



Australian Government

FNSTPB402 Establish and maintain payroll systems

Release: 1

FNSTPB402 Establish and maintain payroll systems

Modification History

Release	Comments
Release 1	This version first released with FNS Financial Services Training Package Version 3.0.

Application

This unit describes the skills and knowledge required to record and prepare payroll documentation, respond to enquiries, and process payroll data for manual and computerised systems.

It applies to individuals, including BAS agents, who use a range of organisational and other specialist techniques. They may work directly for organisations or be small business owners, contractors or service providers.

Work functions in the occupational areas where this unit may be used are subject to regulatory requirements. This unit is designed to meet the education requirements of the Tax Practitioner Board (TPB). Refer to the FNS Financial Services Training Package Companion Volume Implementation Guide or the relevant regulator for specific guidance on regulatory requirements.

Unit Sector

Bookkeeping

Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
<i>Elements describe the essential outcomes.</i>	<i>Performance criteria describe the performance needed to demonstrate achievement of the element.</i>
1. Establish payroll requirements	1.1 Assess scope of payroll services that a business activity statement (BAS) agent can provide, and identify need for independent expert advice 1.2 Apply knowledge of legislation in relation to National Employment Standards, and legislative requirements in regard to payroll payments 1.3 Research and identify relevant state and modern awards, and

ELEMENT	PERFORMANCE CRITERIA
	employment agreements, regarding details to be set up in payroll system for individual employees
2. Record payroll data	2.1 Configure payroll system with complete data provided by employee and employer 2.2 Review payroll data and clarify discrepancies with designated persons 2.3 Enter employee pay period details in payroll system in line with source data
3. Prepare and process payroll	3.1 Conduct payroll preparation within designated timeframes and according to organisational policy and procedures 3.2 Use employee source data to calculate, record and reconcile payroll according to legislative requirements 3.3 Reconcile total payments for pay period, and review and correct irregularities or refer them to designated persons for resolution 3.4 Obtain authorisation of payroll and make arrangements for individuals' payments in line with organisational requirements 3.5 Distribute individual pay advice according to organisational and legislative requirements 3.6 Identify legislative and organisational requirements relevant to employment termination processes and payment, and seek advice to interpret requirements as required 3.7 Produce, review and store payroll records according to organisational policy and security procedures
4. Handle payroll enquiries	4.1 Respond to payroll enquiries according to organisational and legislative requirements 4.2 Provide information according to organisational and legislative requirements 4.3 Refer enquiries outside area of responsibility or knowledge to designated persons for resolution 4.4 Provide additional information or complete follow-up action within designated timeframes and according to organisational policy and procedures
5. Maintain payroll	5.1 Maintain information and record keeping relating to payroll function according to current legislative and regulatory requirements 5.2 Prepare and reconcile month-end and year-end payroll

ELEMENT	PERFORMANCE CRITERIA
	records to ensure compliance with legislative and management deadlines 5.3 Update records and systems in line with salary reviews and other changes in employment status 5.4 Establish back-up and disaster recovery systems 5.5 Generate and distribute payroll reports in line with organisational policy 5.6 Extract and apply BAS and instalment activity statement (IAS) data according to legislative and regulatory requirements

Foundation Skills

This section describes those language, literacy and numeracy and employment skills that are essential to performance.

Skill	Description
Reading	Reviews and compares details of information to meet requirements, and interprets and analyses an extensive range of structurally intricate texts to inform actions
Writing	- Records detailed information accurately in required formats for individuals - Prepares, produces and updates accurate payroll record information in a range of report formats to meet organisational requirements - Produces logically sequenced texts in response to enquiries
Oral communication	- Participates effectively in exchanges of information using questioning and active listening to clarify details, and clear and direct language to refer problems to supervisor - Clearly articulates responses to enquiries using language, tone and pace appropriate to audience
Numeracy	- Uses calculation skills and mathematical formulas to prepare, record, reconcile, check and report payroll data in a range of formats - Defines timeframes in line with schedule requirements
Navigate the world of work	Takes responsibility for complying with organisational policy and procedures, and legal and regulatory requirements
Interact with others	Cooperates and collaborates with others as part of familiar routine activities and contributes to activities requiring joint responsibility and accountability

Skill	Description
Get the work done	- Plans, organises and completes work according to defined requirements, taking responsibility for sequencing tasks to achieve efficient outcomes - Uses systematic analytical processes in complex routine and non-routine situations, gathering information, reviewing and reconciling data, and identifying and evaluating potential solutions - Uses digital tools to conduct research, design work processes and to complete work tasks

Range of Conditions

This section specifies different work environments and conditions that may affect performance. Essential operating conditions that may be present (depending on the work situation, needs of the candidate, accessibility of the item, and local industry and regional contexts) are included.

