

DEPARTMENT OF FINANCE AND ADMINISTRATION

SUPPLEMENTARY SUBMISSION TO THE SENATE FINANCE AND PUBLIC
ADMINISTRATION COMMITTEE INQUIRY INTO THE TRANSPARENCY AND
ACCOUNTABILITY TO PARLIAMENT OF COMMONWEALTH PUBLIC FUNDING AND
EXPENDITURE

Attachment A

RESPONSE TO ISSUES RAISED ON 12 OCTOBER 2006 AND IN
SUPPLEMENTARY SUBMISSIONS

1. Introduction

1.1. The Committee has requested a response from the Department of Finance and Administration (Finance) in relation to issues raised by Professors Stephen Bartos and Allan Barton at the public hearing on 12 October 2006. As many of the issues raised in the hearings are also raised in supplementary replies to the Committee from the Australian National Audit Office (ANAO) and Clerk of the Senate, Finance will avoid unnecessary repetition and address the topics raised in a consolidated fashion.

2. Special Appropriations (F&PA 4, 5 and 15)

2.1 Senators Forshaw and Murray, and Professor Bartos, raised issues in relation to the reporting and review of special appropriations. This included the proposal that a publication be produced as part of the Budget papers that specifically provided details of the special appropriations across government and within agencies.

2.2 Details of appropriations estimates are provided in the Budget Papers, with details of specific appropriations listed in agency Portfolio Budget Statements. The option to produce a specific publication on special appropriations is a matter for consideration by Government.

3. Monitoring of 1965 Compact (F&PA 5 and 6)

3.1 The level of understanding of what constitutes "ordinary annual services" has been raised by both Professor Bartos and the Clerk of the Senate. The Auditor General, in a related matter, has raised concerns over the correct classification of appropriations as departmental or administered, capital or operating.

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3.2 It is agreed that the situations highlighted would appear to be examples of a lack of understanding, which is being addressed through an ongoing program to improve the capability of Finance and agency staff to understand the budget framework and its application through training and education, and the refinement of guidance material.

3.3 Professor Bartos has proposed in response to these instances that Finance should take a more interventionist approach to vetting the categorisation of funding for agency activities. While Finance has and will continue to have a valid role in the oversight and costing of agency measures, the building of this capability is seen as a more effective and sustainable means of ensuring compliance with the budget framework than the adoption of a stricter policing role by Finance as suggested by Professor Bartos.

4. Accuracy of Estimates (F&PA 8)

4.1 The point by Professor Bartos about improving the accuracy of estimates is noted and is a major area of focus for Finance, resulting in increasing engagement with agencies during 2005 and 2006 to ensure that agency and programme managers pay closer attention to their financial estimates. The efforts have resulted in an improvement between 2004-05 and 2005-06, with the variation between revised estimates payments at budget time and final outcome falling from 1.7 per cent to 0.8 per cent.

4.2 While the improvement was welcomed, there is still much work to be done to achieve the benchmarks set for Government agencies. Further work is under way with agencies in terms of the quality of programme information, enhancements to financial systems, and better and more frequent analysis by agencies and Finance of projected end-of year performance to ensure planned performance targets are both realistic and achievable.

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4.3 This is being supported by changes to elements of the financial framework and its processes to more effectively support preparation of budget information through a greater range of training material and courses and enhanced guidance.

4.4 Improvements in budget and programme management processes will have the added benefit of providing a more established basis from which to form estimates for the following budget cycle, and lead to an ongoing process of improving the quality of budget estimates.

5. Financial Management Information Systems (F&PA 9)

5.1 Professor Bartos has raised issues about the lack of a single financial management information system for the whole of government. It is certainly the case that, as Departments and agencies are responsible for the efficient, effective and ethical use of managing resources, they operate separate financial management information systems to support this responsibility.

5.2 However, a single whole of government system is used to develop budget estimates and report on budget performance – the Central Budget Management System (CBMS). Departments and agencies are responsible for including estimates details on the system as part of the Budget process, as well as providing monthly forecasts of cash requirements and reporting on a monthly basis on financial performance and trends during the course of the year.

5.3 Given the volume of financial transactions that occur in government organisations this arrangement ensures visibility of key financial performance information at the whole of government level, while transactional information is available in agencies and can be audited by the ANAO as part of the Annual Report process.

