

Payroll Services Procedure

Section 1 - Summary

(1) The purpose of this Procedure is to:

- a. outline the principles, processes and procedures University employees are required to observe in relation to payroll services;
- b. assist in ensuring that University employees are paid in a timely manner and in accordance with relevant awards, enterprise agreements, contracts of employment and various legislative requirements including the ATO.

Section 2 - Scope

(2) This Procedure applies to all staff paid via Victoria University's payroll system.

Section 3 - Definitions

(3) "Account code" — the cost number, which includes cost centre of the staff member.

(4) "Casual employee" — Professional staff engaged on a casual basis.

(5) "HR Zone" — the People and Culture employee self-service application at Victoria University that provides employees with viewing and updating access to their staffing information, leave and payroll claim submissions etc.

(6) "Off pay week" — the week prior to the actual payday.

(7) "Offline EFT payment" — a payment outside the normal fortnightly payroll cycle.

(8) "P&C" — People and Culture.

(9) "Sessional employee" — Academic or VE staff engaged on a casual basis.

Section 4 - Policy/Regulation

(10) Nil.

Section 5 - Procedures

Part A - Summary of Roles and Responsibilities

Roles	Responsibilities
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Part B - Statement

(11) Payroll processes operate within a regulatory framework which is governed by audit requirements, legislation and direction from University senior management.

(12) The University operates on a fortnightly payroll cycle. Payment of staff is by way of electronic funds transfer (EFT) directly to the nominated accounts.

(13) The efficient processing of payroll related documentation relies upon timely and accurate submission of required and relevant data by supervisors/managers.

(14) Payroll documentation and claims must be approved in accordance with the [Delegations and Authorisations Policy](#).

(15) Responsibility

a. Employee

- i. Employees are responsible for providing People and Culture, (P&C) with any variations that may have an effect on payroll processing and disbursement, (such as time fraction changes, leave without pay, deduction changes and resignations). Casual and sessional employees are also responsible for submitting pay claims, on a fortnightly basis, for approval by their supervisor authorised to approve payroll claims. Employees must ensure that their claims are submitted in accordance to timelines stipulated on the [P&C Intranet site](#).

b. Delegated officer (authorised supervisor)

- i. Supervisors authorised to approve payroll claims in accordance with the [Delegations and Authorisations Policy](#) have the responsibility of approving pay claims in line with payroll deadlines. Where an immediate supervisor will be away/absent for a period of time, they should set a new temporary approval delegation via [VU People First](#) for an appropriately delegated officer to approve pay claims in their absence.

c. People and Culture,(P&C)

- i. P&C processes payroll claims in an accurate and timely manner and ensures the correct disbursement of salaries into nominated bank accounts.

(16) Payroll schemes, e.g. deduction schemes, will require a minimum number of 10 employees to participate before they will be established.

Part C - Procedures

Employment of Sessional and Casual Staff - Contracts

(17) All sessional and casual employees must be covered by a current Contract of Employment to enable payment of wages. Approved Contracts of Employment must be in place prior to the commencement date of an employee. Any salary payment for a sessional or casual employee cannot be processed until a contract has been approved and entered into the Payroll system.

(18) The Contract of Employment must nominate a default account code to which salary costs will be charged. Sessional and Casual Contracts need to specify the appropriate salary classification/rate of pay as per the relevant Enterprise Agreement.

Employment of continuing and fixed-term staff - Approval of Payroll Documentation

(19) Refer to: [Delegations and Authorisations Policy](#); [Recruitment and Selection Policy](#); [Recruitment and Selection Procedure](#).

Timelines & Pay Cycles - Submission of Payroll Documentation

(20) The University operates a fortnightly payroll cycle.

(21) All Casual and Sessional staff are required to submit their pay claims for approval on a fortnightly basis immediately following the completion of their normal fortnightly work period.

(22) Fixed term and ongoing staff are required to submit all other payroll related documentation, including contracts, variations, additional hours, overtime etc, immediately following the completion of their normal fortnightly work period. These variations and claims must reach P&C by midday Tuesday in the off-pay week, i.e. the week prior to the actual payday.

(23) A complete list of payroll deadlines can be found on the [P&C site](#) on the University's intranet. It should be noted that there are some exceptions where payroll deadlines are brought forward due to public holidays.

Pay Advice Slips

(24) Pay advice slip information is available to be viewed and printed by employees on or after the actual payday via the [VU People First](#). Hard copy pay advice slips are available for staff who do not have access to [VU People First](#) upon written request to the Manager, Payroll & Employee Entitlements in P&C. Care should be taken to ensure pay advice slip information is handled in a confidential manner.

Payment Summaries

(25) Commencing financial year 2018/2019, Payment Summaries are no longer provided to employees. The Australian Taxation Office has introduced "Single Touch Payroll". This means, that Victoria University is required to report your salary and wages, PAYG, ordinary time earnings and superannuation contributions directly to the ATO for each fortnightly pay period. An employee's end of year Payment Summary details (Income Statement) will only be available via a staff member's MyGov account and not via HR Zone. Previous financial year Payment Summaries can be printed via [VU People First](#).

Bank Account Details

(26) The University's payroll system can accommodate up to a maximum of four bank accounts per employee, for salary payments. Existing employees are able to update their bank account details via [VU People First](#), alternatively Banking Authority forms are available on the [P&C Intranet site](#). Full details must be supplied for all accounts as well as the nominated dollar amounts for the second and successive accounts. Where existing employees are using the Banking Authority form to nominate new account details there is a requirement to provide the previous account details for security reasons. The Banking Authority form may be completed electronically and emailed to: PC.Queries@vu.edu.au or signed hard copies forwarded to P&C.

