**Member Update 12th June 2015 Fair Work Ombudsman (“FWO”) Audit Checklist**

The FWO will send out letter to employers in targeting particular industries at different times. The FWO seeks to give employers the opportunity for employers "to get their act together". The FWO will also send out letters received as a complaint from an employee (or most likely an aggrieved former employee). Whether it is a complaint or an audit, the FWO generally will in the first instance give the employer the opportunity to comply with the FWO’s request to bring wage rates etc into line with the award.

A typical audit letter will be sent out at random to employers in a particular location and industry and employers will then be given about fourteen days to respond to the FWO and to provide the following information;

1. Copy of the Registration of the Employer’s entity (eg Pty Ltd etc), Trading Name Registration, Australian Business Number and address of workplace. (This is a common problem for a number of employers when payslips and group certificate do not match the Employer’s entity details). Business names are not an entity but the partnership, sole trade or company is.
2. The ABN must match the Employer’s Entity.
3. The hourly wage rates paid to the employees including penalty and overtime rates.
4. Copy of Rosters (if any).
5. Copy of a timebook (usually for two pay periods) and to match the same period as the payslips.
6. Copy of a payslips showing gross and net pay, superannuation.
7. Leave records.
8. The FWO will ask if the Employer employs under the Award or an registered Agreement – and will seek the name of that instrument.
9. Are there any employees working under a Visa, apprenticeship or, trainee

The FWO will also take an interest in your Record Keeping. The requirements are below. If these records do not exist now is the time to get that right. If you don’t have them when the FWO requests you will be required to provide the information but there is a risk of penalties in the case of a complaint or claim.

The checklist below should assist to help get your records to be compliant BEFORE an Inspector calls..

**Record Keeping Checklist**

**Pay & conditions**

|  |  |  |
| --- | --- | --- |
| **15 When are your employees paid?** | | □ Weekly□ Fortnightly□ Monthly |
| On which day: | □ Mon□ Tue□ Wed□ Thur□ Fri□ Sat□ Sun |
| Paid by: | □ Cheque□ Cash□ EFT |

**16 Do you include the following details on the employee's pay slip?**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Legal and/or trading name of employer | | YES □ | | NO □ | |
| Employee name | | YES □ | | NO □ | |
| Date of payment (eg 19/06/09) | | YES □ | | NO □ | |
| Period of payment (eg 08/01/09 – 15/01/09) | | YES □ | | NO □ | |
| Gross and net amount of pay | | YES □ | | NO □ | |
| For employees paid an hourly rate – the ordinary hourly  rate of pay, number of hours worked at that rate and the  amount of payment at that rate | N/A □ | | YES □ | | NO □ | |
| For employees paid an annual rate (salary) that rate  as at the last day in the payment period | N/A □ | | YES □ | | NO □ | |
| Details of any deductions made from the employee’s pay |  | | YES □ | | NO □ | |
| Amount and the name of the superannuation fund  (for employers required to make superannuation contributions  for the benefit of employees) |  | | YES □ | | NO □ | |

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| --- | --- | --- | --- |
| **17 Do employees get a pay slip within 1 day after**  **they're paid?** |  | YES □ | NO □ |

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| --- | --- | --- | --- |
| **18 Do casual employees receive the correct loading**  **for ordinary time/overtime/weekend work and public**  **holidays in accordance with the relevant**  **Award/Agreement/Act?** | N/A □ | YES □ | NO □ |

|  |  |  |  |
| --- | --- | --- | --- |
| **19 Is work performed on weekends, nights or public holidays?** | N/A □ | YES □ | NO □ |
| Do you accurately record the start and finish times for  employees who receive penalty rates? | N/A □ | YES □ | NO □ |
| Do you pay the correct penalty rates (according to the  relevant Award/Agreement/Act)? | N/A □ | YES □ | NO □ |

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| --- | --- | --- | --- |
| **20 Are district/uniform/late work or other allowances**  **being paid as per the relevant Award/Agreement/Act?** | N/A □ | YES □ | NO □ |

|  |  |  |  |
| --- | --- | --- | --- |
| **21 Do employees get the correct meal break according**  **to the relevant Award/Agreement/Act?** | N/A □ | YES □ | NO □ |
| If no, are employees properly compensated? | N/A □ | YES □ | NO □ |

List the areas where you need to take action to meet the pay and conditions checklist requirements.

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**Time & wages record keeping**

**22 Do you include these details on the employee's records?**

**Note: You can keep manual and/or electronic records.**

|  |  |  |
| --- | --- | --- |
| Legal and/or trading name of employer | YES □ | NO □ |
| Employee name | YES □ | NO □ |
| Date the employee commenced work with the employer | YES □ | NO □ |
| Employee status – whether the employee undertakes part time or full time work and whether they are engaged as a permanent, temporary or casual employee | YES □ | NO □ |
| Number of hours worked | YES □ | NO □ |
| Number of overtime hours worked | YES □ | NO □ |
| Rate of pay | YES □ | NO □ |
| Any written agreements of hours worked | YES □ | NO □ |
| Gross and net amount of pay | YES □ | NO □ |
| Deduction details | YES □ | NO □ |
| Monetary allowances | YES □ | NO □ |
| Leave accrued/taken | YES □ | NO □ |
| Superannuation details | YES □ | NO □ |
| Termination details | YES □ | NO □ |

|  |  |  |
| --- | --- | --- |
| **23 Did you know you have to keep time and wages**  **records for 7 years?** | YES □ | NO □ |