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6. Accounting Convergence and Reporting (F&PA 10 and 11)

6.1 Senator Watson and Professor Bartos have raised concerns over the effects of convergence between the GAAP and GFS reporting frameworks and the ability to differentiate between variations caused by changes in accounting practice and changes in activity or price.

6.2 The introduction of changes to accounting standards requires appropriate recognition of the effects in Budget papers and agency portfolio budget statements. Agencies have been required under the Finance Ministers' Orders to present comparison information in relation to the Australian Accounting Standards and the introduction of AIFRS. The introduction of any new standard, such as the adoption of GFS, would be subject to the same rules of presentation.

7. Budget Guidance for Agencies (F&PA 11)

7.1 Senator Watson asked whether a manual was available to give guidance to agencies in relation to the preparation and presentation of Budget information.

7.2 Advice is provided to agencies on the preparation of budget documentation through a number of avenues. Formal advice, through Budget process rules and estimates memoranda, is provided to agencies explaining procedural matters, and Finance is available to advise on the development of budget submissions. Finance has also developed a suite of training courses on various aspects of the Budget process that agencies can access through a recently approved panel of training providers.

7.3 Further advice and training material in relation to the recognition and reporting of agency performance is to be developed in 2007, and will take into account feedback from agencies and other key stakeholders, including this committee.

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8. Reporting on Outcomes and Programmes (F&PA 11 - 12)

8.1 Professor Bartos has made a number of comments in relation to a reduction in the number of reporting lines as a consequence of moving to the outcomes framework.

8.2 There are two aspects that need to be addressed in relation to the comments. First, the number of outcomes used by an agency will depend on the nature of agency activities, preventing a one size fits all approach to the number of outcomes used by each agency. As a consequence, the transition from the earlier programme arrangements to outcomes did result in a number of agencies reducing the number of high level reporting points to Parliament. However, the outcome guidelines impose an expectation on agencies to provide a range of performance information covering the efficiency and effectiveness of agency activities in contributing to agency outcomes. This is continuing work to improve the quality and range of this information and represents an ongoing priority for Finance.

8.3 The second point relates to programmes. The need for a greater range of information below outcome level was recognised in the Budget Estimates and Framework Review (BEFR) in 2002, with the decision being made by Government at that time that agencies would be required to develop and submit programme information.

8.4 The introduction of the Central Budget Management System (CBMS) has assisted agencies to submit this information in a more comprehensive form, and Finance is still evaluating the quality of the data. The decision to publish programme information is one for the Government to make. However, once quality issues are addressed Finance will be in a position to advise the Government on options for greater use, including publication, of programme information.

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9. Tax Expenditures (F&PA 20)

9.1 Professor Bartos has expressed a concern in relation to the timing of the release of the tax expenditures report by Treasury. It is suggested that this is a matter to be raised with Treasury as to the feasibility of any changes to the timing of the release of the report.

10. Increased Reporting by Function (F&PA 20)

10.1 Professor Bartos has stated a preference for increased reporting in the Budget papers on appropriations by function.

10.2 Budget Paper One provides extensive information on agency appropriations in both an outcomes and a Government Financial Statistics (GFS) sub-function format. The suggestion by Professor Bartos that a reconciliation of changes in appropriations be reported by GFS sub-function is noted and will be considered in the context of enhanced reporting. However, given the volume of information already supplied in the Budget papers, any additional information will need to strike a balance between the supply of additional information and the ability to ensure that this can be achieved in a succinct but useful manner.

11. Compliance with Section 81 (F&PA 21 - 23)

11.1 Professors Bartos and Barton have raised concerns as to whether the Commonwealth Government is in breach of Section 81 of the Constitution in terms of how funds are received and expended.

11.2 The Auditor-General made the point in the September hearings and in his latest submission that the Consolidated Revenue Fund (CRF) is self-executing in nature, and that all moneys raised by the Commonwealth form part of the CRF and as a consequence comply with Section 81.

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12. Funding of Depreciation Charges (F&PA 26-27)

12.1 Professor Barton has raised the issue of funded depreciation and its role within the financial framework. Finance continues to review the framework and its different aspects, and will examine the issues raised by Professor Barton. Where changes are considered necessary, Finance will advise Government on options to address areas in need of improvement.

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Attachment B

Response to Questions on Notice from Senator Ludwig

Question reference numbers are in **bold**.

