

Payroll Systems

Companies can use Google Sheets to keep pay details. In this activity you will create a company payroll table and pay advice slips for the individual employees. The data for the payroll system has been prepared for you, your task will be to complete the formulas.

Loading the Payroll Template

- 1 Load Google Sheets then display the FILE menu and select OPEN.
- 2 Click on UPLOAD followed by SELECT A FILE FROM YOUR COMPUTER.
- 3 Access the SHEETS SUPPORT FILES, open the CHAPTER 14 folder and load the file:
Payroll
- 4 There are two worksheets in the spreadsheet. Look over the PAYROLL sheet which will show the pay details for all employees. Click on the PAY ADVICE sheet. It will display the pay details for an individual employee. The employee would receive the PAY ADVICE printout when they receive their pay.

Completing the Payroll Worksheet

The PAYROLL sheet shows the pay details for all the employees of the company.

- 1 Ensure that the PAYROLL worksheet is on the screen.
- 2 Position the cursor at cell G12. We need to calculate the OVERTIME RATE OF PAY which is 1.5 times the NORMAL PAY RATE.

| CODE | EMPLOYEE | OCCUPATION | NORMAL HOURS | NORMAL PAY RATE | OVERTIME HOURS | OVERTIME RATE | GROSS PAY | SUPER- |
|-------|----------------|-------------------|--------------|-----------------|----------------|---------------|-----------|--------|
| Mic50 | Eve Michaelson | Manager | 40 | \$18.00 | 5 | \$27.00 | | |
| Lom50 | Brenda Lomas | Hairdresser | 35 | \$15.00 | 0 | \$22.50 | | |
| Lom51 | Julia Lombardi | Hairdresser | 35 | \$15.00 | 8 | \$22.50 | | |
| Kno50 | Brian Knowles | Hairdresser (app) | 35 | \$10.00 | 2 | \$15.00 | | |

- The GROSS PAY is the total weekly pay earned before deductions are taken out. The NORMAL HOURS needs to be multiplied by the NORMAL PAY RATE and the OVERTIME HOURS by the OVERTIME RATE then the two results added together.

6 Move the cursor to cell H12 and enter:
 $= (D12 * E12) + (F12 * G12)$

7 Autofill the formula down for the other employees.

| CODE | EMPLOYEE | OCCUPATION | NORMAL HOURS | NORMAL PAY RATE | OVERTIME HOURS | OVERTIME RATE | GROSS PAY |
|-------|----------------|-------------------|--------------|-----------------|----------------|---------------|-----------|
| Mic50 | Eve Michaelson | Manager | 40 | \$18.00 | 5 | \$27.00 | \$855.00 |
| Lom50 | Brenda Lomas | Hairdresser | 35 | \$15.00 | 0 | \$22.50 | \$525.00 |
| Lom51 | Julia Lombardi | Hairdresser | 35 | \$15.00 | 8 | \$22.50 | \$705.00 |
| Kno50 | Brian Knowles | Hairdresser (app) | 35 | \$10.00 | 2 | \$15.00 | \$380.00 |

NOTE: The brackets in the GROSS PAY formula are not really necessary, but they help to separate the two calculation sections and make the formula easier to understand.

- The SUPERANNUATION is the amount contributed by employees each week to a retirement fund. It is usually a percentage of the employee's Gross Pay. We will use a rate of 5% here.

9 Set the cursor at cell I12 and enter:
 $= H12 * 5%$
 then autofill the formula down for the other employees.

| CODE | EMPLOYEE | OCCUPATION | NORMAL HOURS | NORMAL PAY RATE | OVERTIME HOURS | OVERTIME RATE | GROSS PAY | SUPER-ANNUATION | TAX | NET PAY |
|-------|----------------|-------------------|--------------|-----------------|----------------|---------------|-----------|-----------------|-----|---------|
| Mic50 | Eve Michaelson | Manager | 40 | \$18.00 | 5 | \$27.00 | \$855.00 | \$42.75 | | |
| Lom50 | Brenda Lomas | Hairdresser | 35 | \$15.00 | 0 | \$22.50 | \$525.00 | \$26.25 | | |
| Lom51 | Julia Lombardi | Hairdresser | 35 | \$15.00 | 8 | \$22.50 | \$705.00 | \$35.25 | | |
| Kno50 | Brian Knowles | Hairdresser (app) | 35 | \$10.00 | 2 | \$15.00 | \$380.00 | \$19.00 | | |

The Tax Calculation

Normally the TAX is calculated through a series of lookups which you did in an earlier chapter. This could be done at the right of the payroll and set not to print when the payroll is printed. To make things a little easier we will use a base tax rate of 25%.

