

How the "Wages" Computation systems work

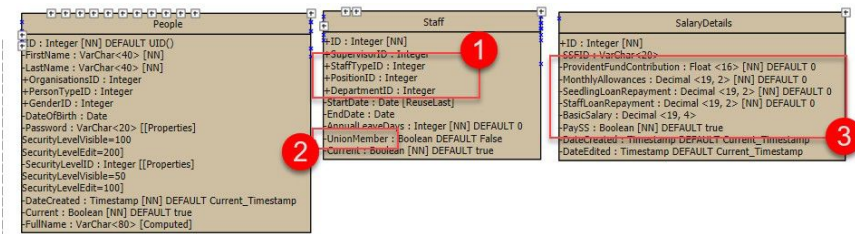
SerendiSys has systems to automate management of staff wages and salaries. It assists with the computation of amounts that staff are due to be paid, computes deductions for PAYE Tax and Social Security, adds allowances, deals with Overtime and Bonus payments.

There are complexities to how wages and salaries are calculated at Serendipalm. There are piece-rate, weekly-paid and monthly-paid staff, some payments to staff are taxable, some are not. Each requires different mechanisms to compute wages or salaries, and to determine whether an item of wages may be taxable or not..

Further, SerendiSys manages Loans which are paid out to staff, and then repaid via deduction from Wages. These Loans have a interest rate meaning the amounts are repaid with interest, the system computes this interest and adds it to the repayment amount.

As Wage and Salary details are confidential, only users with appropriate security levels can access these items in SerendiSys.

Staff Details used in Wages Computations



Contents of the "People" "Staff" and "SalaryDetails" data-tables

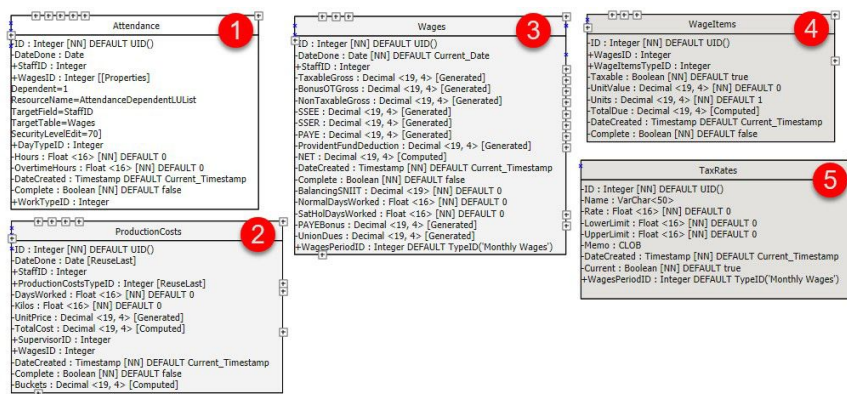
The SerendiSys database includes some places to store staff salary and wages-related information, as shown in the image above.

1. In the "Staff" data-table: "StaffTypeID". This can be set to "Weekly/Casual" or "Monthly". When wages are computed the computations are different depending on which StaffType has been chosen.
2. "UnionMember" This is a tick/box, true/false field. If the staff member is marked as a Union member then "Union Dues" will be deducted from their wages.
3. The "SalaryDetails" data-table holds (confidential) data about the actual pay-rates of staff. This data-table can only be viewed by users who have adequate security levels.

In this table users can update:

- * "ProvidentFundContribution" enter the amount in Ghana Cedi that the staff member will pay. For Monthly staff this is a **monthly** figure, for Weekly staff this is a **daily** figure, as weekly staff are paid per-day.
- * "MonthlyAllowances" enter the amount in Ghana Cedi that the staff member receives.
- * "BasicSalary" enter the amount in Ghana Cedi that the staff member receives. For Monthly staff this is a **monthly** figure, for Weekly staff this is a **daily** figure, as weekly staff are paid per-day.
- * "PaySS" This is a tick/box, true/false field. Some staff (fruit-sorting staff) do not pay SS contributions in the usual way, in this case this box should **not** be ticked for them.

The data-tables used in the wages-computations



Wages, WageItems, TaxesDue, Attendance and ProductionCosts data-tables

1. The "Attendance" data-table. This is used to log the **hours worked** by staff. Supervisors enter data, and these figures are pulled through when weekly / casual staff wages are computed.
2. The "ProductionCosts" data-table. This is used to log the **piece rate** work by staff. Supervisors enter data, and these figures are pulled through when piece rate wages are computed. The "ProductionCostsTypeID" is used to set the area of piece rate work, and when selected pulls through the pay rate for that activity.
3. The "Wages" data-table. This contains the weekly or monthly details of all money paid to staff. Essentially it totals the amounts that are entered as WageItems, and then runs a **tax computation** on these amounts. The "SSEE", "SSER" and "PAYE" fields are all automatically computed tax deductions. The ProvidentFund Contribution is pulled through based on the ProvidentFundContribution entry in the SalaryDetails table
4. The "WageItems" data-table. This contains individual rows for the different types of payments made to staff. The rows include items such as "Base Salary", "Bonus", "Allowances", "National Holiday Allowance", "Overtime", as well as special types such as "Back Pay", and "Piece Rates" for different types of work. When all the "WageItems" for one "Wages" record are added together this gives the Total amounts which are computed in the "Wages" data-table.
The SerendiSys automates the generation of most WageItems records. For Monthly Staff the "BasicSalary" is used, for Weekly/Casual Staff the "BasicSalary" is multiplied by the hours worked. The system also pulls through the "MonthlyAllowances" from SalaryDetails and uses this to create a WageItems record for each Salary-staff member every month.
5. The "TaxRates" data-table. This contains a small number of rows with the tax-rates that are paid to Ghana Government for taxes such as PAYE and Social Security. Rows include the tax rate, and the band of income to which it applies. **When tax rates change these records should be updated.**

The procedure for adding wages data in SerendiSys

Each staff member should have "SalaryDetails" added, with their salary details, including their monthly (for monthly staff) or daily (for weekly / casual staff) rate of pay included.

Each time wages are paid, the relevant Rapid Entry Grid should be used to detail the amount of wages being paid. These processes will add data to the "Wages" and "WageItems" data-tables. There may be multiple "WageItems" for each "Wages" record. When WageItems are added if they are Taxable this triggers an update to the computation for the Tax fields in the "Wages" data table.

In general "Rapid Entry Grids" are used to enter Wages, and the grids allow for cross-checking the amounts paid. Each type of staff has their own Grid with its own built-in logic.

Once data is entered, wage slips can be generated to give to staff, and the wages data can be exported for use by the accounts team.

Loans and LoanPayments

Please review a separate Help document which details how loans and their repayment are handled by the System.