Using the SmartPayroll system

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Adding a New Employee

There are two steps to adding a new employee. Step 1 is the employee’s details and step 2 is the employee’s payments.

Employee Wizard – Step 1 of 2

1. Click Employee Details at the top of the screen.

2. Click Add Employee on the right:

3. Fill in each field entering the employee’s details. Fields marked with a red * asterisk must be filled in.

   Note: Click ? to see information about what to enter.

4. Employee Code will fill in automatically with the employee’s initials. If another employee has the same initials, add a number after the initials e.g. AS1.

5. Employee Start Date. Fill in the employee’s start date with the company. Sick leave and annual leave entitlements will be calculated from this date.

6. MySmartPayroll Username. Allows the employee access to phone apps. Tick and enter the employee’s personal email address.

   Note: a link will be sent to their phone to prompt them to set up their phone app

KiwiSaver

If using SmartPayroll, you are not required to send any KS forms to IRD when an employee joins KS. SmartPayroll does that automatically. However if an employee wants to join KS ask them to fill a KS2 form to keep on file.

1. Select the correct option (if it has not filled in automatically).
   • New Employee Opting In: Will be automatically selected as all new employees must sign up to Kiwisaver.
   • Existing Employee Opting Out: If the employee does not want to opt in to KiwiSaver, after 14 days (and before 8 weeks) they can opt out. After 14 days you’ll be able to select this option.
   • New Employee but Existing KiwiSaver member (already opted in). Select if the employee is already contributing to KiwiSaver.
Note: The KiwiSaver Bank A/C area is filled in if the employee opts out (after 14 days). At that time enter the opt out date, employee’s bank account and the account name so contributed funds can be returned!

Note: The default setting for the Employee’s contribution is 3%. You’ll have the option to change that on the next screen.

2. **ESCT (Employers Superannuation Contribution Tax)**
   
   You can leave this area blank. The ESCT is calculated automatically.

**Bank Accounts**

1. Enter the employee’s bank account.

   The code and reference fields can be left blank unless you want a code or reference to appear on the employee’s bank statement.

2. Fill in any additional accounts if the employee wants a portion of their pay to go to a different account. Plus fill in the amount to go to each account.

   ![Bank Accounts Table](image)

   - **Employee’s main bank account.**
   - An employee can allocate further bank accounts to have a portion of their pay banked into. If this is the case, enter the bank account numbers.

**Payslips**

- Email format: Select the down arrow and choose PDF attachment
- Payslip email address: This is the email address the employee wants their payslip emailed to.

**Notifications**

Tick if you don’t need a warning alert for this employee when their pay exceeds the set limit.

*Note: If the company requires a warning, leave it unticked. In that case the warning alert must also be activated in the Company Details / Users screen. Call the helpdesk 0800101038 to help.*
Tax Information

1. **IRD number** - Enter the employee’s IRD number.
   
   *Note* – do not enter “dashes” or “hyphens” when entering the IRD number. The system will automatically enter a zero at the beginning of the IRD number.

2. **Tax Code** - The employee should fill and give you an IR330 form stipulating their tax code. If not, leave it as **M Main Income**. IRD will notify you if it needs to change.

3. **Special Student Loan Rate** – leave blank unless IRD has notified you to deduct a special student loan rate.

4. **Child Support** - Tick if any child support is to be deducted from the employee’s pay and enter the amount.

Appointment Information

1. **Position** - enter the employee’s position.

2. **Tenure** - (e.g. full time, part time etc).

3. **Pay group** – Click the drop down menu and select the pay group

4. **Home Department** - Choose the home department to be allocated to this employee

5. **Employee contract group** – Salaried or Waged, etc

6. Click **Save and Go to Next Step**.
Employee Wizard – Step 2 of 2

The Employee Payments screen is where all payments the employee is to receive are entered.

Hours and Rates

1. **Std/No Std Hours**
   a) Select **No Standard Hours** if the employee is part-time with varying hours, or casual on call. Otherwise leave as **Standard Hours**.

   If **Standard Hours** is selected, fill in those hours under **Hours per Day** and **Days per Week**.

   b) Select **Default to Standard hours at Pay Time** if the employee works the same hours every week. The hours will then fill in automatically when a pay is run.