FA1

The following questions relate to the Central Budget Management System (CBMS) currently under development, and referred to in the submission from the department:

Question FA1.1

Could the department provide documentation relating to the CBMS, particularly:

- a. A copy of the specifications for the project.
- b. Details of the data structure for the system.
- c. A flow chart outlining the processes involved in the “capture, classification, analysis and reporting of financial information.
- d. Details of the different users of the system (e.g. agencies, treasury, finance officials etc.) and the user environment or applications and functionality available to them.

Answer 1.1

A copy of system requirements as described in the Request for Tender (RFT) for the project in addition to system overview documentation are provided in the enclosed folder provided at Attachment A.

Question FA1.2

Ms Kathryn Campbell, General Manager of the Financial Management Group in the department indicated during the hearing on 8 September that the new system ‘catches data at the program level as well’. Could the department indicate what data will be captured at the program level and provide an example of how it will be stored in the CBMS.

Answer 1.2

The Central Budget Management System (CBMS) captures financial statement, estimates and appropriation data against programmes. Concerning estimates data, agencies record individual estimates adjustments by programme, outcome, function

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and appropriation source in addition to the required accounting lines. The recording of these adjustments at programme level allows appropriations to be determined at both a programme and outcome level for appropriation and cash management purposes.

All programme reference data is maintained within the CBMS and linked to other elements for reporting purposes (for example a programme must relate to a specified outcome and sub-function).

A number of agencies have now aligned their internal budgeting systems to produce the required inputs to CBMS on a detailed programme basis.

Question FA1.3

Could the department also indicate what data will be captured under the CBMS at both the outcome and output level?

- a. Could the department provide an example of how the data will be stored in the CBMS for each of level (i.e. one example at the outcome level and one at the output level)

Answer 1.3a

The CBMS captures data at the outcome level. As mentioned above, all adjustments to the estimates are recorded at programme and outcome level. CBMS does not store output information – this data is maintained by agencies in their budgeting and FMIS systems and reported in Portfolio Budget Statements and Annual Reports. An example of the outcome-programme relationships within CBMS is illustrated below:

Department of Finance and Administration (Agency Code: 12600)

Outcome 1

Numeric code: 8066

Portfolio-Agency-Outcome Code: DOFA-DOFA:01

Outcome Text: “Sustainable government finances”

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Programme - Superannuation (Administered)

Agency-Programme Code: 126:001

Programme Name: Superannuation

Control Type: Administered

Outcome: DOFA-DOFA:01

Sub-function: 1501 Govt Superannuation Benefits

b. Are there any differences between the data that is currently captured? If so please describe in detail those differences.

Answer 1.3b

The CBMS records financial information at a more detailed level and enables more integrated financial reporting than in AIMS. In AIMS, individual adjustments are recorded at a relatively summarised level. Furthermore the intersections between appropriation, programme, outcome, sub-function and account item are not recorded. For example, it would not be possible to identify individual special appropriations. Nor would it be possible to identify how Appropriation Bill 1 funding was split by programme. Additionally, programme and outcome data is more summarised.

Question FA1.4

Could the department describe how the data will be inserted into the final reports for publication (in both paper and electronic format) as part of the budget papers, detailing in particular –

- a. How the data will be stored prior to final insertion into the Adobe Acrobat or pdf version of the budget papers.
 - i. And the software and process that will be used to insert the data.

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- b. How the data will be stored prior to final insertion into the web or html version of the budget papers, .
 - i. And the software and process that will be used to insert the data.
- c. If the answer to parts (a) and (b) of this question is that the data will be stored in a document (e.g. a MS Word document) before being exported into the alternative formats, then could the department describe how the data will be stored prior to being inserted or merged into that document?
 - i. And the software and process that will be used to insert the data.

Answer 1.4

This question may be better directed to the Department of the Treasury as data for the Budget Papers is converted by Treasury, not Finance. With CBMS Finance provides text files in XML format from the CBMS database in accordance with Treasury formatting requirements. Prior to CBMS, Excel and Word format extracts were provided.

Question FA1.5

If Treasury were to request that data for the final budget papers be supplied in alternative formats, would the department be able to facilitate that request?

- a. If so, explain how, detailing in particular:
 - i. Whether the CBMS will enable the department to provide Treasury with a set of comma-separated text files that contained the data and relevant details (such as the table it would appear in, the agency it relates to or the year a number referred to)
 - ii. How the department has endeavoured to ensure that the new system will be future-proof and provide flexibility to this government as well as any future government.

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Answer 1.5 a

If Treasury were to require the data extracts to be supplied in alternative formats.

