



Australian Government

MEA146 Prepare and manage aviation maintenance organisation budgets and financial plans

Release: 2

MEA146 Prepare and manage aviation maintenance organisation budgets and financial plans

Modification History

Release 2. Equivalent to MEA146 Prepare and manage aviation maintenance organisation budgets and financial plans. Updated to meet training package policy requirements.

Application

This unit of competency describes the skills and knowledge required to develop and manage budgets and financial plans required for the effective operation of an aviation maintenance organisation (AMO) within the bounds of its exposition. It involves applying required procedures, and interfacing effectively with professional finance advisers and accountants.

The unit applies to the financial management obligations of accountable managers of AMOs operating under the Australian Defence Force (ADF) or Civil Aviation Safety Authority (CASA) regulatory systems.

This unit forms part of the CASA requirement for maintenance certification licences under Civil Aviation Safety Regulation (CASR) Part 66. Where a CASA licensing outcome is sought, users must refer to the licensing provisions in the MEA Aeroskills Companion Volume Implementation Guide.

Pre-requisite Unit

Nil.

Competency Field

Aviation maintenance management

Elements and Performance Criteria

ELEMENTS	PERFORMANCE CRITERIA
Elements describe the essential outcomes.	Performance criteria describe the performance needed to demonstrate achievement of the element.
1. Analyse strategic opportunities and intended maintenance activities	1.1 Identify strategic opportunities and express them in terms of aircraft and aeronautical product maintenance activities 1.2 Convert intended maintenance activities into special projects or work programs 1.3 Analyse and interpret financial trends in the context of organisational strategic objectives

ELEMENTS

PERFORMANCE CRITERIA

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|--|------|---|
| | 1.4 | Clearly identify financial planning objectives, process timeframes, and resources |
| 2. Develop revenue, expenditure and capital investment proposals | 2.1 | Give individuals and groups responsibility for developing specific budgets and plans |
| | 2.2 | Consult with required groups and individuals throughout organisation on expenditure issues pertaining to aviation maintenance |
| | 2.3 | Develop proposals, taking account of past experience, present trends, and future expectations |
| | 2.4 | Clearly link outcomes of proposals to organisational strategic objectives |
| | 2.5 | Incorporate realistic cost-benefit and aviation maintenance organisation exposition compliance costs into all proposals |
| | 2.6 | Meet organisational investment target rates for capital expenditure proposals |
| | 2.7 | Identify performance measures and tactics for monitoring and control processes for each proposal/action, and develop a financial risk management plan |
| | 2.8 | Review proposals to ensure their compliance with organisational values, policies, code of conduct, and legal and ethical obligations |
| | 2.9 | Develop proposals within agreed timeframes |
| | 2.10 | Include valid and sufficient supporting evidence that allows proper evaluation of proposals |
| 3. Build agreement for budgets and financial plans | 3.1 | Negotiate with designated groups and individuals in ways that build commitment to the plans |
| | 3.2 | Confirm clear, concise objectives and timeframes according to organisational strategic objectives |
| | 3.3 | Agree on negotiated matters to be incorporated into budgets and plans |
| | 3.4 | Review budgets and plans to ensure they incorporate negotiation outcomes and meet organisational approval |

ELEMENTS

PERFORMANCE CRITERIA

	processes
	3.5 Agree delegations, accountabilities, and responsibilities and confirm them in writing
	3.6 Clearly document final budget and plans and develop a communication plan
4. Communicate budget and financial plans	4.1 Distribute budget/financial plan communication package to finance specialists for review
	4.2 Revise and amend package in response to review feedback
	4.3 Explain plan data and terms to users
	4.4 Test communication outcomes to ensure clear understanding of objectives, processes, and accountabilities
5. Monitor and control activities against plans	5.1 Confirm delegations and budget accountabilities in writing prior to budget period
	5.2 Allocate funds according to budget objectives and parameters
	5.3 Review recording systems and documentation to ensure they meet audit requirements and legal obligations
	5.4 Implement risk management plans and contingency plans for all financial plans
	5.5 Monitor performance and promptly identify variances
	5.6 Analyse variances in conjunction with relevant experts to determine cause and effect
	5.7 Take swift remedial action to minimise negative impact and maximise benefits
	5.8 Renegotiate/restructure budgets and plans where necessary to optimise organisational performance
6. Report outcomes of financial plans	6.1 Maintain records of financial performance in organisational systems according to organisational policy and procedures
	6.2 Analyse and report financial performance in a form and

ELEMENTS

PERFORMANCE CRITERIA

language suited to audience

- 6.3 Report non-financial objectives in the context of overall organisational performance
- 6.4 Review and update strategies and plans to optimise organisational performance

Foundation Skills

Foundation skills essential to performance are explicit in the performance criteria of this unit of competency.

