MYOB IMS Payroll Using Average Daily Pay

June 2020



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Overview

The primary remedy for the payment of Bereavement Leave, Alternative Days, Public Holiday, Sick Leave and Family Violence leave is Relevant Daily Pay (these leave types are commonly called FBAPS Leave). If this is not known, Average Daily Pay (ADP) can be used.

This document goes over how Average Daily Pay can be set up and used in MYOB IMS Payroll.

Payments

The screenshot below shows the standard setup for Sick Leave. While the name of the payment and the Earnings Type will be different for all BAPS Leave, the other settings should be the same.

The **Apply Average Daily Pay?** box (highlighted below) should be ticked automatically but please check your payments under the Company Tab to make sure this is the case for all BAPS Leave types.

| Company Pay | Points Costing Codes Payments Dedu | uctions General Ledge | User Codes | |
|--|---|--|---|--|
| Description: | Sick Leave | Data Entry Code: S | CK LEAVE | |
| Calculation Met Fixed: Hourly: % Earnings Annual Leav Apply Avera | thod Default Qty: I v 100 % of Employee Hrly Rate v % of v Holiday Pay age Daily Pay? | Tax Type Taxable Non-Taxable Earnings Type Ordinary Time Overtime | Extra Pay Sche Reimbursing Annual Leave Sick Leave Sick Leave | dular - Tax Override: % |
| Factor: - Costing Code - • Fixed: Use Employ No Default - - Accumulates I GST Special Tot | 1.0000 Sequence: 61 9000 • ee's Default • - Entered at Transaction Input into Special Total | Penal Time Allowance Accumulates Into ACC Liable Earni Company Supera Apprentice Hour. KiwiSaver Emplo KiwiSaver Emplo Compliant Emplo Compliant Emplo | Alternative Holiday Time in Lieu Ings annuation Contrib Earnings s yee Contribution Earnings yee Contribution Earnings yee Contribution Earnings yee Contribution Earnings yer Contribution Earnings | Ordinary Gross ☑ Ordinary Gross ☑ Indude In Current Rate |



Turning on Average Daily Pay

Once you have decided that ADP should be used for your employee, go to the employee's Payment Tab and tick **Use Average Daily Pay?**

| Employee Type | | | | | | | | | | |
|--------------------------------------|-----------|--|---|--|--|--|--|--|--|--|
| • Wage (per Hour) O Salary (per Pay) | | | | | | | | | | |
| Pay Rates | | | | | | | | | | |
| Hourly: | \$17.7000 | Per Pay: | | | | | | | | |
| Rate 2: | \$16.5000 | | | | | | | | | |
| Rate 3: | \$15.7500 | ✓ Use Average Daily Pay? |] | | | | | | | |
| Rate 4: | | - Hourly Rate: \$16.5470 - Daily Rate \$74.7551 | | | | | | | | |
| Rate 5: | | Standard Days: 5.00 | | | | | | | | |
| | | | - | | | | | | | |

When this box is ticked, MYOB IMS Payroll will use the information on the employee's Leave Earnings Tab to calculate ADP. This means that it is important to record the days actually paid for (i.e. worked or paid leave) by the employee each pay period.

Processing BAPS Leave

The days the employee was actually paid for should be recorded each pay period when you are processing the pay. This is recorded under Step 2 – Timesheets.

In the example below, the employee works 20 hours a week over 5 days but worked another full day on Saturday. The ADP should be 6. IMS Payroll has automatically calculated this by dividing the 24 hours worked by the employee's standard hours per day (4).

| Er | # 1000 Factory ✓ ✓ Period Ending: 11/08/2019 | | | | | | | Days Paid F | or: - | 1 | | |
|---|--|---|---------|------|------------|--|--|-----------------|-------|-----------------|---------|---|
| 1-Open 2-Timesheets 3-Check Input 4-Calculate 5-Preview 6-Reports 7-Bank 8-Backup 9-Close | | | | | | | | | | | 5.00 | l |
| | Payment or Deduction | ent or Deduction Quantity Rate Costing Code Costing Description Date 1 Date 2 Comment | | | | | | | | Holiday Rate: | 5 | |
| | Ordinary Time | 24 | 17.7000 | 1004 | Processing | | | Worked Saturday | | Average | | l |
| | P.A.Y.E. | 1 | М | | | | | | | Daily Pay: | 6 | I |
| L | Social Club | 1 | 7.0000 | | | | | | | AL Type: Variab | ole Hrs | 1 |
| * | - | | | | | | | | | Use ADP?: | Yes | |

