



**Australian Government**

**Department of Education, Employment and Workplace Relations**

# **PSPFIN401A Use public sector financial processes**

**Revision Number: 2**

## **PSPFIN401A Use public sector financial processes**

### **Modification History**

PSPFIN401A Release 2: Layout adjusted. No changes to content.  
PSPFIN401A Release 1: Primary release.

### **Unit Descriptor**

This unit covers basic knowledge of the public sector financial framework and its application to routine financial processes by staff working in a non-specialist finance role but with responsibility for financial duties/processes. It includes identifying and implementing public sector financial requirements related to the work role.

In practice, using public sector financial processes occurs in the context of other generalist or specialist work activities such as applying government processes, compliance with legislation, delivering and monitoring client services, gathering and analysing information etc.

This is a new unit of competency, added to the *Financial Services* Competency field of the Training Package in 2004.

### **Application of the Unit**

Not applicable.

### **Licensing/Regulatory Information**

Not applicable.

### **Pre-Requisites**

Not applicable.

### **Employability Skills Information**

This unit contains employability skills.

## Elements and Performance Criteria Pre-Content

Elements are the essential outcomes of the unit of competency. Together, performance criteria specify the requirements for competent performance. Text in *bold italics* is explained in the Range Statement following.

## Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
<p>1. <b>Identify public sector financial requirements</b></p>	<p>1.1 The elements of the <i>public sector financial management compliance framework</i> relating to the work role are identified and organisational requirements relating to the application of these elements are confirmed.</p> <p>1.2 <i>Delegation</i> requirements relating to work functions are identified in accordance with the organisation's delegation framework.</p> <p>1.3 Internal financial controls and separation of duties relating to the business unit are identified and the implications of these for the work role are identified and clarified with senior staff.</p> <p>1.4 <i>Public sector financial policies and procedures</i> supporting the work role are located and their requirements are identified.</p>
<p>2. <b>Implement public sector financial requirements</b></p>	<p>2.1 <i>Financial processes</i> are carried out and <i>recorded</i> in accordance with public sector financial policy and procedures and organisational requirements.</p> <p>2.2 Different levels of delegations are differentiated and delegation requirements relating to work functions are implemented in accordance with organisational procedures.</p> <p>2.3 <i>Internal controls</i> are applied in the work area in accordance with organisational policy and procedures and audit requirements.</p>

## Required Skills and Knowledge

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

### Skill requirements

Look for evidence that confirms skills in:

- reading complex and formal documents such as legislation, policies and processes, and applying them to work practices
- adjusting communication to suit different audiences
- entering data and preparing reports requiring precision of expression
- applying delegations
- accessing information and legislation electronically or in hard copy
- responding to diversity, including gender and disability
- applying environmental and occupational health and safety procedures relating to working in the public sector

### Knowledge requirements

Look for evidence that confirms knowledge and understanding of:

- legislation, policies and processes relating to public sector finance
- basic knowledge of the public sector financial management compliance framework and its elements
- documents that make up the financial framework
- public sector delegations related to the work function
- internal controls and separation of duties
- corporate governance requirements/relationship of the financial management compliance framework to organisational structures
- ethics/codes of conduct
- financial application software
- basic accounting principles related to the work function
- legislation related to work in the public sector such as environmental and occupational health and safety requirements

## Evidence Guide

The Evidence Guide specifies the evidence required to demonstrate achievement in the unit of competency as a whole. It must be read in conjunction with the Unit descriptor, Performance Criteria, the Range Statement and the Assessment Guidelines for the Public Sector Training Package.

