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TALKING FINANCES 2013

05 SCHOOL LEVEL PAYROLL

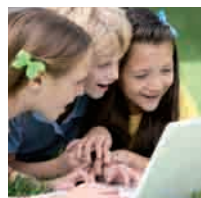
A FINANCIAL MANAGEMENT PROGRAM FOR SCHOOL ADMINISTRATORS
PREPARED BY: FINANCIAL SERVICES DIVISION
SCHOOLS RESOURCE ALLOCATION BRANCH JANUARY 2013



Department of Education and
Early Childhood Development

Program Aims

- To provide an overview of the management of the school level payroll.
- To outline the administrative procedures, taxation and superannuation requirements and work cover obligations for the school level payroll.



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Presentation Slides



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School Level Payroll

School councils have an obligation to ensure they adopt appropriate payroll procedures in order to comply with legislative and audit requirements

Agenda

- Administration – ongoing and annual responsibilities
- Taxation
- Superannuation
- WorkSafe
- Ceasing employment
- Contractors

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Administration

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Legal Basis for Employment

- Casual Relief Teachers have their terms and conditions of employment determined in Ministerial Order 200
- Education support class (ES) are employed by either:
 - The secretary under section Part 2.4 of the Education and Training Reform Act 2006 (Ministerial Order 199) or
 - The school council directly under Part 2.3 of the Education and Training Reform Act 2006 (Ministerial Order 200)

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Activity 1

(Refer to Page 51 of your workbook)

- Employee or Contractor?
- DEECD employee or School Council employee?

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Employing Staff Pre Employment Check

Essential all schools undertake pre-employment checks prior to hiring personnel

- Criminal Record Checks (valid for 3 years; retain copy in file)
- VIT registration (teachers/CRTs; retain copy in file)
- Working with Children (effective from 2007; retain copy in file)
- Health Declaration
- Not have employment restrictions
- Meet the qualification requirements
- Not have been the recipient of a Voluntary Departure Package in the past three years

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Offer of Employment

- Required for all staff paid on the school level payroll (non-casuals)
- Must be in writing, approved by school council and signed by school principal and employee/s
- Sets out main aspects of award governing
 - period of employment
 - working conditions
 - award rates
 - commencement salary
 - starting and finishing times
 - hours of work and
 - any probationary periods.

Work Experience Students

- The minimum rate is \$5 per day
Payments should be made through Creditors using ABN exemption RE (reimbursements) with a Statement by Supplier form and a list of hours worked noted
- The employer will be required to process the payments via the School Level Payroll where:
 - the student is under 18 and the payment is > \$350 per week
 - the student is 18 years and over and the payments are greater than the minimum per day.

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Tax File Number Declaration

- School council must provide each employee with a Tax File Number (TFN) Declaration (NAT 3092) form
- Employee has 28 days to supply TFN, in which time tax deducted at appropriate amount
- Casual staff – TFN Declaration completed at each school
Tax free threshold can only be claimed with one employer
- Employees who haven't worked at the school for more than 12 months are required to complete new form
- Schools must report to the ATO within 14 days any new employee who has not provided a TFN declaration

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Tax File Number Declaration (continued)

- A TFN Declaration remains in force until:
 - A staff member ceases employment with the school
 - A staff member's circumstances change
 - The ATO requires an employee to complete a new declaration
- From 1 July 2007, the employer must provide the employee's nominated superannuation fund with the TFN within 14 days of commencement of employment

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TFN Withholding Declaration (NAT 3093)

- A withholding declaration must be completed by an employee to authorise an adjustment to the amount withheld from payments
- Withholding declarations are to be retained by the employer

Privacy - Provision of Tax File Numbers

Employers must ensure that

- Access to TFN information is restricted
- TFN information is retained and protected by security against loss, unauthorised access or disclosure
- Staff are instructed about the collection, use and disclosure of TFNs
- TFNs must not be retained in the personnel file

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Activity 2

(Refer to Page 51 of your workbook)

- Setting up a new employee
- What documents are required?

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Identify and Document Payroll Information

The following information should be kept in the personal file

Minimum requirements are:

- The employee's name
- The employee's date of birth
- The hire date
- The role and position that the employee has been hired to fill
- The rate of pay, including any allowances entitled to the employee or any deductions requested, in writing, by the employee

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Agency Employed Casual Relief Teachers

Where the CRT is employed by the agency, full payroll and placement service is provided.

The agency is responsible for:

- Taxation
- Superannuation
- WorkSafe

Agency employed CRTs are not direct employees of school councils, however, they are deemed to be staff at the school

Responsibility of school councils to ensure that requirements regarding mandatory satisfactory checks, eligibility and suitability for employment are in place by the agency involved

Legal Obligations

Some of the school councils obligations as an employer are to:

- Pay correct wages for the pay period
- Forward PAYG tax instalments to the ATO
- Make appropriate payment under the superannuation guarantee legislation
- Reimburse employees for work-related expenses
- Ensure a safe working environment
- Identify Employee vs Contractor

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PAYG – Withholding

The Pay As You Go (PAYG) withholding system requires employers to:

- Withhold certain amounts from payments to others, and remit to the ATO via the BAS

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PAYG – Withholding (continued)

How much is to be withheld?

