Request for closure of recommendation

Division:	Financial Management
ANAO / Internal Audit	Internal Audit
Audit Number and Name:	2017-18 – Internal Audit of SES Travel Management
Recommendation Rating: High/Moderate/Low	Medium
Recommendation Number and Description:	**Recommendation 1:** The Department should: 1. Introduce mechanisms to monitor compliance with internal and external travel requirements, including regular spot checks and SES certifications to acknowledge responsibilities in undertaking or approving travel. This will enable early monitoring and correction of exceptions or instances of non-compliances. 2. Determine key documentation required to support decisions on SES travel and explore options for electronic record keeping of such documents to be easily retrievable. 3. Establish workflow approvals for SAP transactions related to international travel.
Original Completion Date:	30 June 2018
Reason for Closure:	(1) An interim compliance approach has been developed and will be implemented from February 2019 (Rec 1.1). The data required for a more comprehensive approach has been provided to a Business Analyst to incorporate in the requirements for a new travel system. The Finance Business Rule (FBR) on official travel (2.4) has been updated to include SES responsibilities in regard to travel. As part of the interim compliance program, Shared Services Branch will be doing a number of communications activities to build awareness of SES responsibilities and has developed a fact sheet for delegates on key points when approving travel. (2) The FBR on official travel has been updated to reinforce existing records management requirements relating travel documentation. A new fact sheet has also been prepared to assist in promoting the requirements to travellers. (3) Advice has been received that the current system is unable to be updated to incorporate a workflow approval for international travel. The current travel module operates on an outdated technology platform and risks associated with changes are considered high. This requirement will be incorporated into the requirements for a new system being considered as part of implementing Recommendation 5 of this audit. A Business Analyst has been engaged to develop the system high level requirements for a replacement system.

Evidence for closure:	Minute approved by the First Assistant Secretary, Financial Management Division with an interim compliance program (1.1) and a new travel approver fact sheet created.

Minute approved by the Acting Chief Finance Officer updating the Finance Business Rule 2.4 identifying SES officers as accountable for the use of travel in their area and reiterating the requirement to store all documents in accordance with the Department's records management policy (1.1 and 1.2).

Fact Sheets highlighting key points for delegates to consider when approving travel and assist staff meet the records management requirements (1.1 and 1.2). |
| **Delegate (FAS):** | Charles Wann |

Future follow up action	External Accountability Comments:
	External Accountability recommends closure for this recommendation.

ARC Outcome	Endorsed/Not Endorsed
	ARC Meeting Date: 14 March 2019

Request for closure of recommendation

Division:	Financial Management
ANAO / Internal Audit	Internal Audit
Audit Number and Name:	2017-18 – Internal Audit of SES Travel Management
Recommendation Rating: High/Moderate/Low	Medium
Recommendation Number and Description:	**Recommendation 2:** The Department should define and refine the structural allocation of roles and responsibilities for different parts of travel management, including allocating overall accountability to a single SES officer. Consideration should also be given to streamlining the number of separate teams involved in the management of SES travel.
Original Completion Date:	30 June 2018
Reason for Closure:	The roles and responsibilities have been documented and agreed by all branches involved in travel management. The First Assistant Secretary, Financial Management Division has been identified as the overall accountable officer supported by the Assistant Secretary, Shared Services Branch who is accountable for the operations of travel management. A trial has commenced with Shared Services Branch taking on the transactional services for health and portfolio agency international travel rather than Portfolio Strategies Division. A decision on whether to permanently transfer the function will be made at the end of February 2019.
Evidence for closure:	Minute approved by the First Assistant Secretary, Financial Management Division with agreed roles and responsibilities
Delegate (FAS):	Charles Wann

Future follow up action	**External Accountability Comments:** • External Accountability will confirm whether the transactional services for international travel transferred to Shared Services Branch following the conclusion of the trial at the end of February 2019. • External Accountability recommends closure for this recommendation.

ARC Outcome	Endorsed/Not Endorsed ARC Meeting Date: 14 March 2019

Request for ==closure== of recommendation

Division:	Financial Management Division
ANAO / Internal Audit	Internal Audit
Audit Number and Name:	SES Travel Management
Recommendation Rating: High/Moderate/Low	Moderate
Recommendation Number and Description:	Recommendation 3: Introduce a requirement for travel account reconciliations to be undertaken monthly and a roadmap for the completion of work underway to undertake the necessary reconciliations of the travel clearing accounts.
Original Completion Date:	31 March 2018
Reason for Closure:	Recommendation has been addressed. The procedure for undertaking monthly reconciliations has been updated. A project plan to address the backlog and current issues with the process was agreed on 30 March 2018 by the Acting Assistant Secretary.
Evidence for closure:	Diners Reconciliation Procedure (v 1.0) Diners Reconciliation Project: - approval minute cleared - high level project plan - project schedule
Delegate (FAS):	Charles Wann
Outcome:	Approved / Not Approved /

