

## QUESTION ON NOTICE

NO. 219

Asked on 27 April 2004

MR SPRINGBORG asked the Minister for Transport and Main Roads (Mr Lucas) –

### QUESTION:

With reference to the Auditor-General's Report No. 6 for 2003-04, page 42 and 43 which deals with the audit of hospitality expenditure for the Department of Main Roads. Replying to the Auditor-General's comments, the Director-General states that "the Department has commenced a review of the hospitality and related expenditure governance framework with the objectives of; improving guidance to officers authorising expenditure, ensuring the account structure in the general ledger is adequate for reporting purposes and ensuring that practices in Main Roads are consistent with those in other agencies –

- (1) Will he provide the name, position and agency or company of each person commissioned to carry out this review?
- (2) While this review is underway and prior to any recommendations being implemented, what interim policies have been put in place to ensure hospitality expenditure is not excessive and there is detailed reporting of the components of hospitality costs, expenditure at training courses, conferences and seminars?
- (3) Given that any recommendations will be discussed with audit prior to implementation, will he provide the position and classification of each job currently filled within internal audit?

### ANSWER:

I thank the Member for Southern Downs for the question.

- (1) Mr Lindsay Cunnington, Director (Financial Management), Corporate Services Group, Department of Main Roads is responsible for this review.
- (2) The Director-General, Department of Main Roads has taken a direct interest in this matter and has taken the following interim actions:
  - Senior managers who authorise hospitality expenditure have been reminded of their responsibilities and the negative impact on Main Roads' reputation of the recent media attention.
  - A practice guide on gifts and hospitality was prepared by Internal Audit Unit and delivered to all staff in October 2003.
  - Training on discretionary responsibility was provided to senior managers and staff in Brisbane and regional centres (commenced in October 2003).

Progress has also been made as follows:

- A review of the hospitality governance framework has been completed.
- A new policy and guidelines draft has been prepared for comment by senior management and Internal Audit Unit.
- The draft policy and guidelines are consistent with other agencies (for example, Department of Premier and Cabinet, Queensland Transport, Department of Natural Resources and Mines, Education Queensland).
- Two new account codes are to be opened to improve reporting.
- Follow up reviews by Internal Audit Unit are programmed for 2004 and will be ongoing.

(3) Detailed below is current information on Internal Audit positions effective as at 10 May 2004.

No	Position	Level
1	Director	SO1
2	Manager - Assurance Services	AO8
3	Manager - Ethical and Governance Services	AO8
4	Principal Internal Auditor	AO7
5	Principal Internal Auditor	AO7
6	Principal Internal Auditor - IS	AO7
7	Senior Internal Auditor	AO6
8	Senior Internal Auditor	AO6
9	Internal Auditor (see note 1)	AO5
10	Internal Auditor (see note 2)	AO4
11	Executive Support Officer (see note 3)	AO3
Notes:		
1. Position MR 113/04. Internal Auditor (AO5) - Advertised 2 March, closed 26 March 2004. Will be re-advertised as pool of applicants was not considered adequate.		
2. Position MR 110/04. Internal Auditor (AO4) - Advertised 2 March, closed 26 March 2004. Will be re-advertised as applicants were not considered suitable.		
3. Executive Support Officer (AO3) - In the process of filing this vacancy.		