Harmony P - Setting Up Your Payroll Groups

Before you are able to process payroll, you must first create payroll groups to assign your employees into. These are essentially the payroll frequencies (bi-weekly, semi-monthly, etc.) that your company uses to pay your employees. Each employee can only belong to one payroll group at a time, but they can be moved. Once a payroll group is created, it can still be modified until you have any history in that payroll group. Afterwards, it cannot be deleted and the periods that have been processed into history will remain locked.

Note: For Canadian customers, moving employees between payroll groups will affect ROE and tax calculations. We do not recommending moving employee's between payroll groups unless it is the start of a new year, the employee has no history, or it absolutely necessary.

Pre-Requisites

- Have logged into Harmony Payroll
- Have made a note of which payroll year you are logging into

Creating a Payroll Group

1. Navigate to Payroll > Payroll Setup > Payroll Groups.
2. Click the **"+ New"** button to create a new payroll group.
3. Enter all the required fields.

   a. *"Code"* refers to the unique identifier for the payroll group, typically a short name. It uses alphanumeric characters.
   b. *"Name"* refers to the name of the payroll group. Typically it is the type of employee (hourly, salary, etc.) or the pay frequency.
   c. *"Take Home Salary %"* is the percentage at which a warning is triggered for employees' net salary when payroll is processed. If the employee's net pay falls below the set percentage of their gross, then this will alert you during the payroll process.
   d. *"Pay Frequency"* is how often an employee gets paid. This is used to generate the payroll calendar. The number of pay periods per year is shown in square brackets; If you are weekly or bi-weekly pay frequency, please ensure you are selecting the correct number of pay periods.
   e. *"Proration Mode"* identifies if you would like to prorate a salaried employee's pay if they started or terminated in the middle of a pay period. You can prorate based on the actual calendar days in a pay period (e.g. January and February will be prorated differently, since January has 31 days and February has 28/29 days), or by a custom number of days per pay period (e.g. "30" for 30 days).
   f. *"First Pay Period End Date"* refers to the last day of your first pay period *for the year*. It will be used to generate the calendar for the rest of the year. Keep in mind, this is not necessarily the next pay period or the first pay period that you will process in Harmony, but the first period of the calendar year. Even if you are creating a new payroll group in the middle of the year, you will need to have this set assuming the group started from the first period of the year.
   Note: Ensure that you are entering the first pay period end date for the payroll year that you're logged into. For example, if you logged into the payroll year 2023, you should enter your first pay period end date of the 2023 year.
   g. *"First Pay Period Payment Date"* is the date of which the first pay period of the calendar year is paid, or the check/cheque date. It will be used to generate the calendar for the rest of the year. Keep in mind, this is not necessarily the next payment date, but the first period of the calendar year. Even if you are creating a new payroll group in the middle of the year, you will need to have this set assuming the group started from the first period of the year.
   Note: Ensure that you are entering the first pay period payment date for the payroll year that you're logged into. For example, if you logged into the payroll year 2023, you should enter your first pay period payment date of the 2023 year.
4. Click the **"Generate Calendar"** button to generate your pay schedule for the year. You will automatically be redirected back to the list of all payroll groups.
5. Click the three (3) dot button to select the payroll group you just created.
6. Scroll down the page and you will see your pay calendar, or pay schedule, will have been created. Ensure that you review all pay period start and end dates and if necessary, click the edit button to modify these dates.
   Note: You will not be able to change the pay period start and end dates once you begin processing a payroll, so this is critical to ensure that your pay periods for the year are correct. The payment date can be changed at any time, even during the payroll process, but not the pay period start /end dates.
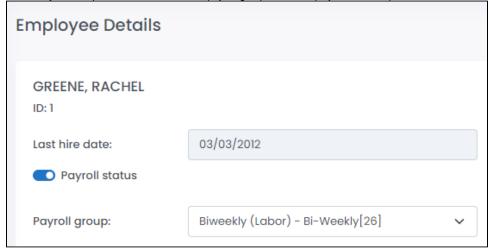
Assigning Your Employees to Payroll Groups

Pre-Requisites

- Employees are created
- Payroll groups are created

Steps

1. Navigate to Payroll > Payroll Employees > Employee List.
2. Select an employee by clicking the three (3) dot button.

3. In the *"Payroll Group"* field, select the correct payroll group for this employee in the dropdown field.

Employee Details

GREENE, RACHEL
ID: 1

Last hire date: 03/03/2012

⬤ Payroll status

Payroll group: Biweekly (Labor) - Bi-Weekly[26]   ⌄

4. Click the **"Save Changes"** button to save your changes.