



Established in terms of Act 58 of 1995

SOUTH AFRICAN QUALIFICATIONS AUTHORITY (SAQA)

In accordance with regulation 24(c) of the National Standards Bodies Regulations of 28 March 1998, the Standards Generating Body (SGB) for

Public Administration and Management

Registered by NSB 03, Business, Commerce and Management Studies, publishes the following qualification and unit standards for public comment.

This notice contains the titles, fields, sub-fields, NQF levels, credits, and purpose of the qualification and unit standards. The qualification and unit standards can be accessed via the SAQA web-site at www.saqa.org.za. Copies may also be obtained from the Directorate of Standards Setting and Development at the SAQA offices, Hatfield Forum West, 1069 Arcadia Street, Hatfield, Pretoria.

Comment on the unit standards should reach SAQA at the address ***below and no later than 1 March 2004***. All correspondence should be marked **Standards Setting – SGB for Public Administration and Management** and addressed to

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**TITLE: National Certificate in Public Finance and Administration
(Municipal): NQF Level 5**

1. **FIELD:** Business, Commerce and Management Studies
Sub-fields: Public Administration
2. **LEVEL:** 5
3. **CREDITS** 132
4. **ISSUE DATE:**
5. **REVIEW DATE:**
6. **RATIONALE FOR THE QUALIFICATION:**

The need for well-qualified efficient, client-orientated government officials to serve the needs of the public has been identified as an urgent priority in South Africa. This need is equally important in semi-government organisations such as municipalities and metropolitan administrative structures. This National Certificate in Public Finance and Administration (Municipal): NQF Level 5 is aimed at financial practitioners working in local government (municipalities and metropolitan councils). It is the first Qualification in a learning pathway in Public Administration with specialisation in Municipal Financial Administration that leads to a Diploma: Level 5 and/or a degree at NQF level 6 and ends in an Honours Degree at Level 7.

The Certificate in Public Finance and Administration (Municipal): NQF Level 5 consists of learning material covering Accounting and Financial Management and Administration. The competencies contained in this learning material encapsulates the competencies required by Municipal Financial Officers working at this level.

The Qualification will therefore advance the ability of the qualifying learner and Municipal Financial Official to perform the necessary financial management tasks expected of him/her, as well as improve his/her general administration abilities so equipping him/her to provide a service that meets the needs of the public.

The Qualification will contribute to the upliftment of the South African economy in line with the aims and objectives of the Skills Levies Act and the

Skills Development Act through raising the skills levels of municipal employees and thereby providing better employment prospects for the learner and even opportunities for self-employment

7. PURPOSE OF THE QUALIFICATION:

The purpose of the Qualification is to enable qualifying learners to apply the relevant financial management functions, skills and techniques to ensure effective and efficient service delivery in the Public Sector environment. As a result society could benefit from improved service delivery and the learner will gain relevant and useful knowledge, skills and attitudes to be a productive Public Sector financial practitioner.

The Qualification will add value to the learner in terms of improved employment possibilities as financial practitioners in the Public Sector. In addition, qualifying learners will:

- Be granted membership of both the professional bodies in the municipal financial management field, namely The Institute for Public Finance and Auditing (IPFA) and the Institute of Municipal Finance Officers (IMFO)
- Receive Status in line with the Code of Remuneration (CORE), and stipulations of the Public Service Commission.

The Qualification serves as a basis for further learning in the field of Public Financial Management and Municipal Finance and could also lead to learning in the related fields of Public Management, Public Policy, Politics and Democratic Citizenship, Sovereignty of the State, Promotive Health and Developmental Services, and Consumer Services.

The Qualification promotes the objectives of the NQF in that it facilitates access to and mobility and progression within education and training for learners who:

- Were previously disadvantaged or who were unable to complete their schooling and were therefore denied access to Further Education and Training.
- Have worked in this field for many years, but have no formal Qualifications and would like to achieve this through the process of RPL (Recognition of Prior Learning) and/or formal study
- Wish to extend their range of skills and knowledge of administration within their respective industries so that they can extend their competency levels.

After successful completion of this Qualification the learner will be able to:

- Execute lower level financial and administrative activities and tasks to contribute to the operational functioning of a public institution

- Maintain internal and external client services according to operational procedures and the Batho Pele principles to ensure community/client satisfaction

The Qualification has building blocks that can be developed further in Qualifications at a higher level

The intention is:

- To promote the development of knowledge, skills and values that are required for service excellence within the field of Public Finance and Administration (Municipal).
- To release the potential of people.
- To provide opportunities for people to move up the value chain.

8. ACCESS TO THE QUALIFICATION:

All learners in possession of an FETC or equivalent qualification may have access to this Qualification, bearing in mind the learning assumed to be in place detailed below.

