

Payroll

Guide to Payment Methods

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Introduction

Overview

In this guide we will discuss how to establish the relevant codes and files to enable payment to employees. Infinium Payroll supports the payment of employees via the following methods:

- BACS
- Cheque
- Giro
- Cash

BACS Payment

In order to pay employees by BACS there are several control files that must be established, those are:

- BACS Originator Table
- BACS Control Table

In addition, employees being paid by BACS must have the *Payment Method* indicator on their Payroll Master (PRPMS) record set to **1** and they must be authorised to receive a BACS type deduction. Each BACS deduction must be completed correctly with the employee's bank details.

Payment By Cheque

If you wish an employee to be paid by cheque ensure that the *Payment Method* indicator on the employee Payroll Master (PYPMS) record is set to **2**.

Payment By Giro

A Bank Account Control ***GIRO** is required to pay employees by Post Office Giro. The *Payment Method* indicator on the employee Payroll Master (PYPMS) must be set to **3** to initiate payment.

Payment By Cash

A Bank Account Control ***CASH** is required to pay employees by Cash. The *Payment Method* indicator on the employee Payroll Master (PYPMS) must be set to **4**. A Cash Analysis Control under Payroll Control Files can be used to provide a detailed breakdown of notes and

coins needed at the end of each pay cycle concerned. You may also instruct the system to round to the nearest whole pound by using the system designated income code ***TWRU** (This Weeks Round Up) for each employee concerned.

BACS Control Table

Overview

Establishing the BACS Control Table is the first stage in setting up the control files required for paying employees by BACS. It is here that each bank where an account which is to be credited via BACS transfer must be defined. This control table may also be loaded via tape as follows:

Screen 1 of 2

```
0/00/94 17:10:13      Update BACS Control Tables      PYGTFM      PYDTFM
Type selections, press Enter.
Sort Code . . . . . 309942 +

F3=Exit  F4=Prompt  F10=QuikAccess  F12=Cancel
```

Key Information

Type the *Sort Code* of the Bank which is to be credited.

Required Fields

Sort Code

Press to continue.

Screen 2 of 2

```
8/08/94 17:12:04      Update BACS Control Tables      PYGTFM      PYDTFM
Sort Code . . . . . : 309942
Enter BACS control information.
Bank Name . . . . . LLOYDS BANK PLC
Bank Address Line 1 . . . . . WEST DRAYTON
Bank Address Line 2 . . . . . _____

F3=Exit  F10=QuikAccess  F12=Cancel  F22=Delete
```

Key Information

Type Name and Address of the bank account which will be credited by BACS transfer.

Press to enable transfer to the employee bank account, details must exist on the control table

Required Fields

Bank Name

Press to exit and save.

BACS Originator Table

Overview

The BACS Originator Table holds the required information regarding the Bank Account against which BACS Payments will be debited. A BACS Originator Table may be Employer specific or may be defined for all employers by leaving the Employer code field blank.

Screen 1 of 2

```
0/00/94 17:21:00 Update BACS Originator Tables PYGMOI PYDMOI
Type selections, press Enter.
Employer . . . . . 111 + (Blank for system wide code)
Originator Code . . . . . 303030 +

F3=Exit F4=Prompt F10=QuikAccess F12=Cancel
```

Key Information

The *Originator Code* should be the Sort Code of the company bank which will be debited for BACS payments.

The sort code for this originator should have been set up in the BACS control table prior to using this function.

Required Fields

Originator Code

Press to continue.

Screen 2 of 2

```
8/08/94 17:23:49 Update BACS Originator Tables PYGMOI PVDMOI
Employer . . . . . : 111 Software 2000 Limited
Originator Code . . . : 303030
Enter BACS Originator information.
Originator Account . . . 123456 Type of Account . @
Originator Name . . . . National Westminster
Short Name . . . . . NAT
Serial Number . . . . . 11111
Current File Number . . . 0 Current File Status _ (/X/C/T/I)
Custom Extract Program . . . Custom Tape Program
Sundry Information . . .
Ref. Number Usage . . . 1 (1/2/3/4)
Default Payment Type . . 99
User Number . . . . . 567834

F3=Exit F10=QuikAccess F12=Cancel F22=Delete
```

Key Information

Short name may be the same as the *Account Code* field in the Bank Account Controls.

