

S125: Calculate Pay

Overview: Calculate employees' gross and net pay, which includes:: calculating gross pay; processing entitlements and deductions; and resolving employees' queries about their pay. This standard is imported from the **FSSC Accountancy and Finance suite**.

Links: Business Resource; Finance

Specific skills:

- Checking
- Communicating
- Monitoring
- Problem Solving
- Managing time
- Using technology

Performance Indicators

1. Check all data and documentation relating to temporary variations for accuracy, reasonableness and proper authorisation;
2. Identify employees where action is required to ensure payment and correctly enter relevant details into the system;
3. Check rates for overtime payments against agreed scales for each type of employee affected;
4. Process temporary payments and deductions accurately and identify the appropriate tax and national insurance treatment for them as well as any effect they may have on pension contributions;
5. Process termination payments in accordance with legislative requirements;
6. Check the employment status of all employees and verify their entitlement to receive pay for the pay period;
7. Enter any applicable pre-tax deductions and all relevant statutory and non-statutory voluntary or contractual deductions into the system;
8. Produce and distribute accurate and legible payslips in accordance with statutory and organisational requirements;
9. Check net pay totals to ensure that the full range of applicable allowances and deductions has been made;
10. File source documents in a logical and orderly manner in accordance with statutory and organisational requirements;
11. Effectively resolve queries relating to pay calculations in a polite, secure and timely manner;
12. Refer enquiries to the appropriate person when you do not have the authority or expertise to resolve them;
13. Maintain the security and confidentiality of data, particularly employees' personal details or other sensitive information, at all times.

Knowledge & Understanding

Types of Payroll

- A. Negative payrolls (those where employees will be paid automatically unless action is taken to prevent payment);
- B. Positive payrolls (those where employees will not be paid unless individual payments are specifically instructed in the system).

The Statutory Framework

- C. Legislation relating to payroll processing and data protection;
- D. Types of temporary variations;
- E. Sources of authorisation;
- F. Types of statutory additions to pay;
- G. Types of pre-tax deductions;
- H. Types of statutory and non-statutory deductions.

The Organisation

- I. How to check that the payment due is valid and authentic;
- J. The organisation's procedures and timeline for initiating, making and monitoring payments;
- K. The organisation's signatories and authorisations procedures;
- L. The organisation's procedures for maintaining the security and confidentiality of information;
- M. Organisational, external agency and employee requirements for information;
- N. Sources of information for resolving discrepancies.