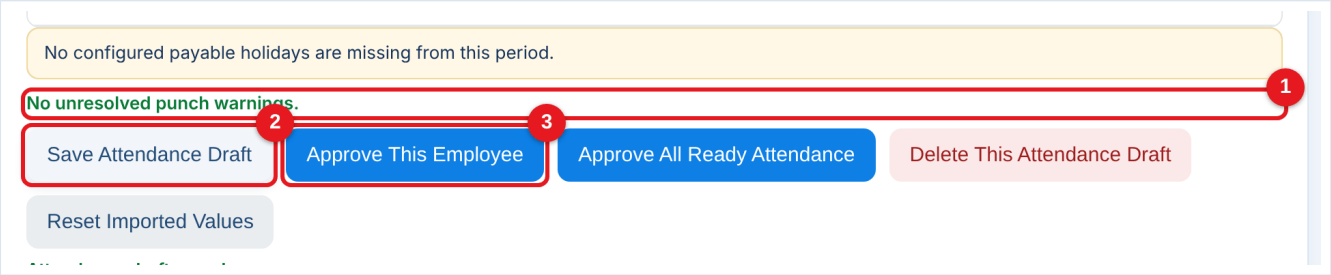


Unused SIL converted to cash: (1) the number of days, (2) the days available.

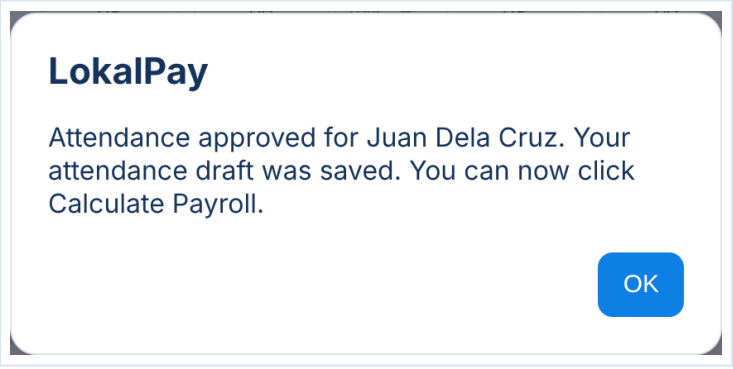
An employee earns 5 days for each full year of service; days not used carry over. The payslip shows the leave used and the days left. Unused days are also paid in final pay (chapter 25).

13. Approve attendance and calculate payroll

1. Verify the employee identity, the cutoff, all punches, absence/rest-day flags, holiday eligibility and approved overtime. Every scheduled workday must have a row.
2. Check that the line under the table says "No unresolved punch warnings" (1). Click Save Attendance Draft (2), then Approve This Employee (3). Approve All Ready Attendance is for reviewed, ready employees only. Approval applies to exactly the selected period; it is not final payroll payment.