Unit Mapping Information

Release 2. Equivalent to MEA146 Prepare and manage aviation maintenance organisation budgets and financial plans.

Links

Companion Volume implementation guides are found in VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=ce216c9c-04d5-4b3b-9bcf-4e81d0950371>

Assessment Requirements for MEA146 Prepare and manage aviation maintenance organisation budgets and financial plans

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Performance Evidence

There must be evidence the candidate has completed the tasks outlined in the elements and performance criteria of this unit, which must include the ability to:

- prepare and manage one of the following budgets and its associated financial plan:
 - aircraft maintenance budget
 - aeronautical product maintenance budget
 - logistic services sales budget
 - regulatory compliance budget
 - capital expenditure budget.

In the course of the above work, the candidate must:

- analyse and interpret required financial information
- identify strategic opportunities in aircraft and aeronautical product maintenance activities, including:
 - aircraft operators and fleet operators seeking to outsource maintenance
 - aeronautical product maintenance needs
 - changing regulatory requirements for maintenance
 - new aircraft types
 - provision of logistic support services
 - opportunity to respond to requests for tender to provide aircraft and/or aeronautical product maintenance
 - opportunity to accept sub-contract maintenance tasks from other maintenance organisations
- develop formal estimates of reviews, costs, cash flows, and logistic requirements
- communicate and consult to ensure required groups and individuals are advised of what is occurring and are provided with an opportunity for input
- produce balanced arguments to support financial proposals, including:
 - cost-benefit analyses
 - risk management plan assessing probability and consequences of potential negative event
 - market research results
 - tender details

- investment analyses evaluating capital expenditure proposals:
 - net present value (NPV)
 - incentive rate of return (IROR)
 - pay pack calculations
- negotiate agreement on budget and financial plan with required managers
- demonstrate interpersonal skills sufficient to interact with people from a range of social, cultural and ethnic backgrounds and physical and mental abilities
- arrange and deliver training to ensure team members and other managers understand the objectives and processes of the budget and financial plan
- analyse and interpret positive and negative variances from budget and plan, determining the reasons and identifying potential actions to remediate the situation
- develop and implement systems to ensure financial performance records are collected, maintained, and properly reported.

Knowledge Evidence

There must be evidence the candidate has knowledge of:

- legislation from all levels of government, codes and national standards required for business operation, including:
 - Civil Aviation Safety Regulations (CASRs) and associated Manuals of Standards
 - AAP 7001.053 Technical Airworthiness Management Manual
 - award and enterprise agreements and industrial instruments
 - work health and safety (WHS) and environmental issues, and equal employment opportunity (EEO)
- requirements in CASRs and AAP 7001.053 Technical Airworthiness Management Manual regarding financial status of aviation maintenance organisations
- aircraft and aeronautical product maintenance and maintenance management/certification requirements
- financial planning processes and procedures within the organisation
- budgeting
- organisation's intended aircraft and aeronautical product maintenance activities
- consultative methods and processes
- capital investment evaluation techniques
- performance measurement techniques
- organisation roles in respect to financial delegations, accountabilities and responsibilities, including procedures for:
 - monitoring expenditure
 - authorising expenditure within limits
 - reporting on variances to budget/plan
 - taking remedial action within budget authority
- standards for organisational record keeping and audit requirements

- procedures for reporting on non-financial objectives in the context of overall organisational performance, including:
 - compliance with aviation maintenance organisation exposition (the Civil Aviation Safety Authority [CASA] regulatory system)
 - compliance with maintenance management plan (Australian Defence Force [ADF] regulatory system)
 - compliance with requirements of applicable airworthiness regulator
 - environmental and sustainability procedures
 - work health and safety (WHS)
 - quality and safety management
 - market share
 - customer service
 - security.

Assessment Conditions

The following conditions of assessment represent the requirements of the regulators (ADF and CASA) and maintenance stakeholders, and must be rigorously observed.

This unit may be assessed on the job, off the job, or a combination of both. Where assessment occurs off the job, then an appropriate simulation must be used where the range of conditions reflects realistic workplace situations encountered when preparing and managing aviation maintenance organisations' budgets and financial plans.

The candidate must be permitted to refer to relevant workplace procedures, product and manufacturing specifications, codes, standards, manuals, and reference materials.

The candidate must have access to:

- all materials and documentation required to demonstrate the performance evidence above.

Candidate capability of providing the required performance and knowledge evidence must be established via the records in the Maintenance Management Competency Log. Where the individual does not have a Competency Log, evidence of capability can be gathered through direct observation, supervisor's reports, project work, samples and questioning.

Assessors of this unit must satisfy the assessor requirements in applicable vocational education and training legislation, frameworks and/or standards.

Where the unit is to be used for CASA licensing purposes the assessor must also meet the criteria specified in the CASR Part 147 Manual of Standards.

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