

Award Interpretation

TEMPLACMS

Version: v.1 (CMS 6.0.0 October 2016)



COMMERCIAL STATEMENT

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INTRODUCTION

The AI module is designed to interpret the raw hours on a timesheet into the number of hours that relate to each pay type – where a pay type defines the factor to be applied to the employee base hourly rate. It is this pay type-level information that is ultimately communicated to the payroll when the TemplaCMS pay batch is posted.

The definition of AI comprises ‘award rates’ and ‘award schemes’.

In simple terms, an award rate defines the base hourly rate of pay for an employee, along with the payment types to be applied to each of the possible shifts and adjustment types. Multiple award rates are grouped into common award scheme definitions. The award scheme defines the rules for interpreting the timesheet hours – i.e. which hours constitute which shifts, what is regarded as overtime, etc.

SETUP (MAINTENANCE)

Pay Types

All forms of pay that an employee can receive must have a distinct pay type set up via **Maintenance > Payroll > Pay types**, these allow for the posting of costs incurred through paying employee’s to be posted to the correct nominal (this will be set up during phase 2).

The screenshot shows a software window titled "Pay Type Detail - Basic". It has a menu bar with "File", "Tools", and "Help". Below the menu bar is a toolbar with icons for "Close", "Save", "Previous", and "Next". The window is divided into two tabs: "General" (selected) and "Dates". The "General" tab contains several input fields:

- Code: BAS
- Description: Basic
- Nominal gross debit: Suspense
- Nominal gross credit: Suspense
- Nominal ers debit: Suspense
- Nominal ers credit: Suspense
- Factor: 1.0000
- Fixed value: 0.0000

At the bottom of the window, there is a footer with "PayTypeDetail" on the left and "© 2016 Templa Computer Systems Ltd" on the right.

Examples of required the pay include but are not limited to:

- Basic
- Travel Allowance
- Overtime (x1.8)
- Overtime (x2)
- Day
- Night etc.

TemplaCMS will calculate the hourly value of each pay type by multiplying the basic rate set on an award by the factor set on the correding pay type e.g. Basic = factor 1, Overtime (x2) = factor 2 etc.

Extra Type

Extra types can be set up *via Maintenance > Payroll > Extra types* and refer to any additional payment an employee receives above their basic award calculation e.g. Travel allowance, all **extra types** must be linked to a **cost type** to allow TemplaCMS to attribute costs correctly.

Extra Type Details - Travel allowance

File Tools Help

Close Save Previous Next

General Roster allowance Permissions Dates

Code: TA

Description: Travel allowance

Cost type: Travel allowance

Report as hours?

Roster allowance?

Use for 'annualised' employees?

Use for 'actual' employees?

Only use when budget exists?

ExtraTypeDetail © 2016 Templa Computer Systems Ltd

If the extra should be available for use on both standard employee's and annualised employee's then the relevant boxes must be flagged.

In order to apply an **extra type** to employee's pay calculation the **"Roster allowance?"** checkbox must be flagged, this allows for a set rate/ value for the **extra** to be defined on the **roster allowance** tab along with the payment basis (qualifying criteria) for the **extra type** e.g. Per site per day.

Extra Type Details - Travel allowance

File Tools Help

Close Save Previous Next

General Roster allowance Permissions Dates

From	Rate	Payment basis
01/08/2016	20.0000	Per site/day
*		

Remove

ExtraTypeDetail © 2016 Templa Computer Systems Ltd

Bank Holidays

Public and special Public holidays must be added to TemplaCMS to facilitate the above shift calculations this is done *via Maintenance > Business structure > Calendars > Bank holidays*.

Bank Holiday Details - Xmas

File Tools Help

Close Save Previous Next

General Dates

Date: 31/12/2016

Details: Xmas

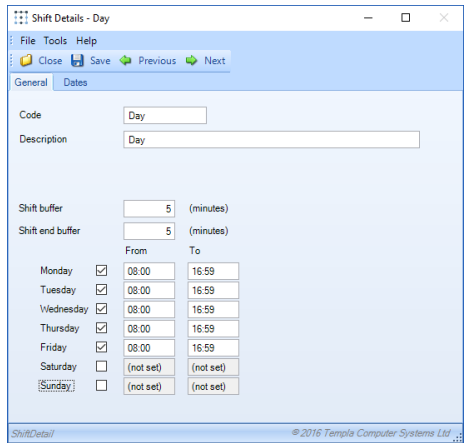
Special?

BankHolidayDetail © 2016 Templa Computer Systems Ltd

The distinction between a **Public holiday** and **bank holiday** is made by flagging the **"special"** bank holiday box.

Shifts

Default shift times to be applied across all award schemes can be set up via **Maintenance > Payroll > Shifts**, the purpose of a shift is to define the award value an employee would be entitled to for working during a certain period e.g. Day 08:00 to 16:59, night 17:00 to 23.59 etc.



Buffer times reflect the amount of time before or after the defined times that an employee could start work and still be considered to be within the shift parameters.

NB: Buffer times are primarily for use by Australian clients and so does not necessarily have to be set up for Icelandic AI.

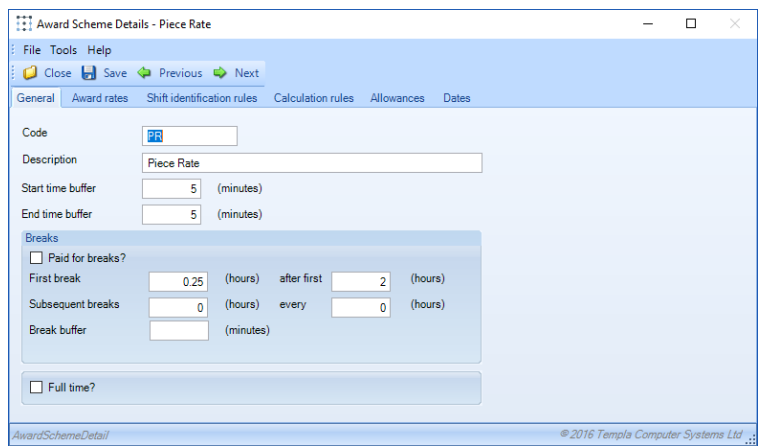
Award Schemes

The Icelandic system operates with the pay based on four distinct sets of rules:

- Piece Rate
- Time Rate
- Shift Rate
- Full Time

Each of these equates to an **award scheme** within TemplaCMS, thus allowing the user to specify the rules which are to be applied by each rate within a scheme e.g. Break allowance.

