

Question: 1

Topic: Compliance with the Financial Framework

Hansard Page: PA2

Senator WATSON asked:

[In relation to legal opinion as it related to the *Financial Management and Accountability Act 1997*],

- (a) which agencies have come back to you; and
- (b) in relation to what matters?

Answer:

(a) Our records show that the following agencies have, in accordance with the *Legal Services Directions*, provided the Department of Finance and Administration with copies of legal advice they have received in relation to the *Financial Management and Accountability Act 1997*.

Aboriginal and Torres Strait Islander Commission
Australian Competition and Consumer Commission
Australian Customs Service
Australian National Audit Office
Australian Office of Financial Management
Australian Taxation Office
Centrelink
Department of Agriculture, Fisheries and Forestry
Department of Communications, Information Technology and the Arts
Department of Defence
Department of Education, Science and Training
Department of Employment and Workplace Relations
Department of Families, Community Services and Indigenous Affairs
Department of Health and Ageing
Department of Human Services
Department of Immigration and Multicultural Affairs
Department of the Environment and Heritage
Department of the Prime Minister and Cabinet
Department of the Treasury
Department of Transport and Regional Services
Department of Veterans' Affairs
Geoscience Australia
National Capital Authority
Office of Parliamentary Counsel

(b) The matters on which legal advice was obtained related to a broad range of issues under the FMA Act, including banking of public money in official bank accounts; the use of public money for investments authorised by the FMA Act; the operation of the FMA Act in relation to appropriations, such as net appropriation agreements and Special Accounts; and the spending of public money in accordance with the *Financial Management and Accountability Regulations 1997*. The advice has generally been obtained by the agency to ensure compliance with the requirements of the FMA Act in relation to a particular activity.

Joint Committee of Public Accounts and Audit

ANSWERS TO QUESTIONS ON NOTICE

Department of Finance and Administration

Review of Auditor-General's reports Nos 7 to 35 (2005-06) – 29 May 2006

Question: 2

Topic: Compliance with the Financial Framework

Hansard Page: PA3

Senator WATSON asked:

[In relation to the CFO forum meetings] can you give the committee some minutes of those meetings so we are familiar with the sorts of discussions that take place and what follows?

Answer:

Minutes are not kept of the CFO forum meetings as the meetings are primarily intended to promulgate awareness of upcoming issues (such as reporting deadlines) and to provide updates on policy and implementation work within Finance. The following is a list of the issues that were routinely raised and discussed in meetings held over the last 12 months:

- Updates of Budget estimates and framework review implementation.
- Accounting and reporting issues, including updates on accounting standards and government financial statistics harmonisation.
- Updates and advice on policy development, for example, the government decision to implement a certificate of compliance.
- Specific issues related to pertinent ANAO, whole-of-government audits, for example, the *Auditor-General Audit Report No 28, 2005-06, Management of Net Appropriation Agreements*.
- Budget and cash management processes.

Joint Committee of Public Accounts and Audit

ANSWERS TO QUESTIONS ON NOTICE

Department of Finance and Administration

Review of Auditor-General's reports Nos 7 to 35 (2005-06) – 29 May 2006

Question: 3

Topic: Compliance with the Financial Framework

Hansard Page: PA4 and PA5

Senator WATSON asked:

[In relation to the agencies' audit committees]

- (a) I want the minutes, firstly, of the internal auditors about what they have done, what they have recommended and, secondly, of the audit committees, which you tell me are now required of all the 83 (sic) agencies. Thirdly, I want copies of the fraud control plan for each of the agencies.
- (b) I want to look at, from the point of view of our committee, what sort of records they are keeping, how broad they are and how much detail they go into.

Answer:

The Department of Finance and Administration does not hold these documents. Each agency Chief Executive is accountable and responsible for the management of their agency, including the handling of internal audit processes and the preparation of fraud control plans. Chief Executives and/or the agency Ministers are also responsible for deciding the appropriate course of action in response to matters arising in audit reports and fraud control plans.