### Units to be assessed together

- *Pre-requisite* units that must be achieved prior to this unit: *Nil*
- *Co-requisite* units that must be assessed with this unit: *Nil*
- *Co-assessed units* that may be assessed with this unit to increase the efficiency and realism of the assessment process include, but are not limited to:

PSPETHC401A Uphold and support the values and principles of public service

PSPGOV402B Deliver and monitor service to clients

PSPGOV406B Gather and analyse information

PSPGOV422A Apply government processes

PSPLEGN401A Encourage compliance with legislation in the public sector

### Overview of evidence requirements

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 the Employability Skills as they relate to this unit (see Employability Summaries in Qualifications Framework)
- using public sector financial processes in a range of (3 or more) contexts (or occasions, over time), for example:

application of a range of (3 or more) public sector financial processes that have different associated policies, controls or delegations

### Resources required to carry out assessment

These resources include:

- public sector and organisational financial procedures and protocols
- legislation, policy, procedures and protocols relating to public sector financial management compliance framework
- organisation's delegation framework
- financial management practice guidelines
- case studies and workplace scenarios to capture the range of situations likely to be encountered when using public sector financial processes

### Where and how to

Valid assessment of this unit requires:

**assess evidence**

- a workplace environment or one that closely resembles normal work practice and replicates the range of conditions likely to be encountered when using financial processes, including coping with difficulties, irregularities and breakdowns in routine
- use of public sector financial processes in a range of (3 or more) contexts (or occasions, over time)

Assessment methods should reflect workplace demands, such as literacy, and the needs of particular groups, such as:

- people with disabilities
- people from culturally and linguistically diverse backgrounds
- Aboriginal and Torres Strait Islander people
- women
- young people
- older people
- people in rural and remote locations

Assessment methods suitable for valid and reliable assessment of this competency may include, but are not limited to, a combination of 2 or more of:

- case studies
- demonstration
- observation
- portfolios
- projects
- questioning
- scenarios
- simulation or role plays
- authenticated evidence from the workplace and/or training courses

**For consistency of assessment**

Evidence must be gathered over time in a range of contexts to ensure the person can achieve the unit outcome and apply the competency in different situations or environments

## Range Statement

The Range Statement provides information about the context in which the unit of competency is carried out. The variables cater for differences between States and Territories and the Commonwealth, and between organisations and workplaces. They allow for different work requirements, work practices and knowledge. The Range Statement also provides a focus for assessment. It relates to the unit as a whole. Text in ***bold italics*** in the Performance Criteria is explained here.

- Elements of the public sector financial management compliance framework*** may include:
- legislation
  - central agency requirements (such as Treasury or Department of Finance and Administration instructions)
  - organisational requirements identified in financial management and delegations guidelines and procedures
  - awareness of government organisational structures, such as the relationship between Parliament, government, agencies, boards of management, directors, etc
- Delegations*** are:
- functions or powers (under an Act) assigned to others
  - made to specified limits
  - made to specified positions and ex officio, ie not to specific people but to particular positions
- Public sector financial policies and procedures*** may include:
- financial management Acts and regulations
  - financial administration and audit Acts
  - public sector finance standards
  - financial management benchmarking studies
  - the organisation's:
    - financial management
    - delegations
    - budget guidelines/instructions
    - style requirements
    - quality requirements
  - government financial policy statements and guidelines
  - Australian Accounting Standards
  - Generally Accepted Accounting Practices (GAAP)
  - Australian Bureau of Statistics requirements
  - Government Finance Statistics (GFS) requirements
  - corporate planning
  - whole-of-government/agency systems and reporting
- Financial processes*** may include:
- day-to-day financial processes
  - budget processes
  - budget financial reporting
  - cash flow management
  - end-of-month and end-of-year processes
- Recording financial***
- use of technology - financial applications

*processes* requires:

- data entry
- preparing reports

*Internal controls* should:

- identify, record and measure income, expenditure, assets, liabilities and equity
- ensure separation of duties
- ensure procedures are properly described
- incorporate other key organisations' guidelines such as banker's terms and conditions, guidelines for use of high risk equipment like EFTPOS and debit and credit transactions
- ensure all revenues are received
- ensure assets are safeguarded and efficiently and effectively used so as 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)**

Not applicable.

## **Competency field**

Financial Services.