



Australian Government

Department of Education, Employment and Workplace Relations

CSCORG508A Determine the effective use of financial resources

Revision Number: 2

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Modification History

CSCORG508A Release 2: Layout adjusted. No changes to content.

CSCORG508A Release 1: Primary release.

Unit Descriptor

This unit of competency describes the outcomes required to manage resources across substantial programs and activities of work. It covers making proposals for expenditure, agreeing budgets and controlling activities so that they operate within budget.

This is a generic management unit that has been designed to be contextualised for the requirements of different organisations and work roles.

Application of the Unit

This unit applies to candidates with both general and specialist competencies from a range of occupational areas.

Application of this unit will vary depending on legal and accountability structures of the organisation and will be influenced by whether performance is applied in a public sector organisation or a corporate sector organisation and the nature of service contracts and reporting.

In practice, determining the effective use of financial resources will overlap with other generalist or specialist work activities such as managing a work team, managing activities to meet client requirements, contributing to the goals of the organisation, gathering and reporting complex information, etc.

Licensing/Regulatory Information

Not applicable.

Pre-Requisites

Not applicable.

Employability Skills Information

This unit contains employability skills.

Elements and Performance Criteria Pre-Content

Elements describe the essential outcomes of a unit of competency.

Performance criteria describe the required performance needed to demonstrate achievement of the element. Where ***bold italicised*** text is used, further information is detailed in the required skills and knowledge and/or the range statement. Assessment of performance is to be consistent with the evidence guide.

Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
1 Identify financial resource requirements.	<p>1.1 Consult with key people to develop and endorse <i>proposals for expenditure</i>.</p> <p>1.2 Ensure proposed expenditure takes into account <i>factors likely to affect costs and returns</i>.</p> <p>1.3 Link proposed financed activities to organisational objectives and strategies.</p> <p>1.4 Ensure proposed financed activities include targets, standards and monitoring methods.</p>
2 Establish budgets for activities.	<p>2.1 Ensure relevant people participate in determining a budget that is clear, concise and presents a cost-benefit analysis.</p> <p>2.2 Present <i>budget proposals</i> in the format required by your organisational management practices.</p> <p>2.3 Conduct negotiations in a way that maintains good working relationships with the people involved.</p> <p>2.4 Resolve and report areas of uncertainty or contention and negotiate and finalise agreements in the time required.</p> <p>2.5 Provide relevant people with information about the budget decisions in a manner and timeframe that contribute to their cooperation and confidence.</p>
3 Control expenditure and activities against budget.	<p>3.1 Ensure team members take individual responsibility for monitoring and controlling expenditure and activities against budgets.</p> <p>3.2 Implement a method of <i>regular monitoring</i> of expenditure and activities against budgets that complies with the organisation's requirements.</p> <p>3.3 Take corrective action in response to actual or potential significant variation from budgets promptly and effectively and report outcomes.</p> <p>3.4 Refer requests for expenditure outside the area of the budgets promptly to the relevant people.</p> <p>3.5 Complete records of activities against budgets accurately and make available to authorised people.</p>

Required Skills and Knowledge

This section describes the essential skills and knowledge and their level, required for this unit.

Required skills:

- accessing and using legislation and guidelines relating to financial planning, management, reporting and accountability
- reading complex and formal documents, such as legislation, policies, procedures and accounting standards and providing advice on their interpretation and application
- detailing requirements, writing recommendations and preparing financial plans
- using financial applications for entering data and preparing reports requiring accuracy of expression
- communicating with key people using a range of communication styles to suit different audiences and purposes
- using communication strategies involving exchanges of complex financial information.

Required knowledge:

- legislation, regulations, organisational policies and procedures, strategic plans relevant to financial planning, management, reporting and accountability
- Environmental or sustainability legislation, regulations and codes of practice applicable to industry
- corporate governance requirements
- relationships of financial management compliance framework to organisational structures
- organisational general management and accountability structures and systems
- methods of analysing and costing resource capacity and use
- internal control mechanisms and accountability of processes and resources
- accrual accounting principles
- professional, ethical and business standards for financial management
- financial recording and reporting requirements.

Evidence Guide

The Evidence Guide provides advice on assessment and must be read in conjunction with the performance criteria, required skills and knowledge, the range statement and the Assessment Guidelines for this Training Package.

Overview of assessment

Assessment of this unit will be applied in a range of applications reflecting the nature of the services provided by the organisation, the legal structure of the organisation, the management system and culture and the candidate's specific roles and responsibilities.

Evidence should be gathered over time and drawn from the range of routine and required work activities relevant to the performance criteria, the range statement and the organisational environment.

Critical aspects for assessment and evidence required to demonstrate competency in this unit

In addition to integrated demonstration of the elements and their related performance criteria, look for evidence that confirms:

- the knowledge requirements of this unit
- the skill requirements of this unit
- application of employability skills as they relate to this unit
- ability to determine the effective use of financial resources in a range of (two or more) contexts or occasions, over time.

Context of and specific resources for assessment

Valid assessment of this unit requires:

- a workplace environment or one that closely resembles normal work practice and replicates the range of conditions likely to be encountered when determining financial resources, including coping with difficulties, irregularities and breakdowns in routine
- copies of legislation, policies, procedures and guidelines relating to financial planning, management, reporting and accountability
- access to appropriate learning and assessment support when required.

Method of assessment

Evidence must include observation and information generated in the workplace as well as observation of performance in routine work functions or, where this is not possible, in a simulated exercise only where necessary to confirm the transferability of the competencies.

The following assessment methods are suggested:

- observation of performance in routine workplace

activities within a range of agreed responsibilities and in various work locations

- written and/or oral questioning to assess knowledge and understanding
- completion of workplace documents and reports produced as part of routine work activities
- third-party reports from experienced practitioners
- completion of performance feedback from supervisors and colleagues
- scenarios
- simulations or role plays.

Guidance information for assessment

Assessment methods should reflect workplace demands, and any identified special needs of the candidate, including language and literacy implications and cultural factors that may affect responses to the questions.

In all cases where practical assessment is used it will be combined with targeted questioning to assess the underpinning knowledge.

Range Statement

The range statement relates to the unit of competency as a whole. It allows for different work environments and situations that may affect performance. ***Bold italicised*** wording in the performance criteria is detailed below. Add any essential operating conditions that may be present with training and assessment depending on the work situation, needs of the candidate, accessibility of the item, and local industry and regional contexts.

Proposals for expenditure may include demonstrating the need to:

- expand the scope of current services
- develop new services and products
- identify where financial resources will come from i.e. from inside or outside the organisation
- implement long-term programs (several years or more)
- implement short-term programs (less than one year).

Factors likely to affect costs and returns may include:

- need and demand
- past financial experiences
- accounting trends
- cash flow patterns and financial position
- benchmarking of services
- program variations
- changing risk profiles
- developments
- opportunities.

Budget proposals should include information drawn from:

- current and past budgets and financial reports
- data on service activities and outcomes
- resource projections and costings
- sources of funding and criteria for funds
- real costing of services.

Regular monitoring should:

- identify, record and measure income, expenditure, assets, liabilities and equity
- ensure procedures are properly described
- ensure all revenues are received
- ensure assets are safeguarded and efficiently and effectively used, to avoid waste, extravagance, misuse and loss
- ensure liabilities are not incurred without proper authority
- ensure correct valuation, cut-off, presentation and disclosure of financial balances and transactions
- include contingency plans
- be linked to the organisation's risk management strategy

- be established to accord with the organisation's delegation framework
- be cost-effective.

Unit Sector(s)

Organisational administration and management.

Competency field

Not applicable.