



Australian Government

Department of Education, Employment and Workplace Relations

CHCFLE302A Educate clients in fundamental financial literacy skills

Release: 1

CHCFLE302A Educate clients in fundamental financial literacy skills

Modification History

Not Applicable

Unit Descriptor

Descriptor

This unit describes the skills and knowledge required to provide education for clients in fundamental financial literacy skills, such as preparing and using a budget to address identified goals and priorities

Application of the Unit

Application

This unit is designed for application by workers in the community sector who may need to provide basic financial literacy education for client groups

Financial literacy education provides targeted information and resources to meet particular client needs

Acquisition of financial literacy education competencies alone does not provide sufficient foundation to undertake complex financial literacy education or financial counselling

Where financial issues have the potential to become complex, clients should be referred to a qualified financial counsellor

Licensing/Regulatory Information

Not Applicable

Pre-Requisites

Not Applicable

Employability Skills Information

Employability Skills

This unit contains Employability Skills

Elements and Performance Criteria Pre-Content

Elements define the essential outcomes of a unit of competency.

The Performance Criteria specify the level of performance required to demonstrate achievement of the Element. Terms in italics are elaborated in the Range Statement.

Elements and Performance Criteria

ELEMENT

1. Assist *client groups* to understand the role of budgeting in personal financial management

2. Assist clients to identify key principles of budgeting and money management

PERFORMANCE CRITERIA

- 1.1 Explain the role of budgeting in the lives of different groups
- 1.2 Identify the importance of effective budgeting to meet regular and irregular expenses and relate this to different stages of life
- 1.3 Explain the importance of setting financial goals and analyse in relation to client's goals and priorities
- 1.4 Identify *obstacles* that might prevent financial goals being achieved
- 1.5 Explain the types of behaviours and skills required for successful budgeting

- 2.1 Explain different styles of budgets and plans
- 2.2 Identify types of regular and irregular expenses
- 2.3 Identify appropriate payment options to suit the budgeting style

ELEMENT**PERFORMANCE CRITERIA**

3. Assist client to develop a personal budget
 - 3.1 Assist client to identify and list all income and expenditure for a relevant period of time
 - 3.2 Identify regular and irregular items of expenditure and project these expenses over a future period
 - 3.3 Identify surplus or deficit and discuss with the client
 - 3.4 Encourage client to allocate surplus funds towards meeting identified financial goals
 - 3.5 Assist client to understand basic *paperwork* relevant to their money management needs

4. Provide resources to assist client to self manage their finances on an ongoing basis
 - 4.1 Provide the client with budgeting tools to assist in developing own personal budget to suit their particular needs
 - 4.2 Discuss strategies and tips to successfully manage a personal budget
 - 4.3 Provide relevant community information and resources to assist client in meeting their financial needs.
 - 4.4 Assist clients to identify when a budget requires review

Required Skills and Knowledge

REQUIRED SKILLS AND KNOWLEDGE

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

Essential knowledge:

The candidate must be able to demonstrate essential knowledge required to effectively do the task outlined in elements and performance criteria of this unit, manage the task and manage contingencies in the context of the identified work role

These include knowledge of:

- Purpose of budgeting
- Life Events
- Short term v long term planning
- Regular and irregular income and expenses/fixed and variable expenses
- Prioritising
- Payment Options including B-Pay, EFTPOS, ATM, Centrepay, DD, Budget Cards, lay-by
- Savings Circles
- Emergency Relief
- Community resources such as NILS, concessions
- Microfinance options

Essential skills:

It is critical that the candidate demonstrate the ability to:

- Work with groups
- Identify resources and referrals
- Provide information clearly in line with target group needs
- Demonstrate and explain money planning and management
- Explain short term versus long term planning

In addition, the candidate must be able to effectively do the task outlined in elements and performance criteria of this unit, manage the task and manage contingencies in the context of the identified work role

REQUIRED SKILLS AND KNOWLEDGE

These include the ability to:

- Demonstrate application of skills in:
 - communication
 - research skills
 - time management
 - budgeting
 - report writing
 - evaluation
 - presentation

Evidence Guide

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.

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

- The individual being assessed must provide evidence of specified essential knowledge as well as skills
- This unit is best assessed in the workplace or in a simulated workplace under the normal of range conditions
- Assessment should be gathered on one or more occasions but must reflect the normal range of client situations encountered in the workplace

EVIDENCE GUIDE

- Access and equity considerations:*
- All workers in community services should be aware of access, equity and human rights issues in relation to their own area of work
 - All workers should develop their ability to work in a culturally diverse environment
 - In recognition of particular issues facing Aboriginal and Torres Strait Islander communities, workers should be aware of cultural, historical and current issues impacting on Aboriginal and Torres Strait Islander people
 - Assessors and trainers must take into account relevant access and equity issues, in particular relating to factors impacting on Aboriginal and/or Torres Strait Islander clients and communities
- Context of and specific resources for assessment:*
- This unit can be assessed independently, however holistic assessment practice is encouraged with other community services units of competency, such as:
 - CHCFLE301A Work with clients needing financial literacy education
 - CHCFLE303A Educate clients to understand debt and consumer credit
 - Resources required for assessment of this unit include access to:
 - an appropriate workplace where assessment can take place or simulation of realistic workplace setting for assessment

EVIDENCE GUIDE

Method of assessment:

- In cases where the learner does not have the opportunity to cover all relevant aspects in the work environment, the remainder should be assessed through realistic simulations, projects, previous relevant experience or oral questioning on 'What if?' scenarios
- Assessment of this unit of competence will usually include observation of processes and procedures, oral and/or written questioning on Essential knowledge and skills and consideration of required attitudes
- Where performance is not directly observed and/or is required to be demonstrated over a 'period of time' and/or in a 'number of locations', any evidence should be authenticated by colleagues, supervisors, clients or other appropriate persons

Range Statement

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. 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.

Client groups may include but are not limited to:

- Church and community groups
- Schools
- Vulnerable and at risk client groups

RANGE STATEMENT

Causes of financial exclusion may relate to, for example:

- Low levels of literacy and numeracy
- Mental health issues
- Cultural and language background
- Alcohol and other drugs issues
- Domestic violence issues
- Age
- High cost of credit, fees and charges

Delivery of financial literacy education may include:

- Individuals
- Families
- Groups
- Identified target communities and groups

Obstacles may include, for example:

- Family dynamics
- Support network
- Instability in housing or homelessness
- Numeracy and literacy issues

Paperwork may include:

- Utility accounts
- Bank statements
- Insurance documentation

Unit Sector(s)

Not Applicable