However, IMS Payroll doesn't know when these hours were worked. If they were worked during the employee's standard week, the ADP field will need to be manually adjusted back to 5.

| Er | Emp# 1000 Factory 🗸 🖌 Period Ending: 11/08/2019 | | | | | | Ending: 11/08/2019 | 1 | - Days Paid For: - | |
|----|---|-----------|---------------|---------------|---------------------|-------------|--------------------|---------|--------------------|------------------------|
| | 1-Open 2-Timesheets 3-Check I | nput 4-Ca | alculate 5-Pr | review 6-Repo | orts 7-Bank 8-Bad | kup 9-Close | | | | Holidav Rate: 5 |
| | Payment or Deduction | Quantity | Rate | Costing Code | Costing Description | Date 1 | Date 2 | Comment | 1 | Average |
| Ī | Ordinary Time | 24 | 17.7000 | 1004 | Processing | | | | | Daily Pay: 5 |
| | P.A.Y.E. | 1 | М | | | | | | 15 | AL Type: Variable Hr |
| | Social Club | 1 | 7.0000 | | | | | | | Lice ADD2: Vendbic Fil |
| | | | | | | | | | | USE ADE 1 |



In this further example the employee has taken Sick Leave and Leave Without Pay. The ADP has counted the Ordinary Time and Sick Leave but not the Leave Without Pay as the employee was not paid for that time.

| mp# 1000 Factory 1-Open 2-Timesheets 3-Check I | nput 4-Ca | Iculate 5-Pr | eview 6-Repo | orts 7-Bank 8-Back | up 9-Close | Period I | Ending: 11/08/2019 | Days Paid For: Standard: 5.00 |
|---|-----------|--------------|----------------|------------------------|------------|----------|--------------------|----------------------------------|
| Payment or Deduction | Quantity | Rate | Costing Code | Costing Description | Date 1 | Date 2 | Comment | fielddy reacer |
| Ordinary Time | 12 | 17.7000 | 1004 | Processing | | | | Average |
| Sick Leave | 1 | 74.7551 | 9000 | Labour Overhead Co | 2 | | | Daily Pay: 4 |
| Leave Without Pay | 4 | 0.0000 | 9000 | Labour Overhead Co | 5 | | | AL Type: Variable Hrs |
| P.A.Y.E. | 1 | м | | | | | | |
| Social Club | 1 | 7.0000 | | | | | | Use ADP?: Yes |

Correcting Leave Earnings

IMS Payroll uses the tab called Leave Earnings to calculate Holiday Pay and ADP. As the calculation of ADP is based on days worked and gross earnings for the last 52 weeks, it is important that the information on this screen is correct.

ADP uses the Average Gross column and the ADP Days column to calculate the ADP Rate:

| Standard | Payment Leave | e KiwiSaver | Permanen | t HR / Note | s Totals | History | | | |
|---------------|------------------|---------------|----------------|-------------------|------------|-------------|------------|------------|-----------------|
| Total Earning | ns Leave Earning | s KiwiSaver | Timesheet H | story | | | | | |
| Period Ending | Average Gross | rdinary Gross | Hours/Week | Days/Week | H/Rate Hrs | ADP Hrs | H/Rate Day | s ADP Days | lours Per Day 🔺 |
| 29/12/2019 | \$566.40 | \$566.40 | 0 | 0 | 32 | 32 | | 4 | 8 |
| 05/01/2020 | \$566.40 | \$566.40 | 0 | 0 | 32 | 32 | | 4 | 8 |
| 12/01/2020 | \$566.40 | \$566.40 | 0 | 0 | 32 | 32 | | 4 | 8 |
| 19/01/2020 | \$566.40 | \$566.40 | 0 | 0 | 32 | 32 | | 4 | 8 |
| 26/01/2020 | \$566.40 | \$566.40 | 0 | 0 | 32 | 32 | | 4 | 8 |
| 02/02/2020 | \$708.00 | \$708.00 | 0 | 0 | 40 | 40 | | 5 | 8 |
| 09/02/2020 | \$566.40 | \$566.40 | 0 | 0 | 32 | 32 | | 4 | 8 |
| 16/02/2020 | \$708.00 | \$708.00 | 0 | 0 | 40 | 40 | | 5 | 8 |
| 23/02/2020 | \$566.40 | \$566.40 | 0 | 0 | 32 | 32 | | 4 | 8 |
| 01/03/2020 | \$566.40 | \$566.40 | 0 | 0 | 32 | 32 | | 4 | 8 |
| 08/03/2020 | \$265.50 | \$265.50 | 0 | 0 | 15 | 15 | 1.8 | 3 | 8 |
| 15/03/2020 | \$247.80 | \$247.80 | 0 | 0 | 14 | 14 | 1.7 | 3 | 8 |
| 22/03/2020 | \$88.50 | \$88.50 | 0 | 0 | 5 | 5 | 0.6 | 1 | 8 |
| 29/03/2020 | \$566.40 | \$566.40 | 0 | 0 | 32 | 32 | | 4 | 8 |
| 05/04/2020 | \$566.40 | \$566.40 | 0 | 0 | 32 | 32 | | 4 | 8 |
| 27/04/2020 | \$566.40 | \$566.40 | 0 | 0 | 32 | 32 | | 4 | 8 |
| 04/05/2020 | \$566.40 | \$566.40 | 0 | 0 | 32 | 32 | | 5 | 8 🗸 |
| < | | | | | | | | | > |
| Add | Modify | Delete | Add <u>R</u> a | ange <u>Mo</u> di | fy Range D | elete Range | | | |

