

A proposed computerized payroll system



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Chapter 1 THE PROBLEM AND REVIEW OF RELATED LITERATURE Introduction

As computer technology changes at such fast phase, many businesses sectors try to cope up by upgrading computer system constantly in order to stay competitive. The multi function ability of technology for its advance system is also an important factor for a company to use software. It makes efficient use of the advance technology and has ambition to discover more. Computers have the great impact on the profession of accounting. With the rapid growth of technology today, there is no doubt that computer will become a common asset in all profession.

The program also allows the monthly payroll schedule to be calculated accurately. Just by having all employees' info like name, working hours, wages etc to enter in the database. Therefore, payroll can be done with the guide of the program. The system is good in for its specialty in the fields of accounting. It is easy to use, effective and efficient in organizing and calculating the payroll. In addition, this study aims to develop a reliable and manageable computerized payroll system for Dona Aurora National High School, Sta. Rita, Aurora, Isabela for a better manageable of a business.

The Proposed Computerized Payroll System will give a big relief of the employee and employers as well. Objectives of the Study The objective of the study is to access the present payroll system of Dona Aurora National High School, Sta. Rita, Aurora, Isabela. 1) To identify the profile of the respondents in terms of their: a.)Age b.)Gender c.)Civil Status 2.) To find out the underlying problems in the present system. 3.) To find out the procedure of the present system. 4.) To find out the accuracy and

effectiveness of the present system. 5.) To determine the possible benefits if the proposed computerized payroll system.

Statement of the Problem This research led to have knowledge to the present system. This research stated following problems searching for an answer: 1.)What are the information about the respondents in terms of: a)Age b)Gender c)Civil Status 2.) What is the flow of the present system? 3.) How accurate and efficient is the present system? 4.)What are the problems encountered in the present system? 5.)What are the possible benefits of the proposed computerized payroll system? Conceptual Framework This conceptual framework makes use of the system's study of input, process and output.

INPUT PROCESS OUTPUT Figure1 The figure shows that a main dimension of the study that is present system of Dona Aurora National High School, Sta. Rita, Aurora, Isabela. Through this diagram, we have come up to proposed systems that easily compute the payroll of the employees. Significance of the Study This study is important for the reason that, it shows how the present system implemented. Exclusively, this study is helpful to the following: To the company. This study helps the development of the company.

To the employees. This study gives them a running tally on their total income. To the payroll specialist. This study helps the payroll specialist / cashier of the company to easy process payment of salaries of the employees To the Researcher. The study will prepare them to be ready for facing the next stage of life, to enhance their knowledge using a different

language, to be skilled and effective researcher in their chosen career path, to have confidence and trust with themselves individually in facing dilemma and to be strong to encounter unexpected problems for the rest of their research.

To the Future Researchers. The study will give them a basic research reference and as a guide for them in making their own research informative. It shows here some data and information about the system proposed that give them as an indication. It gives them overview on how the system documented before its application and give systematic procedure in making a research. Scope and Delimitation The study consists of the development of a computerized payroll system for Dona Aurora National High School.

Data were gathered from the accounting officers, employees, and assigned advisers and for deeper analysis and evaluation in lined with the study The study is focuses on the systematic process of proper and accurate computations of the employee's payroll by their own rate. The study does not include the other branch of Dona Aurora National High School, Sta. Rita, Aurora, Isabela. Definition of Terms In this part of the study, the definitions of terms define based on the study are divided into two (2) categories the technical terms and operational terms.

These terms give some clear meaning related to the system. Technical Computer. A term refers to a device capable of using to process a payroll. Data. This term refers to the information gather from the company. Input. This word refers to the information entered to a computer for processing or computing the salary-using keyboard. Output. Result of computerized payroll

system. System. In this study, this term refers to any group as components that is related or connection with the system. Operational Pay rate. A charge or payment that was set according to a standard scale.

Payroll system. It was use in computing the employee's salary. Payroll. The activity of managing the payments of the workers in the company. Gross pay. It is the total earnings of an employee for a payroll period. Benefits. A service provide for under an annuity, pension plan or insurance. Pay Types: Method of pay, hourly, salaried, etc. Pay Status: Employee eligibility for pay, and termination reasons Pay Cycle codes: Weekly, biweekly, semi-monthly or monthly Bank codes: Parameters associated with a payroll bank account

Chapter II Review of Related Literature

Foreign Jennifer Bailey (March 11, 2008) stated that the provider will supply you with software for tracking each employee's pay rate, deductions, and vocation time. Once you enter the information for the pay period, the software dials into the provider's server and transmits the information. Many companies used a dedicated computer that is not connected to the company network; the direct connection to the provider is not susceptible to the hackers, internet bugs, or internal snoops. Some providers also offer web based employee payroll data entry.

