



**Australian Government**

**Assessment Requirements for FNSPAY513  
Process complex employee terminations in  
payroll**

**Release: 1**

## Assessment Requirements for FNSPAY513 Process complex employee terminations in payroll

### Modification History

Release	Comments
Release 1	<p>This version first released with the FNS Financial Services Training Package Version 8.0.</p> <p>Supersedes and is equivalent to FNSPAY503 Process complex employee terminations in payroll.</p>

### Performance Evidence

The candidate must demonstrate the ability to complete the tasks outlined in the elements, performance criteria and foundation skills of this unit, including evidence of the ability to:

- process at least one of each of the following three complex employee termination types in payroll systems:
  - resignation
  - redundancy
  - retirement
- process at least one of the following termination types in payroll systems:
  - dismissal
  - unfair dismissal
  - invalidity
  - death
  - termination for pre-August 1983 starters
  - redundancy or early retirement.

### Knowledge Evidence

The candidate must be able to demonstrate knowledge to complete the tasks outlined in the elements, performance criteria and foundation skills of this unit, including knowledge of:

- different types of employment terminations, including:
  - resignation
  - redundancy
  - retirement
  - dismissal, including unfair dismissal
  - invalidity

- death
- termination for pre-August 1983 starters
- key types of employment termination payments (ETPs) and when they are used
- key features of organisational policies and procedures relating to ETPs
- legislative requirements relating to termination notice periods and redundancy payments
- significance of determining the preservation age of an employee on termination
- tax treatment for a redundancy payment, including the Lump Sum D component and any excess over the tax-free Lump Sum D amount
- tax treatment options for unused annual leave and long service leave on termination
- different tax treatments of ETPs and how they are calculated, including:
  - excluded ETPs
  - non-excluded ETPs
- types of termination payments that are subject to superannuation contributions
- impact of legislative requirements on complex employee terminations, including of:
  - legislation relating to employment termination processes
  - legislation relating to calculating and issuing employment termination payments
  - Fair Work Act recordkeeping requirements relating to employment termination processes
  - state legislation, including long service leave entitlements
  - processing requirements through Single Touch Payroll
- sources of information on employment termination processes that can be accessed to maintain currency of knowledge and to seek advice
- commonwealth, state and territory legislative requirements relating to processing employee terminations in payroll, including:
  - final salary and wages payments
  - unused annual leave and long service leave
  - notice and redundancy payments
  - unused rostered days off (RDOs) and other entitlements
  - gratuities
  - settlements.

## Assessment Conditions

Skills in this unit must be demonstrated in a workplace or simulated environment where the conditions are typical of those in a working environment in this industry.

This includes access to:

- office equipment, technology, software and consumables required to process complex employee terminations in payroll, including payroll system.
- organisational policies and procedures.

Assessors of this unit must satisfy the requirements for assessors in applicable vocational education and training legislation, frameworks and/or standards.

## **Links**

Companion Volume Implementation Guide is found on VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=c7200cc8-0566-4f04-b76f-e89fd6f102fe>