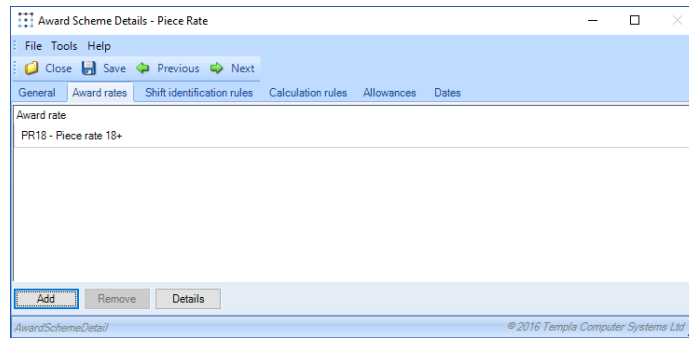
GENERAL



From the **general tab** it is possible to define whether employee's on a scheme will be entitled to paid breaks i.e. Full time, and also how long a break entitlement is based on the duration of the working day e.g. An employee earns 0.25 hours (15 minutes) break after working for 2 hours.

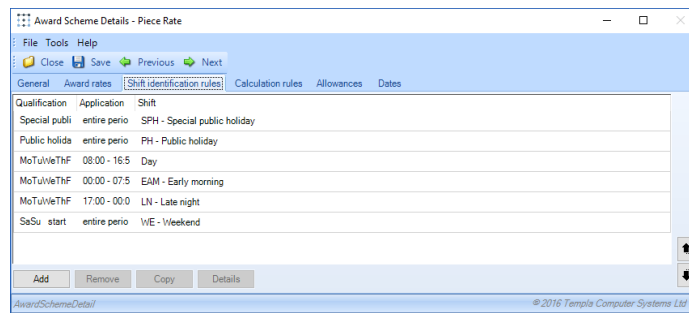
It is also possible to flag the scheme as **Full time**, this has an effect on later awards interpretations and should only be ticked on the **Full time** scheme.

AWARD RATES



Award rates refer to the level of base pay an employee will receive (see section 2.6 for set up)

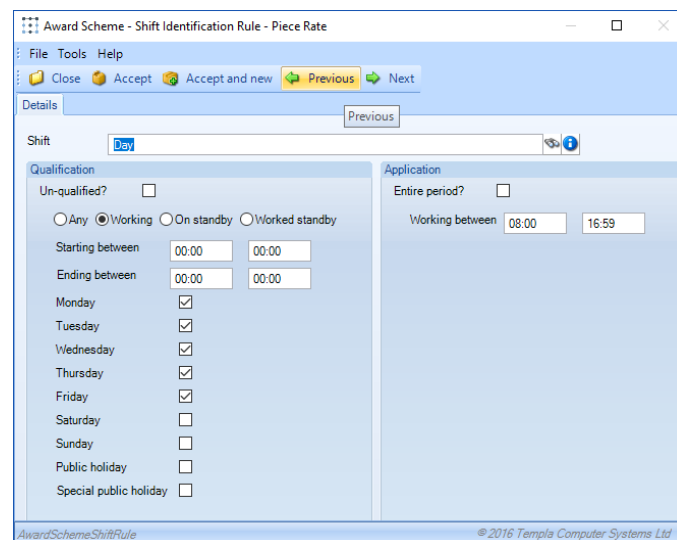
SHIFT IDENTIFICATION RULES



All shifts that employees can work must be added to the **scheme**, the sequence of this list is important as when attempting to match the hours an employee has worked to a defined shift TemplaCMS will begin at the top of the list and work down. **Therefore the most specific shift should be first e.g. Stand by and the least specific last e.g. Weekend.**

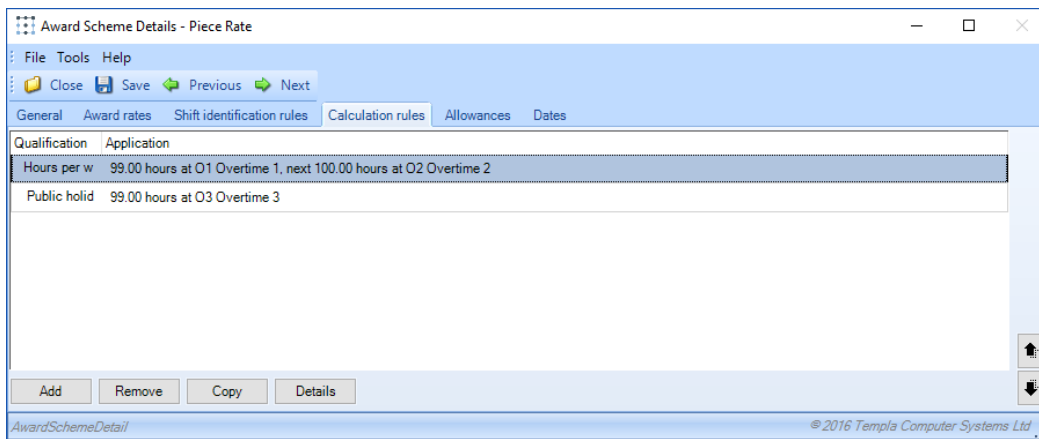
It is also advisable to include a **“catch all”** shift at the bottom of the list to ensure that even if the hours an employee works don't fit into a standard shift they will be picked up. This will highlight any set up errors.

When adding a shift to an award scheme the user must define the **qualification** criteria an employee must meet to be paid for this shift type e.g. Working, stand by etc. Where the scheme is **full time** no such qualification is needed and so should be set to **“un-qualified”**.