Payroll preparation must include:	- calculating gross pay - calculating net pay - preparing pay advice slips - preparing payments - calculating superannuation, taxation and other deductions.
Payroll records must include:	- electronic funds transfer - employee summary report - end of month reports - end of year reports - pay advice slips - payment summaries - taxation reports - termination payments.

Unit Mapping Information

Code and title current version	Code and title previous version	Comments	Equivalence status
FNSTPB402 Establish and maintain payroll	FNSBKG405 Establish and maintain a payroll	Updated to meet Tax Practitioners Board requirements. Minor	Equivalent unit.

Code and title current version	Code and title previous version	Comments	Equivalence status
systems (Release 1)	system (Release 2)	editorial changes to unit title. Changes to performance criteria in Elements 1–3. Changes to assessment requirements to clarify intent.	

Links

Companion volumes are available from VETNet. -

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

Assessment Requirements for FNSTPB402 Establish and maintain payroll systems

Modification History

Release	Comments
Release 1	This version first released with FNS Financial Services Training Package Version 3.0.

Performance Evidence

Evidence of the ability to:

- identify, calculate and input data from time-recording systems for payments into manual or computerised payroll systems
- produce a payroll report according to organisational and legislative requirements
- present a payroll report for verification and approval
- maintain records according to organisational and legislative requirements that relate to security and confidentiality of information.

Note: If a specific volume or frequency is not stated, then evidence must be provided at least once.

Knowledge Evidence

The candidate must be able to demonstrate the following knowledge to effectively complete the tasks outlined in the elements and performance criteria of this unit, and to manage tasks and reasonably foreseeable contingencies in the context of the work role.

- Scope of services offered by a business activity statement (BAS) agent providing payroll services
- Key principles of award and enterprise agreements and industrial instruments required to maintain payroll systems
- Organisational policy and procedures that affect payroll, including the structure of authority in organisations
- Industry codes of practice relevant to payroll operations
- Key features of manual and computerised payroll systems
- Legislative and record-keeping requirements from all levels of government that affect business operation and reporting requirements, especially in regard to:
 - Fair Work Act
 - National Employment Standards

- Superannuation Guarantee (Administration) Act
- corporations law
- workers compensation and work health and safety
- state payroll tax relating to payroll activities
- Privacy Act and requirements relating to confidentiality and security of records
- Higher Education Loan Program (HELP)
- Medicare levy
- Tax Agent Services Act (TASA)
- current commonwealth, state and territory industry and modern awards, and enterprise bargaining agreements
- individual employment agreements
- commonwealth, state and territory leave Acts, including annual, personal, paid parental and long service
- Australian Bureau of Statistics (ABS) Act
- Current Australian Taxation Office (ATO) requirements relating to payroll systems, including:
 - Australian business number (ABN)
 - payment summaries
 - employment termination payments (ETPs)
 - tax file number (TFN) declaration
- Tax Practitioners Board (TPB) requirements relating to payroll systems, including:
 - registration and scope of services documentation requirements for BAS agents
 - code of professional conduct
- Key requirements of taxation law relating to payroll systems, including:
 - pay as you go instalment (PAYGI) tax
 - pay as you go withholding (PAYGW) tax
 - fringe benefits tax (FBT) as it relates to salary packaging
- Key aspects of routine and non-routine requirements for payroll, including:
 - routine: award payments, salary amount, salary packaging, superannuation guarantee and superannuation reporting
 - non-routine: termination payments and superannuation guarantee charge
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Assessment Conditions

Assessment must be conducted in a safe environment where evidence gathered demonstrates consistent performance of typical activities experienced in the bookkeeping field of work and include access to:

- office equipment, technology, software and consumables required to establish and maintain a payroll system, including:
 - workplace reference materials, such as procedural manuals and organisational policy

- actual or simulated payroll data.

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

This unit is designed to meet the education requirements of the Tax Practitioner Board (TPB). Where registration with the TPB is sought, assessment must reflect the conditions described by the regulator which stipulate that a significant amount (at least 40%) must be completed under some form of independent supervision. Where recognition of prior learning (RPL) is used, it must also meet the requirements of the Board's policy on RPL.

Details of requirements can be accessed on the TPB website at <<http://www.tpb.gov.au>>.

If undertaking this unit for BAS agent registration, the following items in the Range of Conditions must be addressed in the assessment to meet educational requirements for registration with the TPB:

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