

MANAGING THE COVID-19 LOCKDOWN PERIOD ON YOUR PAYROLL

With most companies being closed during the COVID-19 lockdown period, there are two main ways in which you can manage how your employees are paid during this period.

1. You can put all your employees on leave (recommended).
2. You can reflect all employees' hours during this period as "short time".

The following is a discussion of how each of these situations might be handled on Intercode Payroll.

IMPORTANT: Before following the steps in this document you must ensure you are using Intercode Payroll V5.9.2 or later. If you're not sure whether you're using the latest version of the software, select Help → Check for Update from the Intercode Payroll main menu before continuing.

OPTION 1: COVID-19 LEAVE (RECOMMENDED)

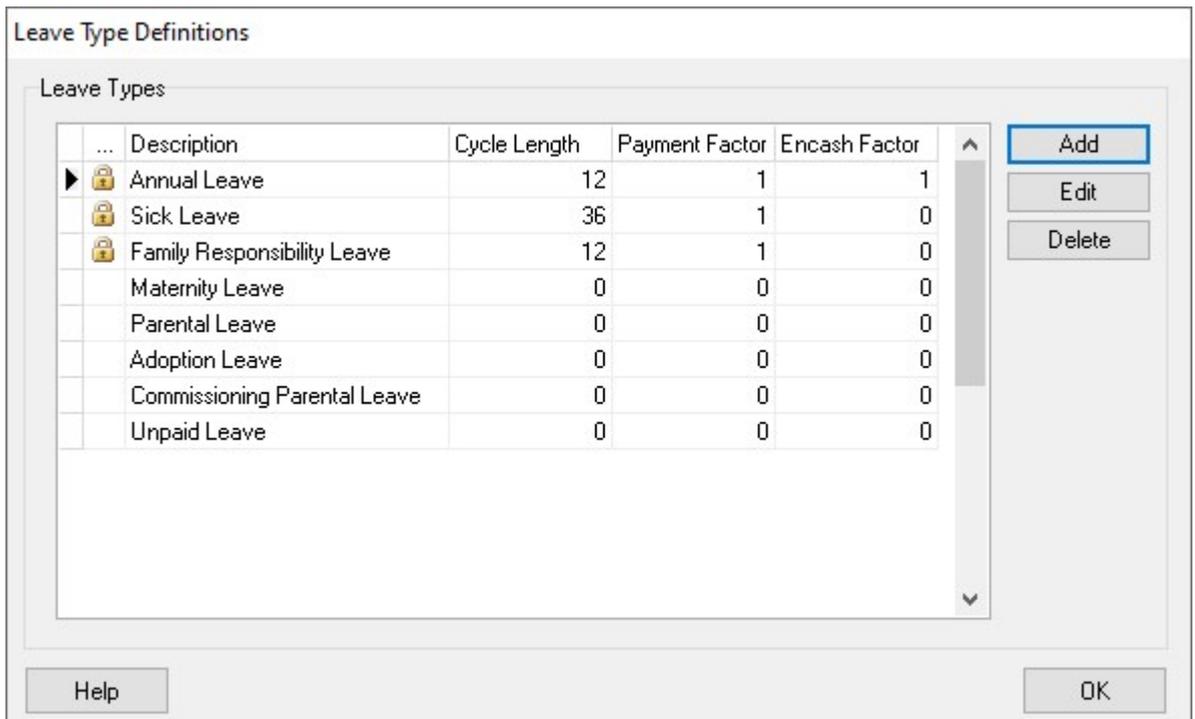
The best way to manage your employees' working hours and income during the lockdown period is to put all your employees on leave. This could be paid or unpaid leave depending on what the employer can afford.

- Employers are (in terms of the BCEA) allowed to determine the period during which employees must take their annual leave. The employer could therefore put employees who have enough leave available to them on annual leave during the lockdown period.
- Where the employer does not want to make use of employees' annual leave entitlements during the lockdown period, or where employees have insufficient annual leave days available to them to cover the entire lockdown period, the employer may put the employees on paid (or partially paid) special leave. Employers who want to go this route should create a custom leave type specifically for this purpose.
- Employers who cannot afford to pay their employees at all during the lockdown period can put their employees on unpaid leave. Employers can use the standard "Unpaid Leave" leave type for this purpose or can create a custom unpaid leave type specifically for this purpose.

