

Apprentice Deductions (FIN-PA030)



This procedure comes from the following departmental process: FIN-PA Finance - Payroll

Purpose

Describes the process of creating Apprentice Deductions.

Definitions

EVR – Entry Validation Report .

FC – Finance Coordinator

Uncontrolled – means that it may not be the most up to date version of the document. The only way that you can be sure you have the most up to date document is to not rely on the printed copy, but to go to the quality system and print a new one (which will always be the most up to date version).

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Summary

1. An Apprentice Deduction Agreement signed by the Apprentice must be received.
2. Save deduction to the apprentice file on the S: drive.
3. In Navision enter deduction into the payroll card file for the deductions(s) to take place. Go to Payroll/Employee Maintenance/Payroll Employee Card/Navigate/Deductions
4. Enter details:

Transaction Type	Deduction
Start Date	This is the Monday of the week the payment will be deducted (or Thursday for Networks).
End Date	This will be the Sunday of the week the payment will end (or Wednesday for Networks).
Description	Apprentice Deduction
Standard Amount	Amount to be deducted per week.
Details	What the deduction is for which will be on the form
Total Deduction	Total Amount of what is to be deducted.

5. If deduction is a result of an overpayment in wages – a writeback must be processed to correct tax. If a deduction is in relation to an invoice paid by GTNT on behalf of an apprentice a writeback isn't required.
6. Raise an invoice for deduction in customer 02 (applicable to both wages overpayments and invoice related deductions)
7. Process writeback (if applicable)
8. When invoice is received from host place a copy with the form (if applicable)

During payroll ensure the apprentice has enough wages to cover the deductions

This procedure also relates to the following other procedures: Nil

This procedure relates to the following forms: Nil

Work Instructions - Entering a Deduction

Step 1

An apprentice deduction agreement signed by the Apprentice must be received.

The deduction must be saved to the apprentice file on the S: drive (Eg. APP00XXX J Smith_Deduction_Overpayment WE 11.10.2017)

Once the deduction form has been saved to the apprentice file, the deduction must be entered into the payroll card file for the deductions(s) to take place. Follow:

- Payroll
- Employee Maintenance
- Payroll Employee Card
- Navigate
- Deductions

HOME ACTIONS **NAVIGATE** REPORT

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[Alternative Addresses](#)
[Resource Allocations](#)
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Employee

Departments

- Financial Management
- Sales & Marketing
- Purchasing
- Warehouse
- Manufacturing
- Jobs
- Resource Planning
- Service
- Human Resources
- Payroll**
 - Employee Maintenance**
 - Timekeeper Interface Proc...
 - Award Interpretation Proce...
 - Payroll Processing
 - Single Touch Processing

Payroll Employees ▾

Empl... No.	Employee First Name	Employee Last Name	Payroll No.	Incorporated Company Name	Pay Cycle Frequency	Position Code	Shift Code	Pay Location
APP01150	Deswin	Arama	NOPAYPRLMT		Monthly			GTNT
APP01151	David	Hemopo	NOPAYMTHLY		Monthly			GTNT
APP01152	Joel	Hill	ELECTRIC		Weekly			GTNT
APP01153	Jye	O'Harra	ELECTRIC		Weekly			GTNT
APP01154	Victoria	Lang	PRELUDE		Weekly			GTNT
APP01155	Samuel	McCaul	PRELUDE		Weekly			GTNT
APP01156	Ian	Manolis	PRELUDE		Weekly			GTNT
APP01157	Liam	Hunter-Bradbury	PRELUDE		Weekly			GTNT
APP01158	Benjamin	Firley	PRELUDE		Weekly			GTNT

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Step 2

Enter deduction details:

Transaction Type	Deduction
Start Date	This is the Monday of the week the payment will be deducted (or Thursday for Networks).
End Date	This will be the Sunday of the week the payment will end (or Wednesday for Networks).
Description	Apprentice Deduction
Standard Amount	Amount to be deducted per week.
Details	What the deduction is for which will be on the form
Total Deduction	Total Amount of what is to be deducted.

