

To ensure your Payroll is set up correctly and to get the most out of **SmoothPay**, we recommend these procedures are completed **before** you process your first pay.

1. **Company Setup**
2. **Enter Employee Details**
3. **Enter Opening Totals**
4. **Set up Employee Holiday Entitlements and Balances**

## 1. Company Setup

- The minimum information required is completion of the *Company Setup...General* screen including the first *pay period end* and *pay day dates* you wish to process.
- Your *first pay* should be at the start of a new IR348 reporting period so your next IR345 and IR348 Reports are for a complete period.

## 2. Enter Employee Details

- Select *Edit Employee* from the *Control Centre* to add your first Employee.
- Subsequent Employees may be added by right-clicking any Employee from the *Employee List* on the *Control Centre*.
- The minimum information required is the *Employee's Name*, *Employment Status*, *IRD number*, *Tax Code* and *Date Started*.
- Set the Employee's pay cycle (*Paid every*) and method of payment (*Paid by*).

## 3. Entering Opening Totals (\$)

- Entering Opening Totals is **not** required
  - if the Company is new and has **NEVER** paid any previous pays or
  - you wish to input **EVERY** previous pay period for the *current financial year* separately.
- These financial totals are entered via *Edit Employee...Opening Totals (\$)*.
- Entering *Opening Totals (\$)* captures the opening financial totals for each Employee which are used for IRD reporting and Holidays Act pay calculations and accruals.
- The totals entered for the *Tax Year* should include **only totals already reported to the IRD** for the **current tax year** starting 1 April.
- *Anniversary Year Totals* provide the basis for calculating leave liability. This is particularly important when Leave balances are being brought on for existing Employees.
- **SmoothPay** will prompt you with the *period* of data required.

## 4. Set up Employee Holiday Entitlements and Balances

### Holiday Leave

- Highlight the Employee record, select *Edit Employee...Holiday Setup* and then choose the method of entitlement best suited to the Employee.
  - we recommend **weeks** for most Employees
  - Casual Employees should be set to *Percentage hours each Pay* or *paid an inclusive pay rate*.
- Employees' on *Parental Leave* should be set to *Percentage each Pay*.
- To establish *current leave balances* for Employees on existing payrolls, enter the leave balance in the white field ie. annual leave remaining from **last anniversary** or balance to **last pay**.
- Check Employee's *Date of Last Anniversary for Annual Leave* and change if necessary.

## Sick Leave

- *Sick Leave* setup should be in days and requires checking of last anniversary date, annual entitlement and maximum accrual.
- Enter number of days remaining from accruals to last anniversary in the *White Field*.

## Negative Balances

- Negative balances are accepted in any *Setup Field* where Employees have taken leave in advance of their entitlement.
- When entering *Opening Balances* for any Leave Type, we recommend that the *Comments Field* be used for *Notes*.

If you have any questions about these procedures or any other features of **SmoothPay**, please contact our **HelpDesk** for assistance.

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