Current File Number is automatically incremented by one each time the Extract BACS function is executed. The *Current File Status* field is set by the system indicating current status of the extract.

Sundry Information can be used as a memo field.

The *User Number* should be completed using the number issued by BACS.

Custom Programs can be indicated. These will be called at the Extract stage and/or copying of data to tape.

Required Fields

Originator Account

Originator Name

Ref. Number Usage

Default Payment Type

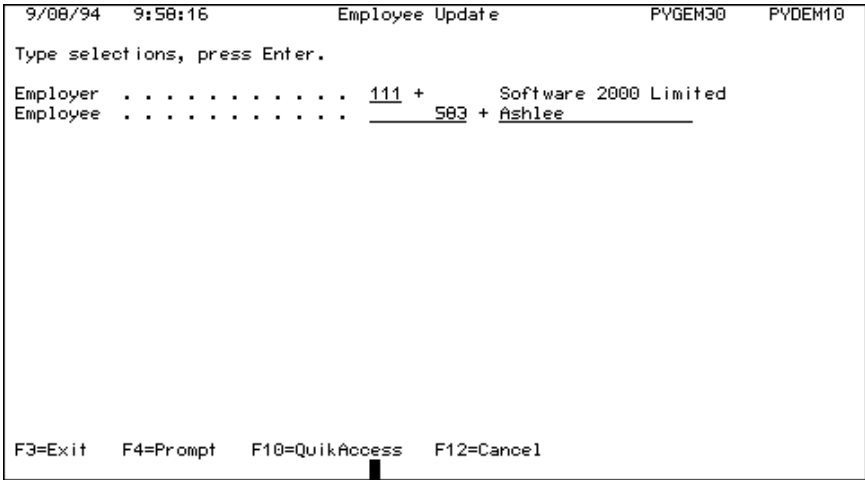
Press **F3** to exit and save.

Employee BACS Deduction

Overview

To initialise a BACS payment to an employee, the *Pay Method* flag on the Employee Payroll Record must be set to **1**. Each employee must also have at least one BACS type deduction, completed with valid Bank/Building Society details. This can be achieved by assigning the employee to a Payroll Authorisation Group which contains a BACS deduction or adding the relevant deduction to the Employee Deduction Data record.

Screen 1 of 3



Key Information

Type the required *Employer* code and *Employee* number, or use **F4** to review and select from the list of valid codes.

An employee should not be authorised to a BACS deduction if the payment method is cheque, giro or cash.

Required Fields

Employer Code

Employee Number

Press **Enter** to continue.

Screen 2 of 3

```

9/08/94 10:03:34 Update Employee Deduction Codes PYGMDE PYDMDE
Employer . : 111 Software 2000 Limited FINN DPRO
Employee . : 583 Caroline Jane Ashlee SUPP 3320
Deduction Code BACS +

Type option, 2=Change/reactivate 4>Delete/deactivate(reverse image)
Opt Code Start Date End Date Ded. Amount Limit Amt. Summ
- *NIC .00 .00 01
- *PAYE .00 .00 05
- BACS .00 .00 99
- DC004 .00 .00 20 +
F3=Exit F4=Prompt F10=QuikAccess F12=Cancel
    
```

Key Information

Type the deduction code relevant for BACS, or use **F4** to review and select from the list of valid codes.

You may split an employee’s pay to more than one nominated bank account. This can be achieved if the appropriate deduction controls are available.

Required Fields

Deduction Code

Employee

Press **Enter** to continue.