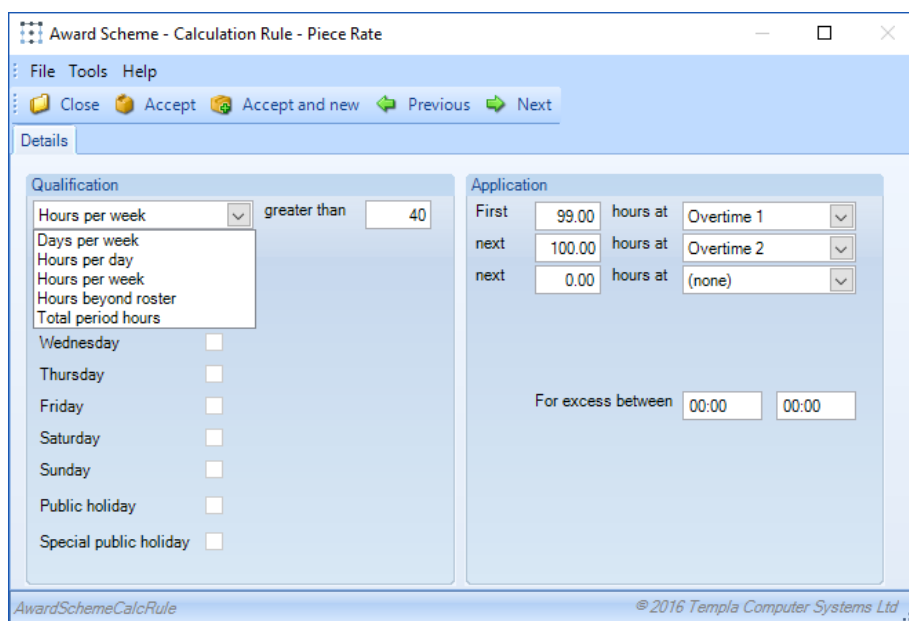


The user must also define the **application time** of a specific shift, this refers to the hours that the shift is active within the scheme e.g. Day shift 08:00 to 16.59, alternatively when a shift is a full 24 hour period e.g. **Weekend** or **Public holiday** it can be defined as **“entire period”**.

CALCULATION RULES



TemplaCMS allows for multiple calculation rules to be set on an **award scheme**, all of these rules will then be applied to all of the rates which are associated to the scheme when calculating employee overtime or **Public holiday** pay.



When adding a **calculation rule** several options can be selected to define the parameters an employee must fall within to qualify for an overtime award, these all relate to the number of hours in a given period that an employee must have exceeded e.g. Greater than 40 hours per week.

In addition to the qualification, the user must define when to apply this overtime calculation e.g. For the first 100 hours of overtime done by an employee they receive the overtime 1 payment, for the next 100 they receive the overtime 2 payment etc.

NB: It is only necessary to define one overtime application period

Award Rates

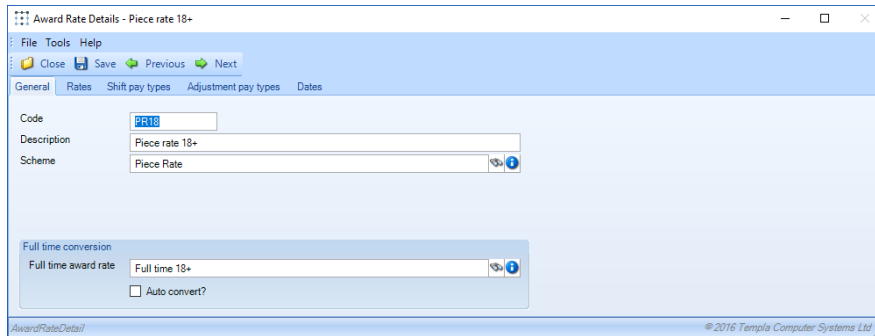
GENERAL

For each of the above **award schemes** there are various pay levels for example:

- Age 18+
- Age 20+
- 1+ years of service
- 3+ years of service
- 5+ years of service

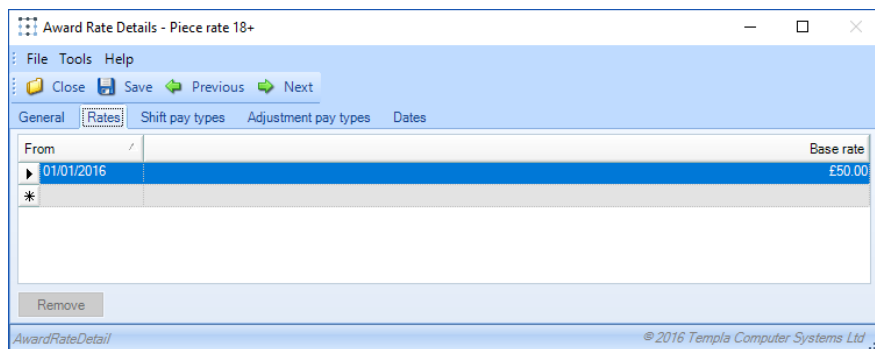
Each of these equate to an **award rate** within TemplaCMS, as such one of each rate should be created for each award scheme e.g. Piece rate 18+, Piece rate 20+ etc.

An employee can work on one or many sites, or even be assigned to no specific site. It is not un-usual to have an employee working a mixture of **Piece** and **Time rate** across their sites.



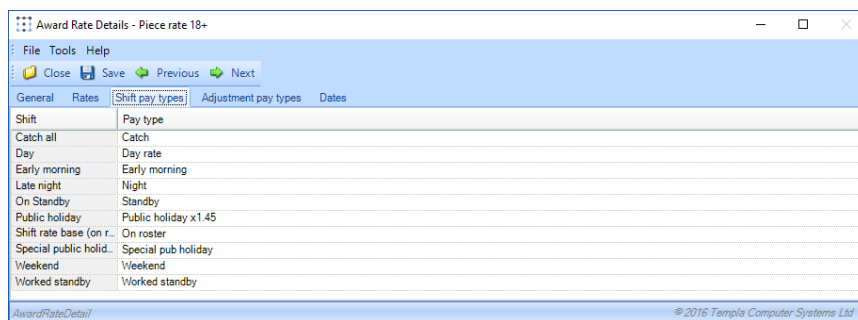
When setting up an **award rate** the user must define which scheme the rate will exist within, and also a **full time rate** that the rate can be converted to. Conversion to a full time rate will be calculated by assessing an employee’s worked hours compared to the defined number of hours on the selected full time rate, if the employee exceeds this number of hours when “**auto convert**” is flagged then the employee will **automatically** be moved to the **full time scheme** for the pay period, if it is not flagged then users will be given the option to convert the employee to full time when completing a timesheet.