- i. Yes, the CBMS would be able to provide Treasury with comma-separated text files.
- ii. Treasury is provided with XML text files. This format is quite flexible and the relational database can be modified to provide for a variety of formats.

Question FA1.6

Could the department provide details of all the significant advances that the CBMS is expected to make when compared to the existing system?

Answer 1.6

CBMS automates and integrates the preparation and reporting of the Department's budgeting, cash management and appropriation outputs. The system also provides increased functionality and flexibility, the provision of a single reporting framework, and secure desktop access capability for agencies rather than only from stand-alone terminals.

The Budget Estimates and Actual Management (BEAM) module manages the preparation of budget documentation at a greater level of granularity to facilitate better monitoring of government expenditure and provide Finance/agency integration on a single platform. The system will also be used to automatically generate the Appropriation Bills and requires agencies to record double entry adjustment journals and does not require separate estimates baseline updates.

Appropriation and Cash Management (ACM) module benefits include on-line viewing of appropriation balances, enhanced reporting capability for agencies and Finance, and increased efficiency. ACM has provided better visibility and control of spending against appropriation limits than the previous system. ACM has been operating for fifteen months (after a three month parallel run). It supports

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appropriation and cash management processes and provides online management reports for agencies and Finance.

The Budget Policy and Coordination Database (BPCD) provides system and reporting tools to help improve Finance's internal management of the budget processes.

FA2

The following questions relate to the Central Budget Management System (CBMS) currently under development, and referred to in the submission from the department:

Question FA2.1

Does the current budget management system index and/or utilise unique identifiers for:

i. Departments

Answer 2.1i

Yes

ii. Agencies

Answer 2.1ii -Yes

iii. Outcomes

Answer 2.1iii -Yes

iv. Outputs

Answer 2.1iv - No

v. Programs

Answer 2.1v -Yes

vi. Type of expenditure function (see 2006-07 Budget Paper No. 1, Chapter 6, tables 3 to 17).

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Answer 2.1vi - Yes

Question FA2.2

If so, for each of the six indexes or types of identifier listed in question 1 detail:

a. How they are assigned

Answer 2.2a

- i. Departments are referenced in the same way as any other agency/entity in the system. However portfolios are identified as separate data structures in the system and have their own acronyms (e.g. DOFA for the Finance and Administration Portfolio, Health for the Health and Ageing Portfolio etc)
- ii. All agencies have a numeric (5 digit) identifier (e.g. 12600) and a short text acronym (e.g. DOFA).
- iii. Outcomes have both a four digit numerical code (e.g. 8067) and a composite Portfolio – Agency – Outcome Number code (e.g. DOFA-DOFA:01, DOFA-DOFA:02, DOFA-AEC:01 etc). The composite code is the most frequently used.
- iv. N/A – Please refer to answer 1.3a.
- v. Programmes are referenced by a composite code which is based on the first three digits of the agency code followed by a sequential number. For example, as Finance's agency code is 12600, its programme codes are of the form 126:001, 126:002, 126:003 etc.
- vi. Government Finance Statistics sub-function codes are based on 4 digit numbers which reflect the functional hierarchy as presented in Statement 6 of Budget Paper No 1. For example, General Public Services is the first function to appear in Statement 6. This function has a code of 1000, while its component sub-functions include 1001 Legislative & Executive Affairs, 1101 Financial and Fiscal Affairs etc.. The sub-function numbering system is long-standing (i.e. the same codes are used in AIMS

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and CBMS. For historical reasons (e.g. lack of available gaps in the code list), there are occasional departures from the sequential numbering convention. For examples the Schools sub-function has a code of 1820 but has two splits numbered 1803 Non-Government Schools and 1807 F-Government Schools.

FA 2.2 b Whether they are continuous across financial years or change each year?

Answer 2.2b

Continuous

2.2. c The circumstances in which they might change for a particular department, agency, outcome etc.

Answer 2.2c

The most common reasons for code changes are Administrative Arrangements Order changes. For example, the Centrelink composite Outcome code changed from FACS-Centerlink:01 to DOFA-Centrelink:01 when Centrelink moved to the Finance and Administration Portfolio. If outcome text is changed for an agency, a new numeric outcome code will be created.

d. Provide an example of each identifier from the last budget paper.