CREATING A CUSTOM LEAVE TYPE FOR COVID-19 SPECIAL LEAVE

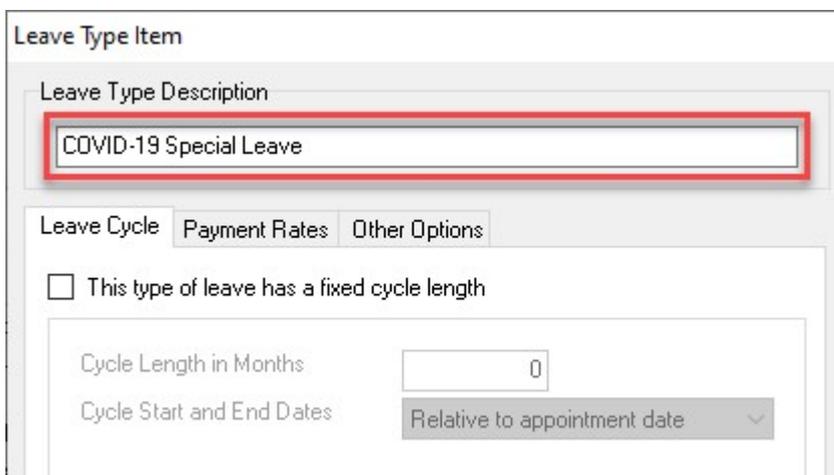
If you want to put your employees on leave during the COVID-19 lockdown period, and you have not yet created a custom leave type for leave in respect of the COVID-19 lockdown period, you can do so as follows:

- Select Setup → Leave Types from the Intercode Payroll main menu to open the Leave Type Definitions window. This will open the Leave type Definitions window.
- In the Leave Type Definitions window, click Add.



This will open the Leave Type Item window.

- In the Leave Type Item window, enter a description for the new leave type (e.g. COVID-19 Leave).



- On the Leave Cycle tab, do NOT tick the option that the leave type has a fixed cycle length.

Leave Cycle Payment Rates Other Options

This type of leave has a fixed cycle length

Cycle Length in Months

Cycle Start and End Dates

Cycle Ending Balances

Positive Ending Balances

Carry-over Limit Type

Fixed Number of Days

Negative Ending Balances

- On the Payment Rates tab, indicate whether this type of leave will usually be paid or unpaid. (This will depend on each employer's own situation).
 - If the leave will be paid, select the Default Payment Rate and the Default Payment Factor. A Payment factor of "1.00" means that employees will be paid at 100% of the selected payment rate, a payment factor of "0.50" means that employees will be paid at 50% of the selected payment rate, "0.25" means 25% of the selected payment rate and so on.

Leave Cycle Payment Rates Other Options

Default Payment Type

This type of leave is usually Paid Leave
 This type of leave is usually Unpaid Leave

Default Payment Rate Normal Daily Rate
Default Payment Factor 1.00

Leave Encashment

This type of leave can be encashed

Default Encashment Rate Normal Daily Rate
Default Encashment Factor 0.00

Automatically Encash when Employee is Terminated

- If the leave will not be paid, you don't need to complete anything else on this tab.

Leave Cycle Payment Rates Other Options

Default Payment Type

This type of leave is usually Paid Leave
 This type of leave is usually Unpaid Leave

Default Payment Rate Normal Daily Rate
Default Payment Factor 0.00

Leave Encashment

This type of leave can be encashed

Default Encashment Rate Normal Daily Rate
Default Encashment Factor 0.00

Automatically Encash when Employee is Terminated

- On the Other Options tab, specify a code by which this leave type can be identified on employee time sheets.

Leave Cycle | Payment Rates | Other Options

Applicable Genders

Any Gender

Males Only

Females Only

Balance Disclosure

Print leave balances on employee payslips Never ▼

Set Activity Types

Time Sheet Code

Code used to identify this leave type on employee time sheets C19

Leave is paid by a Bargaining Council

Always treat as paid leave on payslips (even if payment rate is zero)

- Click OK at the bottom of the Leave Type Item window to save the leave type and close the window, then click OK again at the bottom of the Leave type Definitions window to close that window as well.

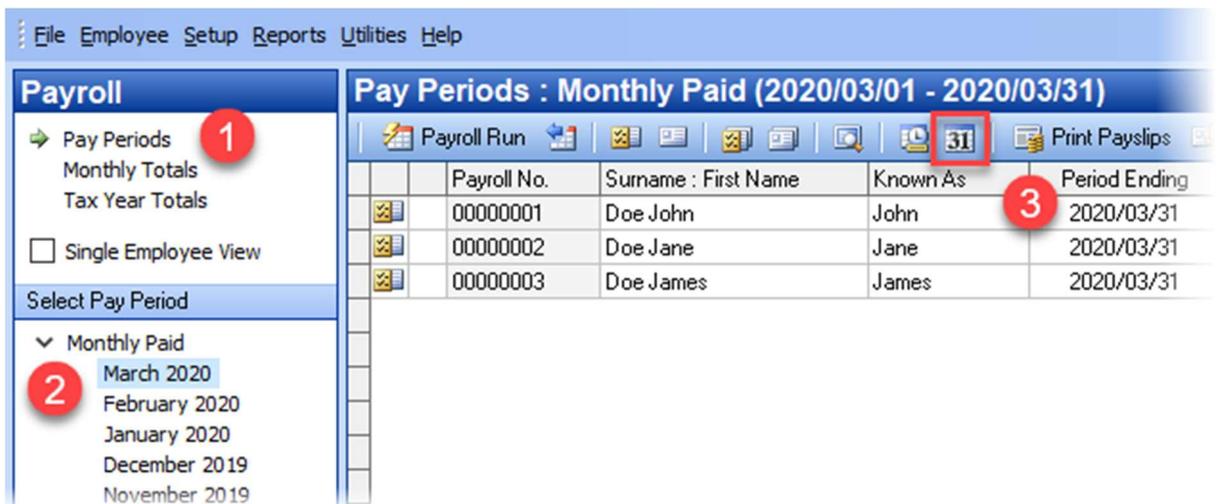
You now have a custom leave type definition that can be allocated to any (or all) of your employees for the duration of the COVID-19 lockdown period.

