



Australian Government

Department of Education, Employment and Workplace Relations

PSPMNGT610A Manage public sector financial resources

Revision Number: 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 input into public sector budgeting, financial forecasting and reporting requirements, and the allocation and management of resources to achieve the required outputs of the business unit. It includes contributing to financial bids and estimates, allocating funds, managing budgets and reporting on financial activity.

In practice, the management of public sector financial resources may occur in the context of other generalist or specialist public sector workplace activities such as managing compliance with legislation, maintaining and enhancing ethical practice, managing people, policy etc. This unit is one of 6 units of competency in the *Working in Government and Management* Competency fields that deal with resources.

Related units are:

- PSPGOV204B Access and use resources
- PSPGOV305B Access and use resources and financial systems
- PSPGOV403B Use resources to achieve work unit goals
- PSPGOV503B Coordinate resource allocation and usage

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. Contribute to financial bids and estimates	1.1 Organisational initiatives requiring the preparation of bids and estimates are identified in accordance with resource constraints and organisational needs. 1.2 Information for bids/estimates is substantiated, contains logical assumptions and takes account of strategic plans, government policies and priorities. 1.3 Information for bids/estimates is prepared in accordance with government budgetary requirements including a timeframe to meet critical submission dates. 1.4 Documentation to support bids/estimates is prepared in accordance with budget guidelines.
2. Allocate funds	2.1 Budgets are approved and financial resources are allocated according to organisational priorities/business plan. 2.2 Allocations are made in accordance with organisational policy and procedures and take account of any statutory requirements or constraints. 2.3 Audit trails are maintained to ensure accurate tracking and to identify variances between agreed and actual allocations. 2.4 Financial allocation is monitored against organisational objectives and priorities and corrective action is taken as required in accordance with organisational policy and procedures.
3. Manage budgets	3.1 Budget management is undertaken that meets the financial accountability requirements of the organisation. 3.2 Expenses are monitored against budget and authorised in accordance with financial delegation and organisational financial controls. 3.3 Financial reports are obtained and provided in accordance with organisational requirements. 3.4 Expenses are monitored through analysis of financial information/reports and problems are resolved or referred in accordance with organisational procedures and financial delegation. 3.5 Expenditure is aligned with service delivery milestones/expectations. 3.6 Changes to the budget are negotiated to account for potential under-spending, delays in service/program delivery, overruns and unneeded line items in accordance with organisational policy and procedures.
4. Report on financial activities	4.1 Requirements for financial management and reporting are identified in accordance with the public sector financial management framework. 4.2 Financial management and reporting are undertaken in

ELEMENT**PERFORMANCE CRITERIA**

accordance with organisational requirements and ***public sector financial management policy and procedures.***

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:

- preparing information and reports requiring precision of expression
- meeting formatting and process requirements for bids and estimates and linkages to strategic plans
- monitoring financial information
- interpreting and signing off on financial reports
- interpreting organisational information in financial terms
- adjusting communication to suit different audiences
- using cross-cultural communication relating to financial management - across professional cultures such as accounting, IT, arts, policy areas
- responding to diversity, including gender and disability
- accessing information and legislation electronically or in hard copy
- applying environmental, sustainability and occupational health and safety procedures relating to working in the public sector

Knowledge requirements

Look for evidence that confirms knowledge and understanding of:

- financial management principles
- legislation, policies and processes relating to public sector financial management, such as conflicts of interest, procurement, value for money
- the organisation's financial accountability mechanisms
- corporate governance requirements
- internal controls and why they are used
- delegations and why the public sector uses them
- public sector financial management framework (detailed knowledge) and the relationship between the elements of the framework
- documents that make up the financial management framework
- legislation related to working in the public sector such as equal employment opportunity, environmental, sustainability 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
 - PSPMNGT603B Facilitate people management
 - PSPMNGT602B Manage resources
 - PSPMNGT608B Manage risk
 - PSPMNGT609B Formulate business strategies
 - PSPPOL603A Manage policy implementation

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)
- management of public sector financial resources in a range of (2 or more) contexts (or occasions, over time)

Resources required to carry out assessment

These resources include:

- public sector and organisational financial procedures and protocols
- workplace scenarios and case studies to capture the range of situations likely to be encountered when managing public sector financial resources
- financial legislation and guidelines such as central agency guidelines
- budget process and guidelines

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 managing public sector financial resources, including coping with difficulties, irregularities and breakdowns in routine

- management of public sector financial resources in a range of (2 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.

- Bids*** may include:
- program discretionary bids
 - program, sub-program, section, business unit bids
 - portfolio managed bids
- Estimates*** may include:
- budget estimates
 - additional estimates
 - forward estimates
 - long-term estimates
 - forecasts
- Information*** may include:
- historical information
 - cost-benefit analysis
 - staff requirements
 - contractual information
 - efficiency/sustainability requirements
- Budgetary requirements*** may include:
- zero-based budgeting
 - accrual budgeting
 - activity-based costing/management
 - output-based budgeting
 - top-down/bottom-up approach
 - base plus increment
- Supporting documentation*** may include:
- phasing for liability and expenditure/cash flow implications
 - impact statements
 - reasons for major variations to financial guidance
 - staffing resources
- Budgets*** may include:
- capital expenses
 - recurrent expenses
 - staffing costs
 - cash flow
 - forward estimates
- Corrective action*** may include:
- re-prioritising activities
 - funds transfer
 - re-phasing liability/expenditure

Delegations are:

- functions or powers (under an act) assigned to others
- limited to specified powers or amounts
- made to persons in specified positions

Financial controls should:

- identify, record and measure revenue, expenses, assets, liabilities and equity
- ensure assets are safeguarded and used to avoid waste, extravagance, loss and misuse
- ensure liabilities are not incurred without proper authority
- ensure correct valuation, cut-off, presentation and disclosure of financial balances and transactions
- be linked to the organisation's risk management strategy

Financial reports may include:

- program, sub-program, section, business unit financial reports
- accrual reports
- monthly/quarterly financial reports including cost/unit, costs incurred compared with share of program delivered
- annual reports

Elements of the public sector financial management framework may include:

- internal controls
- segregation of duties
- delegations
- corporate governance requirements
- service level agreements
- internal and external reporting
- risk management

Public sector financial policies and procedures may include:

- financial management acts and regulations
- financial administration and audit acts
- Treasury guidelines
- public sector finance standards
- financial management benchmarking studies
- the organisation's:
 - financial management practice manual
 - delegation manual
 - budget manual/instructions
 - style manual
 - quality manual
- government financial policy statements

Unit Sector(s)

Not applicable.

Competency field

Management.