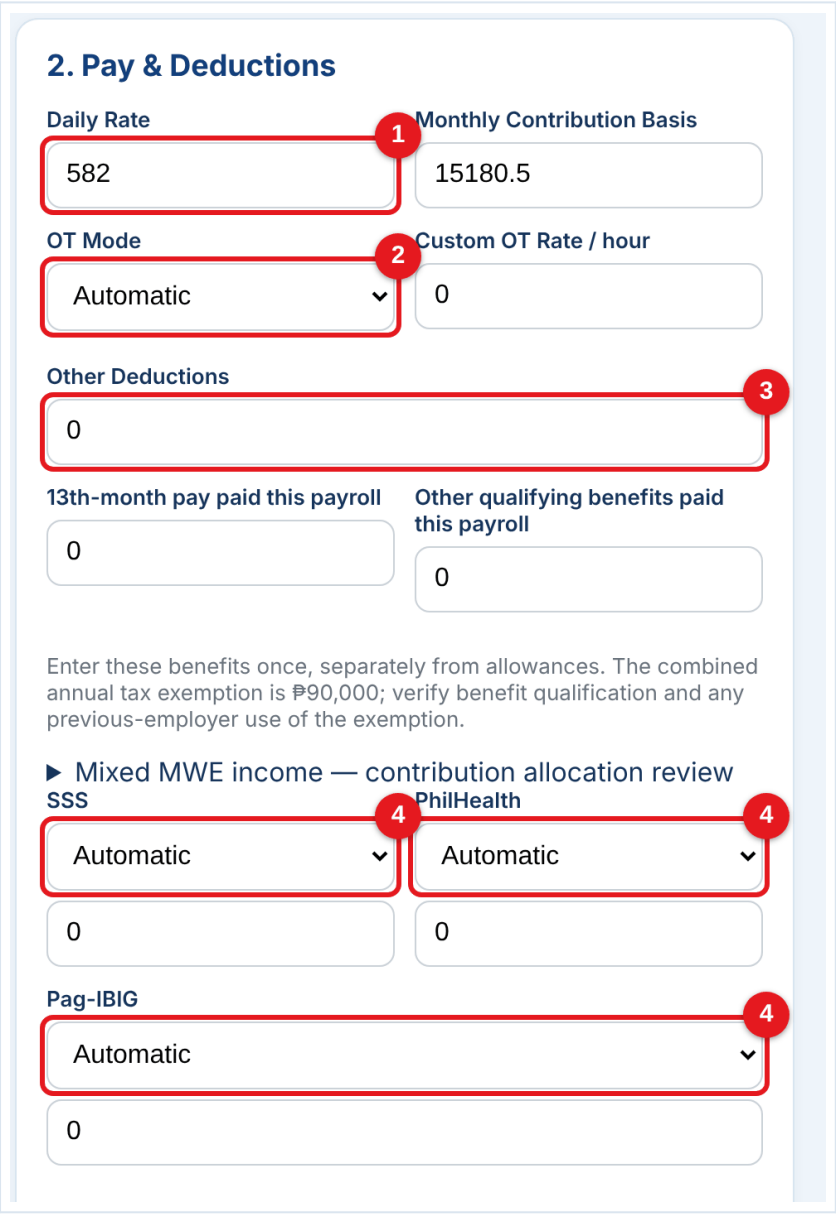


Below the attendance sheet: (1) the warnings line, (2) Save Attendance Draft, (3) Approve This Employee.



The message after a successful approval. Click OK, then Calculate Payroll.

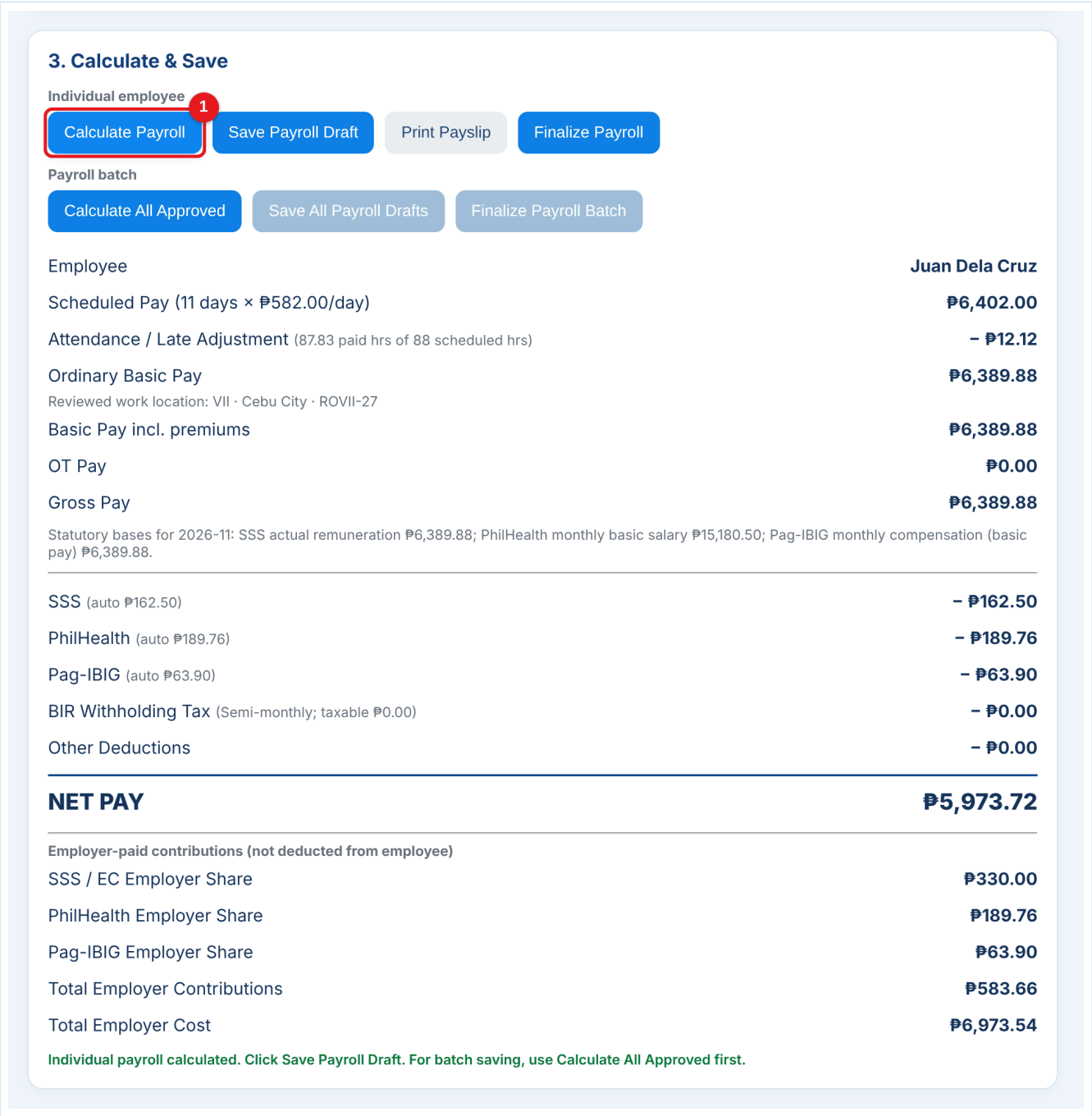
3. Review Pay & Deductions: the Daily Rate (1), the monthly basis, the OT Mode (2), Other Deductions (3), the SSS, PhilHealth and Pag-IBIG modes (4), and any benefits actually paid in this cutoff.