RATES



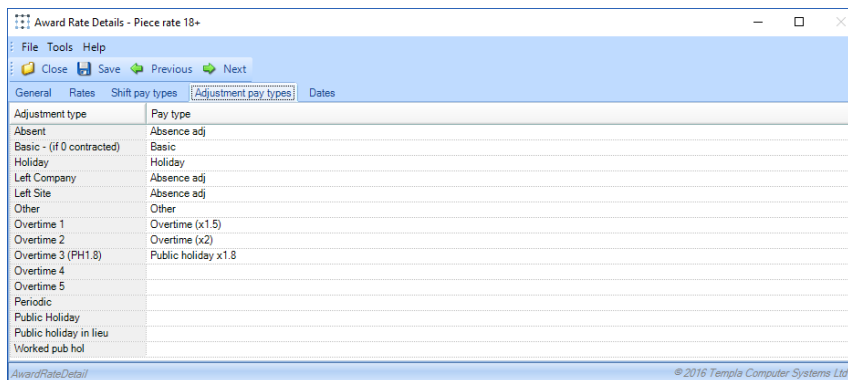
The base pay defined on an **award rate** is used to calculate all employee awards by multiplying this value by the factor of an assigned pay type, it is possible to set a from date that the rate applies from e.g. If the base rate is becoming £75.00 on 01/11/2016.

SHIFT PAY TYPES



As stated in section 2.1 each **shift/ form** of pay employee’s can receive must have a pay type set up, by matching these to the corresponding **shift type** on an **award rate** TemplaCMS will calculate all awards for a certain shift based on the factor defined on the pay type.

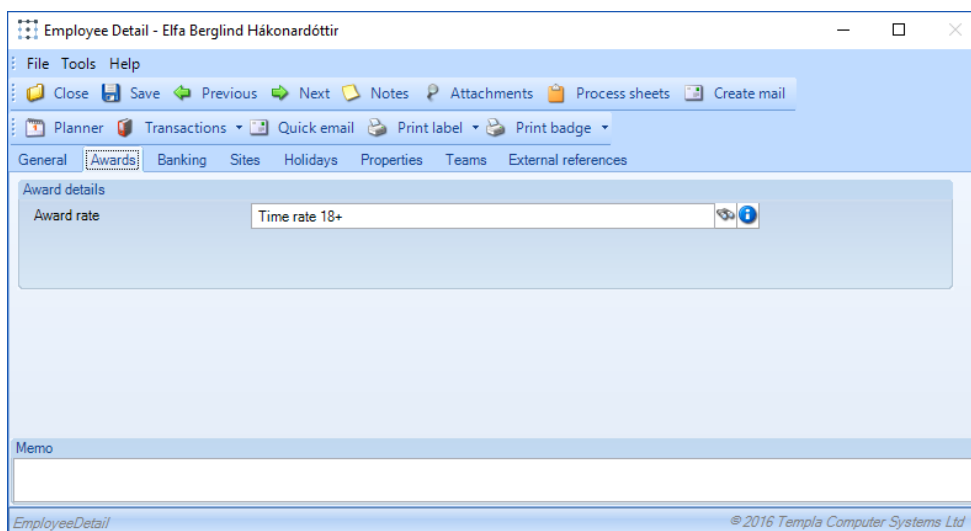
ADJUSTMENT PAY TYPES



Adjustment pay types relate to the any manual alteration a manager can make on a timesheet i.e. to define absence or employment status, each of these must have a linked pay type to allow TemplaCMS to calculate an employee's award correctly. If these are not specified then TemplaCMS will drop back to the standard UK process of getting the **cost type** from the **pay type**.

EMPLOYEE

For each **employee** within TemplaCMS it is possible to define **a default award rate** that they should receive, this can be overridden upon contract set up if necessary.

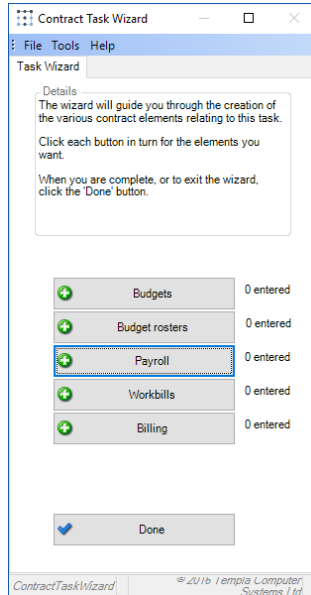


NB: It is the responsibility of the user to ensure that employees are moved between the correct award rates as necessary, but where employees exist on a contract with this as their default award rate rather than an operators rate the contract/ timesheet will 'fix up'

CONTRACTS

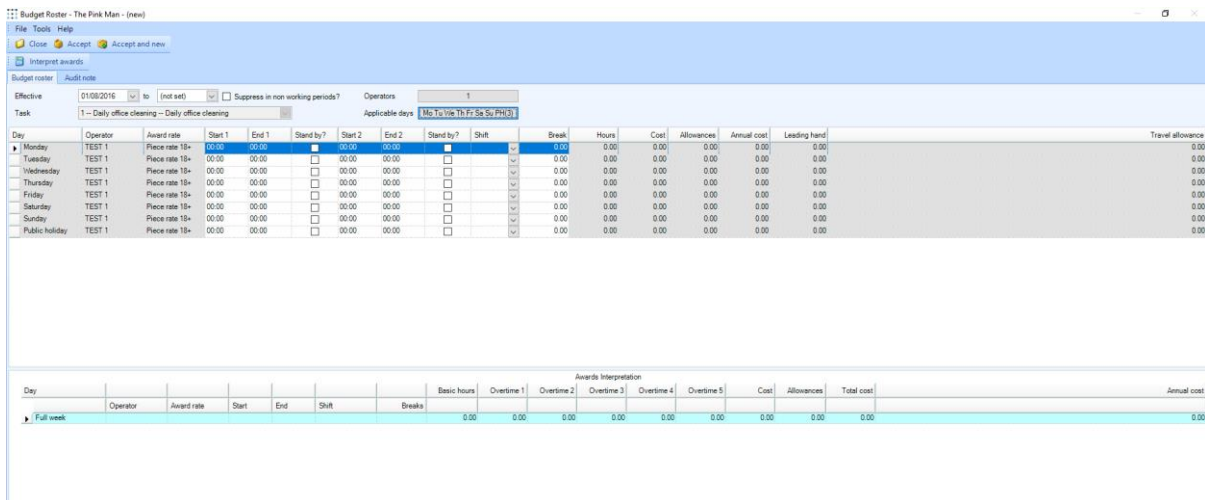
Tasks

If a new **task** is being added to the **contract**, users will be prompted by the **contract wizard** after clicking “**accept**”. The process for setting up the contract can be completed by clicking each of the options in turn. Alternatively, when a **budget roster**, **employee etc.** are being added to an existing contract task this can be done from each tab of the contract.