- Gather information from the employees via a tax file number (TFN) declaration
- Use the PAYG withholding table to work out how much to withhold
- If an employee does not provide their TFN, you must withhold the top rate of tax from each payment
- Some employees may wish to apply for adjusted tax rates because of special circumstances

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Variation to Tax Withholding Deductions

Adjustments to employee tax amounts can occur when certain criteria is met and ATO evidence is provided by the employee

Examples are:

- Seniors & Pensioners Tax Offset
- Community Development Employment Program (CDEP)
- Special Daily Rates S1515

Tax Variations (continued)

Additional tax

- An increase to the amount of tax withheld for an employee can only occur when the employee has made the request in writing
- Staff with an accumulated HELP debt must advise their employer via the TFN declaration

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Taxation Requirements

- Schools report employees PAYG gross earnings, tax deductions and creditor withholding via BAS
- Require ABN registration

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ABN Registration

- All existing schools were registered for ABN purposes in July 2000
- New schools or schools requiring to amend registration (e.g. due to name change, update of School Council Official Account number or update of School contacts) process registrations and changes with DEECD Tax Compliance Unit

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AUSkey Registration

- Required to access ECI, portal and electronic lodgement of BAS
- Principals hold initial AUSkey
- Principal delegates AUSkey to others
- Fact sheet:
<https://edugate.eduweb.vic.gov.au/Services/Finance/School%20GST%20Documents/Forms/AllItems.aspx>

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Payment of PAYG instalments

- Made monthly or quarterly via the Business Activity Statement (BAS)
- Reports gross earnings and tax deductions

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Business Activity Statement (BAS)

BAS reports on obligations for:

- GST
- PAYG amounts withheld from payments
- Shown as W2 for employees and W4 for businesses that did not quote their ABN

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Electronic BAS

- BAS can be lodged electronically using the Electronic Commerce Interface (ECI) or the internet via the Business Portal
- Final BAS prepared by CASES21, printed and figures entered manually into the ATO online BAS
- Monthly returns due by 21st of following month
- Quarterly returns due by 28th of the month following the end of the quarter

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Fringe Benefits Tax (FBT)

- Schools are obliged to include on an employee's payment summary the amount of grossed up fringe benefits provided to that employee
- Applies to employees paid via the school level payroll, if they are provided with taxable benefits
- Refer to the DEECD Tax website

Payroll Tax

Victorian State Government Schools were exempted from Victorian Government Payroll tax for School Level Payroll, (a state tax effective from 1 July 2005) on an initiative by the DEECD Tax Compliance Unit

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PAYG – Annual obligations

- Provide each worker with a PAYG payment summary by 14 July each year
- Manual submissions require:
 - Copies of original Payment Summaries issued and a Reconciliation Statement
- Electronic submissions require:
 - EMPDUPE file on disk from CASES21 and a Magnetic Media Information EA form
 - Lodge via the ECI

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Payment Summaries

There are several types of payment summaries

Most commonly used by schools:

- Individual non business (replaces group certificates)
- Voluntary agreement and withholding where no ABN quoted
- Employment termination payments (ETPs)

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Allowances

- Allowances should be added to an employee's normal earnings
Tax installments are based on the total amount. Allowances must be taxed unless approval not to tax has been given by the ATO
- There are very few allowances that are non-taxable, therefore caution should be exercised
- Allowances paid to reimburse work related expenses must be reported separately on the payment summary
- Travel allowances must be paid through eduPay for all centrally paid employees
- Travel allowances are paid through school level payroll for locally paid employees

Deductions

- Deductions from an employee's salary must be authorised by the staff member in writing
- A staff member may at any time request that a deduction be ceased - such a request must be provided in writing
- Documentation should be filed in the employees personnel file

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Leave

- Employee leave entitlements are managed in conjunction with the payroll, for example:
 - Personal leave (sick leave, carer's leave etc)
 - Annual leave and leave loading
 - LSL
 - Other paid leave
- Details of unpaid leave must also be recorded

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Paid Parental Leave Scheme

- Entitlement for working parents of children born or adopted from 1 January 2011
- Includes full-time, part-time, self-employed, casual, contract and seasonal employees provided they are eligible
- Provides a maximum of 18 weeks government funded Parental Leave paid at the National Minimum Wage
- Eligible employees must meet Paid Parental Leave Scheme work test
- Keeping In Touch Payments. Employees may be paid up to 10 days work in order to update their skills & processes
- Dad and Partner Pay as of 1 January 2013
- Refer to the Family Assistance Office for further information