(27) The option of multiple bank accounts is not available to casual and sessional staff.

(28) Employees are responsible for ensuring that the bank details they supply are correct.

Payroll Reports and Costing Variations

(29) Finance Business Partners have access to Payroll costing reports via the Ascender reporting tool. If it is found that an employee's default cost centre is incorrect and needs to be amended, the Finance Business Partner will notify the

Payroll and Entitlements Consultant via email of the new Account Code details. The effective and end dates of any costing changes must be indicated.

Requests for Offline Electronic Funds Transfer (EFT) Payments

(30) A supervisor who has the delegation to approve payroll claims may approve an Offline EFT payment outside the normal fortnightly payroll cycle. Such a request must be made to the Team Leader Payroll and Staffing or Payroll and Employee Entitlements Consultant. The offline EFT payment will then be processed and will be available in the employee's bank account within 48 hours.

(31) Offline EFT payments will not be processed in advance i.e. will not be processed for work that has not yet been performed.

(32) In line with the University [Fees Policy](#), a \$100 administrative charge is applied to the cost centre of the department requesting the Offline EFT. If an offline EFT is required due to an error or oversight by P&C, the \$100 administration charge is not applicable.

Adjustments to Salary

(33) Where a staff member's salary classification changes, the date of effect of the change will be considered the date of appointment for the purpose of determining the date of effect of any salary movement within the classification.

(34) Increases within a classification level will be made no later than the first payday on or after the date of the effect of the increase, provided that in the case of increases with effect from 1 January payment may be made on the first payday in February of the same calendar year.

(35) In the case of a change in salary due to promotion, change in classification or payment of a higher duties allowance, payment of salary at the adjusted rate will be made no later than the next payday provided related paperwork is received by P&C Business Services in line with the fortnightly payroll deadlines [as per clauses (24) and (26)].

Advance Payment of Salary

(36) Where a staff member is due to commence a period of maternity leave, adoption leave, long service leave, SSP leave, or annual leave in excess of two weeks/one fortnight, and the staff member requests advance payment for such leave, the University will pay the staff member in advance for up to twelve weeks of the period of leave, and may elect to make advanced payment for a longer period, provided that the staff member gives reasonable notice to the University — usually four weeks.

(37) The University will not provide advance payment under any other circumstance other than those stated above.

Replacement of Salary

(38) An underpayment to a staff member will be corrected with full payment after verification of the underpayment not later than the payday for the next pay period. At the request of the staff member, such payment will be made via an Offline EFT payment within two working days of notification. The \$100 administrative charge will not be applied in such cases.

Deductions

(39) The University provides employees with an option of paying certain health insurance fees, university fitness centre fees etc. through payroll deductions. Such arrangements may vary from time to time at the discretion of the University. Employees need to register with the relevant organisation before implementation of the deduction can occur. Commencement or changes to deductions cannot take place unless written authorisation is received by P&C.

(40) Superannuation deductions to default University superannuation schemes will be made on a fortnightly basis and in accordance with superannuation legislation. Eligible staff may also direct employer superannuation contributions to a compliant choice of fund schemes providing all relevant forms have been completed and forwarded to P&C.

Annual Leave Loading

(41) Annual leave loading is a payment made in addition to an employee's base rate of pay equivalent to 17.5 percent of annual leave accrued in a calendar year. Leave loading was inherited from the 1970s Labour movement when many industries were routinely working overtime hours. When a person was on leave, they missed the opportunity to work overtime and earn extra income. Leave loading was created to compensate this imbalance and is still applicable under a number of modern awards and workplace agreements including those applicable to Victoria University.

(42) Annual leave loading is paid to all eligible staff members in the first pay of December each year. The payment is based on the leave accrued within that calendar year, subject to a maximum threshold. For staff members within a classification ineligible to receive overtime under the relevant Enterprise Agreement, this payment will be deemed to be Ordinary Times Earnings (OTE) and will be subject to Superannuation Guarantee Charge (SGC). For staff members eligible to receive overtime under the relevant Enterprise Agreement, this payment will continue to be considered compensation for your inability to undertake overtime and as such will not be deemed to be OTE and will not be subject to SGC.

(43) In the event that a staff member ceases employment, the staff member will receive their annual leave loading based on annual leave accrued up to the last day of employment. Leave Loading paid upon termination is not considered OTE.

Confirmation of Employment/Salary

(44) P&C will not release payroll or personal information to third parties unless written approval has been granted by the employee.

(45) Official requests for employee information by Government Departments (e.g. Centrelink, Child Support Agency) will be only be provided directly to the relevant department.

Leave Applications

(46) Leave is generally applied for via HR Zone. Leave types which should be applied for through [VU People First](#) include: Annual Leave, Long Service Leave, Personal Leave, Carer's Leave (excluding TAFE Teachers), Jury Service, Blood Donor Leave, Compassionate Leave and Cultural Leave - Aboriginal.

(47) Employees can obtain their leave balances via their Payslips or via the Leave Balance feature in [VU People First](#). This feature allows employees to nominate a chosen enquiry date ie the ability to forecast future leave balances.

(48) Other leave types such as Leave Without Pay, Long Service Leave at Half Pay, Parental Leave, need to be submitted via a manual paper-based Leave Application form found on the [P&C intranet site](#).

Section 6 - Guidelines

(49) Nil.

Status and Details

Status	Current
Effective Date	3rd October 2019
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Accountable Officer	Simone Wright Chief Human Resources Officer 9919 5447
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Glossary Terms and Definitions

"Aboriginal" - The use of the word Aboriginal throughout VU Policy and Procedure refers to Aboriginal and Torres Strait Islander people connected to and/or residing in South East Australia.