



Our payroll system is capable of tracking a variety of accrued time-off benefits such as personal/paid time off, vacation and sick pay. The system is highly customizable, and is capable of accommodating most basic accrual policies. More complex policies, however, may not be possible within the confines of the system. Should this be the case, you may consider using only the time reduction capability and manually entering accrual balances calculated.

Please keep in mind the following regarding benefit accruals:

- Accruals require processing & storage that result in additional service charges. Please consult your customer representative for setup, maintenance and **processing fees**.
- You will need a unique **accrual code** for each distinct policy (for example, PTO policies under which time awarded to part time employees is less than that for full time employees).
- **The system will not prevent employees from using more hours than they have available.**
- Negative available balances must be allowed in order to accommodate some time-off policies. It is your responsibility to adhere to company policies when paying out time.
- Remote client users have total control over used & available balance fields. As such, **client users (you) are responsible for the accuracy of the time-off balances in the system.**
Note: Overriding the system calculation can cause discrepancies in history and is not recommended.
- The Accruals routines (accruing, reducing, clearing) run on a per-process basis. Activity on previous payrolls is not considered. As such, Available Dollars will not reflect changes in an employee's base rate and should not be used for liability reporting.
- Fastpay Payroll uses **months of service** (not years) calculated **based on the current check date**. This is calculated from the employee's **hire date** *unless* they have a **rehire date** or there is an *Adjusted LOS (length of service)* override for the benefit code on the Time Off tab.

Since no computer system can accommodate every scenario it may not be possible to accrue time in accordance with your company's policies. The system can still track usage (reduce available hours as they are paid out) against available balances provided manually. You may wish to include a copy of your benefit policy along with your setup forms.

Please provide the following information:

Company Name: _____

Company ID(s): _____

Authorized signature : _____ *required*

Date: _____

- *You must complete a separate form for each individual policy / rate table •*

Configuration and Authorization

Step 1: Classification / Description & Eligibility (check all that apply)

Type	Salary	Hourly Full-Time	Hourly Part-Time
Vacation			
Sick			
PTO			

Step 2: General Questions

- How many hours are in a standard workday? _____ (Usually 8)
- Is there a probationary period? No Yes: How long?

- Does time accrue during the probationary period? No Yes
- What should show on paystubs? Nothing Hours Available Dollars Available

Step 3: How often do employees accrue time?

- Every pay period: Per Hour **OR** Payroll frequency: Biweekly Semi-monthly
 Monthly: Month end Month begin
 Annually: Calendar year end Employee's anniversary
 Other frequency: _____

Step 4: What reduces the Available Hours balance?

- Hours are moved from an employee's **Available Hours** Balance to their **Used Hours** Balance whenever they are paid benefit time. This move is driven by specific earning codes (PTO, for example). New codes may be required especially in instances where a Memo type code is desired for salaried employees so that hours are tracked but not actually paid. *Note when using a Memo type code to pay benefit time to salaried employees, their default hours do not change. A salaried employee with 80 default hours who is being paid one day of vacation will show 80 Salary hours and 8 hours Vacation Memo.*
- Unless directed otherwise, non-Memo type codes will be set to **reduce autopay**. Using a non-Memo code that reduces autopay to pay a salaried employee for one day of vacation will result in their default hours of 80 being **reduced** to 72 by the 8 hours of Vacation. This maintains the 80-hour total on the paycheck. When using this method the Salary earnings code and Vacation earnings codes must be added together when reporting "total hours" for the employee.

Indicate **all Earnings Codes** that will **reduce** the Available Hours balance (existing *or* to be added):

Accrual Code	Earning Code	Earning Code	Earning Code
PTO			
Sick			
Vacation			

Configuration and Authorization

Step 5: How much time does an employee accrue?

- Benefit time is managed as **hours**. If your policy calls for “one week of vacation”, this will be expressed as 40 hours, assuming a typical work week. “One day” off would be 8 hours. Many policies increase the amount employees earn based on their length of service with the company.
- Fastpay uses **Months of Service as of the check date** being processed to determine seniority.
- Complete the Accrual Table below by indicating the **minimum** Months of Service required to earn the associated **Accrual Rate** (hours earned each accrual). You will complete the last column, C/O Max, in Step 6 below. You may also specify Maximum Hours in one of two ways:

Balance Max: Caps Available Hours; when Available Hours fall back below the maximum, usually by time being paid to the employee, accruals will resume.

Total Max: Caps accruals based on the Total of Available Hours and Used Hours. Given a Total Max of 40 hours, an employee with 30 Available Hours & 10 Used Hours will no longer accrue.

Months Of Service	Accrual Rate	Balance Max	Total Max	C/O Max

Step 6: When do Balances Clear?

In addition to the Earning (accrual) & Use (reduction) routines, Fastpay can clear the Available & Used Balances. If an employee is allowed to keep all or part of their accrued time, a carry-over amount may be specified in the table above.

Indicate when the Available & Used balances should clear:

- Annually: Calendar year end Employee's anniversary
 Never