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Method of Payment

- School council employees can be paid directly into bank accounts or by cheque – cash is not allowed
- All payments must be authorised by the principal and school council nominee (not the business manager)
- Refer to Section 7: Payroll of the CASES21 Finance Business Process Guide

Internet Banking

- Schools Electronic Funds Management Guidelines – see the Financial Management website:
<http://www.education.vic.gov.au/school/principals/finance/Pages/guidelines.aspx>
- Internal controls relate to both payroll and creditor payments
- All payments must be authorised by the principal and school council nominee – not the business manager
- Online facility (via the web) enabling:
 - Checking of account balances
 - Transfer of funds between accounts
 - Direct deposit

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Timesheets

Schools need to ensure they are using timesheets which appropriately record payroll information:

- The employee's name
- The period of the pay (for example 10 March 2013 to 23 March 2013)
- Hours worked
- Signed by the employee and the employer

Recording requirements may differ between casuals, non-casuals, casual relief teachers and claims made via the Short Term Leave Reimbursements program

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Short Term Leave Requests

- Schools will be reimbursed for the cost of relief staff for nominated types of leave, where replacement is paid through school level payroll or Agency
- The Guidelines to STLR and the Process Guide for STLR can be found at the STLR website <https://www.eduweb.vic.gov.au/SRP/STLR/>
- Central payroll replacement contact SRP Support studentresourcepackage@edumail.vic.gov.au

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Short Term Leave Compliance

- To be eligible requests **MUST** be submitted by last day of the Term following the leave
 - i.e. requests for leave taken in Term 2 must be submitted by end of Term 3
- STLR is subject to Compliance Check (Audit), schools are accountable for the accuracy of requests
- Schools should ensure that they maintain best practice and retain the appropriate documentation to support their requests

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Activity 3

(Refer to Page 51 of your workbook)

- Timesheets - casuals and non-casuals

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Pay Slips

The pay slip may be issued on paper or electronically and must include:

- The employee's name
- The period of the pay (for example 10 March 2013 to 23 March 2013)
- The gross amount of pay, the tax withheld and the net amount of the pay
- Details of any allowances that have been paid

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Pay Slips (continued)

- The rate of pay per hour
- Details of other deductions made from the pay, for example, child support payments
- The total number of hours worked during the pay period, including details of paid or unpaid leave taken
- Amount of leave loading if/when applicable
- From 1 July 2013, the amount of superannuation paid and dates remitted to the Super funds

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Checklist for Paying Employees on School Level Payroll

- Issue TFN declaration to employee and process completed form.
- Advise superannuation fund of TFN within 14 days of commencement of employment
- Calculate employee's tax instalment rate
- Ensure payroll is processed for correct pay dates and on time.
- Issue Pay Advice Slips to employees
- At end of each month reconcile tax deductions and remit with BAS
- At end of financial year reconcile and issue PAYG Summaries
- Provide letter to casual employees detailing the hours of work completed for that financial year

Superannuation

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Superannuation

The Superannuation Guarantee Act 1992 requires employers to pay contributions to a complying superannuation fund on behalf of each eligible employee

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Superannuation Guarantee Levy (SGL)

- The rate of the employer contribution is only applied to the Ordinary Time Earnings (OTE) of each employee
- Employer is obliged to make super contributions on behalf of an employee who earns more than \$450 per month, based on a current minimum of 9% (this may vary for some Early Childhood Development staff refer to relevant award)
- The Superannuation Guarantee (SG) rate will gradually increase from 9% to 12% between 1 July 2013 & 1 July 2019
- School councils must meet the SG requirements for:
 - Casual relief teachers
 - Full time, part time or casual employees
 - Certain contractors

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Exemptions to SGL

School council employed staff who are exempt from SGL are employees:

- Aged less than 18 years and working less than 30 hours per week
- Paid less than \$450 in a month
- Aged 70 years and over (until 30 June 2013)
- Fully funded by the Community Development Employment Program

Public Sector Employees Aged 70 Years and Over

Until 30 June 2013

- Public sector employers are to make additional employer superannuation contributions for employees 70 – 75 yrs
- The employee must meet the gainful employment test
- The contributions of 9% can only be made to a complying superannuation fund as 'additional superannuation' contributions
- Upon reaching 75 yrs the contributions cease, but the employee is to be compensated by an increase in salary of 9%

From 1 July 2013

- Super Guarantee age limit removed and employers will be required to contribute for all eligible employees

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Complying Superannuation Fund

- Superannuation Guarantee contributions must be made to a complying fund operating in accordance with standards set by the Government
- Schools can contact APRA or the ATO to ascertain whether a fund meets these standards
- Complying funds must provide a letter of compliance, issued by the ATO and supplied by the employee

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Choice of Fund

- Default fund for DEECD and school councils is VicSuper Pty Ltd
 - contributions for those who don't exercise choice

