

Vision Pay Accruals

Please note that information in this document may have changed since this document's creation. Document Creation Date: April 2004

For anyone using Sybiz Vision Pay, the accruals tend to be the hardest to setup correctly. The main reason for this is that there are two areas to setup, and each area is fairly complex, particularly to the new user. This article will hopefully demystify the accrual process, and allow you to feel confident that the payroll system is calculating accruals correctly.

The two areas that we need to be concerned with are Staff Types and Pay Items.

Staff Types

Staff Types define the common attributes of employees, with each employee being allocated a Staff Type that matches with the attributes set up for that staff type. The most important attributes for accruals with Staff Types are the Normal Hours per Period and the leave accrual figures for annual leave, sick leave, RDOs and long service leave.

The Normal Hours per Period tells the program that Sybiz Vision Pay will pay a full portion of accruals for any employee working the number of hours displayed in that field. The accrual figures tell the program how much leave should be accrued if they work the full complement of Normal Hours per Period. The accruals are always setup in days.

Example

Normal Hours per Period	40 hours
Paid	Weekly
Annual Leave Accrual	20 days

An employee accruing 20 days of annual leave will, if being paid weekly accrue 3.08 hours of annual leave for each week they are paid and have worked 40 hours

$(20 \text{ (days annual leave)} * 8 \text{ (hours per day)} / 52 \text{ (weeks in a year)})$.

The employee needs to work the number of hours specified in the Normal Hours per period field to accrue that 3.08 hours per week.

If the employee works less, then Sybiz Vision Pay will calculate only a proportional amount of the annual leave accrual. Therefore if this employee works only 20 hours in one week, then only 1.54 hours will accrue to their annual leave figure.

Pay Items

The manner in which pay items are setup is extremely important for calculating accruals. Certain Pay Items do not and should not accrue for leave, and it is important to setup the Pay Items so that no-one accrues any more or less leave than they are entitled to.

The most important factors of pay items for accruals are Earning Type and Calculation Method. The following table shows the Earning Types that accrue and do not accrue for leave purposes:

Accrue

Not Accrue

Normal Pay	Overtime
Annual Leave	Lump Sum Payment
Sick Leave	Leave Loading Only
Long Service Leave	In Leui
Rostered Day Off	Loading Only

The following table shows the Calculation Methods that accrue and do not accrue for leave purposes:

Accrue	Not Accrue
Per Lump Sum	Per Item
Per Hour	Per Kilometre
Per Day (accrues on per day basis)	
Per Period (accrues on per period basis)	

Therefore if we set up a Normal Pay Earning Type and match it with a Per Item Calculation Method then we would have a pay item that does not accrue for leave purposes. It is only when both the Earning Type and the Calculation Method are in the accrue column that an accrual for leave will take place.

Annual Leave and other leave items generally accrue leave as they deduct the leave taken. For example if an employee takes 40 hours of annual leave then assuming that the staff types and pay items have been setup correctly the employee will have deducted 40 hours of annual leave from their accrual but because annual leave accrues on the annual leave pay item, the employee will accrue another 3.08 hours of leave—a net loss of annual leave of 36.92 hours.