9. LEARNING ASSUMED TO BE IN PLACE;

It is assumed that Learners accessing this Qualification are competent in:

- Communication at NQF Level 4
- Mathematical Literacy at NQF Level 4
- Computer Literacy at NQF Level 4..

8. CREDITS ASSIGNED TO THE QUALIFICATION:

The Qualification is a planned combination of Learning Outcomes that culminate in the competencies specified in the purpose statement. The Outcomes are grouped into Fundamental, Core and Elective components to allow for ease of articulation with other Qualifications.

Table indicating the Credits allocation and level of competencies in Fundamental, Core and Elective Components

COMPONENT	LEVEL	CREDITS
FUNDAMENTAL	5	52
CORE	5	70
ELECTIVE	5	10
TOTAL		132

9. EXIT LEVEL OUTCOMES AND ASSOCIATED ASSESSMENT CRITERIA**FUNDAMENTALS:****Specific outcome 1**

Perform Mathematical calculations related to the work situation.

Assessment criteria:

- Basic numeric calculations, such as addition, subtraction, division and multiplication are carried out correctly using decimal notation
- Percentage and ratio calculations are carried out correctly
- Unit cost calculations are done for a variety of goods and services
- Value-added tax calculations are performed for a number of goods and services
- Simple and Compound interest is correctly calculated for a number of accounts

Specific outcome 2

Know, understand and implement the legislative framework governing public financial management

Assessment criteria

- The Constitution of South Africa is interpreted so as to know how it applies to the policies governing the Public Sector
- The Public Finance Management Act or Municipal Finance Management Act and the and related policies governing the Public Sector are applied in real or simulated situations
- The Division of Revenue Act and related policies governing the Public Sector are applied in real or simulated situations
- The Preferential Procurement Policy Framework Act, the Preferential Procurement Regulations and related policies governing the Public Sector are applied in real or simulated situations
- The Public Service Act and related policies governing the Public Sector are applied in real or simulated situations
- The Treasury Regulations and related policies governing the Public Sector are applied in real or simulated situations
- GRAP or GAMAP and related policies governing the Public Sector are applied in real or simulated situations
- The concepts of GAAP are compared with GRAP and GAMAP
- Accountability as a concept applicable to all employees is understood

Specific outcome 3

Know, understand and utilise data processing systems

Assessment criteria

- The components of the Transaction Processing System are understood and applied to routine tasks
- The risks to data held on a computer system are minimised by using controls for active threats
- The risks to data held on a computer system are minimised by using controls for passive threats

Specific outcome 4

Work and develop oneself in the workplace

Assessment criteria

- Self discipline is applied in the workplace
- The learner's own competence and personal growth are planned and developed as required
- The learner's own short and long-term career plans are developed and plans are made to realise them.

Specific outcome 5

Contribute to health, safety and security in the workplace

Assessment criteria

- The relevant regulations and procedures regarding Health and Safety as contained in the Occupational Health and Safety Act are understood and applied in terms of the level of authority of the learner or reported to the person how can deal with them.
- Security in the workplace is monitored and breaches to the provisions reported to the appropriate official

Specific outcome 6

Adhere to professional ethics and conduct in the workplace

Assessment criteria

- Ethical standards and values as applicable to Public Sector administration are applied in the workplace
- The Code of Conduct of the institution, of the profession and those required in terms of legislation are understood and adhered to at all times
- The requirements of the Disciplinary and Grievance Code are understood and adhered to at all times

Specific outcome 7

Communicate effectively in the workplace

Assessment criteria

- Oral communication skills are effectively used when speaking and listening to clients and work colleagues either formally or informally.
- Reading skills are effectively used to understand, interpret and act upon written texts
- Writing skills are effectively used to write reports, memorandums, letters, e-mails, notices, etc, to draw up meeting agenda and to take minutes of meetings.

CORE:**Specific outcome 8**

Apply the basic accounting principles

Assessment criteria

- The basic accounting equation is understood and applied appropriately
- The double entry system is understood and applied
- The account system is understood and applied
- Source documents are identified and used when required
- The recording of entries into books of first entry is understood and done correctly.
- The system of posting of entries to the appropriate general ledger is understood and applied accurately and correctly
- The different types of financial statements are recognised and their use explained by means of examples

Specific outcome 9

Understand and apply the basic processes and procedures of financial accounting

Assessment criteria

- The basic elements of the Accounting Model are understood and applied
- The basic activities in the accounting system related to the various business processes are understood and an explanation given of when and how they are used
- The basic elements of the accounting processes related to the accounting cycle are understood and applied
- The transaction processing cycle is understood and an explanation given of how it is applicable to the learner's work situation
- The elements of the internal control process are understood and applied

- The chart of accounts is understood

Specific outcome 10

Record accounts receivable

Assessment criteria

- The debtors administration system is understood and applied
- Documents relating to goods and services supplied to an institution are processed
- Revenue is received and recorded as per institutional requirements and procedures.

