

# Accrual Based Accounting Core Competency Framework for Public Sector Finance Professionals

23 April 2018



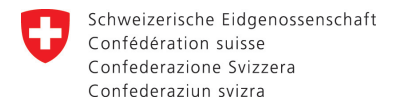
**CFRR**»  
Centre for Financial  
Reporting Reform



Public Sector Accounting and Reporting Program

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# Accrual Based Accounting Core Competency framework for Public Sector Finance Professionals – Session Overview



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- What is a Core Competency Framework?
- Why is this important?
- Overview of the Framework
- Feedback and comments

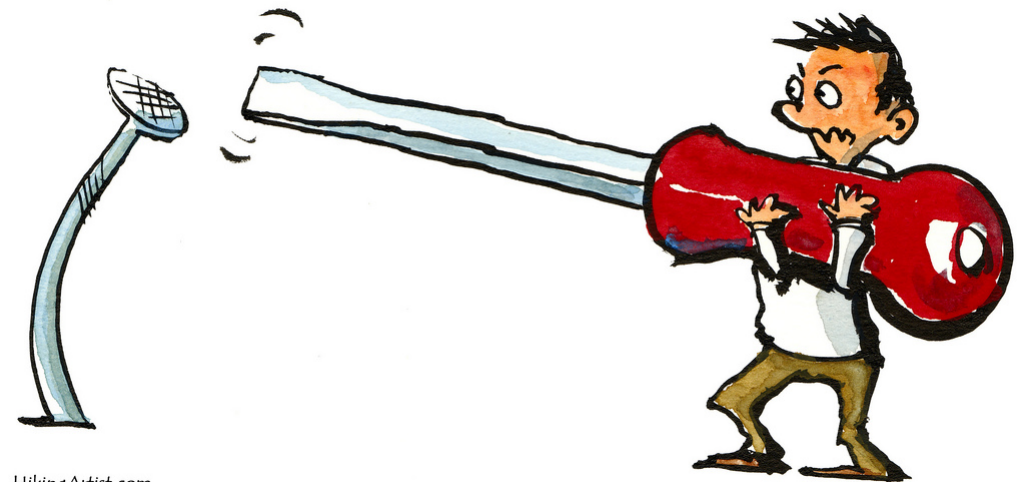
## What is a Core Competency Framework?



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*A Core Competency Framework* is a blueprint which defines standards of performance for key functional job categories. It answers the question:

