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| **Title** | **Administer credit control** |
| Level | **3** | **Credits** | **10** |

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| Purpose | People credited with this unit standard are able to:– demonstrate knowledge of credit policy;– demonstrate knowledge of the delegation of authority for credit approval; and– administer credit control. |

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| Classification | Financial Management > Credit Administration |

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| Available grade | Achieved |

**Guidance Information**

1 Legislation applicable to this unit standard includes:

 Personal Property Securities Act 1999;

 Privacy Act 2020;

 Credit Contracts and Consumer Finance Act 2003;

and all subsequent amendments and replacements.

2 Definitions

 *Credit approval authority* is the authority to approve credit to a specific financial limit. Several credit approval authorities may be in place within an organisation.

 *Credit facility* is the amount and type of credit that is being applied for and includes set and/or flexible credit limits.

 *Credit policy* is a set of company guidelines that contain the defined parameters used to evaluate and manage credit facilities.

 *Industry practice* includes policies, procedures and standards that competent practitioners in the industry recognise as current industry best practice.

 *Organisational practice* includes documented policies, procedures, and practices, and policy and procedure manuals pertaining to credit.

3 This unit standard may be assessed on-job in the workplace using naturally occurring evidence or in off-job simulated work situations designed to draw upon similar performance to that required in work in a credit administration and/or credit management context.

4 All evidence is in accordance with organisational practice where possible, otherwise evidence may be based on industry practice.

**Outcomes and performance criteria**

**Outcome 1**

Demonstrate knowledge of credit policy.

**Performance criteria**

1.1 Describe the purpose of a credit policy.

1.2 Describe the criteria of a credit policy.

Range criteria may include but is not limited to – minimum acceptable criteria, legislative requirements, procedures, levels of authority and roles.

1.3 Describe the steps taken to meet these credit criteria.

**Outcome 2**

Demonstrate knowledge of the delegation of authority for credit approval.

**Performance criteria**

2.1 Identify delegated authorities for credit decision making.

2.2 Explain the scope of each delegated authority.

Range at least two authorities are explained.

2.3 Describe the process required when a situation is outside that governed by a delegated authority framework.

**Outcome 3**

Administer credit control.

**Performance criteria**

3.1 Monitor client status.

3.2 Record and maintain accurate diary notes.

3.3 Administer file security that conforms to current legislation.

Range includes but is not limited to – Privacy Act 2020.

3.4 Action payment default alerts.

3.5 Administer receipt of payments from client accounts with a status of credit hold or stop supply.

Range may include but is not limited to – ‘credit facility withdrawn’ letter, remove default status, review of terms and credit limit.

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| Planned review date | 31 December 2030 |

**Status information and last date for assessment for superseded versions**

| Process | Version | Date | Last Date for Assessment |
| --- | --- | --- | --- |
| Registration | 1 | 28 June 2005 | 31 December 2023 |
| Rollover and Revision | 2 | 15 November 2012 | 31 December 2021 |
| Rollover and Revision | 3 | 22 May 2014 | 31 December 2021 |
| Review | 4 | 18 June 2015 | 31 December 2023 |
| Review | 5 | 24 September 2020 | N/A |
| Review | 6 |  | N/Z |

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| Consent and Moderation Requirements (CMR) reference | 0121 |

This CMR can be accessed at <http://www.nzqa.govt.nz/framework/search/index.do>.

**Comments on this unit standard**

Please contact Ringa Hora Services Workforce Development Council qualifications@ringahora.nz if you wish to suggest changes to the content of this unit standard.