



Australian Government

Department of Education, Employment and Workplace Relations

FNSFMK506A Detect errors and fraud when processing financial transactions

Revision Number: 1

FNSFMK506A Detect errors and fraud when processing financial transactions

Modification History

Not applicable.

Unit Descriptor

Unit descriptor	This unit describes the performance outcomes, skills and knowledge required to analyse financial transaction documentation, recognise any errors or fraudulent activity and take appropriate action. This unit may apply to job roles subject to licensing, legislative, regulatory or certification requirements so Commonwealth, State or Territory requirements should be confirmed with the relevant body.
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Application of the Unit

Application of the unit	This unit applies to a range of job roles in the financial markets sector.
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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. Access and interrogate financial transaction data	1.1. Relevant <i>financial transaction data</i> sources and records are accessed and collated 1.2. Random, systematic or stratified sample data are matched and checked for accuracy and compliance with <i>legal requirements</i> and <i>organisational policies and procedures</i> 1.3. All data are analysed and initial queries on accuracy or compliance with legislative and industry requirements followed through with relevant personnel
2. Determine data errors or potential fraudulent activity	2.1. Errors in transaction processing and entries are identified and recorded 2.2. <i>Conclusions on possible fraudulent transactions</i> are drawn based on sound evidence 2.3. Major errors or possible fraudulent transactions are recorded and reported to <i>relevant personnel</i>
3. Resolve errors and fraudulent activity	3.1. <i>Minor transaction data errors</i> are followed up with appropriate personnel and corrected 3.2. <i>Major transaction data errors or fraud</i> are identified and confirmed in consultation with appropriate personnel or external sources 3.3. Recommendations for resolution of fraudulent transactions and activities are developed for <i>appropriate action</i>

Required Skills and Knowledge

REQUIRED SKILLS AND KNOWLEDGE

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

Required skills

- well-developed communication skills to:
 - discuss transaction information with others, confirming relevant details
 - disseminate information on transaction errors and potential fraud
 - liaise with team members and peers, share information, listen and understand
 - use language and concepts appropriate to cultural differences
- well-developed numeracy and IT skills to:
 - analyse complex financial data
 - use spreadsheets and databases
 - use internet information
- research and analysis skills for:
 - accessing, interpreting and managing complex information and evaluating and disseminating information
 - identifying gaps in information and gathering necessary information from alternative sources
- literacy skills to:
 - read and interpret financial transaction information
 - produce reports
- highly developed judgement skills for forming recommendations on error and fraud in complex and sensitive situations
- organisational skills, including the ability to:
 - plan and sequence own work
 - work effectively in a constantly changing environment
- self-management skills for complying with ethical, legal and organisational requirements

Required knowledge

- data analysis techniques and tools
- data sampling and auditing techniques
- financial fraud types and characteristics
- financial information sources
- organisational policies and procedures
- relationship between ethics and regulatory requirements
- relevant financial industry legislative and compliance requirements
- risks and implications associated with financial transactions
- types of financial market products and services

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:

- conduct analysis of financial data in order to identify errors, fraud
- interpret and comply with legislative and organisational requirements
- test and assess the integrity of financial information for risk
- provide recommendation for action to resolve transactional errors and fraudulent activity

Context of and specific resources for assessment

Assessment must ensure:

- competency is demonstrated in the context of the financial services 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 financial services transaction data
- access to financial industry legislation and industry codes of conduct.

Method of assessment

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

- evaluating an integrated activity which combines the elements of competency for the unit or a cluster of related units of competency
- verbal or written questioning on underpinning knowledge and skills
- setting and reviewing business simulations or scenarios
- evaluating samples of work
- accessing and validating third party reports.

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.

<i>Financial transaction data</i> may be:	• electronic • paper-based • related to: • clients • personnel • other organisations.
<i>Legal requirements</i> may include:	• Australian Securities and Investments Commission (ASIC) Act, policy and guidelines • CPA Australia Code of Practice • Banking Code of Practice • Commonwealth Criminal Code • Consumer Affairs Act • Corporations Act • Financial Corporations Act • Financial Services Reform Act (FSRA) • Financial Transaction Reports Act • legislation and regulations administered by Australian Prudential Regulation Authority (APRA) • Privacy Act • Reserve Bank Act • Taxation Act • Trade Practices Act.
<i>Organisational policies and procedures</i> may include:	• ethical standards, codes of practice • legal and organisational policy/guidelines • mission statements, strategic plans • product or service development • quality assurance and/or procedures manuals.
<i>Conclusions on possible fraudulent transactions</i> may be:	• fraud has occurred or been attempted • further investigation is required • other organisational personnel or external authorities should be involved.
<i>Relevant personnel</i> may	• audit team members

RANGE STATEMENT	
include:	• compliance officers • senior management.
Minor transaction errors may include:	• account designation, coding or allocation error • incorrect entry • number or arithmetical error • transpositional error.
Major transaction data errors or fraud may include:	• entering unauthorised data • inventory anomalies • misappropriation • missing, altered or falsified data and documentation • overpayments • overstatement of assets or receipts • personal use of funds or services • removing data without authorisation • unbalanced ledger • underpayments • understatement of liabilities.
Appropriate action may include:	• administrative change • investigation or enquiry: • internal • external • personnel review • policy change • referral to an external agency.

Unit Sector(s)

Unit sector	Financial markets
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Competency field

Competency field	
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Co-requisite units

Co-requisite units		