Entering the right information each week will ensure this is correct. However if you need to make corrections, IMS Payroll provides the ability to edit information on the Leave Earnings tab (found under the History tab).



In the screenshot below, we have identified that the ADP days should have been 5. Highlight the line you wish to change and click the **Modify** button. You can then change the ADP Days to 5. Click **OK** and the information will be updated.

| BLUE, Wendy | - | M 14 | • • | IMS Leave Maintenance | Modify Data | × | (| | | |
|----------------|-----------------|----------------|-------|----------------------------|------------------------|------|--------|---------------|---------|--------------------------|
| Emp# 1051 | IRD# 567-89 | 0-120 | | Devied Endine Dates | 04/05/2020 | - | | | | |
| Standard P | ayment Leave | e KiwiSaver | Pe | Period Ending Date: | | | | | | |
| Total Earnings | Leave Earning | s KiwiSaver | Times | Average Gross: | \$566.40 | | | | | |
| Period Ending | Average Gross C | Ordinary Gross | Hours | Ordinary Gross: | \$566.40 | | P Days | Hours Per Day | Le | eave Type: |
| 29/12/2019 | \$566.40 | \$566.40 | | | | | | 4 8 | | Variable Hours |
| 05/01/2020 | \$566.40 | \$566.40 | | Hours/Week: | U | | | 4 8 | н | olidav Rates: |
| 12/01/2020 | \$566.40 | \$566.40 | | Days/Week: | 0 | | | 4 8 | Uni | ter Hours |
| 19/01/2020 | \$566.40 | \$566.40 | | | | | | 4 8 | Un | a. nours |
| 26/01/2020 | \$566.40 | \$566.40 | | Holiday Rate Hours: | 32 | | | 4 8 | Ave | erage: \$17.7000 |
| 02/02/2020 | \$708.00 | \$708.00 | | Average Daily Pay Hours: | 32 | | 1 | 5 8 | Ord | dinary: \$17.7000 |
| 09/02/2020 | \$566.40 | \$566.40 | | niverage baily r ay noarbi | | | | 4 8 | | |
| 16/02/2020 | \$708.00 | \$708.00 | | Holiday Rate Days: | 4 | | 1 | 5 8 | A | verage Daily Pay: |
| 23/02/2020 | \$566.40 | \$566.40 | | Average Daily Ray Daver | 5 | | | 4 8 | Hou | urly: \$17.7000 |
| 01/03/2020 | \$566.40 | \$566.40 | | Average Daily Pay Days. | | | | 4 8 | Dai | v: \$139.4604 |
| 08/03/2020 | \$265.50 | \$265.50 | | Hours Per Day: | 8 | | : | 3 8 | - Court | y. 720511001 |
| 15/03/2020 | \$247.80 | \$247.80 | | | 0 | | | 3 8 | | nclude Periods Prior |
| 22/03/2020 | \$88.50 | \$88.50 | | LWOP Weeks: | 0 | | | 1 8 | 1 i | To Start Date? |
| 29/03/2020 | \$566.40 | \$566.40 | | | | | | 4 8 | | |
| 05/04/2020 | \$566.40 | \$566.40 | | <u>O</u> K | <u>C</u> ancel | | | 4 8 | | |
| 27/04/2020 | \$566.40 | \$566.40 | | | | | | 4 8 | | |
| 04/05/2020 | \$566.40 | \$566.40 | | 0 0 | 32 | 32 4 | | 5 8 | | |
| < | | | | | | | | > | | |
| Add | Modify | Delete | | Add Range Modify Ran | ge D <u>e</u> lete Ran | ge | | | | |

The **Add** button will add a line and the **Delete** button will delete the line you have highlighted.