2. Pay & Deductions: (1) Daily Rate, (2) OT Mode, (3) Other Deductions, (4) contribution modes, normally Automatic.

4. Choose Automatic government contribution modes unless a reviewed exception supports Override or Not Applied. Neither exception cancels a statutory obligation; any shortfall remains visible.

5. Click Calculate Payroll (1). Read the result, including the dated rates, the minimum-wage and exemption notes, remuneration, employee contributions, employer cost, taxable compensation, withholding and net pay.



3. Calculate & Save after Calculate Payroll (1). Read it from top to bottom: scheduled pay, late or absence adjustment, gross pay, each deduction, NET PAY, then the employer-paid contributions, which are not deducted from the employee.

6. If calculation is blocked, read the exact message (see chapter 23). Correct the evidence, dates or data, then calculate again. A previously displayed success is not valid after a blocked recalculation; Save and Print are disabled.

7. Have the approver compare the result with the attendance, wage review, prior-month deductions and known benefits. Print a review payslip if permitted.

Payroll is calculated only from approved attendance for this employee and this exact period, including an approval saved before restarting the application. When no daily record exists, tick Calculate from the hours typed above to use typed hours. That choice is saved on the payroll and

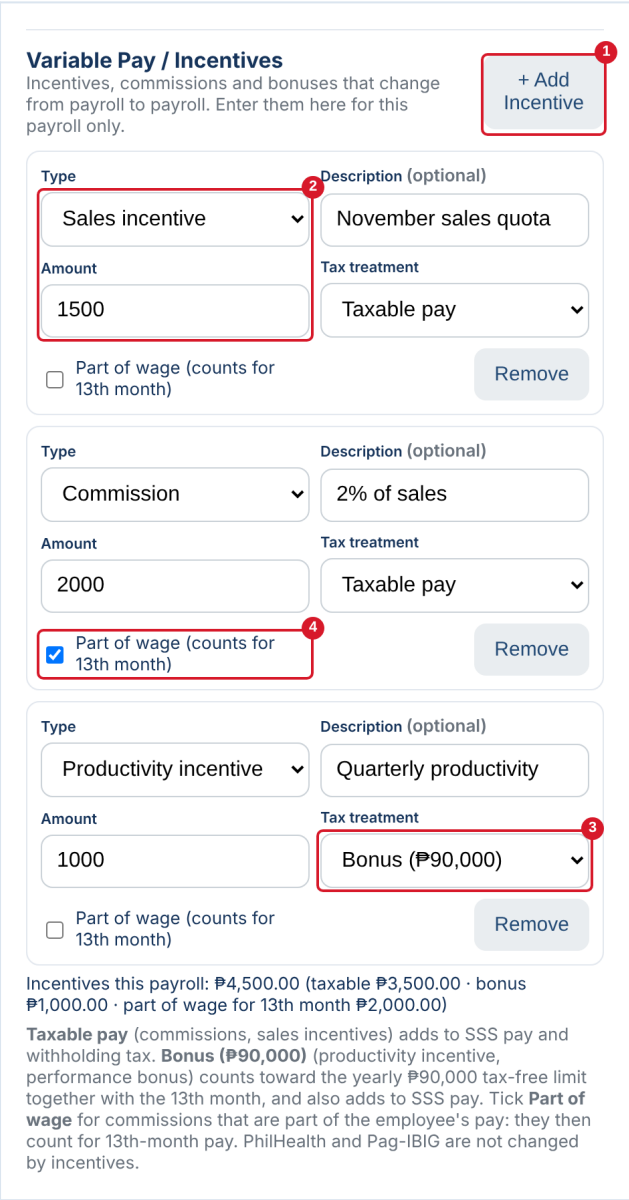
clears when the period or employee changes, so choose the employee and dates first, type the days and hours, and tick the box last. A payroll whose dates overlap another finalized payroll for the same employee is refused; to correct a finalized payroll, open its exact period and save an amendment. Typed hours also work when a new wage review starts inside the period with the same daily rate, MWE status and workplace, and for an employee hired inside the period (fill in the Hire date; wage reviews are needed only from that date). When the daily rate, MWE status or workplace really changes inside the period, approve daily attendance instead, or run two payrolls split at the change date, because typed hours cannot show which days were paid at which rate.