You enter employee information on a secure web page, which feeds directly to the provider. This method is gaining acceptance but is still less popular than modem-based communication. Patricia Fusco (November 19, 2004) stated that the term " payroll" encompasses every employee of a company who receives a regular wages or other compensation. Some employees

maybe paid a steady salary while others are paid for hours worked or the number of items produced. A payroll specialist calculates all of these different payment methods and the appropriate paychecks are issued.

Companies often used objective measuring tools such as time card or timesheets completed by supervisors to determine the total amount of payroll due each pay period. After a payroll account out multiplies an employees hours by his or her pay rate, the gross income is entered into a calculator or computer program. Regular deductions such as tax withholdings, FICA payments (social security), medical insurance, union dues, charitable contributions and so on are the categorized and subtracted. The remaining balance is then converted to a check and becomes the employees' net pay for that time.

Payroll departments also identify the employer and employees by a federal code and keep a running tally on total income and deductions for the fiscal year. Josefina Estolas stated the citation in the book fundamentals of research (2005). Payroll management is a fundamental business requirement in any organization. This is after a tedious process that requires a high level of timelessness, accuracy and good financial controls. Standard and regulatory specifications. Payroll helps to keep workflow cost in check and ensure that all employees are paid on time in any circumstances.

Basic payroll processing service include calculating pay slips and tax obligation for each employees, printing and delivering checks, and providing management reports. Pay slip can be issued on a weekly, biweekly, monthly, semi-monthly or yearly basis. For larger companies with more couples

processing needs, some payroll providers offer HR software systems that track employee benefits information in addition to regular payroll data. Local Charmine Reginaldo (2005), a proposed payroll system, they focused and recommended that their proposed system will eliminate the use of the present system to make the work faster.

The system will provide efficiency of the manipulation of data, accuracy of computation, adequate in safeguarding configuration and sensitive information. Amelia C. Jarado (2005) Researcher for the computerization of the payroll system of Lyceum of Tuao, Cagayan. Founded that there were many problems encountered by the employees regarding the need of the present system such as a wrong input of data records, Data integrity, developing of jobs, updating of data is tedious job, process in accuracy of report time and consuming time in the data processing of many others.

She recommended the computerization of payroll system of the said school because it will be great advantage against to the present manual system and would be more productive. Payroll management, Cris Cataring (2006) Stated that employees' management goes hand in hand with payroll processing. It is a vital component of an organization requirements relating to accounting and management of employees' payroll. A payroll system is expected to uncalculated high flexibility in defining various aspects of payroll management. Questionnaire Dona Aurora National High School, Sta.

Rita, Aurora, Isabela A proposed Computerized Payroll System Direction:

1.)Please [v] the answer most applicable to on the space provided for.
2.)Please share your frank, honest, and sincere answer. I. Respondents

Information Name: _____ Age: Gender: Civil Status: []
 18-20[] male[] single [] 21-23[] female[] married [] 24-26[] separated []
 27-29[] widowed [] 30- above II. Flow of the present system 1. In the
 present that you are using, can you easily compute the monthly salary of the
 employees? [] yes[] no 2.

Is it easy for you to update the record of the employees? [] yes[] no 3. Does
 the present system provide shorter time to summarize the payroll of the
 employees? [] yes[] no 4. Does the present system help the user or
 accountant to compute salary faster and reliable? [] yes[] no 5. Does the
 present system return quick result in retrieving the payroll record of the
 employee? [] yes[] no 6. Is the present system a useful tool in computing
 and managing payroll of the employees? [] yes[] no 7. Is it quickly and
 easily to access payroll information at anytime? [] yes[] no . Is it efficient in
 computing employees' payroll? [] yes[] no LEGEND: 5-Very much problem

3-A problem [] Not a problem at all 4- Much problem 2- Not problem 12345
 III Problems Encountered 1. Unorganized data 2. Time consuming of making
 the general payroll 3. Delayed salary 4. Inaccuracy of reports 5. Lack of staff
 to manage the present the present system 6. Loss of data 7. Security of
 employees data 8. Inefficiency of the computation of employees' payroll IV

Accuracy and Efficiency of the Present System 2345 Accuracy and efficiency
 1. Accuracy in giving the salary 2. Efficient in computing payroll 3. Accuracy
 of reports 4. Efficient of accessing employee's record 5. Accuracy in
 processing of employee's salary salary and deduction 6. Efficient in
 retrieving payroll records V. Benefits of the Computerized Payroll System

12345 Benefits 1. Data are organized. 2. Reduces paper works. 3. Provides

adequate safeguards of data. 4. Easier computation of payroll. 5. Makes easy for the computation of payroll. ***THANKS AND GODBLESS***

_____ Respondent's Signature