Standard Choice Form

- Required to provide form to all eligible employees within 28 days
- SG is paid into default fund until the form is received from employee
- Employer has 2 months in which to act on form after receipt from employee
- There is no requirement for schools to become a participating employer – contact HR Systems and Initiatives'
- Choice of fund cannot be changed within 12 months of set up

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Defined Benefits Scheme

- Schools may have employees on their school level payroll who are currently members of SERBS, New or Revised Defined Benefit Schemes
- School Councils responsibility to ensure the relevant employee's contribution is remitted to the Emergency Services Superannuation Scheme (ESSS)
- The Council will be billed on a monthly basis for employer contributions

Late Payment of SG

- When school council does not meet its SG obligations on time, the SG may be payable to the ATO. Late fees will apply
- Further information available from ATO website

Note: Failure to submit SG contributions by quarterly cut off dates may result in a loss of insurance benefits for an employee

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WorkSafe

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WorkSafe

- School councils are regarded as separate legal entities for WorkSafe purposes
- WorkSafe policy may be necessary where a school council employs staff whether full time, part time or casual
- A school council employee is an employee whose offer of employment was made under Part 2.3 of the Education and Training Reform Act 2006
- If a school council employs contractors who are “deemed” to be employees, a policy is required

Further info: <http://www.worksafe.vic.gov.au>

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WorkSafe Obligations

- Policy required by a school council to cover all school council employees paid both locally and through eduPay unless the annual payroll, for SC employees, is less than \$7,500
- School council must apply for a WorkSafe policy immediately if:
 - Any school council employee lodges a WorkSafe claim
 - Becomes apparent the annual payroll will exceed \$7,500

Authorised Insurers

- Victorian WorkSafe Authority has 6 licensed insurance companies to be authorised WorkSafe Claims Agents
- School councils are free to select a WorkSafe Claims Agents that suits their particular requirements

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How to apply for a WorkSafe Policy

- Obtain an application from a WorkSafe Claims Agent or download from <http://www.worksafe.vic.gov.au>
- If annual payroll is more than \$7,500 complete an application and forward to WorkSafe Claims Agent
- If annual payroll is under \$7,500 and registering because of an employee's claim, then mail the claim, the claim report and application for WorkSafe Policy, along with a registration fee, direct to Vic WorkSafe Authority

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Premiums

- WorkSafe premiums are based on employer's payroll, industry classification and claims history
- Installments payable monthly, quarterly, annually or in advance (3% discount if paid in advance)
- Queries should be directed to the school council's WorkSafe Claims Agent

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Buy Out Option

- Employer is required to pay the first 10 days of time away from work and the medical and like services indexed in July each year
- Buy Out Option – employer can choose to pay a higher premium in order to opt out of the initial medical liability – cost is 10% of the employers total premium

WorkSafe Obligations – Contractors

- Relationship between employer and contractors can be complex
- Seek advice from WorkSafe Claims Agent
- Advised to sight a contractor's WorkSafe policy, the employer number and the name and address of the authorised WorkSafe Claims Agent, before commencement of work

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Other WorkSafe Obligations

Further obligations on employers include:

- Provision of suitable duties for injured workers
- Timely payment of weekly compensation
- Forwarding claims to claims agent within 10 days
- Provision of WorkSafe entitlement info for employees

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School Volunteers

- Registered school volunteers are able to claim for injuries whilst acting in their official capacity under Section 5.6.2 of the Education and Training Reform Act 2006
- Refer to “WorkSafe Management Kit” for further information

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Work Experience Students

- Students on work experience are covered by a special insurance policy taken out by DEECD
- Managed by the authorised WorkSafe Claims Agent on behalf of DEECD

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Ceasing Employment

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Ceasing

When an employee ceases employment the following payments may occur:

- Bona fide redundancy payments
- Unused annual and long service leave
- Employment termination payments

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Lump Sum Payments

- Concessional tax treatment is given to lump sum payments of unused annual leave and unused long service leave on termination of employment
- Lump sum payments of accrued annual and long service leave paid on termination of employment are not included in employment termination payments (ETPs)
- Refer to CASES21 Process Guide – Payroll
<http://www.education.vic.gov.au/school/principals/finance/Pages/cases21.aspx>
- Refer to School Level Payroll Guidelines
<http://www.education.vic.gov.au/school/principals/finance/Pages/guidelines.aspx#H2N10087>

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Employment Separation Form

Can be obtained from CentreLink and should be completed and given on request to an employee who is ceasing employment.

<http://www.humanservices.gov.au/customer/forms/su001>

Retention of Records

- Income tax legislation requires that wage and tax records (i.e. timesheets and payroll worksheets, PAYG payments) should be kept for a minimum period of five years
- Public Records Office requires all personnel records to be kept indefinitely including payment summaries and TFN Declarations
- Refer to General Retention and Disposal Authority for Records of Common Administrative Functions PROS 07/01 and General Disposal for School Records PROS 01/01

<http://www.education.vic.gov.au/school/principals/governance/Pages/records.aspx>

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Contractor v Employee

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Contractor or Employee?

