



Australian Government

DEFFIN029 Provide validation and assurance of costs

Release: 1

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Modification History

Release 1. This is the first release of this unit of competency in the DEF Defence Training Package.

Application

This unit describes the skills required to provide assurance of cost estimates for Defence projects and programs.

This unit applies to those working in the public sector Finance Domain who would be required to undertake cost assurance activities related as part of their duties.

The skills and knowledge described in this unit must be applied within the legislative, regulatory and policy environment in which they are carried out. Organisational policies and procedures must be consulted and adhered to, particularly those related to cost estimation activities.

Those undertaking this unit would be working under minimal supervision and/or supervising small teams while undertaking financial management tasks. They would perform complex tasks in familiar context.

No licensing, legislative or certification requirements apply to this unit at the time of publication.

Pre-requisite Unit

Not applicable.

Competency Field

Financial Management

Unit Sector

Not applicable.

Elements and Performance Criteria

ELEMENTS

Elements describe the essential outcomes.

PERFORMANCE CRITERIA

Performance criteria describe the performance needed to demonstrate achievement of the element.

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|---|---|
| 1 Determine that the estimate is well documented | 1.1 Check that cost estimation documentation identifies data sources and justifies any assumptions |
| | 1.2 Review the documented method used to develop cost estimate and determine whether estimate can be replicated or updated |
| | 1.3 Check that schedule milestones and deliverables are documented and consistent with the cost estimation |
| 2 Determine that the estimate is comprehensive | 2.1 Confirm that the cost estimate is complete and accounts for all possible costs, including indirect costs |
| | 2.2 Review estimate to determine that no cost elements have been omitted or repeated |
| 3 Determine that the estimate is accurate | 3.1 Confirm that estimates are based on the most likely costs |
| | 3.2 Review estimates for errors |
| | 3.3 Check that appropriate escalations factors have been used |
| | 3.4 Review and validate the estimating technique used for each cost element |
| 4 Determine that the estimate is credible | 4.1 Test key cost estimations for sensitivity |
| | 4.2 Perform a risk and uncertainty analysis to determine the level of risk associated with the estimate |
| | 4.3 Cross check the estimate against an independent estimate to determine whether other estimation methods produce similar results |

Foundation Skills

Foundation skills essential to performance are explicit in the performance criteria of this unit of competency.

Range of Conditions

Range is restricted to essential operating conditions and any other variables essential to the work

environment.

Non-essential conditions may be found in the Companion Volume Implementation Guide.

Unit Mapping Information

No equivalent unit.

Links

Companion Volume implementation guides are found in VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=6bdbab1e-11ed-4bc9-9cba-9e1a55d4e4a9>