Answer 2.2d

- i. Departments identifier: 10500 Budget Paper No 4 page 206: Attorney-General's Department (note the Attorney General's Portfolio has a Portfolio code of "AG")
- ii. Agencies identifier: 11200 Budget Paper No 4 page 214: Federal Court of Australia
- iii. Outcomes identifier: 8002 AG-AG:01 Budget Paper No 4 page 206: Attorney-General's Department Outcome 1 - An equitable and accessible system of federal civil justice

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v. Programs (Programmes do not appear in the main Budget papers to which the Department of Finance and Administration contributes)

vi. Type of expenditure function identifier: 1000 Budget Paper No 1 Statement 6 - Table 3: General Public Services

Question FA2.3

Will the incoming CBMS alter the indexes or identifiers mentioned in question 1. In particular for any of those variables that are not currently indexed, will an index be created?

- a. If so, provide details.

Answer 2.3 a

No. CBMS includes both the old AIMS codes and generates its own unique identifiers.

- b. In particular for any of those variables that are not currently indexed, will an index be created? a. If so, provide details.

Answer 2.3 b

All variables are indexed, this is a database requirement. For example, as Special Appropriation, as Special Appropriations are recorded in CBMS, unique identifiers are created for each special appropriation item recorded in the system.

FA3

The following questions relate to the existing budget management system (EBMS) that the central budget management system (CBMS) currently under development is intended to replace:

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Question 3.1

Could the department provide documentation relating to the EBMS, particularly:

- a. Details of the data structure for the system.

Answer 3.1 a

AIMS uses a multi-dimensional database, along with a linked relational database (for transaction information), to store budget estimates and actuals information.

The estimates database contains six dimensions:

- Variables - which is used mainly for the financial statements structure, and includes all the account codes
- Organisation - Portfolio, Dept/Agency and appropriation information
- Function-Outcomes - for Functions/Sub-Functions, Outcomes, Programmes, SPPs (Specific Purpose Payments to the States) and some additional splits on financial structures in the Variables dimension
- Version - stores each of the separate versions of data for each budget year
- Reporting - allows differentiation between agency entered data and Finance entered data
- Time - stores the Budget Year - which references different financial years in the Version dimension (e.g. 2006-2007 Budget Year references 6 financial years => the 2004-05 Actual, 2005-06 Revised Budget, 2006-07 Budget, and forward estimates for 2007-08, 2008-09, and 2009-10).
- The Financial reporting (actuals database) contains an extra dimension, Interagency, to record transactions between agencies within the General Government Sector (for monthly reporting) or the whole Australian Government Sector (for annual reporting), to enable eliminations for consolidation purposes.

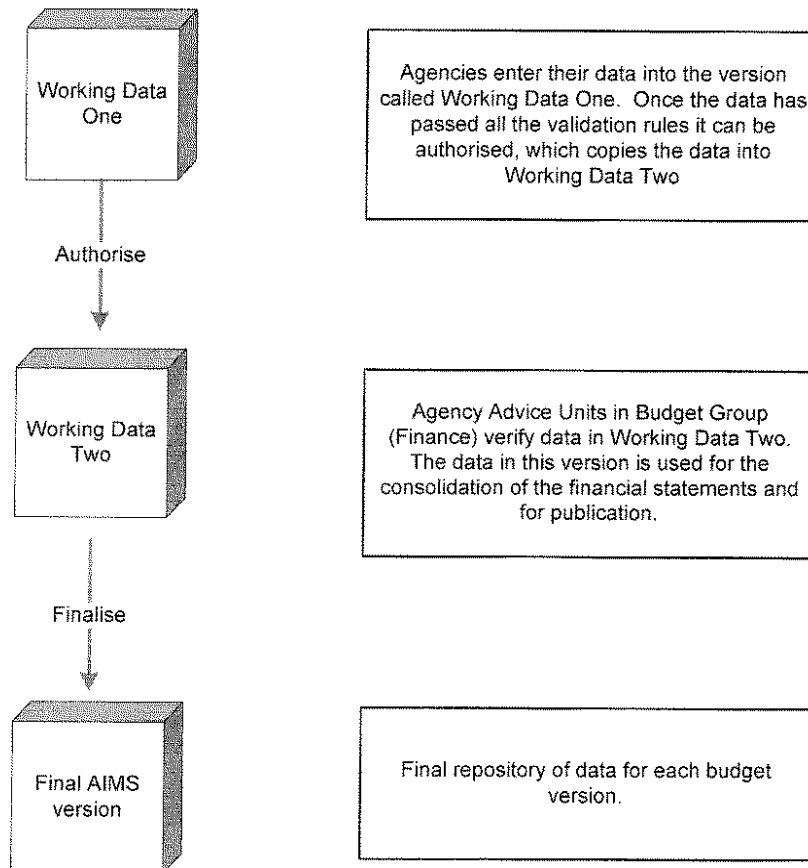
Detailed documentation on the database schema is considered Commercial-In-Confidence. Components of the schema are published for user information (e.g. Chart of Accounts).

