



Australian Government

Department of Education, Employment and Workplace Relations

BSBATSIM414C Oversee the organisation's annual budget

Revision Number: 1

BSBATSIM414C Oversee the organisation's annual budget

Modification History

Not applicable.

Unit Descriptor

Unit descriptor	This unit describes the performance outcomes, skills and knowledge required to develop and implement the annual budget and enable the board to control the finances of the organisation. Some aspects of governance activities may be subject to legislation, rules, regulations and codes of practice relevant to different job roles and jurisdictions.
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Application of the Unit

Application of the unit	This unit applies to individuals responsible for monitoring and planning the organisation's finances.
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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. Gather and analyse relevant budget information	1.1. Establish a <i>budget working group</i> 1.2. Review and analyse previous year's <i>budget performance</i> 1.3. Gather budget planning information from <i>relevant sources</i> 1.4. Identify priorities in relation to the organisation's vision and plans
2. Identify and document income and expenditure	2.1. Identify known sources of <i>income</i> 2.2. Identify new sources of income and amounts for new activities 2.3. Review <i>expenditure</i> for existing operations 2.4. Estimate expenditure for new initiatives and expansions 2.5. Identify <i>potential problem areas</i> 2.6. Ensure procedures are in place to document all identified items in a readily accessible and useful format
3. Oversee budget preparation	3.1. Contribute to budget development 3.2. Review budget documentation and clarify where required 3.3. Review draft budgets and propose modifications if required 3.4. Ensure contingency plans are included in the budget
4. Review and finalise budget	4.1. Ensure expenditure commitments are in line with the final income figures 4.2. Work with other board members and management to finalise and approve the annual budget 4.3. Present the final annual budget to the community 4.4. Review and update the budget regularly

Required Skills and Knowledge

REQUIRED SKILLS AND KNOWLEDGE

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

Required skills

- numeracy skills to:
 - interpret information in budget papers
 - perform simple calculations
- communication and teamwork skills to work cooperatively with other board members, management and staff of the organisation, members, community and key stakeholders
- culturally appropriate communication skills to relate to people from diverse backgrounds and with diverse abilities
- evaluation and decision-making skills to monitor and review information presented to the board and enact decisions
- initiative and enterprise skills to make decisions and prioritise future activity
- problem-solving skills to identify and manage differences of opinions

Required knowledge

- components of a typical budget and standard budgeting procedures
- concept of community control of organisations and how it may apply to budgetary decision making
- concept of financial contingency planning and how this can be undertaken
- current and potential sources of income to fund the organisation's activities
- geographic, cultural, social, economic and political context in which particular organisations operate and how this might impact on budgetary decision-making
- organisational plans that will have an effect on the budget
- organisational vision, objectives and procedures in relation to sources of income for organisational activities
- provisions of federal, state or territory legislation and funding body requirements that impact on how finances and assets are able to be used within the organisation
- relevant protocols and cultural responsibilities when making budgetary decisions

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, range statement and the Assessment Guidelines for the Training Package.

Overview of assessment

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

Evidence of the ability to:

- identify typical information to be included in a budget
- recognise when a budget indicates that expenditure is greater than income, and suggest modifications that would bring it into balance
- prepare a balanced budget in collaboration with others that meets the board's identified needs.

Context of and specific resources for assessment

Assessment must ensure:

- access to examples of budgets
- access to examples of relevant documents
- access to examples of projects that might be undertaken by a board
- knowledge and performance are assessed over time to confirm consistency in performance.

Method of assessment

A range of assessment methods should be used to assess practical skills and knowledge. The following examples are appropriate for this unit:

- analysis of responses to case studies and scenarios
- direct questioning combined with reflection of practical performance by the candidate
- observation of performance on a board or simulated board
- observation of performance in role plays
- observation of presentations
- oral or written questioning to assess knowledge.

Guidance information for assessment

Holistic assessment with other units relevant to the industry sector, workplace and job role is recommended, for example:

- BSBATSIM418A Oversee financial management.

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.

Budget working group may include:

- board subcommittee together with senior management and staff
- community members
- Elders
- external expertise
- traditional owners.

Budget performance may relate to:

- budget variances, such as under or over-expenditure
- revenue and expenditure targets.

Relevant sources may include:

- accountant
- audited financial statements
- business manager
- funding bodies
- treasurer
- quotes.

Income may include:

- enterprise operations
- grant funds
- interest on investments
- royalties and other payments
- service contracts.

Expenditure may relate to:

- administration
- capital requirements
- consultants
- distributions
- repair and maintenance
- salaries
- vehicle costs.

Potential problem areas may include:

- administration costs
- commercial activities
- consultancy fees
- salary costs
- utility costs

RANGE STATEMENT

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| | <ul style="list-style-type: none">• vehicle and travel expenses. |
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Unit Sector(s)

Unit sector	
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Competency field

Competency field	Regulation, licensing and risk - ATSI governance
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Co-requisite units

Co-requisite units		