


# Certified Payroll Specialists C.P.S.

## Exam Overview



Your  
complete  
guide to  
C.P.S.

Certified Payroll  
Specialists Exam

# Certified Payroll Specialists C.P.S.

## Exam Overview

### Purpose

The examination is designed to test experienced payroll officers to ensure they have a thorough and up-to-date knowledge of all general payroll procedures. Successful completion of the examination gives the participant Certified Payroll Specialist status.

The C.P.S. qualification is the base level benchmark in Australian payroll and as such the content of the exam reflects the knowledge and skills that could be reasonably expected of any Payroll Specialist processing pays for Australian based employees. For that reason the exam does not cover (in any detail) some higher level or idiosyncratic topics such as Payroll Tax or Salary Packaging and Fringe Benefits Tax.

### Who Is It For?

The certificate is particularly relevant to experienced pay staff who wish to acquire documentary proof of their proficiency without needing to undertake a lengthy course of study. The certificate would be viewed by employers as confirmation that competent payroll practitioners are being employed to fulfill their payroll obligations.

### How It Is Obtained?

Certified Payroll Specialist status is obtained by successfully completing an examination which takes one full day to complete. The examination can be done in the TAPS training facilities or under supervision at your own workplace.

### Who Is Eligible To Apply?

Any person with at least two year's practical experience in payroll may apply.

The number of candidates on each sitting day will be restricted to ensure proper stewardship of the exam.

### Employer Advantages

The certificate will be seen as a benchmark for payroll staff development and career progression. Employers should regard the certificate as a prerequisite when wishing to recruit experienced payroll practitioners in the future.



# Certified Payroll Specialists C.P.S.

## Exam Overview

### Employee Advantages

The certificate will be seen as a documentary evidence of having attained a national standard in payroll proficiency. It may be used to secure employment and improve career prospects in the payroll fields. Successful completion of the examination entitles the bearer to the accreditation C.P.S. (Certified Payroll Specialist)

### Outline

#### Marks

The examination tests all facets of payroll knowledge and is divided into seven sections. To achieve a pass mark, the student must receive 60% in each section and 70% overall.

The sections are divided as follows:

Section	Total points
General knowledge	20
Award interpretation	20
Superannuation	20
Annual leave legislation	20
Long service leave legislation	20
General payroll calculations	50
Termination payments - knowledge and calculations	50

The completed test papers will be marked and all candidates informed of the results within one month.

This certificate is the benchmark for payroll proficiency. Upon successfully meeting the standards required in the examination the candidate is entitled to use the accreditation C.P.S. (Certified Payroll Specialist) after his/her name.

# Certified Payroll Specialists C.P.S.

## Exam Overview

### Ongoing Education Component

The aim of TAPS' continuing professional education programme is to enable payroll practitioners to continuously develop their skills. Studying for professional qualifications provides a valuable base of knowledge but making a commitment to keep informed in an ever-changing environment is equally vital. Maintaining and refreshing the original value of professional studies is a key requirement in retaining your C.P.S. designation.

#### Retaining your C.P.S. status

To retain the Certified Payroll Specialist designation, it is a requirement that a certain number of points of continuing professional education be attained.

If you gain your C.P.S. between April and September you will require 750 points by the September twelve months later to maintain your C.P.S. standing. Similarly, if you gain your C.P.S. between October and March you will require 750 points by the March twelve months later.

You will then be required to attain 1500 points in each successive twelve month period.

Documentary evidence needs to be attached to the renewal form.

#### Documentary evidence:

If you have attended a TAPS training course, you will have been advised of the points earned either on the certificate of attainment or on the attendance certificate you requested at registration (e.g. at Payroll Briefings or Compact Conferences).

For non-TAPS courses, you will need, as a minimum, the following:

- Name of provider
- Proof of attendance (not merely confirmation of registration)
- Length of course
- Course Content

If you attend training provided by another organisation, you will be required to calculate the points yourself. One hour of education is equivalent to 100 points. e.g. Training run 9am to 5pm with one hour for lunch will be deemed to have 7 hours of education.

**7 hours x 100 points = 700 points**

# Certified Payroll Specialists C.P.S.

## Exam Overview

### Study Guide

The information below is designed to give you a brief guide to each section of the C.P.S. examination and the types of questions participants may encounter.

