



Australian Government

Department of Education, Employment and Workplace Relations

CUEFIN02C Manage a budget

Revision Number: 1

CUEFIN02C Manage a budget

Modification History

Not applicable.

Unit Descriptor

Unit descriptor	<p>This unit describes the skills and knowledge required to take responsibility for the management of a budget others may have developed.</p> <p>No licensing, legislative, regulatory or certification requirements apply to this unit at the time of endorsement.</p>
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Application of the Unit

Application of the unit	<p>The nature and purpose of a budget varies according to the work context, but the principles of managing a budget remain the same. Individuals responsible for managing budgets work in middle to senior management roles in which they are accountable for monitoring income and expenditure against budget projections.</p> <p>Skills relating to developing budgets are found in the unit CUEFIN01C Develop a budget. Combined assessment of these units is appropriate.</p>
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Licensing/Regulatory Information

Not applicable.

Pre-Requisites

Prerequisite units		

Employability Skills Information

Employability skills	This unit contains employability skills.
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Elements and Performance Criteria Pre-Content

Elements describe the essential outcomes of a unit of competency.	Performance criteria describe the performance needed to demonstrate achievement of the element. Where bold italicised text is used, further information is detailed in the required skills and knowledge section and the range statement. Assessment of performance is to be consistent with the evidence guide.
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Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
1. Allocate funds	1.1. Allocate funds in accordance with the <i>budget</i> and agreed priorities 1.2. Keep all <i>relevant personnel</i> fully informed of budgetary decisions 1.3. Make colleagues aware of the importance of budget control 1.4. Accurately detail records of <i>resource</i> allocation in accordance with organisational control systems
2. Monitor and control expenditure	2.1. Check actual income and expenditure against budgets at regular intervals 2.2. Identify areas for improved budget performance and investigate options 2.3. Prepare income and expenditure reports and present in the required format to relevant personnel 2.4. Identify deviations from the budget, the reasons for deviation and take appropriate action 2.5. Present recommendations clearly and logically to relevant personnel 2.6. Advise relevant personnel of budget status in accordance with agreed timeframes
3. Complete financial reports	3.1. Accurately complete all required <i>financial</i> and statistical <i>reports</i> within designated timelines 3.2. Make recommendations regarding future financial planning as appropriate 3.3. Make reports clear and concise, and check for accuracy. 3.4. Promptly forward reports to relevant personnel

Required Skills and Knowledge

REQUIRED SKILLS AND KNOWLEDGE

This section describes the skills and knowledge required for this unit.

Required skills

- organisation or project's procedures for budgeting and financial reporting/management
- legislative or other requirements (e.g. funding body guidelines) with regard to disbursement of funds and record keeping

Required knowledge

- knowledge and understanding of budgets, including different types of budget, how a budget is structured and how to interpret a budget
- financial reports, including structure, features and formats for specific purposes
- financial reporting procedures and cycles relevant to the specific industry context
- areas of financial responsibility specific to the industry context

Evidence Guide

EVIDENCE GUIDE	
<p>The Evidence Guide provides advice on assessment and must be read in conjunction with the performance criteria, required skills and knowledge, range statement and the Assessment Guidelines for the Training Package.</p>	
Overview of assessment	
Critical aspects for assessment and evidence required to demonstrate competency in this unit	<p>The following evidence is critical to the judgement of competence in this unit:</p> <ul style="list-style-type: none"> • monitoring of income and expenditure in accordance with the budget and identifying ways of improving budget performance • knowledge of basic budget principles and structures • knowledge of budgeting terminology relevant to a specific industry context.
Context of and specific resources for assessment	<p>The assessment context must provide for:</p> <ul style="list-style-type: none"> • project or work activities that include the management of and reporting on a budget for a specific project/event/operational area over a period of time so that the monitoring and implementation aspects of the unit can be assessed.
Method of assessment	<p>Assessment may incorporate a range of methods to assess performance and the application of essential underpinning knowledge, and might include:</p> <ul style="list-style-type: none"> • evaluation of reports detailing financial performance of projects or activities conducted by the candidate • evaluation of reports prepared by the candidate detailing the processes undertaken to manage and monitor a budget • case studies and problem solving to assess application of principles of budget management to different workplace contexts • review of portfolios of evidence and third party workplace reports of on-the-job performance by the candidate. <p>Assessment methods should closely reflect workplace demands and the needs of particular groups (e.g. people with disabilities, and people who may have literacy or numeracy difficulties such as speakers of languages other than English, remote communities and those with</p>

EVIDENCE GUIDE	
	interrupted schooling).
Guidance information for assessment	Assessment of this unit requires access to: <ul style="list-style-type: none">• figures and data that reflect the financial operating conditions of industry.

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. Bold italicised wording, if used in the performance criteria, is detailed below. 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) may also be included.

<i>Budgets</i> may include:	<ul style="list-style-type: none"> • budgets for a small business • cash • departmental • event • grant funding • project • sales
<i>Relevant personnel</i> involved in budget development may include:	<ul style="list-style-type: none"> • creative personnel • funding bodies • investors • management • sponsors • technical personnel
<i>Resources</i> include all financial resources such as:	<ul style="list-style-type: none"> • bank accounts • cash • cheques • grants • investments
<i>Financial reports</i> may include:	<ul style="list-style-type: none"> • balance sheets • cash flow reporting • profit and loss statements

Unit Sector(s)

Unit sector	
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Competency field

Competency field	
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Co-requisite units

Co-requisite units		