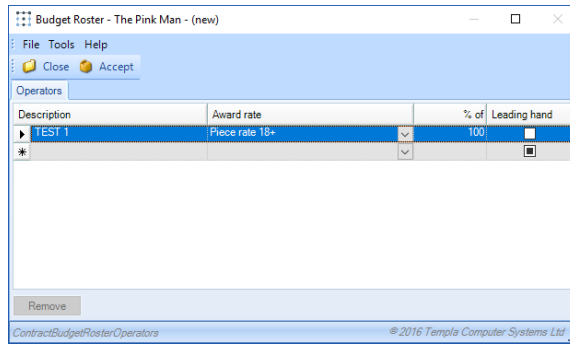
Budget Rosters

After completing the standard set up of the **general** and **tasks** tabs a **budget roster** can be set up from the “**Budget roster tab**” by clicking add.

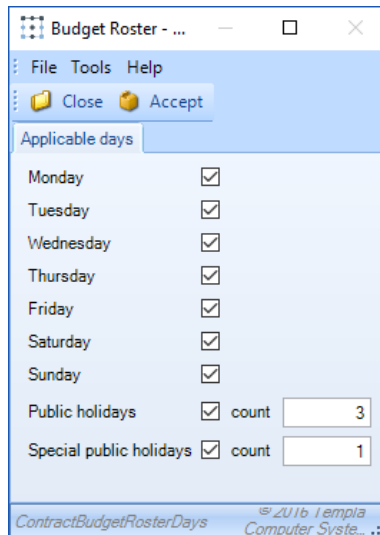


When adding a new **budget roster**, the effective from date will default to the effective from date on the contract though this can be overridden if necessary. If more than one task exists on the contract, then the user must select the required task that corresponds with the budget roster being set up.

NB: A budget roster can only be defined for tasks that already exist on a contract



The user must then define the number of **operators (employee's)** that exist within the roster, for each operator that is needed a **description** must be entered and the expected **award rate** of the employee that will carry out the work must also be entered.



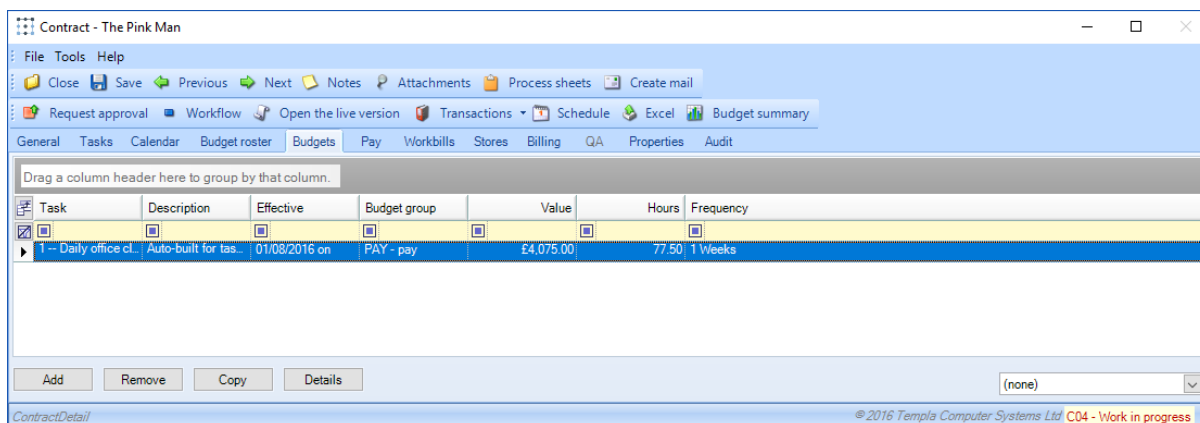
Before any **shift** information can be entered in the **budget roster** grid the user must specify which days will be worked on the site, where **public holidays** and **special public holidays** are entered the number to be worked must also be stated.

The **budget roster** grid will display a row for each defined operator for every applicable day, this allows the user to **specify daily shift times** (for two separate shifts) and also if the shift is to be stand by.

Once all required **shift** information has been entered TemplaCMS will calculate the overall budget values

Budget (Pay)

After the **budget roster** has been completed TemplaCMS will auto-build a pay budget on the contract based on the data entered.



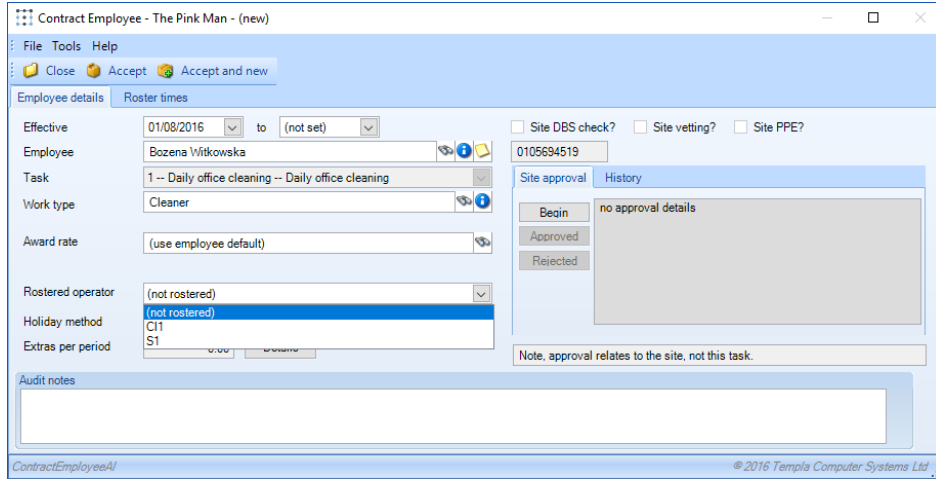
NB: For further budget information please see the contracts training manual

Pay

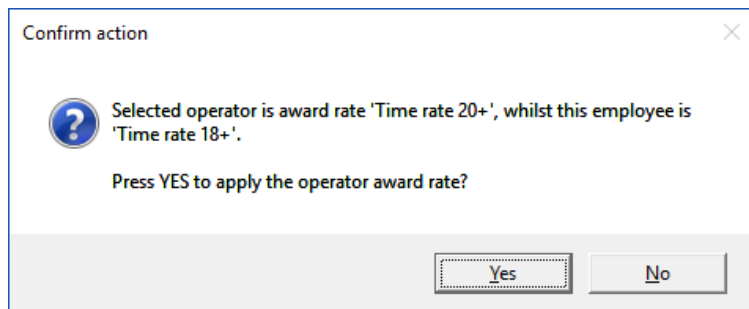
Employees can be added to the contract via the pay tab of the contract. When adding a new **employee**, the **effective date** will default to the contract effective date, but this can be altered as necessary and the to date can be left blank.