**“Who needs to know what?”**

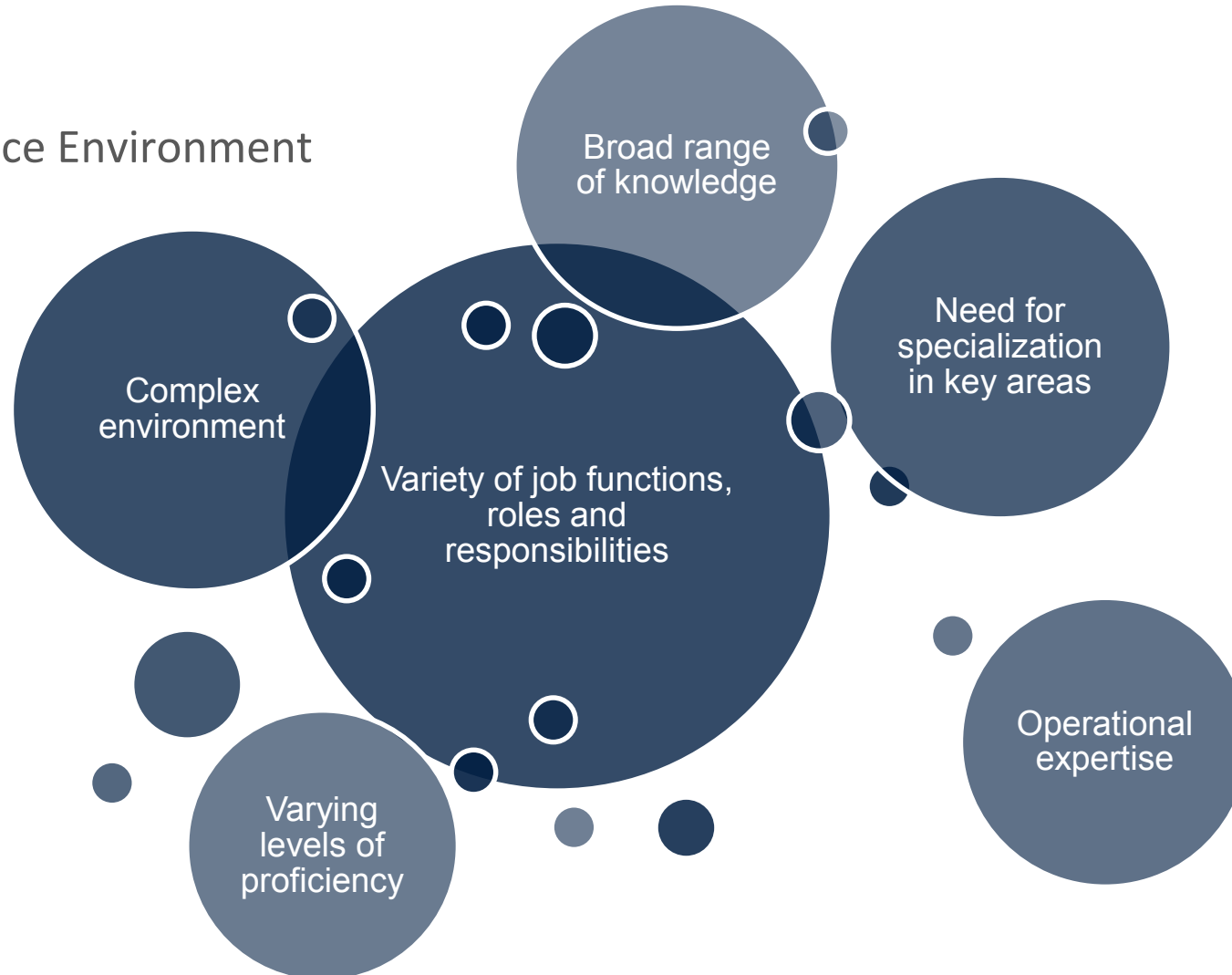


# Why is this important?



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## Public Sector Finance Environment



# Why is this important?



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- In a reform environment, the workforce must be “retooled” and “reskilled” to enable it to carry out and achieve reform objectives;
- The framework provides a holistic definition of the workforce capabilities needed to achieve reforms at all levels throughout the organization;
- It allows the Organization to determine whether it has the capabilities necessary to achieve maximum impact;
- Enables the development of targeted training, learning and development programs to build, strengthen and maintain necessary capabilities;
- Enables targeted recruitment to obtain the necessary capabilities for job functions, if necessary.



# Overview of the Framework



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- Defined and conceptualized by EduCop in December;
- The framework identifies:
  - (i) key functional job categories;
  - (ii) core competencies required for each group;
  - (iii) suggested levels of proficiency for each core competency and functional category, and;
  - (iv) associated learning objectives linked with capabilities that demonstrate competence.

# Input into a Core Competency Framework

## Target Groups for Differential Training



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- Decision Makers – Ministers, Directors, Mayors, non-financial background
- Experts – Accounting Methodology, Central Finance Department, reform leaders
- Specialists – Key processes and cycles (asset management, revenue/receivables management, liability management, investment management, cash management, contract management, employee benefits)
- Finance Managers – Implementing agency or LGU level
- Operational accountants/bookkeepers – process transactions
- Auditors – Internal and external
- Budget and Management personnel – Budget monitoring, results and performance monitoring, financial statement analysis, risk analysis