Set the cursor at cell J12 and enter:
 $= H12 * 25\%$
 then autofill the formula down for the other employees.

| CODE | EMPLOYEE | OCCUPATION | NORMAL HOURS | NORMAL PAY RATE | OVERTIME HOURS | OVERTIME RATE | GROSS PAY | SUPER-ANNUATION | TAX | NET PAY |
|------|----------|----------------|--------------|-----------------|----------------|---------------|-----------|-----------------|----------|---------|
| 12 | Mic50 | Eve Michaelson | 40 | \$18.00 | 5 | \$27.00 | \$855.00 | \$42.75 | \$213.75 | |
| 13 | Lom50 | Brenda Lomas | 35 | \$15.00 | 0 | \$22.50 | \$525.00 | \$26.25 | \$131.25 | |
| 14 | Lom51 | Julia Lombardi | 35 | \$15.00 | 8 | \$22.50 | \$705.00 | \$35.25 | \$176.25 | |
| 15 | Kno50 | Brian Knowles | 35 | \$10.00 | 2 | \$15.00 | \$380.00 | \$19.00 | \$95.00 | |

Calculating the Net Pay

The NET PAY is the GROSS PAY minus the deductions (superannuation and tax).

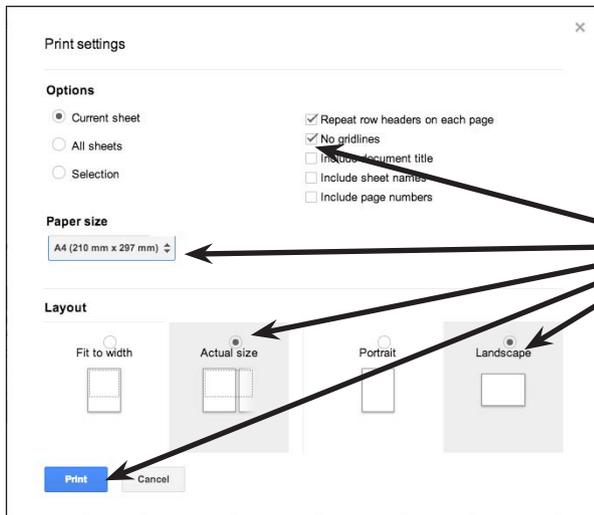
Set the cursor at cell K12 and enter:
 $= H12 - I12 - J12$
 then autofill the formula down for the other employees.

| CODE | EMPLOYEE | OCCUPATION | NORMAL HOURS | NORMAL PAY RATE | OVERTIME HOURS | OVERTIME RATE | GROSS PAY | SUPER-ANNUATION | TAX | NET PAY |
|------|----------|----------------|--------------|-----------------|----------------|---------------|-----------|-----------------|----------|----------|
| 12 | Mic50 | Eve Michaelson | 40 | \$18.00 | 5 | \$27.00 | \$855.00 | \$42.75 | \$213.75 | \$598.50 |
| 13 | Lom50 | Brenda Lomas | 35 | \$15.00 | 0 | \$22.50 | \$525.00 | \$26.25 | \$131.25 | \$367.50 |
| 14 | Lom51 | Julia Lombardi | 35 | \$15.00 | 8 | \$22.50 | \$705.00 | \$35.25 | \$176.25 | \$493.50 |
| 15 | Kno50 | Brian Knowles | 35 | \$10.00 | 2 | \$15.00 | \$380.00 | \$19.00 | \$95.00 | \$266.00 |

Printing the Payroll

This is a wide table so the printing of the sheets needs to be checked to ensure that whole payroll fits on one page, and the ORIENTATION needs to be set to LANDSCAPE.

- 1 Click on the PRINT icon in the TOOLBAR



2 In the PRINT SETTINGS dialogue box turn on NO GRIDLINES, select your PAPER SIZE, turn on LANDSCAPE and ACTUAL SIZE and click on PRINT.

- 3 Check over the print preview and print a copy of the payroll if your teacher wants you to.

The Pay Advice Worksheet

Each pay day the employees are given pay advice sheets with their pay. We can use Google Sheets to create a pay advice sheet that can import values from the PAYROLL worksheet and print this pay advice sheet for each employee. The employee CODE is used to link the two sheets together. The CODE consists of the first three letters of the employee's surname and the number 50. If two or more employee's have the same first three letters in their surname, the first alphabetical name receives the number 50, the second 51, the third 52, etc.

A Naming the Payroll Cells

It is advantageous to name the PAYROLL table cells so that entering the formulas in the PAY ADVICE sheet is easier.

- 1 The PAYROLL sheet should be on the screen.