The department prefers schools to engage incorporated companies for contract services where possible

Why?
Proprietor Labour business can have an ABN, invoice for services provided and also legally be considered employees for purposes of:

- Tax
- Superannuation
- WorkSafe

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Employee for Tax?

To understand if a Proprietor Labour contractor is an Employee for Tax ask the following questions:

- Less than 80% of income is provided through work with you?
- Does the service provider have an ABN?
- Does the worker supply own tools and equipment?
- Is the worker paid for result not for hours worked?
- Is the work for less than 2 weeks?

If 'yes' then you have a Genuine Independent Contractor and you are not obligated to manage PAYG

If 'no' this person should be paid on school level payroll and issued with a payment summary

Employee for WorkSafe?

To understand if a Proprietor Labour contractor is an employee for WorkSafe ask the following questions:

- Does the contractor control what work they do, how they do it and when they do it?
- Is the contractor hired to produce a specific result or to complete a specific task?
- Is the contractor exposed to commercial risk in the event that work is not completed satisfactorily?

If 'yes' then you have a Contractor

If 'no' then you are obliged to provide WorkSafe

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Employee for Superannuation?

To understand if a Proprietor Labour contractor is an employee for superannuation ask the following questions:

- Is the person paid to achieve a result?
- Is the person able to delegate tasks and not required to complete work personally?

If 'yes' then the contractor is obligated to pay the Superannuation Guarantee Levy (SGL)

If 'no' the school council is obligated to pay superannuation

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Dispelling Myths about Contractors

- Having an ABN alone doesn't determine contractor status
- Having a registered business name makes no difference
- The worker wants to be a contractor
- Payment on invoice
- Common practice

Employee/Contractor Decision Tool link:
<http://www.ato.gov.au/content/00095062.htm?alias=employeecontractor>

Super Guarantee Eligibility Tool link:
<http://calculators.ato.gov.au/scripts/axos/axos.asp?CONTEXT=&KBS=SGEligibility.xr4&go=ok>

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You can avoid risk by

1. Engaging only incorporated companies

OR

2. Having a written contract that requires the contractor to:

- Achieve nominated results/tasks, not an agreement based on hours worked
- Supply own tools and equipment
- Control what work they do, how they do it, when they do it
- Be responsible for risk in the event that work is not completed satisfactorily
- Delegate work if they are unable to do it themselves

Discussion exercises

(Refer to Page 52 of your workbook)

- What are the consequences and implications of each of these situations?
- What steps should/could have been taken to remedy each situation?

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Contacts – Websites

- Australian Taxation Office:
<http://www.ato.gov.au/>
- DEECD School Finance Website:
<http://www.education.vic.gov.au/school/principals/finance/Pages/guidelines.aspx>
- HRWeb:
<http://www.education.vic.gov.au/hrweb/Pages/default.aspx>
- Privacy for DEECD:
<http://www.education.vic.gov.au/Pages/privacy.aspx>
- Records Management:
<http://www.education.vic.gov.au/school/principals/governance/Pages/records.aspx>
- Centrelink:
<http://www.humanservices.gov.au/customer/information/centrelink-website>
- VicSuper Pty Ltd:
<http://www.vicsuper.com.au>
- Electronic Commerce Interface (ECI):
<http://eci.ato.gov.au/>
- CDEP calculator:
<http://www.ato.gov.au/businesses/content.aspx?doc=/content/50067.htm>

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Contacts – Websites (continued)

- DEECD Legal Services website for Contract proformas:
<https://edugate.eduweb.vic.gov.au/Services/Govt/Pages/default.aspx>
- DEECD Tax Resource Centre:
<http://www.education.vic.gov.au/school/principals/spag/finance/Pages/taxation.aspx>
- Victorian WorkSafe Authority:
<http://www.worksafe.vic.gov.au/>
- Working With Children:
<http://www.justice.vic.gov.au/workingwithchildren>

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Contacts - Other

Australian Taxation Office Telephone Numbers:

- Child support: **13 12 72**
- General Enquiries: **13 28 66**
- Superannuation Guarantee: **13 10 20**
- PAYG Withholding Enquiries (Tax instalments etc.): **13 28 61**
- Australian Securities Commission (ASC): **1300 300 630**

Contacts – Other (continued)

Assistance can also be obtained from other areas of the Commonwealth Government

- Australian Prudential Regulation Authority: **1300 55 88 49**
- Department of Human Services: **13 11 58**
- DHS Families & Parents Line: **13 24 13**
- Industrial Relations – Federal (check local phone directory)
- DEECD Service Desk: **1800 641 943**
- VicSuper Employer Services: **(03) 9667 9691**