Next, an employee should be selected by clicking the binoculars and selecting the correct **employee** from the list, they will need to be assigned a **task** and **work type** and also a **holiday method** must also be set.

NB: if there is only one task on the contract this will be the only option.



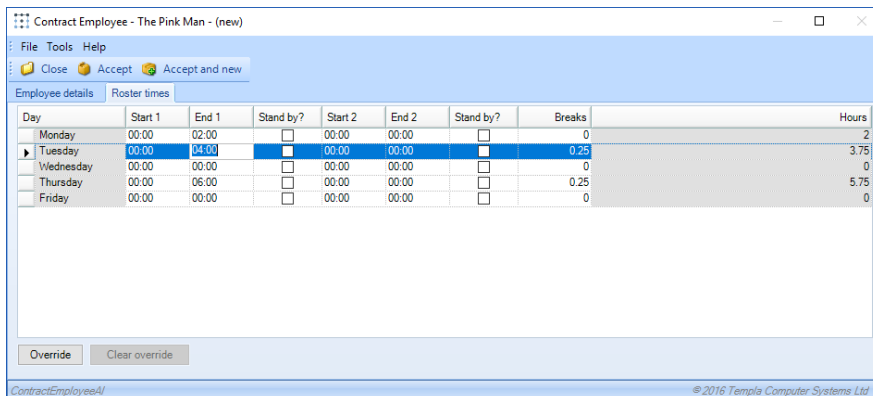
Where a **budget roster** exists and the new **employee** should fulfil one of the **operator roles** defined, the corresponding **operator** must be selected. If the **employee** is on a different rate to the one defined on the selected operator, then the user will be alerted (as shown) when assigning the rostered operator and must decide which rate the employee should receive.



If the **award rate** of the **employee** should differ from both the default set on the **employee** and the one defined on the previously set up on the corresponding operator on the **budget roster** then an overriding rate can be entered.

ROSTER TIMES

If an **employee** is assigned to an operator but will only be undertaking some of the hours defined or the hours differ slightly then it is possible to alter the hours from the roster times tab.

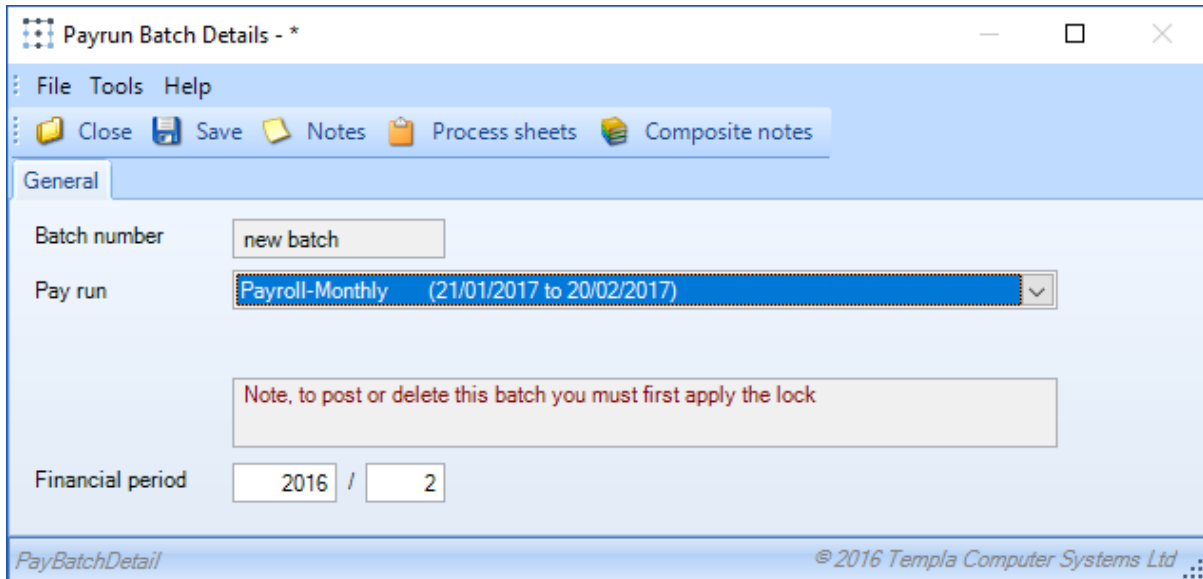


To make a change click the “override” button and then type in the required shift times in the correct grid field.

PAYRUN BATCHES

Generating a Pay Run Batch

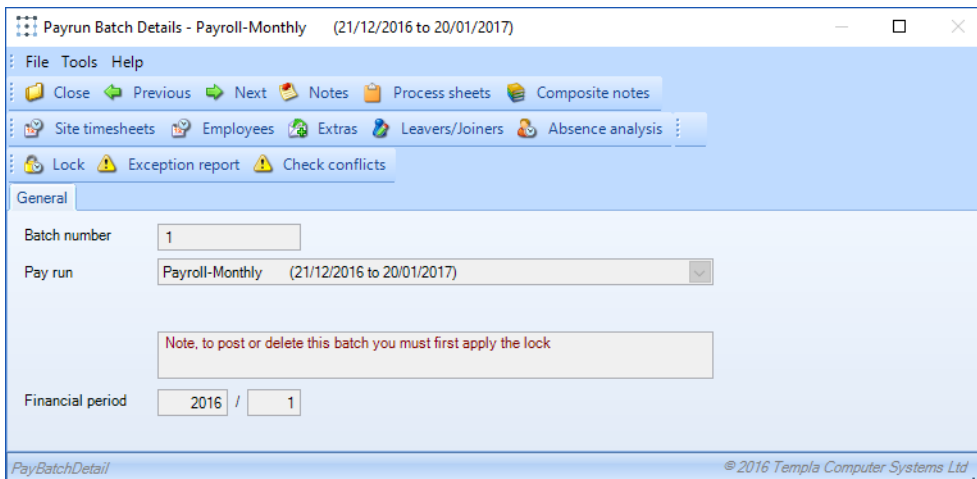
When a payrun batch is generated TemplaCMS will create all of the relevant timesheets for the chosen period for every site. To generate a payrun batch click on go to **Payroll > Payrun batches** and click **new**:



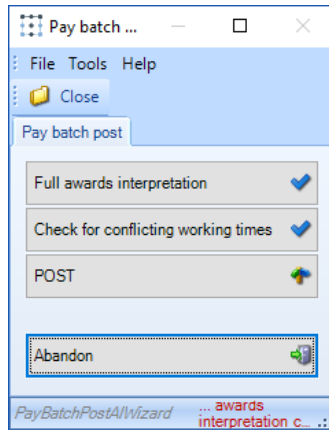
On the above screen choose the payrun (if there is only one payroll database there will only be one option) then click save. The batch will now generate in the background and an alert will appear when the process is complete.

