

Monthly Salary Accrual Processing FAQs

- What is a salary accrual?
 - A salary accrual is an estimate of salary costs between the last pay day of the month and the last day of the month.
- What is the purpose of the salary accrual?
 - To report salaries based on the number of days in the month rather than the pay periods. This creates greater accuracy by aligning monthly salary budget and expenditure reports.
- How does the salary accrual work?
 - Each month the salary accrual process reports the salary expense for the number of days in the month by accruing expected cost of the remaining days following the last pay.
- What is included in the salary accrual?
 - The accrual includes salary and oncosts for fixed-term and ongoing staff. This includes salaries paid whilst on leave. Overtime and casual salaries are not accrued.
- What happens to the salary accrual during the next month?
 - The salary accrual is reversed in the first pay period of the next month when the actual salary payments are made.
- How is this different from salary reports?
 - Previously salary expenses were reported based on the number of pay periods in the month. This resulted in expenses from the previous month being reported in the current month leading to inconsistent salary expenses month to month.
- Why isn't the information available at an employee level?
 - Salary accrual data is summarised at cost collector level due to the high number of transaction lines that would be generated. By minimising transaction lines, system and report performance is not impacted.