



Australian Government

FNSSUP509 Work within a defined benefit fund

Release: 1

FNSSUP509 Work within a defined benefit fund

Modification History

Release	Comments
Release 1	This version first released with FNS Financial Services Training Package Version 1.0.

Application

This unit describes the skills and knowledge required to explain design features, identify legislation and regulation, process contributions, and maintain documentation and records according to defined benefit fund requirements.

It applies to individuals who use specialised industry knowledge and systematic approaches to thoroughly and accurately complete a range of tasks that meet organisational quality assurance procedures.

Work functions in the occupational areas where this unit may be used are subject to regulatory requirements. Refer to the FNS Implementation Guide Companion Volume or the relevant regulator for specific guidance on requirements.

Unit Sector

Superannuation

Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
<i>Elements describe the essential outcomes.</i>	<i>Performance criteria describe the performance needed to demonstrate achievement of the element.</i>
1. Process contributions to defined benefit funds	1.1 Identify and follow rules guiding compulsory payments into defined benefit funds 1.2 Receive and process contributions according to fund requirements
2. Process payment of benefits in defined benefit fund	2.1 Investigate options for benefit payment in defined benefit funds 2.2 Calculate benefit to include additional fees, charges, taxes and other factors

ELEMENT	PERFORMANCE CRITERIA
	2.3 Process benefits and pensions according to fund requirements 2.4 Communicate with beneficiaries according to organisational procedures
3. Process and maintain documentation and records according to defined benefit fund requirements	3.1 Correctly document all transactions in member records 3.2 Prepare statements and receipts, and issue to members according to organisational procedures 3.3 Maintain member records to ensure currency and accuracy 3.4 Generate certificates, benefit information and taxation information, and provide according to legislative requirements 3.5 Generate fund information and provide to actuary for preparation of necessary certificates
4. Implement quality assurance procedures	4.1 Identify requirements of legislation and regulations specific to defined benefit funds and incorporate into activities 4.2 Follow organisational procedures to ensure work is completed accurately 4.3 Establish member details and maintain in accordance with organisational requirements 4.4 Implement system and process checks, and identify any irregularities 4.5 Correct any irregularities or communicate to appropriate personnel

Foundation Skills

This section describes language, literacy, numeracy and employment skills incorporated in the performance criteria that are required for competent performance.

Skill	Performance Criteria	Description
Reading	1.1, 4.1-4.5	Analyses and consolidates complex information and data from a range of sources, against defined criteria and requirements, and checks for accuracy and completeness
Writing	1.2, 2.4, 3.1-3.5, 4.5	Accurately records information and prepares organisational documents and correspondence using clear language and correct spelling, grammar and terminology

Oral Communication	2.4	Interacts effectively in verbal exchanges, using active listening and questioning to convey and clarify information
Numeracy	2.2, 2.3, 3.2, 3.4	Performs calculations and applies mathematical problem-solving techniques to analyse financial data and statistics, and accurately process payments
Navigate the world of work	3.4, 4.1- 4.4	- Identifies and resolves key business issues, processes and practices that may have legal implications - Takes full responsibility for compliance with implicit and explicit policies, procedures and legislative requirements - Modifies or develops organisational policy and procedures to comply with legislative requirements and organisational goals
Interact with others	2.4, 3.2, 4.5	Implements strategies for a diverse range of colleagues and clients to build rapport and foster strong relationships
Get the work done	1.1, 1.2, 2.2, 2.3, 3.1-3.5, 4.3-4.5	- Accepts responsibility for planning and sequencing complex tasks and workload, negotiating key aspects with others and taking into account capabilities, efficiencies and effectiveness - Makes critical decisions quickly and intuitively in complex situations, taking into consideration a range of variables - Uses a range of digitally based technologies to enter, access or update information to achieve required outcomes

Unit Mapping Information

Code and title current version	Code and title previous version	Comments	Equivalence status
FNSSUP509 Work within a defined benefit fund	FNSSUP509A Work within a defined benefit fund	Updated to meet Standards for Training Packages. Rewording and reordering of performance criteria to clarify intent.	Equivalent unit

Links

Companion Volume implementation guides are found in VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=c7200cc8-0566-4f04-b76f-e89fd6f102fe>

Assessment Requirements for FNSSUP509 Work within a defined benefit fund

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Performance Evidence

Evidence of the ability to:

- explain the design of defined benefit funds to members
- process contributions and payment of benefits in a defined benefit fund, including additional fees, charges and taxes
- interpret trust deed conditions, establish special circumstances and make informed recommendations about benefit payments
- identify, source and interpret required information to process benefits for lump sum payments, death claims and disablement claims
- assess and determine benefit entitlements for lump sums, pensions, and death and disablement claims using computer programs
- accurately process contributions, benefits and insurance claims according to organisational guidelines and relevant legislation.

Note: If a specific volume or frequency is not stated, then evidence must be provided at least once.

Knowledge Evidence

To complete the unit requirements safely and effectively, the individual must:

- identify key features and eligibility conditions affecting defined benefit funds
- explain advantages and disadvantages of:
 - accumulation and defined benefit funds
 - different methods of contributing to defined benefit funds
- identify requirements of legislation and regulations specific to defined benefit funds
- identify funding options for defined benefit funds
- describe the effects of the following on defined benefits:
 - part-time and casual employees, and leave
 - resignation, dismissal and redundancy

- death and disability
- describe the application of privacy legislation
- compare and contrast different types of retirement benefits and eligibility
- outline the key factors affecting retirement benefit design
- outline the effect and use of actuarial tools (compound interest and probability)
- describe the role of actuaries in determining payment of benefits
- explain the legal requirements for actuarial investigations of defined benefit funds
- identify formulas used to calculate defined benefits
- outline consequences of incorrect processing of contributions and benefits
- describe the influences on fund and benefit design
- describe how commutation of pensions work
- outline the implications and procedure for actuarial investigations
- discuss issues associated with pensions and lump sums
- explain the process and implications of:
 - changing fund structures
 - transfer between superannuation funds
 - calculating the value of future liabilities, the valuation of assets and the establishment of the contribution rate
- describe special provisions relating to public sector defined benefit funds
- outline taxation implications of defined benefit funds
- explain the role of employers and members in contributions made to defined benefit funds.

Assessment Conditions

Assessment must be conducted in a safe environment where evidence gathered demonstrates consistent performance of typical activities experienced in the superannuation field of work and include access to:

- common office equipment, technology, software and consumables
- organisational financial records
- organisational policy and procedures.

Assessors must satisfy NVR/AQTF assessor requirements.

Links

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<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=c7200cc8-0566-4f04-b76f-e89fd6f102fe>