Once the patch has been generated it can be opened again and timesheets can be viewed and completed by clicking either **site timesheets** or **employee timesheets** (see section 6 for details.)

Posting a Timesheet Batch



Once all of the timesheets have been completed the user must **Lock** the payrun batch, and only if all timesheets have been signed off (completed) will the post button appear.

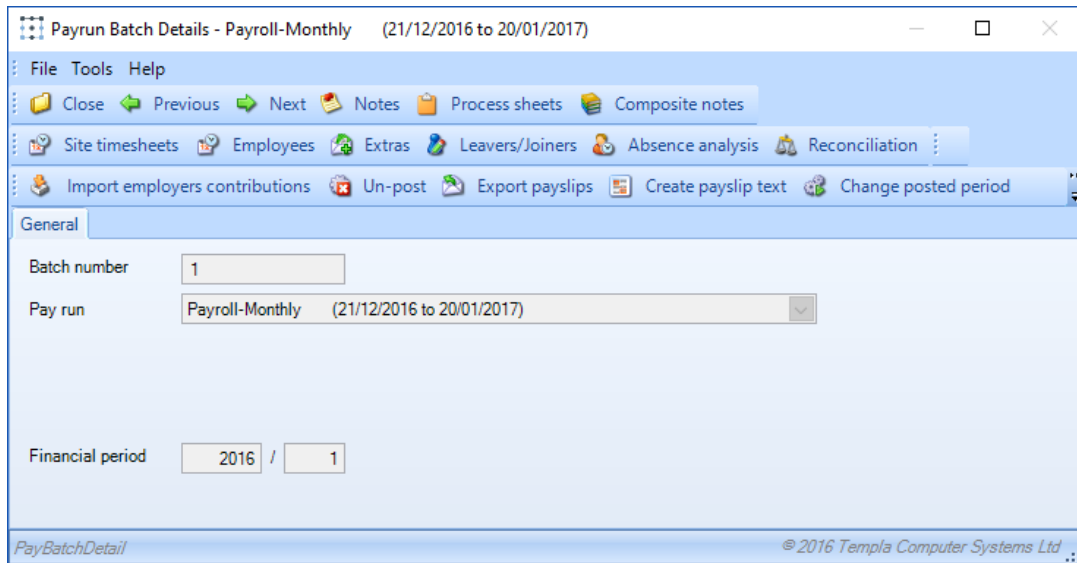


After clicking on post the **pay batch posting wizard** will appear:

- *Full awards interpretation* – reviews the awards of all employees and where necessary recalculates values for overtime etc. Based on total hours worked across all sites.
- *Check for conflicting working times* – checks that employees are not rostered on multiple sites at the same time, if they are then the conflict will need to be resolved before progressing (see section 6.2.3)
- *Post* – will post the batch and prompt the user to save an export file
- *Abandon* – cancel the posting process and make further changes to timesheets

Unposting a Batch

After a batch, has been posted it is possible to unpost the batch and make further changes by clicking the **unpost button**

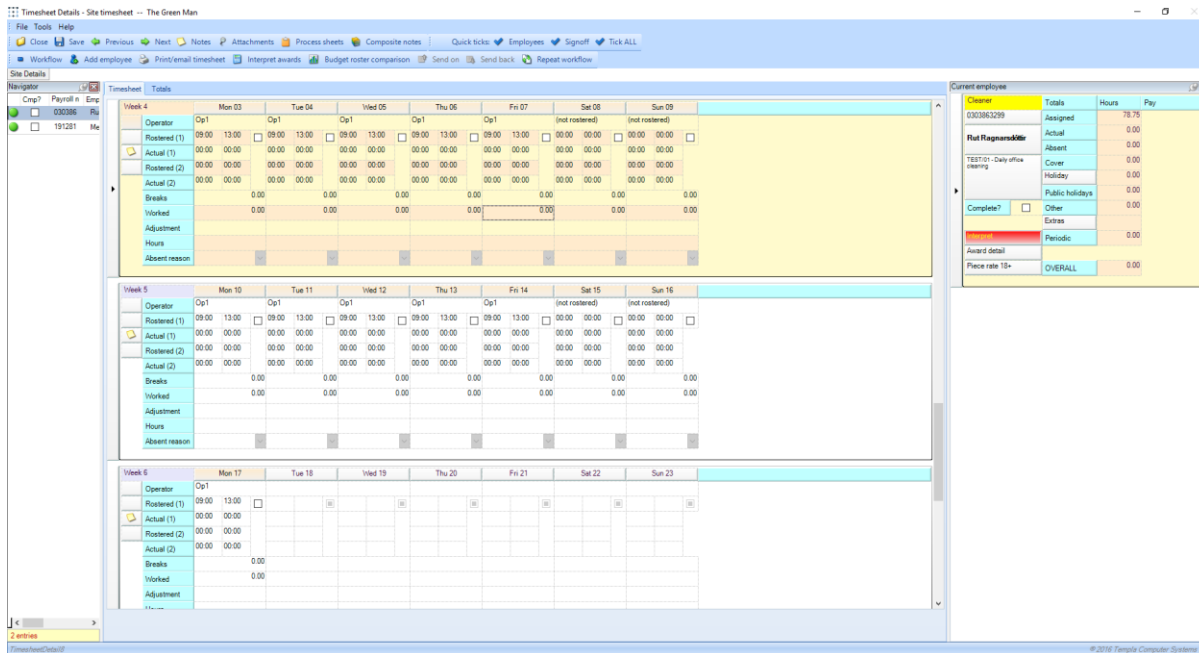


NB: this will not remove any data that has been imported into the Axapta system

TIMESHEETS

Entry of Employee Hours

A **timesheet** is generated per employee for each site that they work on, these can be viewed and altered via **Payroll > Payrun batches** and selecting the batch with the date range of the required timesheet.