Future follow up action	External Accountability Comments:
	External Accountability recommends closure for Recommendation 3. • The monthly reconciliation procedure has been updated and provided. • Project plan and timelines to address the backlog and current issues approved by the Assistant Secretary. • FMD reported that the clearing of the backlog has taken longer than anticipated (projected to 30/6/18) due to IT systems issues. There has been significant reduction in the clearing balance and efforts in this area are on-going.

Request for closure of recommendation
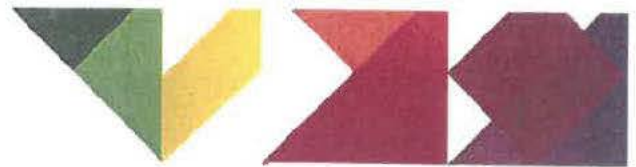
Division:	Financial Management
ANAO / Internal Audit	Internal Audit
Audit Number and Name:	2017-18 – Internal Audit of SES Travel Management
Recommendation Rating: High/Moderate/Low	Medium
Recommendation Number and Description:	**Recommendation 4:** The Department should update/define its internal policies and procedures to include clear reference on the key requirements applicable to SES travel including definition of minimum documentation and filing requirements needed to support decisions on SES travel. This should allow for any additional requirements at Divisional level such as specific risk assessments for travelling to high risk destinations in the case of TGA inspections.
Original Completion Date:	30 June 2018
Reason for Closure:	A review of requirements where there are specific requirements for SES has been undertaken and new content has been added to the Travel page highlighting SES requirements. The Finance Business Rule has been updated to reinforce that all documents relating to official travel must be stored on the Department's official record keeping system. A fact sheet has been prepared to support these requirements. The 'Guidelines for Safe travel' for international travel incorporates a Pre Travel Risk Management Process. Completion of the risk management process is covered under item 10 of the mandatory Checklist for International Travel Process.
Evidence for closure:	• New intranet content highlighting SES requirements. • Fact Sheet on records management. • International Travel and Work Safety - Pre Travel Risk Management Process.
Delegate (FAS):	Charles Wann

Future follow up action	External Accountability Comments: External Accountability recommends closure for this recommendation.

ARC Outcome	Endorsed/Not Endorsed ARC Meeting Date: 14 March 2019

Request for extension to recommendation implementation date

Division:	Financial Management
ANAO / Internal Audit	Internal Audit
Audit Number and Name:	SES Travel Management
Recommendation Rating: High/Moderate/Low	Moderate
Recommendation Number and Description:	Recommendation 5: Enhance recording of SES trips and ensuring information is held in a centralised location, including the investment in IT tools/modules (5.1) and establish a set of reports to enable better monitoring and reporting on SES travel (5.2).
Original Completion Date:	30 June 2018
New estimated Completion Date:	30 June 2019
Reasons for extension request, including key risks that will result from extending the completion date and how this will be mitigated:	**Rec 5.1:** Draft process maps have been completed for all areas managing travel (Shared Services, Health International and TGA International).

Advice has been received that the current travel module is built on legacy systems, is unsupported and changes to the current module are considered high risk. Consideration will need to be given to a complete overhaul of the travel system or implementation of an expense management system (eg Concur or Expense8) that integrates with SAP. Travel systems are also in scope for whole-of-government initiatives through the Shared Services agenda which may influence investment decisions.

Following finalisation of the process maps, Shared Services Branch will engage IT Division to scope options.

Rec 5.2: Reporting is a key element of the compliance program being developed under Recommendation 1.1. Reporting on key risks will be prioritised in the compliance program implementation plan referred to in Recommendation 1.1. |
| **Delegate (FAS):** | Charles Wann |
| **Outcome:** | Approved / Not Approved / |

Future follow up action	External Accountability Comments:
	External Accountability recommends extension for Recommendation 5.

• Significant work is required as current travel module is built on legacy systems, is unsupported and changes to the current module are high risk. Consideration being given to a full review of the Department's Travel Management System.
• Travel systems are in scope for whole-of-government initiatives through the Shared Services agenda which may influence investment decisions.

DAYS TO ORIGINAL COMPLETION (5/3/2018 to 30/6/2018): 117
NEW DAYS TO COMPLETION (5/3/2018 to 30/6/2019) 482 |