the year, then GV standard Year End Tax calculation will not be able to cover such cases (If the EE worked for the entire year and terminated on 31st Dec, then he can be processed correctly). Normally such employee will be excluded by GV automatically.

For employees who should not be included in Tax Finalization, RMIT VN should flag “direct filing” field in IT9520

Sample calculation of Tax finalization is attached for your references.



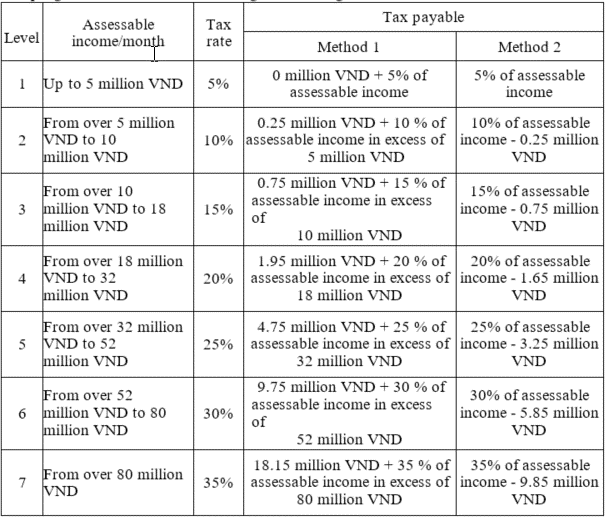
Tax finalization will be configured for RMIT VN in every “January” Payroll. During Tax finalization, Tax on Benefit wage types which employer bear tax cost will be recalculated and paid to back employees

### ER Paid Tax (Gross-up)

Below benefit wagetypes tax will be borne by employer. RMIT VN will input below wage types in monthly payroll.

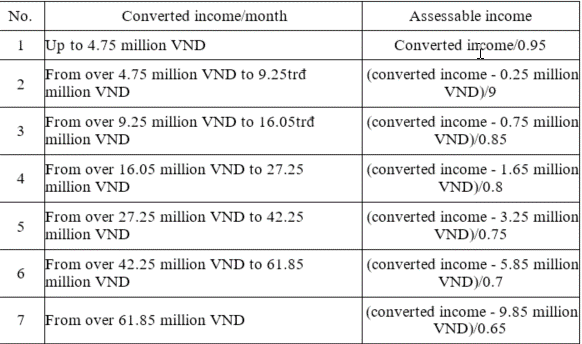
|  |  |
| --- | --- |
| **ER Pay Tax** |  |
| 5V31 | Visa/TRC Gross-up |
| 5090 | Severance Pay Additional |
| 5V40 | Net Private Medical Ins |
| 5V41 | Net Utilities |
| 5V42 | Net Superannuation |

The progressive tax table is as:



RMIT VN uses method-2 for manual calculation, while GV system will use method-1 for auto-calculation, but the final tax results are the same.

With method-2 adopted, the gross-up algorithm is like:



Since GV uses method-1 taxation calculation, so the GV gross-up algorithm uses iteration approaching algorithm, but the final result of grossed-up amount will be the same.

The <total taxable income after gross-up> = <assessable income in above table> + <tax deduction self & dependents> + <social insurance EE deductions>

The sample of gross-up algorithm is included in below XLS file:



### The special House Rental case combined with ER borne taxation

Sample of House Rental Fee combined with ER borne taxation is explained in below XLS file:



GV will have 2 wage types for House Rental Fee cases:

1. Wage type 3601 – House Rental Fee
2. Wage type 3602 – House Rental Fee ER Taxable

Wage type 3601 is a payable expense wage type but not taxable (IT0014).

Wage type 3602 is ER taxable item but not payable. WT\_3602 will be manual calculated as below formula:

WT\_3602 = MIN(<grossed-up taxable amount including EE&ER taxable items>\*15% , <WT\_3601-AMT>)

In above formula, <grossed-up taxable amount including EE&ER taxable items> can be found in sample XLS file cell R6.