Transa... Type Code	Shift Code	Priority	Start Date	End Date	Description	Standard Amount	Standard %	Details	Total Deduction	LTD Amount	Not Used
DEDUCTION		0.00	25/06/2018	15/07/2018	Overpayment in wages 2017-2018	150.00	0.00	Overpayment in wa...	306.01	0.00	<input type="checkbox"/>
DEDUCTION		0.00	16/07/2018	22/07/2018	Overpayment wages WE 17/06/18	83.53	0.00	Overpayment wage...	83.53	0.00	<input type="checkbox"/>
DEDUCTION		0.00	27/08/2018	21/10/2018	Overpayment wages WE 03/06/18	6.31	0.00	Overpayment wage...	156.31	0.00	<input type="checkbox"/>

NOTE: If there are multiple deductions, please enter the weekly/fortnightly deduction into the 'Standard Amount' column, and the entire deduction amount into the 'Total Deduction' column.

Work Instructions - Processing a Writeback (If deduction is a payroll overpayment)

Once the deduction has been entered into the payroll card file, the next step will be processing a writeback via the Pay Journal:

Step 1

In Nav select Payroll → Payroll Processing → Pay Journal → (Payroll apprentice/trainee is in).

Enter pay advice number (may need to be 2 if apprentice or trainee has been paid for the period already).

Step 2

Process the wages as a negative pay, such as:

Document Date	Document No.	Time Sheet Ref. No.	Placement No.	Type	No.	Pay Advice No.	Superann... Code	Transaction Type Code	Ass... Tran...	Description	Branch Code	Division Code	Units	Hourly Rate	Amount	Adjustment Applies-to	Subt... From Per...	Charge Rate	Charge Amount
20/01/2019	P016574		PL000207	Employee	TRN01862	1		A ORD	<input type="checkbox"/>	Writeback: Overpayment WE 03/06/18	APPR	ALL LEAVE	-1.00	156.31000	-156.31		<input type="checkbox"/>	156.31	-156.31
20/01/2019	P016574		PL000207	Employee	TRN01862	1		TAX	<input type="checkbox"/>	Group Tax On Gross Pay	APPR	ALL LEAVE	1.00	8.00000	8.00		<input type="checkbox"/>	0.00	0.00

You will need to confirm with the FOT whether or not their charge rate also needs to be adjusted for invoicing purposes. If so, enter the amount to be adjusted into the Charge rate

Step 3

You will need to edit the pay header, to not process any entered deductions, allowances or taxes.

Navigate → Pay Header

No. Tax Weeks: 0

No. Deduction Periods: 0

No. Allowance Periods: 0

Payment Method/Manual Chq. No.: Manual Cheque

Manual Cheque No.: WRITEBACK

TRN01862 · BUSINESS · 2019 · 30 · 1

General

Employee No.: TRN01862	No. Leave Periods Forward: <input type="text" value="0"/>
No.: <input type="text" value="1"/>	No. Deduction Periods: <input type="text" value="0"/>
Tax Year / Period No.: 2019	No. Allowance Periods: <input type="text" value="0"/>
End of Period Date: 20/01/2019	Payment Method/Manual Chq. No.: <input type="text" value="Manual Cheque"/>
Date Paid Up Until: <input type="text" value="20/01/2019"/>	Employee Paid: <input type="checkbox"/>
Exclude Permanent Details: <input type="checkbox"/>	Period No.: <input type="text" value="30"/>
No. Tax Weeks: <input type="text" value="0"/>	Manual Cheque No.: <input type="text" value="WRITEBACK"/>

This means, we are putting the tax and the wages back onto the ledger, so it reflects correctly on their Group Certificates for the FY.

