



IAB LEVEL 3 DIPLOMA IN COMPUTERISED PAYROLL (Qualification Accreditation Number 500/3283/5)

INTRODUCTION

The overall aim of the qualification is to accredit candidates' knowledge and understanding of the fundamental principles relating to the basic calculations and preparation of both weekly and monthly payrolls, using some manual routines for the calculation of Gross Pay. In addition, it accredits some book-keeping skills of candidates in performing the routine tasks of calculating the cost of wages to the employer and other management reports which may be prepared manually.

Within the qualification, candidates have the opportunity to expand their skills in preparing the payroll for various income tax and National Insurance calculations under the PAYE scheme, for employee including directors. Candidates also have the opportunity to develop their understanding of other fundamental procedures introduced at Level 2. Candidates are also introduced to the setting up and processing of expenses and benefits that the employee may receive from their employer, and the processing of month end and year end procedures. The syllabus also deals with the treatment of termination payments, and the practice relating to both further routine and some non-routine tasks including analysis of departmental wages costs and an introduction to Pension Administration. Candidates will develop the skills to identify the necessary information on the system, interpret the information and print the relevant reports

The manual and computerised processing of more advanced payroll data, such as changes to hours worked, increased hourly rates of pay, bonuses and commissions are important elements of the IAB Level 3 Diploma in Computerised Payroll qualification.

To be awarded the qualification, candidates are required to successfully demonstrate their competence in by means of one external examination.

ASSESSMENT

The Learning Outcomes of this qualification will be assessed through an externally set and marked, examination with a duration of two hours and thirty minutes. The Examination will ensure the Assessment of at least 80% of the Learning Outcomes and will consist of a number of practical manual and computerised tasks with each task linked to a Case Study, accounting for 85% of the marks. This approach is aimed at assessing the candidate's ability in relation to more than one Learning Outcome

CERTIFICATION

All candidates who achieve a Pass grade in the examination will be informed of their achievement in an official IAB Results Letter sent within ten weeks following the examination. Additionally candidates who pass will receive the IAB Level 3 Diploma in Computerised Payroll.

IAB Level 3 – Diploma in Computerised Payroll

SINGLE UNIT (IAB UNIT Code) P3.2 - COMPUTERISED PAYROLL ADMINISTRATION

Aim of the Unit

Upon the completion of study for this unit, it is intended that the candidate will be able to:

- Make further changes to system settings.
- Make complex gross pay calculations
- Make complex adjustments for expenses and benefits
- Make complex adjustments for additions and deductions
- Make key changes during the year
- Produce key period and data printouts and reconciliations
- Produce management information
- Understand confidentiality, security and other statutory responsibilities
- Take printouts

Prior Knowledge and Skills Requirements

Before starting a course of study or training leading to the assessment for this qualification, it is assumed and is advisable that the candidate has already acquired the knowledge and skills as specified in the IAB Level 2 and 3 Certificates in Payroll and the IAB Level 2 Certificate in Computerised Payroll.

| Learning Outcome | Assessment Criteria |
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| 3.2.1 Make further changes to system settings | Be able to administer the computer system <ul style="list-style-type: none">• Update and check the system for the new tax year• Enter company details including different types of pension schemes, holiday schemes etc.• Enter employee details, including year to date figures• For Directors joining or becoming directors after 6th April |
| 3.2.2 Make complex Gross Pay calculations | Be able to enter details of Gross Pay comprising <ul style="list-style-type: none">• A variety of commission schemes, bonuses, etc• Redundancy payments – post and pre tax |
| 3.2.3 Make complex adjustments for Expenses and Benefits | Be able to include expense and benefits payments in payroll processing including <ul style="list-style-type: none">• Setting up employees own cars on the system• Setting up company cars on the system• Entering mileage payments• Paying expenses with the payroll |
| 3.2.4 Make complex adjustments for additions and deductions | Be able to enter details of: <ul style="list-style-type: none">• Periods of sickness• Pension Deductions, including AVCs and FSAVCs• Holiday Pay• Maternity leave• Statutory Paternity Pay• Statutory Adoption Pay• Parental Leave Entitlement |

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| <p>3.2.5 Make key changes during the year</p> | <p>Be able to make changes to stored information:</p> <ul style="list-style-type: none"> • Government parameters • Personal Information • Tax Codes • Cash Analysis • Pension Schemes <p>Be able to make Legislative and organisational changes</p> |
| <p>3.2.6 Produce key period end data printouts and reconciliations</p> | <p>Be able to generate information showing</p> <ul style="list-style-type: none"> • Payment details for each pay-day • Month end printouts and P32 • Reconcile Class 1A payments to HMRC • Year end printouts • Reconcile P11s to Payments to HMRC etc • P14/60s, P35s, P38A, P38s etc. <p>Know and understand the capabilities of the system being used in terms of linking with Accounts package.</p> <p>Produce figures for the Book-keeper/Accountant</p> <p>Understand implications of the payroll relating to the costs to, and liabilities of, the business.</p> |
| <p>3.2.7 Produce Management Information</p> | <p>Be able to:</p> <ul style="list-style-type: none"> • Identify the sources of information for the resolution of discrepancies • Verify sources of information • enable information to flow within the organisation according to timescales and requirements • Prepare internal reports and summaries for management accounting purposes using 'electronic' means of communications and word-processing software. (These should include Departmental and Cost Centre Reports). <p>Be able to communicate and make reports and supply information in the required electronic format, i.e. disk, email, word-processed, magnetic, within the required timescale.</p> <p>Understand the importance of authorisations and signatories.</p> |
| <p>3.2.8 Understand Confidentiality, Security and other Statutory Responsibilities</p> | <p>Understand the need for complete confidentiality of employees and employer information at all times</p> <p>Understand the payroll implications of Legislation, e.g. Data Protection Act, that affects payroll administration, and Health and Safety especially in relation to VDU operators</p> |

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| 3.2.9 Take Printouts | Be able to take routine printouts: <ul style="list-style-type: none"> • Government Parameters • Company and Employee Details • Payslips • BACStel Reports • Payment Summaries, including Year to date figures • Departmental and Cost Centre Analyses • Cash Analysis • P11 • P45 • P32 • P35 • P14/60 |
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UNIT ASSESSMENT

The examination of this single unit qualification will be of 2½ hours duration. Any examinations sat from 1st September to 31st August of the following year will be set using information relating to the Tax Year legislation in operation as at 1st September. For example the examinations set for January 2009 and June 2009 will be set using legislative limits relating to Tax Year 2008/09.

Candidates may sit the Examination on either the specific dates set and published by the IAB or on dates set by Centres on an 'On-demand' basis.