RMIT VN will upload WT\_3602 as IT0015 wage type. WT\_3602 will be setup as ER taxable item and GV will do the gross-up calculation just as previous section describes.

## Accruals and Reversals

### Severance Pay Accrual and Reversal

WT\_9150 – Severance Accrual:

1. Manual input as WT\_9150-NUM = 1 to trigger the accrual calculation
2. Current base salary \* years of service as of current month \* 50%

WT\_9151 – Severance Accrual Reversal:

When WT\_5080 Severance Pay paid out:

1. WT\_9151= [<Total accrued WT9150 in LCRT> + <WT9150 in current month>] \* -1
2. Clear WT\_9150 from CRT for current month

### Executive Bonus Accrual and Reversal

WT\_9140 - Executive Bonus Accrual:

1. Only applicable for payscale Area = Executives
2. WT\_9140 = <Total Fixed Remuneration> \* <potential bonus percentage> \* <working days in month> / <total working days in year>
3. <Total Fixed Remuneration> = 12 months \* (monthly base salary + monthly meal allowance + monthly clothes allowance)
4. <potential bonus percentage> will be input as WT\_9140-NUM like 0.76
5. use unprorated value in above formula
6. This accrual item should be accumulated unlimitedly. And will be cleared once Executive Bonus paid out.

WT\_9141 - Exec Bonus Accr Reversal:

When WT\_3132 Exec Bonus paid out:

1- WT\_9141= [<Total accrued WT9140 in LCRT> + <WT\_9140 in current month>] \* -1

2- Clear WT\_9140 from CRT for current month

### 13th Salary Accrual

WT\_9113 – 13th Salary Accrual:

1. [<nominal basic pay WT\_1001>] / 12
2. This accrual item should be yearly accumulated. And in every Jan, store LCRT total accrued 13th salary amount into WT\_9131 for GL posting purpose.
3. WT\_9131 = <LCRT WT\_9113-AMT> \* -1
4. For mid-year termination case, also need to generate WT\_9131 and clear CRT table
5. Only applicable for Local VNM & EG=1 or P

WT\_9131 – 13th Salary Accrual Reversal:

1. See 9113 rule. WT\_9131 is just nominal item for GL posting purpose
2. Only applicable for Local VNM & EG=1 or P

## Banking

RMIT VN uses ANZ bank for payroll bank transfer.

In IT0009 the currency amount splitting rule is only applicable for foreign staff. The rule is:

“Your net salary will be paid to you in Vietnam in a combination of Vietnam Dong and US dollars. The Vietnam Dong portion has been set at the rate of 20% of your net monthly salary, converted from USD to VND at the prevailing exchange rate used for payroll Personal Income Tax (PIT) calculations for that month’s payroll. The amount of VND is capped at the equivalent of USD1,000 per month. The remaining portion of net salary will be paid to you in US dollars.”

Foreign staff can choose to either go with the rule or receive net-take-home all in VND, meaning no splitting between two currencies. There is no such option receiving net-take-home all in USD.

RMIT VN needs to split the bank file by payment currency. For an employee who has both VND and USD/AUD payment, amount in different currency should be placed into separated bank files.

Please refer to the worksheet for specific details of the bank accounts and their relevant information.

## General Ledger

The Standard SAP General Ledger posting configuration will be utilized. Please refer to the worksheet for details on General Ledger postings.

## User Access

This section defines the level of required access for different users / roles within RMIT Vietnam.

Please refer to the Blueprint Configuration Worksheet, ‘User Access’ Tab, for details.

Please refer also the latest ADP authorization matrix document, SAP User Menu Template for ECC5 ASIA PACIFIC ([GV00000095](https://vp1.ehc.adp.com/irj/go/km/docs/documents/KM/GV00000095)), for the available generic and AU-specifc authorization roles and details.

## Configuration Worksheet

The following attachment contains the client-specific copy of the Configuration Worksheet, containing details of the technical settings for the configuration of the system. Please do not make changes to this worksheet, but advice changes in this word document only.

