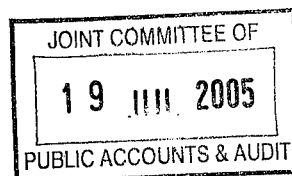




**Australian Government**  
**Department of Finance and Administration**

1st + 2nd class 04/05  
Submission No: ... 201 .....

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Mr Russell Chafer  
Committee Secretary  
Joint Committee of Public Accounts and Audit  
Parliament House  
CANBERRA ACT 2600

Dear Mr Chafer

**Response to the Joint Committee of Public Accounts and Audit (JCPAA) Question on Notice**

On 5 April 2005, representatives from the Department of Finance and Administration (Finance) attended a JCPAA hearing on the Australian National Audit Office Audit Report No.15, 2004-2005, *Financial Management of Special Appropriations*. I apologise for the delay in responding.

At the hearing, Finance took a question on notice on the development and consultation process followed by Finance in preparing the guidance *Role of the CFO – Guidance for Commonwealth Agencies* (Hansard page PA22). Finance's response to this question is attached.

Finance also undertook to advise the Committee once it had finalised the compilation of a list of all special appropriations and agreed the allocation of responsibility with agencies. Extensive work has been done by Finance and it is expected that the list will be completed before the end of July 2005. Discussions with agencies will then occur over the next quarter to ensure allocations are correct and agreed. We will advise the Committee once this work has been completed.

If you would like to discuss any of these issues further, please contact Ms Tania Rishniw, Acting Branch Manager, Finance and Banking Branch on (02) 6215 3362.

Yours sincerely

Phillip Prior  
Acting General Manager  
Financial Management Group

19 July 2005

**Joint Committee of Public Accounts and Audit**

**ANSWERS TO QUESTIONS ON NOTICE**

**Finance and Administration Portfolio**

**Department of Finance and Administration**

Review of Auditor-General's reports, first quarter 2004-05  
5 April 2005

**Topic: ANAO Audit Report No.15 2004-2005**

**Hansard Page: PA 22**

**Senator John Hogg asked:**

When was the better practice guide developed, who developed it and was there any consultation with the ANAO?

**Answer:**

Recommendation six of the Budget Estimates and Framework Review 2002 (BEFR) stated, "best practice guidance should be developed on the role of the Chief Financial Officer (CFO) in Commonwealth Agencies".

In response to recommendation six, a CFO guidelines reference group was established in November 2002. The group was chaired by Finance, and included representatives from the Departments of Agriculture, Fisheries and Forestry (AFFA), Employment and Workplace Relations (DWER) and Foreign Affairs and Trade (DFAT). Between November 2002 and February 2003 the group developed a set of guidelines detailing the role of the CFO in Commonwealth agencies. The ANAO was consulted and provided comments on the draft guidelines.

Progress in developing the guidelines was oversighted by the BEFR Working Group, and the Inter-Agency Steering Committee of Portfolio Secretaries. The guidelines were published by Finance as *The role of the CFO – Guidance for Commonwealth Agencies* in April 2003 and again in September 2004.