Presentation Slides

TALKING FINANCES 2013

Other Talking Finances Modules

- Student Resource Package (SRP)
- Asset Management
- Budget Preparation
- Report Analysis
- Taxation

05 SCHOOL LEVEL PAYROLL

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2013														
Produced by: HR Services	JANUARY				FEBRUARY				MARCH					
	1214		1215		1216		1217		1218		1219		1220	
SUNDAY	30	6	13	20	27	3	10	17	24	3	10	17	24	31
MONDAY	31	7	14	21	28	4	11	18	25	4	11	18	25	1
TUESDAY	1	8	15	22	29	5	12	19	26	5	12	19	26	2
WEDNESDAY	2	9	16	23	30	6	13	20	27	6	13	20	27	3
THURSDAY	3	10	17	24	31	7	14	21	28	7	14	21	28	4
FRIDAY	4	11	18	25	1	8	15	22	1	8	15	22	29	5
SATURDAY	5	12	19	26	2	9	16	23	2	9	16	23	30	6
	APRIL				MAY				JUNE					
	1221		1222		1223		1224		1225		1226			
SUNDAY	7	14	21	28	5	12	19	26	2	9	16	23		
MONDAY	8	15	22	29	6	13	20	27	3	10	17	24		
TUESDAY	9	16	23	30	7	14	21	28	4	11	18	25		
WEDNESDAY	10	17	24	1	8	15	22	29	5	12	19	26		
THURSDAY	11	18	25	2	9	16	23	30	6	13	20	27		
FRIDAY	12	19	26	3	10	17	24	31	7	14	21	28		
SATURDAY	13	20	27	4	11	18	25	1	8	15	22	29		
	JULY				AUGUST				SEPTEMBER					
	1301		1302		1303		1304		1305		1306		1307	
SUNDAY	30	7	14	21	28	4	11	18	25	1	8	15	22	29
MONDAY	1	8	15	22	29	5	12	19	26	2	9	16	23	30
TUESDAY	2	9	16	23	30	6	13	20	27	3	10	17	24	1
WEDNESDAY	3	10	17	24	31	7	14	21	28	4	11	18	25	2
THURSDAY	4	11	18	25	1	8	15	22	29	5	12	19	26	3
FRIDAY	5	12	19	26	2	9	16	23	30	6	13	20	27	4
SATURDAY	6	13	20	27	3	10	17	24	31	7	14	21	28	5
	OCTOBER				NOVEMBER				DECEMBER					
	1308		1309		1310		1311		1312		1313		1314	
SUNDAY	6	13	20	27	3	10	17	24	1	8	15	22	29	5
MONDAY	7	14	21	28	4	11	18	25	2	9	16	23	30	6
TUESDAY	8	15	22	29	5	12	19	26	3	10	17	24	31	7
WEDNESDAY	9	16	23	30	6	13	20	27	4	11	18	25	1	8
THURSDAY	10	17	24	31	7	14	21	28	5	12	19	26	2	9
FRIDAY	11	18	25	1	8	15	22	29	6	13	20	27	3	10
SATURDAY	12	19	26	2	9	16	23	30	7	14	21	28	4	11



PAY DAYS



PUBLIC HOLIDAYS



SCHOOL HOLIDAYS

CRT / ES Relief Timesheet

(School Name)

Employee's Name: _____

Address: _____

Postcode: _____

Fortnight Ending: _____

Week 1 (Off Pay Week)					
Day	Date Worked	Hours Worked	Reason	Staff Member Replaced	Relief Signature
Sunday					
Monday					
Tuesday					
Wednesday					
Thursday					
Friday					
Saturday					
Total Hours Worked					
Week 2 (Pay Week)					
Day	Date Worked	Hours Worked	Reason	Staff Member Replaced	Relief Signature
Sunday					
Monday					
Tuesday					
Wednesday					
Thursday					
Friday					
Saturday					
Total Hours Worked					

DAILY ORGANISER OR BUSINESS MANAGER

Signature: _____

Principal Signature: _____

Non Casual Timesheet

Name: _____

Month: DECEMBER

Year: 201X

Day	Date	Start	Signature	Finish	Signature	Lunch Out	Lunch In	Signature	Other Out	Other In	Signature	Notes
Mon	9-Dec											
Tue	10-Dec											
Wed	11-Dec											
Thu	12-Dec											
Fri	13-Dec											
Mon	16-Dec											
Tue	17-Dec											
Wed	18-Dec											
Thu	19-Dec											
Fri	20-Dec											
Mon	23-Dec											
Tue	24-Dec											
Wed	25-Dec											
Thu	26-Dec											
Fri	27-Dec											

Direct Deposit

(Insert school logo here)

DIRECT DEPOSIT DETAILS

Surname	<input type="text"/>
First Name	<input type="text"/>
Record Number	<input type="text"/>

Type of Transaction (Please tick) NEW REVISED DELETE

Please obtain the following details from your Bank (Cross out not applicable)

Bank/Credit Union BSB Code - Branch Code

Name and branch (Cross out not applicable)

Bank/Credit Union	<input type="text"/>
Address	<input type="text"/>
Suburb	<input type="text"/>
Account number	<input type="text"/>
Account name	<input type="text"/>

Signed Date

Please return this form immediately to the Payroll Officer at (Insert school name).