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Step 4

Calculate the pay: Functions → Calculate Pays

Produce the EVR: Reports → Entry Validation Report OLD

Should be a negative pay – with warnings produce, such as:

No.	Employee Name	Pay Advice No.	Branch Code	Division Code	Transaction Type Code	Description	Units	Rate of Pay	Amount
TRN0186 2	Hayley McAdam	1							
			APPR	ALL LEAVE	A ORD	Writeback: Overpayment WE 03/06/18	-1.00	156.31	-156.31
			APPR	ALL LEAVE	TAX	Group Tax On Gross Pay	1.00	8.00	8.00
			APPR	ALL LEAVE	ZWC	Workers Comp Accrual			-2.80

Warning! Pay Transaction Type A ORD has a Rate of Pay of 156.31, which differs to the employee's standard Rate of Pay of 12.98.
Warning! Employee TRN01862 has a negative Net Pay of -148.31.
Warning! Employee TRN01862 has -1 Ordinary hours, which differs from the standard 31 hours.

GST	On Cost	Gross	Deduction	Advance	Tax	Net
0.00	-2.80	-156.31	0.00	0.00	-8.00	-148.31

Step 5

If the EV balances - Create a Manual Cheque (as an EFT will not allow you to post to the ledger)

Navigate → Pay Cash/Manual Cheque → Bank Acct: GTNT MAIN → Print.

No.	Pay Advice No.	Superannu... Code	Transaction Type Code	Ass... Tran...	Description	Branch Code	Division Code	Units	Hourly Rate
TRN01862	1		A ORD	<input type="checkbox"/>	Writeback: Overpayment WE 03/06/18	APPR	ALL LEAVE	-1.00	156.31000
TRN01862	1		TAX	<input type="checkbox"/>	Group Tax On Gross Pay	APPR	ALL LEAVE	1.00	8.00000
TRN01862	1		XAL	<input type="checkbox"/>	AL Fee	APPR	ALL LEAVE	0.00	0.00000
TRN01862	1		XCO	<input type="checkbox"/>	Managent Fees	APPR	ALL LEAVE	0.00	0.00000
TRN01862	1		XLO	<input type="checkbox"/>	Leave Loading Fees	APPR	ALL LEAVE	0.00	0.00000

Step 6

Once correct, then post to the payroll ledger.

Escape out and post (DO NOT END THE PAYSPLIT TO THE APPRENTICE)

Work Instructions Creating an Invoice for Deductions

Step 1

Raising an invoice if the deduction is a result of an overpayment in wages (if not continue to Step 2):

1. To Open a new invoice go to Sales & Marketing → Order Processing → Sales Invoices → New
2. Raise an invoice to the sales and receivables area.
3. Fill out details as per below:

Customer: 02

Customer Name: (Apprentice No.) Name

Customer Name #2: GTNT Apprentice

Description: Writeback (Number) Name

Date: Date that the writeback was processed.

GL: 2302 (SUSPENSE)