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- b. A flow chart outlining the processes involved in collecting, verifying and disseminating data through the EBMS.

DATA ENTRY INTO AIMS



Question FA3.2

Could the department describe how the data is prepared for consideration by Treasury in the lead-up to each budget, detailing in particular –

- The formats in which the data is given to Treasury. For example on paper, through direct electronic access (over the internet or a private network) or as electronic files (such as pdf, xls, csv file formats).
- The software used in the preparation of data.

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Answer 3.2 (a/b)

Finance provides Treasury with electronic data in XML format.

Question FA3.3

Could the department describe how the data is inserted into the final reports for publication (in both paper and electronic format) as part of the budget papers, detailing in particular –

- a. How the data is stored prior to final insertion into the Adobe Acrobat or pdf version of the budget papers.
 - i. And the software and process used to insert the data.
- b. How the data is stored prior to final insertion into the web or html version of the budget papers,
 - ii. And the software and process used to insert the data.
- c. If the answer to parts (a) and (b) of this question is that the data is stored in a document (e.g. a MS Word document) before being exported into the alternative formats, then could the department describe how the data is stored prior to being inserted or merged into that document?
 - iii. And the software used to insert the data.

Answer 3.3 (a,b,c)

This question should be referred to the Department of the Treasury as Treasury manage the processes to finalise the Budget Papers. Under the CBMS arrangements Finance provide data extracts in XML format to meet Treasury's formatting requirements. Data is securely stored within the CBMS database using SQL based relational technology.

Question FA3.4

Do agencies use the EBMS for the preparation of financial statements for Annual Reports?

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- a. If not, what do they use?
- b. If not, will this change under the central budget management system now under development?

Answer 3.4 (a.b)

Agencies use AIMS, but the level of reporting in their annual reports may be supplemented by additional detail obtained from agencies' internal systems. The data reported in CBMS is more granular however agencies may continue to report additional details from their internal systems.

Question FA3.5

Does the department of finance collect the data that is used by agencies for compiling the financial statements in their Annual Reports?

- a. If not, why not?
- b. If not, will this change under the central budget management system now under development

Answer FA3.5

Finance uses the information agencies provide via AIMS/CBMS to produce the Consolidated Financial Statements (CFS).

Question FA3.6

If Treasury were to request that data for the final budget papers be supplied in alternative formats, could the department facilitate that request?

- a. If so, explain how, detailing in particular:
 - iv. Whether the department could provide Treasury with a set of comma-separated text files that contained the data and relevant details (such as the table it would appear in, the agency it relates to or the year a number referred to)
 - v. What flexibility does the EBMS has in place to enable the department meet that request?

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Answer 3.6a (i) (ii)

See answer to FA1.5. Arrangements for EBMS are not relevant as it is being replaced.

FA4

The following questions relate to the transition arrangements for the Central Budget Management System (CBMS) currently under development, and referred to in the submission from the department:

Question FA4.1

Will any data be lost in the transition to the new budget management system?

- a. If so, could the department list the data that will be lost and provide an example from the current budget papers or other reports for each case.

Answer 4.1a

The historical data required for reference purposes continue to be available under the new arrangements. Where appropriate the data is being migrated across to the CBMS.

Question FA4.2

How much historical data, in terms of financial years, will be transferred to the new system? (e.g. the past four financial years)

- a. If the answer varies across agencies, departments, or the nature of the data then provide details of the variations and reasons for it. The department can ignore cases where it is simply because the data is not available (e.g. because a particular agency did not exist).

Answer 4.2a

Finance will continue to have access to the historical data currently available.

- b. How far back does historical data in the existing system currently go?

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- i. For example, if the department were asked to recompile the budget papers for a given year could it do so, and if so for how far back could it conduct the exercise?

Answer 4.2b

The new system is not designed to recompile previous years' budget papers. However, Finance will continue maintain access to historical data including some financial statement data from 1992/93 to 1998/99 (pre-AIMS) together with estimates data from 1993/94 to 2002/03.

