



RDO's (rostered days off)

A very common request is “How do set up and use RDO's in SmoothPay?” (this is called TOIL or Time in Lieu in New Zealand and some other countries)

For those who don't know, RDO's are a way of accruing excess time worked towards time off later. For instance, employees might usually work 80 hours per fortnight, but worked 82 and 2 of those hours (*or the excess above 80*) are transferred to RDO. The following example illustrates how this works in practice.

Note, some employers accrue RDO's using different rules (like a standard accrual regardless of hours worked). If this applies to you then you should define your RDO leave settings using Other leave category and accruals that suit the way you want to use them. These examples do NOT apply to you.

Setting RDO default settings

This should be done before adding any employees, so that they “inherit” your preferred settings.

However, RDO's don't always apply to all staff, and SmoothPay allows you to set RDO's up per employee as well.

Settings..Options provides for a default setting for new employees (*and provides a push tool for admin users*).

Rostered Days Off (RDO) options

RDO basis	Pay cycle
RDO cutoff	80 hours

Also, make sure that Settings..Payslips has RDO set to the correct code.

RDO leave code

All coding structures used in SmoothPay are located in the *Codes* tab.

Select **Codes..Leave** (*SmoothPay is distributed with most common leave codes already established - you can edit these to suit the way you want them to work within legal bounds*)

Please note the following:

Category	The Category is extremely important, not only for leave codes but allowances, deductions etc, as these may affect the way payments are recorded on Payment Summaries.
Cost centre	The default cost centre for this type of leave when taken - you can change it to the employee's or any cost centre when it's used
Show balance on employee payslips	It's up to you if you want to show the running balance - this is desirable for annual and RDO leave accruals, perhaps not so desirable for sick, long service etc leave)
Include in Super calculations	YES! Super is payable on anything that would otherwise be ordinary time earnings
Counts towards RDO	Probably yes (it's up to you). RDO leave being taken is instead of ordinary time hours, therefore it's probably liable to RDO just as most other time types would be (see <i>Codes..Time codes</i>)

Note too that the tool options allow an administrative user to push the settings you make here out to staff leave settings (*handy if you're setting up after migration or change in policy*).

Setting RDO's per employee

Each employee's RDO settings can be edited in *Staff..Contract..Overtime/TOIL*

The screenshot shows the NZ Payroll software interface. The top navigation bar includes 'Dashboard', 'Staff', 'Payrun', 'Reports', 'Print', 'Files', 'Settings', 'Pay dates', 'Codes', 'Resources', and 'Tools'. The main content area is for 'Brown, Adrienne' and is divided into tabs: 'Personal', 'Contract', 'Bank', 'History', and 'Leave'. Under the 'Contract' tab, there are sub-tabs: 'Contract details', 'Employment', 'Apprenticeship', 'Overtime/TOIL', 'Timesheet', and 'Misc'. The 'Overtime/TOIL' sub-tab is active, showing 'Automatic overtime options' and 'Standard work pattern'. The 'TOIL (Flexi-time) options' section is highlighted with a red box, showing 'TOIL basis' set to 'Pay cycle above threshold' and 'TOIL cutoff' set to '80.000'.

In this case we've set Adrienne's RDO's to begin after 80 hours of "RDO liable time" (*determined from the time and leave codes that are set to count towards RDO*).

Therefore, if we enter 80 hours of time, no RDO time will accrue.

However, as soon as we exceed that threshold, the balance above the threshold will be accrued as RDO by generating an RDO credit for the excess.

Here's an example payslip with 82 hours of time entered, showing the RDO reversal (the accrual):

Acme Widgets Pty Ltd ABN: 99-999-999-999
Payslip for Smith, Adrienne to 10/07/2011 payday 14/07/2011

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2011-07-08 15:14:29
2.0.8

Adrienne Smith 4096 Fitzherbert Avenue Wopwops QLD 4811	Pay for Period ending Pay day Pay group	1 Fortnight 10/07/2011 14/07/2011 Head office
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Tax code: No TFN (Not exempt), Tax free threshold, LL

Time	Date	Units	Rate	Value
Ordinary time	26/06/2011	80.00	37.3271	2986.17
Ordinary time	26/06/2011	2.00	37.3271	74.65
Rostered days off	10/07/2011	-2.00	37.3271	-74.65
				2986.17

The negative RDO reduces Adrienne's earnings, and after the pay has been processed she will have an extra 2 hours accrued towards her RDO balance.

Taking RDO leave

Using *Staff..Pay..Leave taken*, add an RDO leave entry for the hours, rate and cost centre (etc.).

Adjusting RDO balance

Generally only required when setting up, simply add a transaction to the employee's *Leave..History transactions*.

Troubleshooting

Check the following:

- You have an active RDO (TOIL/glide-time, lieu time) code set up in ***Codes..Leave*** and that the **correct category** is set
- You have ***work and leave codes*** set up to count towards RDO (*generally anything that would otherwise be ordinary time*)
- You have RDO set to that code in ***Settings..Payslips***
- Your employee has RDO set up correctly in ***Contract..Overtime/RDO***
- Your employee has RDO flags set correctly on ***their leave settings*** (*if you're including leave types in your RDO calc*)
- If you're experimenting setting this up you can force a pay recalculation using ***Tools..Recalculate pays***

Feedback

We're always keen to do better!

Any and all feedback is appreciated and if you feel we could include better examples, provide more explanation, provide references to additional information, make a process easier to use, or you spot something that isn't working the way it's supposed to - please let us know.