

# Annualised Salaries - Roadmap to Compliance



## Do you have full-time employees who are paid a salary?

If so, here is your Roadmap to Compliance, to be read in conjunction with this [Fact Sheet](#):

1

Know if your Award is impacted by checking this [table](#). Tip – check for which group your Award falls into.

2

Check that the employee has a signed employment contract which identifies all award entitlements incorporated into the salary eg *penalty rates*

3

Use EmploySure's [Annual Salary Calculator](#) to estimate what the salary covers and what outer limits the employee can work. This will be available from 1 March 2020.

4

Issue a letter confirming the method of calculating the annual salary and outer limits

- a. [Group 1a only](#) - Provide this confirmation [letter \(group 1a\)](#)
- b. [Group 1b only](#) - Provide this confirmation [letter \(group 1b\)](#), which also obtains the employee's consent

5

Use the [timesheet](#) to record start and finish times of work (including unpaid breaks)

6

Have your employees acknowledge this timesheet after every pay period

7

Conduct a reconciliation every 12 months, and on termination, to ensure no underpayment has occurred

8

To cease paying an annualised salary

- a. [Group 1a only](#) – mutual agreement is required so please contact the EmploySure Advice team to draft a contract variation letter
- b. [Group 1b only](#) - terminate the annual salary by giving 12 months' notice using [this termination letter](#), or mutually agree to terminate the annual salary sooner using [this termination letter](#)