

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates

29 May – 31 May 2012

Question: BET 1091-1092

Topic: Education Expenses (AOFM)

Hansard Page: Written (Received from Committee - 13 June 2012)

Senator BUSHBY asked:

1091. What are the department/agency's guidelines on study? Please provide details.

1092. For this financial year to date, detail all education expenses (i.e. in house courses and tertiary studies) for each portfolio department and agency. Include what type of course, the total cost, cost per participant, the employment classification of each participant, how many participants and the amount of study leave granted to each participant (provide a breakdown for each employment classification). Also include the reason for the study and how it is beneficial for the department/agency.

Answer:

1091. The AOFM guidelines on study are as follows:

Study Assistance

PURPOSE

The purpose of this policy is to encourage and support AOFM staff in undertaking tertiary studies that will contribute to their development as employees and to the work of the Office.

SCOPE

This policy applies to all ongoing employees of the AOFM.

CONTEXT

This is an employment policy in accordance with AOFM employment.

POLICY

The AOFM provides assistance to employees who undertake programs of tertiary study that will contribute to their development as employees and to the work of the Office. Formal training through tertiary study can provide a broad understanding of principles, theory and practice as well as provide a foundation for acquiring additional knowledge and skills in specific areas.

Please note that provision for supporting attendance at conferences and short courses is made in the Training and Development Policy.

The study assistance scheme is guided by the following criteria:

- an assessment by the Group Head or CEO that the employee and the AOFM would benefit from the proposed study taking into account –
 - the relevance of the proposed study to the Office's needs;

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- the identified skills and career development needs of the applicant as identified in recent performance appraisal and career development discussions;
- the institution where the employee will be studying and whether it is a recognised institution;
- the employee's performance and length of service with the Office and the APS (staff employed after 1 July 2005 will generally be expected to have completed or largely completed their first year of service);
- the impact of the employee's absences for study leave on the operational work of the Office;
- the cost of the course;
- the transfer of skills and knowledge to other staff members; and
- alternative ways for the Office or the individual to acquire this skill or knowledge.

Financial assistance is provided at three levels. The level of support provided takes account of the expected extent of the benefits from the course and their distribution between the Office and the employee. The three levels are:

- *Essential* (100% financial assistance) – studies or research that are essential for work commitments to be met.
- *Highly desirable* (75% financial assistance) – studies or research that have vocational application within AOFM and will significantly enhance the employee's work contribution in either their current job or in the course of their career in AOFM.
- *Desirable* (50% financial assistance) – studies or research that have vocational application to AOFM in general rather than contribute to specific work needs. Such studies would develop personal skills for general application within AOFM.

A cap of \$7,500 applies to the support provided to an employee in a twelve month period and \$3,750 for six months. The CEO may approve payments above the cap in exceptional cases.

Study assistance should be applied for and approved before the start of each semester. At the time of receiving study assistance, the employee will agree that, should they resign¹ from the AOFM before the completion of the semester, the employee will reimburse the AOFM the agreed amount of the financial assistance supplied for that semester. In general, support will not be provided for repeated subjects or courses.

Specific Courses

The AOFM has identified three courses as being of particular relevance to the AOFM: the Diploma of Financial Services (Financial Markets) offered by AFMA, the Chartered Financial Analyst program, and the Graduate Diploma in Applied Finance and Investment offered by FINSIA.

¹ Employees who move to or who are promoted to another APS agency do not resign.

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This identification is not intended to exclude other postgraduate courses relevant to financial services and investment from obtaining studies assistance, including masters degrees. Such courses will continue to be assessed for support under the criteria set out in the policy; in some cases the assessment of such courses may be helped by reference to the levels of support for the courses listed below.

Similarly, the studies assistance support provided for other types of courses, such as in accounting, business administration and management, will continue and is not affected.

The [AFMA Diploma of Financial Services \(Financial Markets\)](#) is associated with its accreditation program for employees of AFMA member organisations. It involves attendance at one or two short workshops as well as self-study and a workplace skills assessment to ensure that learning can be applied in a work environment. It requires an active involvement by the employing organisation. The course appears highly relevant to the circumstances of the AOFM. Support for this course will be at the 100% level.