Exercises

Activity 1

1. Who is an Employee? Who is a Contractor?

- An instrumental music instructor
- A maintenance person
- An ICT specialist
- A casual relief teacher
- An administrative support person
- A nurse
- A lifesaver

Activity 2

Employment Checklist

Develop a check list of documents required for employment of CRT's and casual ES staff.

What other documents are required for ongoing/fixed term employees?

Activity 3

What information is required for accurately recording a casual employee's hours of work?

What about non-casuals?

What information needs to be supplied for Short Term Leave Claims?

Discussion Exercises

The following are examples of School Level Payroll issues that have arisen in schools.

Discuss the consequences and implications of each of these situations.

1. A payroll was processed for an employee in June who did not work that month. The payment wasn't reversed as it was assumed the employee would work in the next financial year and the payment could be offset. A 2nd payroll was processed for the same period to include the correct employee.
What are the issues that will arise from payment of the first employee?
2. The fortnightly payroll was not run on four occasions as payments had not been approved by school council. The payment was made after the approval was given by school council and subsequently processed in one pay period.
What is the correct process?
Why would this approach disadvantage the employees?
What is the process that should be adopted by school council?
3. A new employee provides a completed TFN application and informs you they have applied for a TFN. You have to process a payroll in the interim.
What do you enter use as their TFN?
4. A new employee (under 18) completes the payroll direct deposit form providing bank account details. The account is not in their name. In the course of your discussions you discover the account is not a family member's account, but that of a boyfriend.
What should you do?
5. School council has approved the change in the payment type for the School Level Payroll from cheques to direct deposit.
What do you need to do to implement this process?
 Create a checklist which includes information from the employee and the process to set up CASES21 prior to running the first payroll by direct deposit.
6. The principal of a Secondary School wishes to run a Homework Club for interested students. The program will run after school until 5pm by current teachers. The principal is considering payment either through creditors with the employees completing a 'Statement by Supplier' or via the School Level Payroll.
What is the correct process that should be adopted?
7. You move to a school as the new business manager and discover that teachers are running private dance/exercise/sports classes to groups of students after school. The students pay the teachers direct; the classes run from 3.45 to 5.00 and use the school gym/performing arts room.
Should you be concerned?

8. You come across a request to process reimbursements to teaching staff for running 'holiday study' programs for VCE students of \$200 per teacher.
What is the correct process that should be adopted?
9. Your contract cleaner has incurred an injury whilst cleaning the school and submits a Worker's Injury Claim form.
What should you do?
10. You have a number of non-casual staff on your local payroll that you would like to move across to central payroll.
What do you need to consider in making this decision?

Exercise answers

Activity 1 - Who is an employee? Who is a contractor?

Answers as discussed by the group.

Activity 2

Develop a check list of documents required for employment of CRT's and casual ES staff. Refer to the list from answers contributed by the group.

For CRT's/casual ES staff.

- Completed TFN declarations
- Personal details
- Bank deposit details
- Copy of VIT (CRT)
- Working with Children Check (ES)
- Timesheets

For Ongoing, Fixed Term staff:

- Completed TFN declarations
- Offer of Employment
- Staff personal details
- Health declaration
- Bank Deposit details
- WWC/Police Check
- Deduction authorities
- Choice of Super Fund
- Timesheets

Activity 3

What information is required for accurately recording a casual employee's hours of work? What about non-casuals?

What information needs to be supplied for short term leave claims.

Refer to discussion by group and timesheet examples (page 48 and 49)

Discussion Exercises and Answers

The following are examples of School Level Payroll issues that have arisen in schools.

Discuss the consequences and implications of each of these situations.

1. A payroll was processed for an employee in June who did not work that month. The payment wasn't reversed as it was assumed the employee would work in the next financial year and the payment could be offset. A 2nd payroll was processed for the same period to include the correct employee.

What are the issues that will arise from payment of the first employee?

ANSWER

- Salary was earned (hours worked) in a different financial year from the payment, this will have an impact on the tax return Payment Summary issued and tax paid for work not undertaken during the financial year. The school will need to generate an overpayment letter to the employee and to the ATO.

Exercise answers (continued)

If the payment was processed an overpayment will have been created and will have to negotiate repayment in a different financial year. The gross overpayment is to be repaid in full by a cheque or money order or as an after tax deduction from the staff member's fortnightly salary

- Received pay in advance – may not return to school
 - SGL possibly calculated and paid to someone who doesn't have entitlement
2. The fortnightly payroll was not run on four occasions as payments had not been approved by school council. The payment was made after the approval was given by school council and subsequently processed in one pay period.