If the employee had been assigned to a **rostered operator** when being added to the contract, this will default into the **“operator”** field for each scheduled day of work, this can be altered to another **operator** or **“not rostered”** where necessary and employees who were not assigned a rostered operator when being added can be assigned to one in the same manner

When the **timesheet** is generated there will be no working hours assigned to an employee, there are two ways to alter this:

1. If they have worked the scheduled operator hours for either rostered (1) or rostered (2) for a given day then the tick box next to the shift should be flagged
2. If hours were worked that are different to the shift or on a day where no shift exists then the correct hours should be entered in either actual (1) or actual (2)

Where **an employee** is scheduled to be on **standby** for a certain shift this does not need to be flagged unless the employee actually works all of the shift as TemplaCMS will calculate pay for on standby employee’s as default.

Based on the hours input the breaks and worked hours on the timesheet will auto-update, but to view how the employee’s award will be interpreted the red **“interpret button”** on the totals table must be clicked.

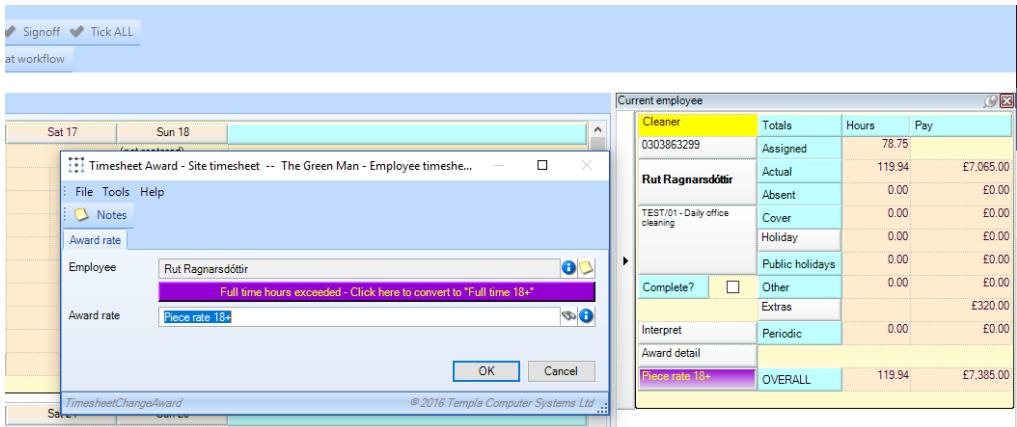
NB: the button only turns red after hours have been entered

A breakdown of how the employee’s pay award has been calculated is available by clicking the **“award detail”** button (under the interpret button):

NB: travel allowance will be calculated as set up earlier i.e. per site per day, this does not need to be manually added

Site	Pay type	Hours	Extra qty	Rate	Value
TEST/01 - The Green Man	DAY - Day rate	3.75	0.00	£50.00	£187.50
TEST/01 - The Green Man	WEND - Weekend	3.75	0.00	£60.00	£225.00
TEST/01 - The Green Man	TA - Travel allowance	0.00	2.00	£20.00	£40.00
		7.50	2.00		£452.50

Where the defined hours for the conversion to **full time** have been met or exceeded the button displaying the name of the current rate will be highlighted in purple, clicking on the bottom will allow the user to decide if the conversion should be made (if it was not set to be automatic).



Other Functionality

INTERPRET AWARDS

In addition to the **interpret awards** button that turns red on the employee’s total grid there is an **“interpret awards”** button on the timesheet toolbar, this will calculate the awards for all employees on the timesheet where hours/ shifts have been entered.

NB: the time this process takes will vary based on the number of employees on the site

BUDGET ROSTER COMPARISON

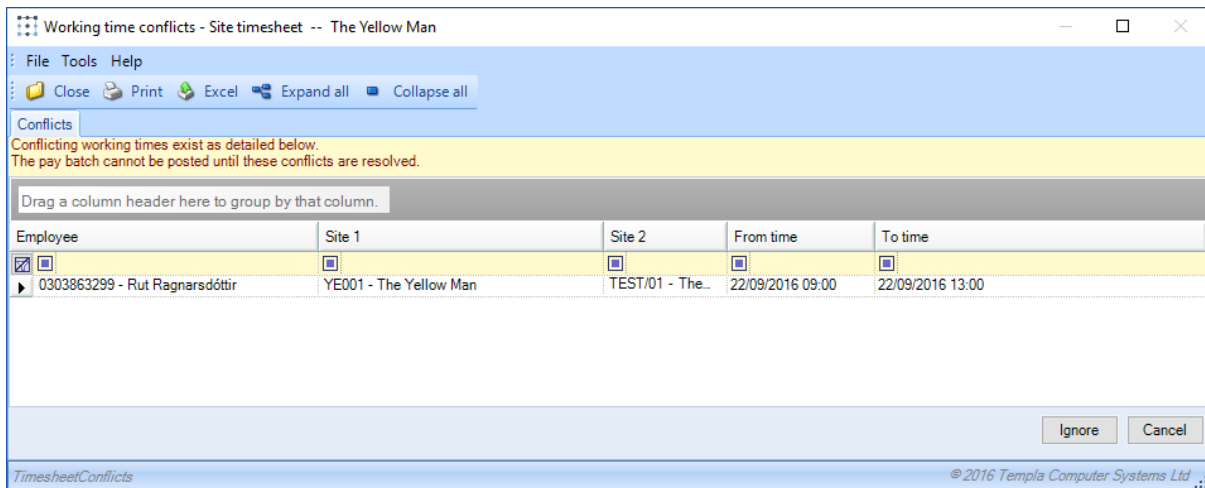
The **“Budget roster comparison”** button on the toolbar displays how the hours assigned on the timesheet compares to the shift/ roster budgets set up previously

It is possible to filter the information that appears within this grid using the following options which appear on the toolbar:

- Show employee – display employee details
- Show costs – actual costs
- Show hours – actual hours
- Show assigned – how much of the budgeted hours/ costs for an operative has been assigned to employee
- Show budget – budgeted hours/ costs
- Show variance – actual v budgeted hours/ costs

EMPLOYEE WORKING HOURS CONFLICT

When completing a **timesheet** TemplaCMS allows for a single **employee** to be assigned to multiple sites during the same time period, managers will however be prompted with a warning message informing them this has occurred.



At this stage it is possible to **“ignore”** any conflicts that TemplaCMS has warned need resolving, **however it will not be possible to post the payrun batch (process the pay) while any conflicts are outstanding.**



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