For mixed MWE earnings, expand Mixed MWE income - contribution allocation review. Enter the actual employee mandatory contributions attributable to taxable compensation, plus the reviewer and evidence. Zero is an explicit reviewed allocation, not a default exemption. Do not invent an allocation to make withholding smaller. The application blocks a missing review or an amount greater than the actual deductions. When an employee's MWE status changes inside a cutoff, the payroll is blocked; run it as two payrolls. The advanced switch MWE Status Split (Settings) calculates such a cutoff by segment, but it is off by default and should be turned on only after your accountant approves the method.

Incentives, commissions and bonuses

Incentives, commissions and bonuses that change from payroll to payroll go in Variable Pay / Incentives, in 2. Pay & Deductions under the 13th-month boxes. They belong to this payroll only; the next cutoff starts empty. Do not enter them as allowances.

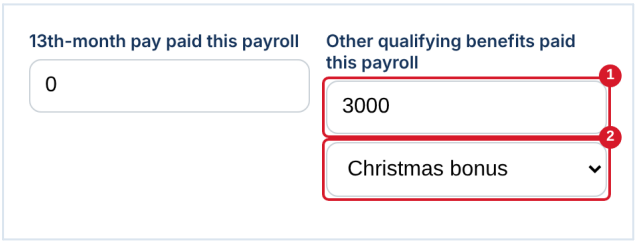
1. Choose the employee and the period first. Click + Add Incentive (1) once for each incentive paid in this cutoff.
2. Choose the Type (2): Sales incentive, Commission, Attendance incentive, Productivity incentive, Performance bonus or Other. Add a short description if useful, and type the Amount.
3. Check the Tax treatment (3). Taxable pay is for commissions and sales incentives: it is added to SSS pay and to withholding tax. Bonus (₱90,000) is for productivity incentives and performance bonuses: it is added to SSS pay and is tax-free only within the yearly ₱90,000 limit it shares with 13th-month pay and other benefits; any amount above the limit is taxed. Productivity incentive and Performance bonus start as Bonus; the others start as Taxable pay.
4. Tick Part of wage (counts for 13th month) (4) for commissions that are part of the employee's pay. They then count toward 13th-month pay. Leave it unticked for productivity bonuses and other incentives. Commission starts ticked.



Variable Pay / Incentives with three incentives: (1) + Add Incentive, (2) Type and Amount, (3) Tax treatment, here Bonus for a productivity incentive, (4) Part of wage for a commission.

5. Click Calculate Payroll. Each incentive appears as its own line on the result and the payslip. PhilHealth and Pag-IBIG do not change, because they are based on basic pay.

Do not enter a Christmas bonus as an incentive. Type it in Other qualifying benefits paid this payroll (1) and choose Christmas bonus (2) under the amount: the SSS rules leave the Christmas bonus out of SSS pay. Other bonuses and benefits in that box stay SSS pay. Either way, the amount shares the ₱90,000 tax-free limit with the 13th month.



Recording a ₱3,000 Christmas bonus: (1) the amount, (2) Christmas bonus.



The calculated payroll for the sample sales employee: (1) the Christmas bonus, (2) each incentive on its own line, (3) SSS, which includes the incentives but not the Christmas bonus.