



Australian Government

Department of Education, Employment and Workplace Relations

PSPFIN601A Apply complex public sector financial requirements

Release 3

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Modification History

Release	TP Version	Comments
3	PSP12V1	Unit descriptor edited.
2	PSP04V4.2	Layout adjusted. No changes to content.
1	PSP04V4.1	Primary release.

Unit Descriptor

This unit covers interpretation of complex financial policies and procedures and provision of advice on complex financial issues. It includes intimate, high-level knowledge of the public sector financial management compliance framework, external requirements, industry and accounting standards and the application of these to work in a specialist finance role in the public sector. It includes interpreting and applying complex public sector financial requirements, establishing and applying internal financial controls, and formulating/maintaining financial policy.

In practice, the application of complex public sector financial requirements occurs in the context of other generalist or specialist work activities such as managing resources, managing risk, formulating business strategies etc.

No licensing, legislative, regulatory or certification requirements apply to this unit at the time of publication

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

- | | |
|--|---|
| 1. Interpret and apply complex public sector financial requirements | <ul style="list-style-type: none">1.1 Public sector financial requirements are identified in accordance with legislation, policy and instructions.1.2 Public sector financial management compliance framework hierarchy is interpreted and explained to others in accordance with their needs, to ensure the organisation's compliance with the framework's requirements.1.3 Advice regarding interpretation of public sector financial policies and procedures and accounting standards is provided in accordance with organisational requirements.1.4 Information on the organisation's financial controls and accountabilities is interpreted and provided to management and staff in accordance with organisational requirements.1.5 Business solutions are developed/refined for the organisation in accordance with financial management standards and public sector financial policies and procedures. |
| 2. Establish and apply internal financial controls | <ul style="list-style-type: none">2.1 Current internal controls are analysed for improvement and revised or replaced in accordance with organisational requirements.2.2 Controls are reviewed to ensure these include effective delegation levels, lines of responsibility, and associated accountabilities.2.3 Controls are checked for consistency with government policy and organisational structure.2.4 Systems and surrounding control procedures are implemented, documented and made accessible in accordance with organisational policy and procedures. |
| 3. Formulate and maintain financial policy and procedures | <ul style="list-style-type: none">3.1 Public sector financial policies and procedures are interpreted and advice is provided on the implications for the organisation's financial policy and procedures.3.2 Organisational financial policy and procedures are developed/approved in accordance with organisational requirements and government policy.3.3 Input is provided to inter-departmental accounting groups responsible for policy development in accordance with organisational requirements to maintain and improve financial policy outcomes.3.4 Policies are developed to meet regulatory and legislative requirements and cost effective best practice. |

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:

- interpreting complex and formal documents such as legislation, policies, procedures, and accounting standards, and providing advice on their interpretation and application
- adjusting communication to suit different audiences
- preparing reports and policies requiring precision of expression
- setting industry benchmarks and influencing policy
- responding to diversity, including gender and disability
- synthesising and applying information and legislation accessed electronically or in hard copy
- 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
- public sector financial management compliance framework (intimate knowledge) and the relationship of the elements of the framework
- internal control principles and how these have been applied to financial processes
- corporate governance requirements/relationship of financial management compliance framework to organisational structures
- service level agreements
- internal and external reporting requirements
- industry and accounting standards
- public sector standards and codes of conduct/ethics
- 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:
 - PSPETHC601B Maintain and enhance confidence in public service
 - PSPLEGN601B Manage compliance with legislation in the public sector
 - PSPMNGT602B Manage resources
 - PSPMNGT608B Manage risk
 - PSPMNGT609B Formulate business strategies

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)
- application of complex public sector financial requirements in a range of (3 or more) contexts (or occasions, over time)

Resources required to carry out assessment

These resources include:

- public sector and organisational financial procedures and protocols
- legislation, policy, procedures and guidelines relating to the public sector financial management compliance framework
- industry and accounting standards
- case studies and workplace scenarios to capture the range of situations likely to be encountered when applying complex public sector financial requirements

Where and how to assess evidence

Valid assessment of this unit requires:

- a workplace environment or one that closely resembles normal work practice and replicates the range of conditions likely to be encountered when applying complex public sector financial requirements, including coping with difficulties, irregularities and breakdowns in routine
- application of complex public sector financial requirements 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
- portfolios
- projects
- questioning
- scenarios
- 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.

<i>Elements of the public sector financial management compliance framework</i> may include:	• Generally Accepted Accounting Practices (GAAP) • financial management Acts and regulations • financial administration and audit Acts • central agency (such as Treasury) guidelines • requirements for: • internal controls • separation of duties • delegations • corporate governance • service level agreements • internal and external reporting • risk management
<i>Public sector financial policies and procedures</i> 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 (ABS) requirements • Government Finance Statistics (GFS) requirements • corporate planning • whole-of-government/agency systems and reporting
<i>Internal controls</i> 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
Delegations are:	• functions or powers (under an Act) assigned to others • made to specified limits • made to specified positions and ex officio, i.e. not to specific people but to particular positions
Documentation of internal controls may include:	• financial management practice manual • intranet

Unit Sector(s)

Not applicable.

Competency field

Financial Services.