Screen 3 of 3

```

9/08/94 10:01:39 Update Employee Deduction Codes PYGMDE PYDMDE
Employer . : 111 Software 2000 Limited FINN DPRO
Employee . : 583 Caroline Jane Ashlee SUPP 3320
Deduction Code BACS Priority 9999 Deduction Method 3
Starting Date _____ Frequency - Ending Date _____
Employee Amount _____ Arrears - Employer Amount _____
Employee Rate/Pct .0000 Employer Rate/Pct .0000
Employee Limit .00 Employer Limit .00
Information
Cycle Group _____ +
Deduction Expense _____ +
Deduction Basis - Deduction Factor _____
Dest.Acct 56333369 Type @ Dest.Acct Name C.J.ASHLEE Pymt Type
Sort Code 831504 + Bank ROYAL BANK OF SCOT Originator Code 303030 +
Building Society: Name _____ Roll No _____
Type option, 2=Change/reactivate 4>Delete/deactivate(reverse image)
Opt Code Start Date End Date Ded. Amount Limit Amt. Summ
- *NIC .00 .00 01
- *PAYE .00 .00 05
- BACS .00 .00 99
- DC004 .00 .00 20 +
F3=Exit F4=Prompt F10=QuikAccess F12=Cancel
    
```

Key Information

The fields which contain the relevant bank account details required for payment by BACS transfer are located toward the bottom of the screen.

Dest Acct should be completed using the employee's bank account number. *Dest Acct Name* should contain the title of the employee's account.

The employee's bank *Sort Code* when typed will automatically fill the *Bank* field.

The *Originator Code* will indicate the company bank account will be debited with BACS payments for this employee.

If the BACS Payment is to be made to a Building Society account completed the *Name* and *Roll No* fields.

Required Fields

Destination Account

Sort Code

Originator Code

Press to exit and save.

Employees Paid by Cash

Overview

Employees to be paid by cash must have the *Pay Method* flag on the Employee Payroll Master set to **4**. In addition the Cash Analysis control can be established to provide details of notes and coins required for cash paid employees.

Rounding to the nearest whole pound can be used by authorising cash employees with the income ***TWRU** (This Weeks Round Up) to pay the extra amount needed to round. These employees will also require the deduction ***LWRU** (Last Weeks Round Up) to recover the extra amount next pay cycle. Both the ***TWRU** income and ***LWRU** deduction controls should be established using flat amount types.

Cash Analysis

Screen 2 of 2

```

9/08/94 10:55:26  Cash Analysis Control File Update  PYGCCS  PYDCCS
Employer . . . : 111 Software 2000 Limited
Enter Cash Analysis Control Information.

Notes
Indicators . . . . . £100  £50  £20  £10  £5  £1
Limits . . . . . 0  0  0  0  0  0

Coins
Indicators . . . . . 100p  50p  20p  10p  5p  2p  1p
Round Up Amount . . . . . 0
Summary Level Break . . . . 4

F3=Exit  F10=QuikAccess  F12=Cancel  F22=Delete
  
```

Key Information

Specify which denominations of notes and coins should be used to pay cash employees. Limit amounts can be indicated for notes.

The *Round Up Amount* field is not used. The income code ***TWRU** should be used for this purpose.

Required Fields

None

Press **F3** to exit and save

Other Payment Methods

Overview

The payment method is specified for each employee via the Enter New Employee function. Any subsequent changes of payment method should be maintained through Update Employee Payroll Data function.

Screen 3 of 3

9/08/94 10:17:59	Update Payroll Data	PYGMMS	PVDMMS
			Page 2 of 2
Employer	111	Software 2000 Limited	
Employee		583 Caroline Jane Ashlee	
N.I. Number		WK123434A	
Function	FINN	Department	DPRO
Section	SUPP	Cost Cntr	3320
Pay Type	S	Pay Frequency	M
Auth. Group	AGPROFKEN +	Time Card Reqd? . . .	@ (0/1)
Labour Exp Acct . .			+
P45 issued	@	RD950 received	@
Max Cheque Amt . .		Pay Message Code . .	+
Payslip Sequence .	+	Bank Branch	+
Suppress Address? .	@ (0/1)	Pay Method	1 1=BACS 2=Cheque 3=Giro 4=Cash
Cheque Name		(Optional)	
Cheque Address . .		(Optional)	
Date Last Paid . .		Payment Flag	@
F3=Exit F4=Prompt	F10=QuikAccess	F12=Cancel	F24=More Keys

Key Information

Type the *Pay Method* code:

- 1 BACS
- 2 Cheque
- 3 Giro

4 Cash

Required Fields

Pay Method

Press to exit and save.

Notes