



Australian Government

Department of Education, Employment and Workplace Relations

FNSSUP403A Administer retirement income streams

Revision Number: 1

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Modification History

Not applicable.

Unit Descriptor

<p>Unit descriptor</p>	<p>This unit describes the performance outcomes, skills and knowledge required to administer retirement income streams. It encompasses the explanation and identification of retirement income stream features, processes for the purchase of retirement income streams, processing of income benefits, ability to maintain documentation and records, processing of commutations, responding to member enquiries regarding retirement income and the ability to follow quality assurance procedures.</p> <p>This unit is applicable to individuals working within enterprises and job roles subject to licensing, legislative, regulatory or certification requirements including legislation administered by the Australian Securities and Investments Commission (ASIC).</p>
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Application of the Unit

<p>Application of the unit</p>	<p>This unit applies to job roles administering retirement income streams in organisations managing superannuation fund or life assurance or in other financial institutions.</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. Explain the features and processes of retirement income streams	1.1. The <i>main types of income streams</i> are identified 1.2. The features, advantages and disadvantages of the main retirement income streams are identified 1.3. The taxation, payment and social security requirements and considerations of income streams are identified 1.4. Regulations and legislation determining compliance of retirement income streams are identified and complied with
2. Process Eligible Termination Payment (ETP) rollover payments for the purchase of retirement income streams	2.1. New accounts are established and checked for eligibility 2.2. Payments are received via post, person, phone or electronic transfer 2.3. Payments and organisation documents are checked to ensure information is complete and correct 2.4. Further information is obtained as required 2.5. Data is entered and policy activated according to organisation procedures 2.6. Payments are prepared and banked according to organisation procedures 2.7. Policy documents and confirmation are sent to member 2.8. Documentation is filed according to organisation procedures
3. Process retirement income benefits	3.1. Payment is prepared and processed according to conditions of member contract and organisation guidelines 3.2. Benefit is calculated to include additional fees, taxation, surcharge debt and/or other factors 3.3. Documentation is prepared and checked according to organisation guidelines 3.4. Payment is checked for delivery to member
4. Process and maintain documentation and records	4.1. All transactions are correctly documented in member records 4.2. Statements and receipts are prepared and issued to members according to organisation guidelines 4.3. Member records are maintained to ensure currency and accuracy 4.4. Pension payments are maintained and regularly

ELEMENT	PERFORMANCE CRITERIA
	<p>reviewed</p> <p>4.5. The annual review processes are identified and implemented</p> <p>4.6. Certificates, benefit information and taxation information are generated and provided according to legislative requirements</p>
5. Process commutations	<p>5.1. Requests for withdrawals are received and documented according to organisation procedures</p> <p>5.2. Information provided is checked for accuracy and completion</p> <p>5.3. Withdrawal requests are processed according to organisation procedures</p> <p>5.4. Records are updated</p>
6. Respond to member enquiries regarding retirement income as required	<p>6.1. <i>Member enquiries</i> are treated professionally and in accordance with organisation customer service standards</p> <p>6.2. Required information is provided to meet general member enquiries</p> <p>6.3. Complex enquiries are referred to appropriate personnel</p> <p>6.4. Information is provided according to organisation and legislative requirements</p>
7. Follow quality assurance procedures	<p>7.1. Organisation procedures are followed</p> <p>7.2. Member details are established and maintained in accordance with organisation requirements</p> <p>7.3. System and process checks are implemented and any irregularities identified</p> <p>7.4. Any irregularities are corrected or communicated to appropriate personnel</p>

Required Skills and Knowledge

REQUIRED SKILLS AND KNOWLEDGE

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

Required skills

- communication skills to:
 - liaise with others, share information, confirm work requirements, using questioning and active listening as required
 - use language and concepts appropriate to cultural differences
- numeracy and IT skills to:
 - perform calculations related to income streams
 - access and update account records electronically
 - use internet information
- literacy skills to read and interpret documentation from a variety of sources and record and consolidate related information
- data analysis and interpretation skills
- interpersonal skills to relate effectively within a team environment
- organisation skills, including the ability to plan and sequence work

Required knowledge

- organisation policies, procedures, objectives and guidelines
- compliance requirements for routine tasks
- effect of privacy legislation on work role
- fraud deterrence practices
- relevant acts and regulations and legislative and code of practice requirements
- historical development of Australia's retirement income system
- features, advantages and disadvantages of retirement income stream options
- taxation implications of retirement income stream options
- the impact of legislation on retirement income stream options
- the role of employers and members in retirement income stream options
- formulas used to calculate defined benefits
- how commutation of pensions works
- issues concerning contributions surcharge and benefit payouts
- effect of death and disability on retirement income stream options
- process and implications of transfer between superannuation funds
- process and implications of changing fund structures
- Privacy Act obligations
- fraud deterrence practices

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>Evidence of the ability to:</p> <ul style="list-style-type: none"> • apply knowledge of retirement income stream features and processes and process ETP rollover payments according to organisation requirements • access member contract guidelines and prepare income benefit documentation • process commutations and explain to clients how pensions and annuities are taxed • accurately process incoming payments and outgoing benefits • identify consequences of incorrect processing of contributions and benefits.
Context of and specific resources for assessment	<p>Assessment must ensure:</p> <ul style="list-style-type: none"> • competency is demonstrated in the context of the work environment and conditions specified in the range statement either in a relevant workplace or a closely simulated work environment • access to and the use of a range of common office equipment, technology, software and consumables • access to organisation financial records • access to organisation policies and procedures.
Method of assessment	<p>A range of assessment methods should be used to assess practical skills and knowledge. The following examples, in combination, are appropriate for this unit:</p> <ul style="list-style-type: none"> • evaluating an integrated activity, which combines the elements of competency for the unit, or a cluster of related units of competency • observing processes and procedures in workplaces • verbal or written questioning on underpinning knowledge and skills • evaluating samples of work • accessing and validating third party reports • setting and reviewing workplace business simulations or scenarios.

EVIDENCE GUIDE**Guidance information for
assessment**

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.

<p><i>Main types of income streams</i> include:</p>	<ul style="list-style-type: none"> • complying and non-complying pensions and annuities: <ul style="list-style-type: none"> • lifetime pensions/annuities • fixed term pensions/annuities • allocated pensions/annuities.
<p><i>Regulation and legislation determining compliance</i> may include:</p>	<ul style="list-style-type: none"> • Superannuation Industry (Supervision) (SIS) Act • Superannuation Industry (Supervision) Regulations • Financial Services Reform Act (FSRA) • Corporations Act • Income Tax Assessment Act • Superannuation Contributions Tax (Assessment and Collection) Act (surcharge) • Superannuation (Resolution of Complaints) Act • Superannuation (Unclaimed Moneys and Lost Members) Act Family Law Legislation Amendment Superannuation Act • Insurance Act • Privacy Act • anti-discrimination legislation • Trustee Acts or Trust Acts in each State and Territory • industrial legislation • stamp duty legislation • trade practices legislation.
<p><i>Organisation procedures</i> may include:</p>	<ul style="list-style-type: none"> • best practice standards • codes of practice • documentation and filing procedures • internal and external communications • regulatory requirements • system/computer procedures.
<p><i>Member enquiries</i> may include:</p>	<ul style="list-style-type: none"> • balance of account • change of personal details • date of payment • product rules and options

RANGE STATEMENT	
	• schedules.

Unit Sector(s)

Unit sector	Superannuation
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Competency field

Competency field	
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Co-requisite units

Co-requisite units		