FA5

The following questions relate to the Central Budget Management System (CBMS) currently under development, and referred to in the submission from the department:

Question FA5.1

When was the project commenced?

Answer 5.1

March 2003

- a. And at that time, what was the expected completion date for the project?

Answer 5.1a

A three year redevelopment project with an approximate completion date in mid 2006

- b. What was the expected total cost of the project?

Answer 5.1b

\$41.2 million.

- c. Was the project part of any specific budget measure? i. If so please indicate the measure.

Answer 5.1c, ci

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Yes, The 'Enhanced budget information system' expense and capital measures (pages 87 and 107-108, Mid Year Economic and Fiscal Outlook FY2002-03).

Question FA5.2

How much has been spent on the project since it commenced?

Answer 5.2

\$35.2 million has been spent to 30 June 2006.

Question FA5.3

How much additional expenditure on the project does the department expect will be required prior to completion of the project (i.e. the point at which the CBMS completely replaces the outgoing system).

Answer 5.3

The final elements of the system will be fully implemented during this financial year. \$1.2m is expected to be incurred on the CBMS implementation during the financial year ending 30/06/2007.

Question FA5.4

Could the department list the contractors engaged in developing the CBMS, as well as provide the total value of contracts each contractor has signed with the department for the project.

Answer 5.4

Supplier Name	Contract Amount Let (\$)
Adecco Australia	141,560.18
Acumen Alliance (ACT Pty Ltd)	642,842.00
Allstaff Australia	3,210.81
Ambit IT&T Recruitment Specialists	1,305,333.00
Azgard Capital Management	6,654.23
Caoimhin Consulting	117,950.00
Catalyst Recruitment Systems Pty Ltd	2,526.08

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Cybertrust Australia Pty Ltd	60,720.00
Effective People Pty Limited	37,500.00
Ernest & Young	8,190.00
Frontier Group Australia Pty Ltd	306,030.78
Hays Personnel Services	30,127.61
Hudson	6,817.96
Information Sources Australia Pty Ltd	96,156.00
Kelly Service (Australia) Pty Ltd	30,723.00
KPMG	21,125.00
Manpower Services (Aust) P/L	321,611.40
Mark woods Consulting	339,000.00
Omega Personnel Pty Ltd	27,552.00
Peoplebank Australia Pty Ltd	81,279.64
PriceWaterHouseCoopers	4,093.90
Professional Careers Australia Pty Ltd	41,276.25
Verossity	127,959.00
Walter & Turnbull	3,821.59
Wesatff	20,301.75
Wizard Information Services Pty Limited	284,038.98
Total	4,074,401.16

FA6

The following questions relate to the Portfolio Budget Statements (PBS) supplied alongside the Budget Papers:

Question FA6.1

According to Kathryn Campbell, General Manager of the Financial Management Group, the department 'issues guidelines annually on how the PBS should be compiled' (Senate Hansard, 8 September F&PA23). Does this suggest that the department plays no role, other than issuing the guidelines, in the compilation of the PBS?

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- a. If not, please describe the other roles played by the department,
detailing in particular:
- i. Which parts of an agency's PBS the department assists with
and how.

Answer: 6.1a(i)

Portfolio Budget Statements are prepared by individual portfolios in consideration of the structure and content guidance provided by Finance. The information in the statements is drawn from department and agency systems and central financial systems maintained by Finance. Finance, in cooperation with the Treasury, also provides guidance to agencies on the format, publication and distribution of the statements. Finance also provides a help desk to assist with agency specific enquiries on preparation, publication and distribution of portfolio budget statements.

- ii. Whether particular data for the PBS is supplied to the
department for compilation, or

Answer: 6.1 a(ii)

As noted in the answer to question 6.1a(i), departments and agencies draw the information for portfolio budget statements from their own systems and from central financial systems maintained by Finance. Some of the data used in the portfolio budget statements is also used in Budget Papers (for example Budget Paper 2, Measures, and Budget Paper 4, Agency Resourcing Table).

- iii. How the department compiles aggregate figures

Answer: 6.1 a(iii)

Aggregate figures in portfolio budget statements (for example in the portfolio overview) are prepared by portfolio departments and their agencies. Aggregate figures (e.g. consolidated financial statements and projections) in budget papers are prepared by Finance and/or the Treasury. Some of the tables in budget papers are based on data entered by agencies in the central financial systems.