# Reports Provided

The embedded word document below shows the reports that will be provided as part of the GlobalView service. Please note the Payroll Procedures Manual will define when the reports will be provided to you in the payroll process. These examples have been downloaded in .PDF, TXT and EXCEL format for the purposes of this document, however, the standard options for most report/ file downloads within the ADP Solution are:

* Unconverted
* Spreadsheet
* RTF (Rich Text Format)
* HTML

The Document groups reports by:-

* HR Master Data Reports
* Time Management Reports
* Employee Self Service (ESS) Reports
* Generic Payroll Reports

Details of all reports are provided in [GV00000396](https://vp1.ehc.adp.com/irj/go/km/docs/documents/KM/GV00000396) APAC SAP HR-Payroll Reports available separately.

## Country Specific Reports

All RMIT Vietnam specific reporting is compliant with the required Federal Laws including information and format based requirements. A short description of each report provided follows.

### Period Reports

| Report | Transaction code | Description |
| --- | --- | --- |
| Social Insurance – Newcomers | /EPIUSE/HVNCSIN1 | New Staffs join the social insurance and health insurance company |
| Social Insurance – Leaver & Change | /EPIUSE/HVNCSIN2 | Terminate staffs or change the social insurance and health insurance information |
| Declaration of Regular PIT | /EPIUSE/HVNCPIT1 | Monthly tax declaration of remit |
| Labor Usage and Provision of Labor Book | /EPIUSE/HVNCLAB1 |  |
| Labor Turnover | /EPIUSE/HVNCLAB2 | Declare the decrease on the number of staff who join social insurance, health insurance or increase or decrease of salaries (before 16th of the month) |
| Foreigners Working | /EPIUSE/HVNCLAB3 |  |
| Labor Usage Status | /EPIUSE/HVNCLAB4 |  |

### Year End Reports

|  |  |  |
| --- | --- | --- |
| Report | Transaction code | Description |
| Finalization Declaration of PIT | /EPIUSE/HVNCPIT2 | Declaration for annual tax finalization |
|  |  |  |
|  |  |  |

Details of all reports are provided in **GV00000 Sample Reports in PDF** available separately.

# Payslip

The payslip program enables you to print a payslip in hard copy format for employees.

Please note, the format of the hard copy payslip is the same as the format provided for ESS Use.

Since Vietnam payroll calculation will be based on VND local currency, GV will only provide the payslip with VND currency. But for the final payout (Bank Transfer amount), it will be listed in both VND amount and USD amount. Meanwhile, the exchange rate used for payroll calculation will be displayed on payslip for cross-check.

Please refer to <payslip> tab page in the configuration worksheet for the detailed layout/format of RMIT VN payrslip.

# Employee Self Service

# Interfaces

### The Client will send the following inbound interfaces-

**HR System:**

**Time & Attendance System**

### ADP will provide the following outgoing interfaces –

**General Ledger**

**Bank File**

The specifications for these outgoing interfaces are referenced as appendices to this document.

# Assumptions/Risks

## Assumptions

This Blueprint has been created based on information current at the beginning of <date>. Where possible, ADP has taken into account possible policy changes, however, it is assumed that what is documented above will be what the User Acceptance Testing and Parallel Runs will be based on. It is also assumed that employees will have access to a computer, if not their own, a kiosk type set-up may be provided.

## Risks

There are a number of risks that have been identified during the blueprinting process:

# GAP Analysis and Resolution

## Missing Functionality

None identified during this Blueprint

## System Modifications Required

None Identified during this Blueprint

# Appendices

Please list all related specifications and their file names below: - e.g. Bank File Specification Bank Westpac V 1.0.

## ADP Reference Documents

|  |  |  |
| --- | --- | --- |
| GV Document ID | Description |  |
| [GV00000095](https://vp1.ehc.adp.com/irj/go/km/docs/documents/KM/GV00000095) | SAP User Menu Template for ECC5 ASIA PACIFIC (ADP authorisation matrix) |  |
| [GV00000396](https://vp1.ehc.adp.com/irj/go/km/docs/documents/KM/GV00000396) | APAC SAP HR-Payroll Reports |  |
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