# FNSPAY511 Process salary packaging arrangements and additional allowances in payroll

Release: 1

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## Modification History

| Release | Comments |
|---------|----------|
| Release 1 | This version first released with the FNS Financial Services Training Package Version 8.0. Supersedes and is equivalent to FNSPAY501 Process salary packaging arrangements and additional allowances in payroll. |

## Application

This unit describes the skills and knowledge required to process salary packaging arrangements and additional allowances for employees in payroll systems. This includes analysing an organisation's salary packaging and additional allowance arrangements, assisting employees to interpret prepared arrangements, and issuing payment summaries.

The unit applies to individuals who, within their level of authority, use established payroll systems, systematic approaches and analytical techniques to prepare data, calculate and verify payments, and ensure compliance with regulatory requirements.

Work functions in the occupational areas where this unit may be used are subject to regulatory requirements. Users are advised to check with the relevant state and territory regulatory authorities to confirm those requirements.

## Unit Sector

Payroll

## Elements and Performance Criteria

| ELEMENT | PERFORMANCE CRITERIA |
|---------|----------------------|
| *Elements describe the essential outcomes.* | *Performance criteria describe the performance needed to demonstrate achievement of the element.* |
| 1. Analyse organisation's salary packaging and additional allowance arrangements | 1.1 Identify organisational and legislative requirements for salary packaging arrangements and additional allowances<br>1.2 Evaluate benefits and costs of different salary packaging options<br>1.3 Determine organisation's preferred salary packaging model<br>1.4 Identify range of benefits that form part of employee salary |

| ELEMENT | PERFORMANCE CRITERIA |
|---|---|
| | packaging arrangements |
| | 1.5 Verify that salary packaging arrangements and additional allowances comply with required legislation and organisational policies and procedures |
| 2. Assist employees to interpret prepared salary packaging arrangements | 2.1 Prepare information for employees on available salary packaging options |
| | 2.2 Distribute information to employees according to organisational policies and procedures |
| | 2.3 Assist employees to assess the implications of salary packaging options on assessable income and employment conditions |
| 3. Process salary packaging arrangements in payroll system | 3.1 Obtain employee information required to process salary packaging arrangements according to organisational procedures |
| | 3.2 Enter information into payroll system and check for accuracy against source information, seeking clarification as required |
| | 3.3 Determine tax and non-tax components of salary packaging arrangements |
| | 3.4 Calculate impact of salary packaging on employee's assessable income in payroll system |
| 4. Process additional allowances in payroll system | 4.1 Obtain employee information required to process additional allowances relating to their employment conditions according to organisational procedures |
| | 4.2 Enter information into payroll system and check for accuracy against source information, seeking clarification as required |
| | 4.3 Calculate impact of additional allowances on employee's gross income in payroll system |
| | 4.4 Adjust additional allowances to be paid to employee in response to changes in their employment conditions as required |
| 5. Issue income statement and document outcomes | 5.1 Issue income statement using Single Touch Payroll according to legislative and organisational requirements |
| | 5.2 Produce, review and store payroll records relating to employee salary packaging arrangements and additional allowances according to organisational policies and procedures |

## Foundation Skills

*This section describes those language, literacy, numeracy and employment skills that are essential to performance but not explicit in the performance criteria.*

| SKILL | DESCRIPTION |
|---|---|
| Oral communication | • Uses vocabulary, pace, intonation and gestures relevant to audience when communicating with stakeholders to seek and provide information |
| Numeracy | • Analyses financial data and performs mathematical calculations to complete requirements of complex and non-complex payroll documentation |
| Reading | • Researches and analyses financial information and data from a range of sources to identify key aspects relating to requirements |
| Writing | • Records information and completes forms using correct spelling, grammar, terminology, and conventions<br>• Uses clear language and concepts appropriate to audience to convey and clarify explicit information and requirements in written documentation |
| Technology | • Uses the main features and functions of digital tools and payroll system software in a range of familiar and some unfamiliar contexts |

## Unit Mapping Information

Supersedes and is equivalent to FNSPAY501 Process salary packaging arrangements and additional allowances in payroll.

## Links

Companion Volume Implementation Guide is found on VETNet - https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=c7200cc8-0566-4f04-b76f-e89fd6f102fe