Specific outcome 11

Record accounts payable

Assessment criteria

- The creditors administration system is understood and applied
- Payments are prepared according to statutory requirements
- Documents relating to goods and services received from vendors are prepared and processed for payment
- Payments are made and recorded according to institutional and legislative requirements and procedures.

Specific outcome 12

Record financial transactions including petty cash

Assessment criteria

- The cashbook administration system is understood and applied correctly
- Entries are made in the cash receipt journal and the cash payment journal
- The cash book is reconciled with the bank statement
- The petty cash administration system is understood and correctly used
- petty cash reimbursement and disbursements are recorded correctly

Specific outcome 13

Verify and interpret processed accounting data

Assessment criteria

- The importance of verifying and reconciliation accounting data to ensure the correctness and completeness of transactions is understood and the process and procedures are carried out correctly as per organisational and legislative requirements
- Accounts are reconciled and checked for correctness.

Specific outcome 14

Understand the concept of and draw up a trial balance

Assessment criteria

- The purpose of a trial balance is understood
- The elements of a trial balance are identified from a ready prepared trial balance
- The information required to draft a trial balance is identified and collected to draw up a trial balance
- The errors that could occur in a trial balance are identified and listed in tabular form with examples of each.
- A trial balance is drawn up for an entity.

Specific outcome 15

Understand the basic principles of cost accounting

Assessment criteria

- The basic costing elements are identified and listed
- The costing principles and concepts are identified and listed
- Costing techniques are listed and advantages and uses of each are supplied
- Appropriate cost centres and elements of costs are recognised

Specific outcome 16

Understand the budget cycle

Assessment criteria

- The steps in the budget process are identified and a written explanation given
- The linkages between strategic planning, the Medium Term Expenditure Framework (MTEF), the operational capital budget, reporting, annual financial statements and the annual report are understood with examples of each concept supplied

Specific outcome 17

Understand and apply the supply chain management cycle

Assessment criteria

- The elements of the supply chain management cycle are identified
- The role-players in supply chain management are identified and an indication given of the role of each
- The procurement processes and procedures are known, understood and applied

Specific outcome 18

Understand the fundamental aspects of risk management

Assessment criteria

- The concept of risk management is understood in the context of the workplace
- The process of risk management is understood
- The process of internal auditing is understood as part of risk management

Specific outcome 19

Understand and apply the processing of payroll transactions

Assessment criteria

- The importance of a payroll function is understood in an organisation
- The need for a separation of functions in the payroll administration cycle is understood in terms of risk management
- The transaction cycle in payroll processing is understood and an indication is given of who is involved in the different stages of the cycle
- The control and reconciliation of payroll processing is understood and applied in terms of risk management and accountability

ELECTIVES:**Specific outcome 20**

Understand and apply the South African tax system to an individual and an organisation.

Assessment criteria

- Taxation is defined and the different types of tax payable in South Africa are explained in tabular form indicating which are direct and which indirect taxes and which payable by individuals and which by companies and government departments
- Statutory and other returns are prepared for submission to SARS
- A personal taxation form is completed for a specific tax year.

Specific outcome 21

Understand and apply the public sector provisioning management framework

Assessment criteria

- The place of provisioning management in public management and administration is understood in relation to transparent and fair management.
- The type of stock/stores that must be kept in a warehouse are identified so as to ensure a minimum of wastage and shrinkage.
- A warehouse or storeroom is maintained effectively and efficiently.
- The transit section of a warehouse is maintained effectively and efficiently.
- Internal requisitioning procedures are applied for stores items.
- External requisitioning procedures for consumable items are applied to procure goods/services for the organisation/department.
- Stock levels and delivery periods are determined through accounting for consumable items.

CRITICAL CROSS-FIELD OUTCOMES EMBEDDED IN THE SPECIFIC OUTCOMES

The following Critical Cross-Field Outcomes have been covered by the Specific Outcomes:

- Working effectively with others in a team in collecting and processing data
- Collecting and organising information
- Identifying and solving problems in which responses display responsible conduct
- Communicating effectively using visual and/or language skills in the modes of oral and or written persuasions
- Demonstrating and managing the dynamics between the micro- and intermediate environments as a set of related systems by recognising that basic problem-solving does not exist in isolation
- Organising and managing oneself and subordinates responsibly and effectively as a public official. This Critical Cross-Field outcome is embedded in all the specific Outcomes.

