

Hourly Rate Setup

Disclaimer:

The Knowledge Base is our platform to share information with our customers and provide you with a 'help me, help myself' environment. The guides and documents provide step by step solutions to assist you with your queries based on the acquisition of solutions from previous enquiries.



Important Note

- The information contained in these articles should be treated as guidelines.
- Some articles are version and build specific.
- Articles may not be applicable to all environments.
- If the proposed solution is not successful, please post your comments below or contact the Sage Pastel Payroll and HR Department directly on (011) 304 4300 or support.pastelpayroll@sage.com.

FAQ

Question:

How do I setup hourly rates within my Sage Pastel Payroll & HR?

Solution:

1. Go to **Edit...Employee Masterfile**.
2. Select the applicable employee's masterfile by selecting the Magnifying glass icon
3. Select the **Rates** tab.
4. Select the **Working Days** tab.

The screenshot shows the 'Edit Employee Masterfile' window. The 'Basic Details' section includes fields for Code (002), Title (Mrs), Surname (Smith), Name (Sandy), Nickname, Profile (2000), Security Group, and Status (Processed). The 'Rates' tab is selected, and the 'Working Days' sub-tab is active. Green arrows point to the 'Rates' and 'Working Days' tabs.

5. Enter the employee's Average Hours per Day
6. Enter the employee's Hours per Week (Hours per day X the number of days they work per week)
7. Enter the Days per Month (Days per week X 52 (weeks in the year) / 12 (months in the year)).

Details

Average Hours per Day	<input type="text" value="8.00"/>
Hours per Week	<input type="text" value="40.00"/>
Days per Month	<input type="text" value="21.67"/>
Enter Hours per Working Day	<input type="checkbox"/>

8. **Save** the masterfile.
9. Go to **Process...Payslips**
10. Select the applicable employee's payslip by selecting the Magnifying glass icon
11. Select **Enter**
12. Select the **Default** tab
13. Enter **Transaction code 5002 - Hourly Wage** (if not already on the payslip).

Note: In our example, this employee is monthly, and works 8 hours a day for 21.67 days a month. Our Quantity is thus $8 * 21.67 = 173.36$

14. Enter the average hours required to work per period in the **Quantity** field of the payslip.

Note: The **Rate** is automatically 1.00. In order to obtain the correct Rate, you need to enter the Amount the employee would earn if the required hours per period, were worked, in the Amount column.
 In our example, the employee is required to work 173.36 hours per month, and their Rate is R 20 per hour. Hours X Rate = Amount.
 EG. 173.36 X 20 = R 3 467.20

15. Enter the Amount to be paid in the **Amount** column

Tran Code	Transaction Description	Job Code	Cost Centre	Processing Period	Quantity	Rate	Amount	Override	Balance	MTD Amount	YTD Amount	Reference
5002	Hourly Wage	0001	0001		173.3600	20.0000	3,467.20	<input type="checkbox"/>		0.00	0.00	
5016	Paid Sick Leave	0001	0001		0.0000	20.0000	0.00	<input type="checkbox"/>		0.00	0.00	
5300	Commission	0001	0001				0.00	<input type="checkbox"/>		0.00	0.00	
5501	Travel Allowance 1	0001	0001				3,000.00	<input type="checkbox"/>		0.00	0.00	
6026	Taxable Travel Portion - 1						2,400.00	<input type="checkbox"/>		0.00	0.00	
8000	Med. Aid Tax Credit Applie						0.00	<input type="checkbox"/>		0.00	0.00	
8001	PAYE tax						0.00	<input type="checkbox"/>		0.00	0.00	
8045	UIF - Employee (Actual Pay)						58.67	<input type="checkbox"/>		0.00	0.00	
9045	UIF- Company (Actual Pay)	0001	0001				58.67	<input type="checkbox"/>		0.00	0.00	
9100	OID Contribution	0001	0001				18.30	<input type="checkbox"/>		0.00	0.00	
9150	Skills Development Levy	0001	0001				58.67	<input type="checkbox"/>		0.00	0.00	

Hourly Wage, Demo Job Code 1, Demo Cost Centre 1

Total Gross Income 6,467.20 Total Deductions 58.67 Total Nett Pay 6,408.53

16. **Save** the payslip, in order for the Rate to recalculate.

17. Once the Payslip is Saved, the **Rate** will populate according to the hours setup on the masterfile and the amount inserted on this payslip.

Tran Code	Transaction Description	Job Code	Cost Centre	Processing Period	Quantity	Rate	Amount	Override	Balance	MTD Amount	YTD Amount	Reference
5002	Hourly Wage	0001	0001		173.3600	20.0000	3,467.20	<input type="checkbox"/>		0.00	0.00	

Note: The Default tab must never be altered unless you wish to increase the employees' rates. This is used to make sure that the rate is always correct, as well as to calculate Overtime.

18. In order to process the **Actual Hours worked**, select the Income tab of the payslip

19. Enter the actual hours into the **Quantity** column.

Tran Code	Transaction Description	Job Code	Cost Centre	Quantity	Rate	Period Amount	Override	MTD Amount	YTD Amount	Reference
5002	Hourly Wage	0001	0001	160.0000	20.0000	3,200.00	<input type="checkbox"/>	3,200.00	3,200.00	

Note: When an hourly paid employee takes **Unpaid Leave**, the hours are reduced on the **Income** tab in order for these Unpaid leave days to be applicable