To modify a range of transactions, click the **Modify Range** button. In the example below the ADP Days from 29/03/2020 to 04/05/2020 have been changed to 5.

| BLUE, Wendy | • | MA 14 4 | • | ▶ 🛛 🚘 🕲 😫 📑 | ANZ 📑 | <u> </u> | - | | | |
|----------------|------------------|-----------------|--------|--------------------------|-----------------------|----------|----------|---------------|------|--------------------------|
| Emp# 1051 | IRD# 567-890 | -120 | IMS | eave Maintenance - Modi | fy Range | × | | | | |
| Standard P | ayment Leave | KiwiSaver | Per | iod Ending Date Range: | | | | | | |
| Total Earnings | Leave Earnings | KiwiSaver Ti | in Fro | om: 29/03/2020 👻 | To: 04/05/2020 | • | | | | |
| Period Ending | Average Gross Or | dinary Gross Ho | | w Values | | | ADP Days | Hours Per Day | ^ _L | eave Type: |
| 29/12/2019 | \$566.40 | \$566.40 | | voides. | | | 4 | 8 | | Variable Hours |
| 05/01/2020 | \$566.40 | \$566.40 | | Average Gross: | | | 4 | 8 | | Ioliday Rates: |
| 12/01/2020 | \$566.40 | \$566.40 | | Ordinary Gross: | | | 4 | 8 | | nitau Hours |
| 19/01/2020 | \$566.40 | \$566.40 | | Heure Meeler | | | 4 | 8 | | nours |
| 26/01/2020 | \$566.40 | \$566.40 | | Hours/week: | | | 4 | 8 | A | /erage: \$17.7000 |
| 02/02/2020 | \$708.00 | \$708.00 | | Days/Week: | | | 5 | 8 | 0 | dinary: \$17.7000 |
| 09/02/2020 | \$566.40 | \$566.40 | | Holiday Rate Hours: | | | 4 | 8 | | |
| 16/02/2020 | \$708.00 | \$708.00 | | Average Daily Day Heures | | | 5 | 8 | | verage Daily Pay: |
| 23/02/2020 | \$566.40 | \$566.40 | | Average Daily Pay Hours: | | | 4 | 8 | He | ourly: \$17.7000 |
| 01/03/2020 | \$566.40 | \$566.40 | | Holiday Rate Days: | | | 4 | 8 | D | aily: \$138.6984 |
| 08/03/2020 | \$265.50 | \$265.50 | | Average Daily Pay Days: | 5 | | 3 | 8 | | my. 9150.050 4 |
| 15/03/2020 | \$247.80 | \$247.80 | | Heure Der Deur | | | 3 | 8 | | Include Periods Prior |
| 22/03/2020 | \$88.50 | \$88.50 | 11 | Hours Per Day: | | | 1 | 8 | | To Start Date? |
| 29/03/2020 | \$566.40 | \$566.40 | | LWOP Weeks: | | | 4 | 8 | | |
| 05/04/2020 | \$566.40 | \$566.40 | | | | | 4 | 8 | | |
| 27/04/2020 | \$566.40 | \$566.40 | | <u>O</u> K | <u>C</u> ancel | | 4 | 8 | | |
| 04/05/2020 | \$566.40 | \$566.40 | | | 52 52 | | 5 | 8 | ~ | |
| < | | | | | | | | > | | |
| <u>A</u> dd | <u>M</u> odify | <u>D</u> elete | Add | Range Modify Range | D <u>e</u> lete Range | | | | | |



You can also add a range. In the example below we have added pays from 04/05/2020 through to the end of May.