GST: NR

Description: as above

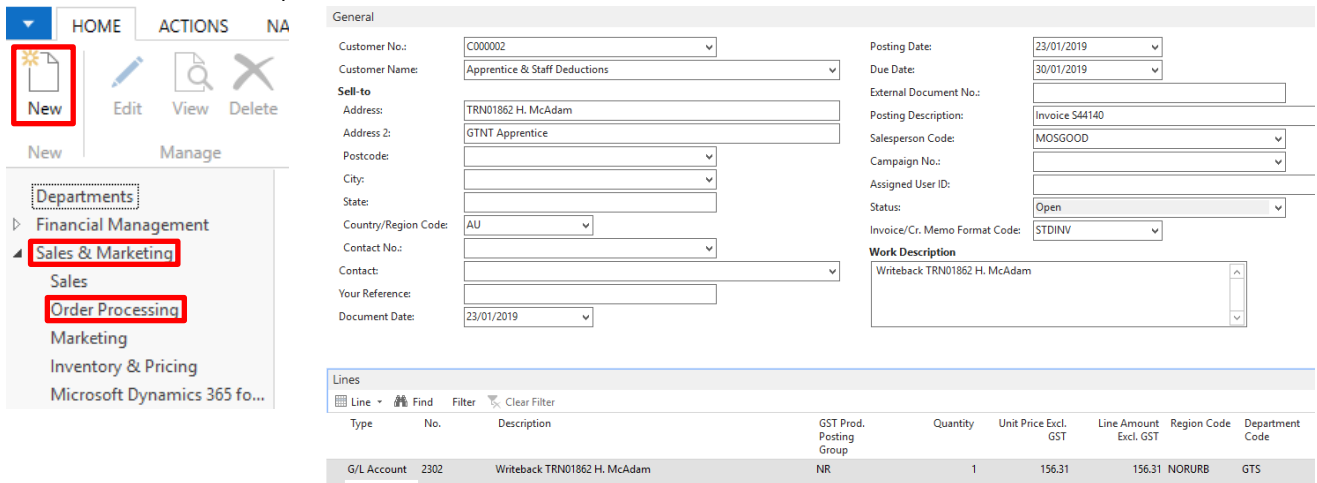
Qty: 1

Amount: TOTAL deduction amount.

Region Code & Department – as per the apprentice file.

Link the deduction form to the invoice and check that the amounts balance.

Review the amounts and post.



The screenshot shows the Microsoft Dynamics 365 interface. On the left, a navigation pane shows 'Sales & Marketing' and 'Order Processing' highlighted. The main area displays a 'General' form for creating a new invoice. The form fields are as follows:

Field	Value
Customer No.	C000002
Customer Name	Apprentice & Staff Deductions
Address	TRN01862 H. McAdam
Address 2	GTNT Apprentice
Country/Region Code	AU
Posting Date	23/01/2019
Due Date	30/01/2019
Posting Description	Invoice S44140
Salesperson Code	MOSGOOD
Status	Open
Work Description	Writeback TRN01862 H. McAdam

Below the form, a 'Lines' table is visible:

Line No.	Description	GST Prod. Posting Group	Quantity	Unit Price Excl. GST	Line Amount Excl. GST	Region Code	Department Code
2302	Writeback TRN01862 H. McAdam	NR	1	156.31	156.31	NORURB	GTS

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Step 2

Raising an invoice if a deduction is a result of GTNT paying an invoice on behalf of an apprentice:

Check with AP as to which GL code the invoice has been coded too. Can also view the invoice in the Vendor card file and check which GL code – commonly will be 4306 (Other Direct Expenses)

Raise the invoice to the Sale and Receivables area, to offset the invoice paid, to the deduction being made.

1. Raise an invoice to the sales and receivables area.
2. New Invoice
Customer: 02
Customer Name: (Apprentice No.) Name
Customer Name #2: GTNT Apprentice
Description: APP No, Name - Description (month/year) (Eg: APP00577 M Taylor Text Books June 16)
Date: Deduction was raised
GL: Direct Expense Recoveries (so for expense 4306, we will use 3306)
GST: (Offset the same as other invoice, GST or FREE)
Description: as above
Qty: 1
Amount: TOTAL deduction amount (must match the invoice paid)
Region Code & Department – as per the apprentice file.
Link the deduction form to the invoice and check that the amounts balance.
(And the invoice GTNT paid on the 2nd line)
Review the amounts and post.

Step 3

Journal to reverse the amount allocated to GTNT main bank account:

Financial Management → General Ledger → General Journals → GENERAL (General Journal)

DR Entry:

Date: Writeback processed

GL Code: 2302

Description: Writeback (Apprentice No) Name

Amount: WHOLE amount of deduction (positive)

CR Entry:

Date: Writeback processed

Bank: GTNT Main

Description: Writeback (Apprentice No) Name

Amount: WHOLE amount of deduction (negative)

Posting Date	Document Type	Document No.	Account Type	Account No.	Description	Gen. Posting Type	Gen. Bus. Posting Group	Gen. Prod. Posting Group	GST Bus. Posting Group	GST Prod. Posting Group	Amount	Amount (LCY)	Bal. Account Type	B N
23/01/2019		GJ03377	G/L Account	2302	Writeback TRN01862 H. McAdam	Sale	DEFAULT	DEFAULT	DOMESTIC	NR	156.31	156.31	G/L Account	
23/01/2019		GJ03377	Bank Account	GTNT MAIN	Writeback TRN01862 H. McAdam						-156.31	-156.31	G/L Account	

Step 6

As a part of the EOM process the FC will clear the payroll clearing account which will offset deductions paid to GTNT via the invoices in customer 002.