   Select **Hours must be entered at pay time** if the employee works varying hours.

2. **Work pattern**: Fill in any work pattern (ie the number of hours worked each day) if known.

   *Note: It's fine to leave this blank if you've filled in the hours per day and days per week above.*

3. **Effective Date**: The Effective Date is the employee’s **first day on the payroll system** with SmartPayroll. For new employees it’s the day they began employment.

4. **Annual Salary / Hourly Rate**: Fill in the salary or hourly rate

   *Note: If the employee has been set up as a “waged employee” it will be Hourly Rate. If they've been set up as “salaried employee” it will be Annual Salary.*

5. **Include in Annual Leave Accrual checkbox**

   Leave this unticked. Only select if the employee receives payments at these rates as part of their standard pay each pay (ie, not overtime).
Leave Entitlements

**Warning**: Changing the payment method is not recommended without checking with SmartPayroll’s helpdesk first. The wrong payment method could lead to incorrect payments and/or records.

1. To expand leave entitlements; click the arrow (to the right). Leave entitlements will be automatically filled in according to payroll legislation requirements.
   
   **Note**: To see an explanation of any line, click the green question mark.

2. **Casual staff working fluctuating hours on call**

   Under **Payment Method** select **Percentage**. Staff will then be paid their 8% annual leave entitlement each pay (on top of their hourly rate).

   ![Leave Entitlements Table]

   **Note**: On this setting, casual staff may still be eligible for **Sick leave, Statutory holidays and other types of leave**.

3. All other leave types should be ticked.

4. For **Sick Leave, Bereavement Leave, Statutory holidays** the “Payment method” will default to the correct setting.

Special Leave, allowances, deductions and benefits

Expand any of these options and tick the items you would like to show up under each pay run as an option to be selected if required.

- **Special Leave**
  
  If ticked on Public Holiday worked (1.5) will appear in the leave list as an option, ie if an employee works on a public holiday and are entitled to be paid time and a half

- **Allowances**
  
  Tick any allowances that are an option for this employee
Deductions

1. Tick any deductions that are an option for this employee

2. **KiwiSaver** - If the employee is contributing to KiwiSaver the default contribution setting of 3% will display. If the employee wishes to contribute 4% or 8%, change the **Rate** box to the correct rate (ie 0.04 or 0.08).

Benefits

**KiwiSaver CEC** is the company’s contribution to the employee’s KS account (Company Employer Contribution)

1. **To default to the compulsory company contribution:** Leave “0 under Rate and check “*use minimum compulsory rate*” is ticked. Under Tax Rate, **System calculated** should be selected

   Note: **SmartPayroll will automatically update the rate with any changes to legislation.**

   **If the company wishes to contribute a higher percentage:** Click into the Rate box and enter the percentage (eg to change the rate to 4%, enter **0.04**).

   When the rate has changed you’ll see the “tick” disappear from the Rate box. This is because the rate has changed from the compulsory rate to a higher one.

Finishing Off

1. Click **Save** at the bottom of the screen.

To check or adjust an employee’s settings

1. Click **Employee Details** (the orange button at the top of your screen) and select the employee’s name from the list of employees.

2. Choose **Employee details or Employee payments** from the menu on the left of your screen.

3. Make any necessary changes and click **Save** at the bottom of the screen.

4. At any time click on **Employee List** from the menu on the left of your screen to return to the list of all employees.
**Employees’ Leave Balances**

1. Click **Employee Details** (the orange button at the top of your screen) and select the employee’s name from the list of employees.

2. Click **Leave Balances** from the menu to the left of your screen.

   **Accrued leave** - leave that is building up (accruing) for the current year, ie from the employee’s start date.

   **Earned leave** - leave that is over 12 months old.

   **Balance** – the total of earned and accrued leave.

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**Leave Balance for Denise Lim**

All leave for the employee, based on the date the employee has been paid up to, is shown on this page.

**Leave adjustments**

If there needs to be an adjustment to the leave balance, please call the SmartPayroll helpdesk to make that adjustment 0800 10 10 38.