| BLUE, Wendy | • | M | 4 F FI | 🚔 🚇 | 3 | 1 | MI Leave Maintenance - | Add Range | | × |
|---------------|-----------------|----------------|----------------|-----------------------|-----------------------|---------|-----------------------------|---------------|----------------|---------------|
| Emp# 1051 | IRD# 567-89 | 0-120 | | ✓ | ✓ | ✓ | Period Ending Date Range | | | |
| Standard | Payment Leav | e KiwiSaver | Permanen | t HR / Note | s Totals | Histo | From: 04/05/2020 | ▼ To: | 29/05/2020 | - |
| Total Earning | s Leave Earning | s KiwiSaver | Timesheet H | istory | | | | | _ | |
| Period Ending | Average Gross | Ordinary Gross | Hours/Week | Days/Week | H/Rate Hrs | AD | Values: | | Frequency | уре: |
| 29/12/2019 | \$566.40 | \$566.40 | 0 | 0 | 32 | | Average Gross: | 330 | C Westley | le Hours |
| 05/01/2020 | \$566.40 | \$566.40 | 0 | 0 | 32 | | Ordinary Gross: | 330 | . • Weekiy | Rates: |
| 12/01/2020 | \$566.40 | \$566.40 | 0 | 0 | 32 | | | 20 | | Hours |
| 19/01/2020 | \$566.40 | \$566.40 | 0 | 0 | 32 | | Hours/week: | 20 | C Fortnightly | louis |
| 26/01/2020 | \$566.40 | \$566.40 | 0 | 0 | 32 | | Days/Week | 5 | | \$17.7000 |
| 02/02/2020 | \$708.00 | \$708.00 | 0 | 0 | 40 | | Holiday Rate Hours: | 20 | | \$17.7000 |
| 09/02/2020 | \$566.40 | \$566.40 | 0 | 0 | 32 | | Average Daily Day Heures | 0 | C Half Monthly | |
| 16/02/2020 | \$708.00 | \$708.00 | 0 | 0 | 40 | | Average Daily Pay Hours: | | | Daily Pay: |
| 23/02/2020 | \$566.40 | \$566.40 | 0 | 0 | 32 | | Holiday Rate Days: | 5 | C Monthly | \$17.7000 |
| 01/03/2020 | \$566.40 | \$566.40 | 0 | 0 | 32 | | Average Daily Pay Days: | 5 | | \$138.6984 |
| 08/03/2020 | \$265.50 | \$265.50 | 0 | 0 | 15 | | Hours Per Davi | 4 | 1 | |
| 15/03/2020 | \$247.80 | \$247.80 | 0 | 0 | 14 | | nous rei Day. | | C Four Weekly | Periods Prior |
| 22/03/2020 | \$88.50 | \$88.50 | 0 | 0 | 5 | | LWOP Weeks: | 0 | | Date? |
| 29/03/2020 | \$566.40 | \$566.40 | 0 | 0 | 32 | | If a record with a matching | period end d | late exists: | _ |
| 05/04/2020 | \$566.40 | \$566.40 | 0 | 0 | 32 | | Replace the data with | the values ab | iove? | |
| 27/04/2020 | \$566.40 | \$566.40 | 0 | 0 | 32 | | Add the values above | to the data? | | |
| 04/05/2020 | \$566.40 | \$566.40 | 0 | 0 | 32 | | O Leave the data as it is | ? | | |
| < | | | | | | | | | | |
| Add | Modify | Delete | Add <u>R</u> a | ange M <u>o</u> di | fy Range | elete i | <u><u>o</u>ĸ</u> | Car | ncel | |

Note: Before making major changes to the Leave Earnings tab, make sure you take a backup. You can do this by going to the Tools menu.



ADP less than Standard Rate

There may be times when the ADP rate is less than the employee's base rate, e.g. if they have had a recent pay increase.

You can check this by using the Pay Period Exceptions Report. This is available under Processing in Step 6 – Reports. By ticking the option below this will show any employee's in that situation. You can then over-write the rate in the timesheet if you want.

| Pay Period Exceptions - Report Options | | | | | | | | | |
|---|---|--|--|--|--|--|--|--|--|
| Report Sequence Group By Pay Point? New Page for each Pay Point? | Pay Point Range Sort Employees By All From: Pay Point: Employee Name Employee Number | Pay Frequencies | | | | | | | |
| Earnings Analysis Hours Ordinary > 40.00 Overtime > Total Ord/Ovt > Penal Time > Total of All > | Amount Image: Part of the state s | Half-Monthly Four-Weekly | | | | | | | |
| Annual Leave Analysis Taken In Advance Negative Balance Anniversary Negative Holiday Pay Owing 12 Month Anniversary - 'Casuals Cash Up Balance Used | Tax Analysis Compare Last Pay `ND" Tax Code Compare Last Standard Pay? Missing Child Support Deduction Compare Last Standard Pay? PAYE Deduction Quantity Compare Last Pay Negative PAYE Deduction Indude new Employees? Other Other Show Calculation Check Days Worked (Perm/Set Hrs) Override PAYE Amount Negative Alternative Holiday | npare Gross Pay Int O.00 Review Date Pending Expired | | | | | | | |
| KiwiSaver Employees within Opt Out Period Invalid Contributions Auto Enrol Exemption Expiry 65 Years Old | "STC" Tax Code [No 'Credit' for 'Statutory Workec [16th/18th Birthday Next Pay Period [16th/18thBirthday [16th/18thBirthday | Notes Follow Up | | | | | | | |
| | [| Close | | | | | | | |