The [CFA program](#) provided by the CFA Institute is an international self-study program with a three level curriculum covering investment and asset valuation and portfolio management. Successful completion of the course leads to the designation of Chartered Financial Analyst. The AOFM will also support this course at the 100% level.

FINSIA offers various courses relevant to financial services and markets through Kaplan Professional (see [Kaplan website](#)). The Graduate Diploma of Applied Finance and Investment aims to provide broad coverage of finance and investment topics, with four core units and a wide range of electives. Many of these units are highly relevant to the work of the AOFM. Many of the units are also available under other FINSIA courses, including its Graduate Certificate in Applied Finance and Investment and its Graduate Diploma of Financial Planning.

Time off for study

It is preferred that employees undertake courses that have classes out of hours. However, where an evening class does not exist, the AOFM may allow the employee to attend during work, up to a maximum of 6 hours per week. Any further requirement will need to be negotiated.

For external courses where there are no classes, time off of up to the equivalent of three hours per week may be approved for such courses. The provision of time off will not be automatic and will depend on the circumstances of individual cases. The nature and requirements of the course, the number and complexity of the units being studied at the same time, and the value to the Office of the course's being undertaken by the staff member concerned, will be taken into account.

STUDY AND EXAMINATION LEAVE

Employees will be allowed one day's study leave for examination preparation for each subject that requires an examination. Employees will also be allowed one day's leave per subject to attend the examination where the examination is undertaken during ordinary hours of work.

Employees undertaking a course that does not include formal examinations will be allowed two days' leave per subject for the completion of major course requirements. All leave for study purposes will be entered into Aurion as Miscellaneous Leave.

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Name of Course	CPA
Type of Course	Professional Accreditation
Total Cost	\$1,630.00
Cost Per Participant	\$1,630.00
Employment classification of participants	1 APS5
Amount of Study Leave by classification	APS5 – 18.84 days
Reason for Study	Professional Accreditation
Benefit to AOFM	Increased technical skill applicable to job

Name of Course	Chartered Financial Analyst Level 1
Type of Course	Professional Accreditation
Total Cost	\$2,429.00
Cost Per Participant	\$1,214.50
Employment classification of participants	1 EL1, 1 APS5
Amount of Study Leave by classification	EL1 – 0 days, APS5 – 5 days
Reason for Study	Professional Accreditation
Benefit to AOFM	Increased understanding of financial markets

Name of Course	Graduate Certificate in Applied Finance
Type of Course	Certificate
Total Cost	\$2,025.00
Cost Per Participant	\$2,025.00
Employment classification of participants	1 APS5
Amount of Study Leave by classification	APS5 - 1 day
Reason for Study	Professional improvement
Benefit to AOFM	Improved understanding of AOFM core business

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Name of Course	Financial Analysis Certificate by Distance Learning Using Excel
Type of Course	Certificate
Total Cost	\$1,795.00
Cost Per Participant	\$1,795.00
Employment classification of participants	1 APS5
Amount of Study Leave by classification	APS5 - 0 days
Reason for Study	Professional improvement
Benefit to AOFM	Increased technical skill applicable to job

Name of Course	Graduate Certificate in Accounting (CA)
Type of Course	Professional Accreditation
Total Cost	\$1,524.00
Cost Per Participant	\$1,524.00
Employment classification of participants	1 APS6
Amount of Study Leave by classification	APS6 – 2 days
Reason for Study	Professional Accreditation
Benefit to AOFM	Increased technical skill applicable to job

Name of Course	Diploma in Law
Type of Course	Professional Accreditation
Total Cost	\$ 1313.03
Cost Per Participant	\$ 1313.03
Employment classification of participants	1 EL1
Amount of Study Leave by classification	EL1 – 0.53 days
Reason for Study	Professional Accreditation
Benefit to AOFM	Improved understanding of legislative framework applicable to job

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Name of Course	Australian Securitisation Forum - Diploma of Securitisation
Type of Course	Diploma
Total Cost	\$ 12,696.63
Cost Per Participant	\$ 822.38
Employment classification of participants	2 EL2, 3 EL1, 4 APS6, 6 APS5
Amount of Study Leave by classification	All classifications – 0 days
Reason for Study	Professional Accreditation
Benefit to AOFM	Improved understanding of underlying process of RMBS