# Public Sector Accrual Accounting (PSAA) based on International Standards and Good Practice

\* With respect to area of specialization or A

\*\* To be determined by implementing entity

CORE COMPETENCIES	LEARNING OBJECTIVES	CAPABILITIES	COMPETENCE PROFICIENCY LEVELS							
			DM	EX	SP	FM	OP	AU	BM	
a PSAA conceptual framework	Understand PSAA conceptual framework	T, I		3	3*	3*	2*	3	2	
b PSAA conceptual framework	Understand the differences between cash basis, accrual basis, and obligation basis accounting and the underlying purpose of each	T, I	1	3	3	3	2*	3	3	
c Applicable reporting frameworks, concepts and uses	Understand the differences between PSAA, Budget Reporting, and Statistical Reporting	T, I	1	2	3*	3	2*	3	3	
d PSAA conceptual framework	Understand the range of options available in the development of PSAA policies and the potential impact of each option on the financial statements	T, I		3	3*	2		3	2	
e PSAA policies and instructions	Understand existing, new, or revised PSAA principles, policies, concepts and instructions	T, I, P		3	3*	2	2*	3	2	
f PSAA conceptual framework	Understand how PSAA may be used as a tool for monitoring liabilities, contingencies, risks and performance	T, I	3	3	3*	3*	1	3	3	
g PSAA conceptual framework	Ability to develop, understand and/or analyze complex estimates and underlying assumptions	T, I, F, B		2	3*	3*	1	3	3	
h PSAA conceptual framework	Ability to identify, assess, and estimate the impact of contingencies and fiscal risks on the financial statements	T, I, F, B		2	3*	3*		3	3	
i PSAA conceptual framework	Ability to analyze federal legislation and policies and provide management with substantive analysis of the impact on the financial statements	T, I, F, P		3	3*	3*		3	3	
j National financial statements and reports	Understand of the components of the financial statements	T, I, F, B	1	3	3	3	1	3	3	
k National financial statements and reports	Understand the financial reporting process	T, I, P	1	3	3	3	1	3	3	



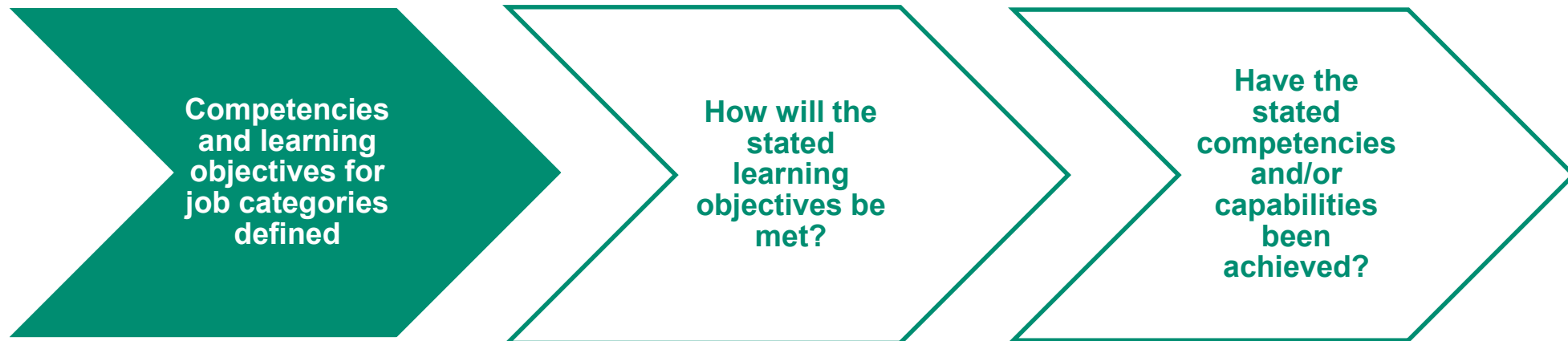
# Overview of the Framework



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The adopting entity must specify:

- Developmental activities, and
- Assessment methods.



# Input into a Core Competency Framework



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Please provide your input and comments on the framework by **May 9, 2018** using the link below:

<https://www.surveymonkey.com/r/G27MJBj>