#### Information Provided

Along with the examination, we will provide the following information to help the student complete the examination:

- Weekly Tax Table
- Weekly Higher Education Loan Programme Tax Table
- Long Service Leave Calculation Tables
- "TAPS" Clerical and Administrative Employees' Award

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# Certified Payroll Specialists C.P.S.

## Exam Overview

### General Knowledge

This section will test your understanding of “basic” payroll concepts. You should have some knowledge of the following:

- Payroll tax (e.g. rates for your State)
- Withholding Tax and payment dates
- Payment Summaries (including reportable fringe benefits)
- Record keeping requirements
- Tax File Number and Withholding Declarations
- Leave Loading
- Back Payments
- Allowances (PAYG Bulletin Number 1)

### Award Interpretation

This section will test the student’s ability to interpret conditions of employment that apply to an employee and then correctly pay that employee.

We will provide an “award” containing the conditions of employment for certain workers with the examination.

It is not a current or well known award and some sections of the award have been adapted for the examination.

We understand that current Federal legislation may have over-ridden conditions in many awards, however, **this section of the examination is an interpretation exercise only and current legislation will not apply.**

While we are providing an award for the examination, it equally could have been an Enterprise Agreement, a Common Law contract or some other document that outlines employment conditions

### Superannuation

The superannuation section of the examination is designed to test the student’s understanding of the Superannuation Guarantee Legislation.

Students should be familiar with the SGC legislation prior to attempting the examination. We recommend you read Superannuation Guarantee Ruling 2009/2 available on the ATO’s legal database <http://law.ato.gov.au/atolaw/index.htm>

You should also have knowledge of the following:

- Payment rates and dates
- Who is entitled to receive contributions
- SG maximum contribution limits

# Certified Payroll Specialists C.P.S.

## Exam Overview

- Concessional contribution limits
  - Reportable Employer Superannuation Contributions
- Superannuation calculations will need to be completed.

### Annual Leave Legislation

This section is designed to test students' knowledge of annual leave legislation.

The questions must be answered based on the current Federal **Fair Work Act 2009**.

Questions should only be answered in accordance with legislation and not according to any particular award or agreement used in your workplace.

Questions will cover areas such as:

- Leave accrual rates
- Entitlements for non-shift workers
- Entitlements for shift workers

Leave calculations will also need to be completed

### Long Service Leave Legislation

This section is designed to test students' knowledge of long service leave legislation.

Questions should only be answered in accordance with the State Long Service Leave legislation of the State they work in and not according to any particular award or agreement or other LSL legislation used in their workplace.

They should be familiar with one of the following Acts:

- NSW Long Service Leave Act 1955
- VIC Long Service Leave Act 1992
- QLD Industrial Relations Act 1999
- SA Long Service Leave Act 1987
- NT Long Service Leave Act
- TAS Long Service Leave Act 1976
- WA Long Service Leave Act 1958
- ACT Long Service Leave Act 1976

There are no questions in relation to long service leave legislation covering the mining or other industries.

# Certified Payroll Specialists C.P.S.

## Exam Overview

Questions will cover areas such as:

- Accrual Rates
- Entitlement and Pro-Rata

Leave calculations will also need to be done.

An entitlements calculation table will be provided to assist students with this part of the examination. (This table is a spreadsheet that lists how many weeks entitlement an employee would have for the same amount of service under various accrual options).

### General Payroll Calculations

Here students will be required to perform calculations that are common to an “everyday” payroll situation:

- Hourly rates
- Overtime
- Penalty rates
- Back payments
- Bonuses
- Annual Leave Payments in advance

Many of the calculations will need to be answered in accordance with the rules of the Award we provided for the Award interpretation section. (e.g. the award may specify the minimum payment for overtime if it is worked in a week – the overtime calculation in this section will require that you follow that rule to determine the amount payable)

Taxation of all the above including HELP, tax offsets and variations to withholding will also need to be done.

Familiarity with tax tables such as NAT 1005, NAT 2173, NAT 70980, NAT 3351, NAT 3348, NAT 7905 will be useful.

### Terminations

This section is designed to test the student's knowledge of all areas surrounding a termination including:

- Marginal Rates
- Employment Termination Payments (ETPs)
- Lump Sum payments and thresholds
- ATO forms relating to termination (including how to complete them)
- Taxation rates and thresholds for various termination payments

Calculations will also need to be performed.