ALLOCATING LEAVE TO ALL EMPLOYEES AT ONCE

NB: Pending leave must be added to your employees **before** doing the payroll run into the pay period in which the pending leave falls.

To allocate pending leave to all employees in a pay group at once:

- Go to the Payroll section.
- At the top left of the window, select Pay Periods.
- Expand the relevant pay group on the left-hand side of the window, then select the latest pay period.
- On the toolbar at the top of the window, click the Mass Capture Pending Leave button.



- This will open the Mass Capture Pending Leave window.

Mass Capture Pending Leave

This utility will enable you to capture pending leave for all the employees in a particular pay group at the same time. It is currently not possible to hand-pick the employees to whom the leave will be added in this window.

When mass-capturing pending leave, only employees who are linked to correctly defined work schedules will be taken into account. Intercode Payroll cannot automatically allocate pending leave to employees who are linked to blank work schedules, since the software then doesn't know which days of the week are working days for those employees.

Select the leave type for which pending leave is being captured.

Leave Type:

Select the starting and ending dates of the leave period. The leave period start date must be later than the ending date of the latest existing pay period (shown below).

Last Pay Period Start Date:

Last Pay Period End Date:

Leave Period Start Date:

Leave Period End Date:

- Click the Leave Type drop-down and select the leave type that you want to allocate to your employees, then select the Leave Period Start Date and Leave Period End Date as shown in the example above (your dates might differ).

- Once you've completed all the necessary information, click OK to close the window. You will see a message indicating the progress of the pending leave being processes. Wait for this process to finish.

That's it. Pending leave records for the selected leave type and date range will now have been added for all employees in the relevant pay group. Repeat this process for each of the pay groups that you need to allocate pending leave to.

IMPORTANT: When mass-capturing pending leave, only employees who are linked to correctly defined work schedules will have leave allocated to them. Intercode Payroll cannot automatically allocate pending leave to employees who are linked to blank work schedules, since the software then doesn't know which days of the week are working days for those employees.

If you want to see which employees have pending leave allocated to them, go to the Employees section, double-click on the relevant employee's name to open the Employee Details window and then select Pending Leave to the left of that window. Any pending leave records will be shown there. If you want to delete pending leave records for an employee, you can do that in the same window as well (just right-click on the relevant pending leave record and select "Delete Pending Leave").

Once pending leave records have been created for all the employees on your payroll, the relevant leave type will automatically be allocated to those employees each time you do a payroll run, until the leave period end date is reached.

If necessary, you can repeat this process at a later stage to add additional pending leave records to your employees (if the lockdown period is extended for example), and then just specify a later leave period ending date.

OPTION 2: REFLECTING ALL HOURS AS SHORT TIME

If you prefer not to put your employees on any kind of leave during the lockdown period, you can instruct Intercode Payroll to stop assuming that employees will be coming to work, thereby causing all employees' normal scheduled hours to be reflected as "short time" on the payroll.

To do this:

- Select Setup → Options from the Intercode Payroll main menu.
- Select the Time and Attendance tab.
- Make sure that the option to "Use Predictive Time and Attendance" is **not ticked**.

Setup Options

General Options | Payment Options | Payroll Numbers | Public Holiday Rules | Default Pay Rates
Payslip Options | Time and Attendance | General Ledger | Report Options | ETI Options

Electronic Clocking Systems

Enable Time and Attendance Imports from an Electronic Clocking System

Import File Content Type: Hours per Period

The clocking system software automatically handles Public Holidays

Automatically Deduct Unpaid Breaks (e.g. if employees don't clock out for breaks)

Manual Time and Attendance

Use Predictive Time and Attendance

Assume that employees normally work on Public Holidays

Work Schedules

Allow Multiple Weekly Rotations in work schedules

Help OK Cancel

- Click OK to close the window.

When you next do a payroll, Intercode Payroll will no longer automatically assume that employees worked the number of hours that they were expected to work and will initially set their “hours worked” to zero. All hours that employees were expected to work during the relevant pay period will be reflected as “short time” and will not be paid.

If this method is chosen you will have to remember to come back to this window and re-tick the “Use Predictive Time and Attendance” option again once the lockdown period has ended.

End of release notes.