It is only through self-management and organising skills that public officials will be able to optimally utilise human, financial and other resources for effective and efficient service delivery.

10 INTERNATIONAL COMPARABILITY

A search was done on the Scottish Qualifications Authority, the Australian National Training Authority, the New Zealand Qualifications Authority and the City & Guilds websites for Qualifications and/or standards in Financial Management for Municipalities or Local Authorities. Unfortunately, only the Scottish QA had a qualification that contained the competencies identified as required by municipal finance officers for whom this qualification has been designed. The standards contained in the Scottish qualification entitled: “

Providing Financial Services Level 3 no G6HR 23" were compared with the exit level outcomes and associated assessment criteria of this qualification and a favourable match was found in terms of the knowledge and skills contained in both.

11 INTEGRATED ASSESSMENT

Because assessment practices must be open, transparent, fair, valid, and reliable and ensure that no learner is disadvantaged in any way whatsoever, an integrated assessment approach is required for this Qualification.

Learning, teaching and assessment are inextricably linked. Whenever possible, the assessment of knowledge, skills, attitudes and values shown in the Exit Level/ Specific Outcomes assessment should be integrated.

Assessment of Fundamental Outcomes should be conducted in conjunction with other competencies contained in the Core Component and should use authentic Public Finance and Administration contexts wherever possible.

A variety of methods must be used in assessment and assessment tools and activities must be appropriate to the context in which the learner is working/learning. Where it is not possible to assess the learner in the workplace or on-the-job, simulations, case studies, role-plays and other similar techniques should be used to provide a context appropriate to the assessment.

The term 'Integrated Assessment' implies that theoretical and practical components should be assessed together. During integrated assessments, the assessor should make use of a range of formative and summative assessment tools and methods and assess combinations of practical, applied, foundational and reflective competencies.

Assessors must assess and give credit for learning that has already been acquired through formal, informal and non-formal learning and work experience.

The qualification provides for sufficient opportunities for the application of knowledge, skills and attitudes across outcomes to ensure that the learners' competencies can be assessed through the integration of formative and summative assessment methods.

On-going, continuous, formative evaluation should be done through participation in tutorials, assignments, experiential learning, written tests, case studies, and peer evaluation.

Summative evaluation should be done through the completion of a comprehensive assignment/project and written examinations/tests.

The assessment of the Critical Cross-Field Outcomes should be integrated with the assessment of the Specific Outcomes.

11. ARTICULATION POSSIBILITIES

This Qualification articulates vertically with the proposed Diploma in Public Finance and Administration (Municipal Finances) and should also grant the learner access to the second year of study for the Bachelors Degree specialising in Municipal Finance.

It also articulates with the following Qualifications:

- National Certificate in Business Administration: Level 4
- National Certificate in Business Administration: Level 5
- National Certificate in Payroll Administration Services: Level 4
- National Diploma in Payroll Administration Services Level 5
- National Certificate in Public Administration and Management: Level 5
- National Diploma in Public Administration and Management: Level 5.

It also provides horizontal and vertical career mobility in the Public Sector.

12. RECOGNITION OF PRIOR LEARNING

The recognition of prior learning is applicable for this qualification. Assessment of Prior Learning must be done by means of Integrated Assessment as mentioned in the previous paragraph.

Recognition of Prior Learning may allow for:

- accelerated access to further learning at this or higher levels on the NQF
- the obtaining in whole or in part of this Qualification.

13. ASSESSMENT AND MODERATION:

- Anyone assessing a learner or moderating the assessment of a learner against this Qualification must be registered as an assessor with a relevant Education, Training, Quality, Assurance (ETQA) Body or with an ETQA that has a Memorandum of Understanding with the relevant ETQA.
- Any institution offering learning that will enable the achievement of this Qualification must be accredited as a provider with the relevant ETQA or with an ETQA that has a Memorandum of Understanding with the relevant ETQA.
- Moderation of assessment will be overseen by the relevant ETQA or by an ETQA that has a Memorandum of Understanding with the relevant ETQA, according to the ETQA's policies and guidelines for assessment and moderation.
- Moderation must include both internal and external moderation of assessments at exit points of the Qualification, unless ETQA policies specify otherwise. Moderation should also encompass achievement of the competence described both in individual Unit Standards as well as in the exit level outcomes described in the Qualification.

CRITERIA FOR REGISTRATION OF ASSESSORS

For an applicant to register as an assessor for this Qualification, the applicant should:

- Hold an Honours Degree or equivalent in Public Financial Management or in Financial Accounting and Financial Management
- Be registered as an assessor with a relevant ETQA.