What is the correct process?

Why would this approach disadvantage the employees?

What is the process that should be adopted by school council?

ANSWER

Legal requirement to pay employees during current pay period

School council can ratify payments at next meeting

SGL calculated on monthly basis for employee who has earned more than \$450

Calculation may be incorrect if salary is not received in correct period

3. A new employee provides a completed TFN application and informs you they have applied for a TFN. You have to process a payroll in the interim.

What do you enter use as their TFN?

ANSWER

The TFN code should be substituted with the codes listed below in the following circumstances:

1. If a new employee has supplied a TFN declaration, applied for the TFN and the grace period of 28 days have not passed use 111 111 111.
 2. If the employee is under 18 years of age and earns \$350 or less a week use 333 333 333.
 3. If the employee is a Commonwealth Government pensioner payee use 444 444 444.
 4. If the employee chooses not to quote a TFN and has not claimed an exemption from quoting a TFN or does not fit into any of the above categories use 000 000 000.
4. A new employee (under 18) completes the payroll direct deposit form providing bank account details. The account is not in their name. In the course of your discussions you discover the account is not a family member's account, but that of a boyfriend.

What should you do?

ANSWER

The school must use the authority that is given by the employee.

This authorisation does not change until the employee provides new advice in writing.

5. School council has approved the change in the payment type for the School Level Payroll from cheques to direct deposit.

Exercise answers (continued)

What do you need to do to implement this process?

Create a checklist which includes information from the employee and the process to set up CASES21 prior to running the first payroll by direct deposit.

ANSWER

- Send a letter to your school level payroll employees explaining the change and that they need to provide you with their banking details. Include a copy of your banking details form, together with a stamped envelope.
 - Make sure you have set up the internet banking with your bank before you change your payroll to direct deposit, including the authorisers as per DEECD internet banking policy.
 - You will need to obtain an APCA number from the bank. This needs to be checked in CASES21 in the Bank Accounts (KBANK11001) format.
 - You may also need to check with your bank if you need to enter 'Y' in Balance Entries and that you have the correct bank abbreviation entered.
 - Set up a new folder on your computer for the direct deposit file from CASES21 to be dropped into for transfer to the banking software. Remember to give each fortnightly file a unique name.
 - In Department Details (PD11001) you will need to change the wages clearing account from 32000 to 10002 for all Departments.
 - Change the employees Standard Pay Method from cheque to direct deposit (DD). Refer to the CASES21 Process Guide Section 7 Payroll.
6. The principal of a secondary school wishes to run a Homework Club for interested students.
The program will run after school until 5pm by current teachers. The principal is considering payment either through creditors with the employees completing a 'Statement by Supplier' or via the School Level Payroll.

What is the correct process that should be adopted?

ANSWER

- Neither option is correct.
 - Either payment method would be inappropriate as the staff are paid by DEECD for a 38 hour week.
 - A special payment via eduPay could be made as a nominal lump sum amount to recognise that they are performing additional duties. However, ideally this should be managed as part of the school's workforce plan and timetabled accordingly.
7. You move to a school as the new business manager and discover that teachers are running private dance/exercise/sports classes to groups of students after school. The students pay the teachers direct; the classes run from 3.45 to 5.00 and use the school gym/performing arts room.

Should you be concerned?

ANSWER

- The current set up is inappropriate as the staff are paid by DEECD for a 38 hour week. The classes involve teaching, so they can't be classified as hobbies, nor should they be independent contractors.
- A special payment via eduPay could be made as a nominal lump sum amount. The parents would be required to pay the fee to the school.

Exercise answers (continued)

8. You come across a request to process reimbursements to teaching staff for running 'holiday study' programs for VCE students of \$200 per teacher.

What is the correct process that should be adopted?

ANSWER

- A special payment via eduPay should be made as a nominal lump sum amount to recognise that they are performing additional duties.
- At no time should payments be made via creditors or petty cash.
- Where school council endorses a not for profit organisation/individuals, including private tutoring on school premises, that are enriching the school community they will be covered by school insurance liability.

9. Your contract cleaner has incurred an injury whilst cleaning the school and submits a Worker's Injury Claim form.

What should you do?

ANSWER

- Review the cleaning contract and establish whether the school is required to manage the contractor's WorkSafe entitlements.
- If unclear, check the contractor's cleaning panel status.

10. You have a number of non-casual staff on your local payroll that you would like to move across to central payroll.

What do you need to consider in making this decision?

ANSWER

- Were the positions originally advertised?
- Check the awards/agreements under which the staff is governed to make sure eduPay can manage them.
- Considerations of Cash to Credit transfers need to be made to reimburse the Student Resource Package.

