

# FACT SHEET – STATUTORY AUDIT FUNCTION

JUNE 2024

IPEA audits parliamentarians' work resources and the travel resources of their staff under section 12 of the [Independent Parliamentary Expenses Authority Act 2017](#) (IPEA Act). IPEA may make a ruling in relation to parliamentarians' work resources under section 37 of the [Parliamentary Business Resources Act 2017](#) (PBR Act).

Preliminary Assessment	Assurance Review	Audit	Post Payment Checks
<p>A <b>preliminary assessment</b> establishes whether further action, by way of Assurance Review or Audit, is necessary.</p> <p>A <b>preliminary assessment</b> is conducted where there is indication that a parliamentary work resource or a MOPS travel resource may have been incorrectly accessed. Indication may be by way of data analysis, direct contact, third party reporting or media.</p> <p><b>preliminary assessments</b> review information held by, or accessible to, IPEA to determine the threshold question of:</p> <ul style="list-style-type: none"> <li>• Has a parliamentary work resource or a MOPS travel resource been accessed, in relation to a particular noted activity or event?</li> </ul> <p>If the answer is YES, an <b>assurance review</b> will generally follow.</p> <p><b>Potential pathways</b></p> <ul style="list-style-type: none"> <li>- No further action</li> <li>- <b>Assurance review</b></li> <li>- Referral to a more appropriate agency</li> </ul>	<p>An <b>assurance review</b> determines whether there has been a misuse of a parliamentary work resource or a MOPS travel resource.</p> <p>IPEA assesses the use of the resource against the relevant legislative framework to determine:</p> <ul style="list-style-type: none"> <li>• Was there misuse?</li> </ul> <p>If the answer is YES, IPEA considers whether administrative action, an <b>Audit</b>, or a referral is appropriate.</p> <p>An <b>Audit</b> is considered when:</p> <ul style="list-style-type: none"> <li>- there is evidence for, or allegations of, serious or systemic misuse, and/or</li> <li>- IPEA's statutory information gathering powers may be required to obtain all required information.</li> </ul> <p>Finalised <b>assurance reviews</b> are published on IPEA's website.</p> <p>Referral to the <b>NACC</b> is considered where there is clear evidence of <b>serious or systemic corrupt conduct</b>.</p> <p>IPEA may refer a matter to the <b>AFP</b> at any point of an assurance process. Referral is considered where further investigative powers might assist in determining whether there is evidence of serious or systemic corrupt conduct, or where there are indications of infringement of legislation beyond IPEA's audit responsibilities.</p> <p><b>Potential pathways</b></p> <ul style="list-style-type: none"> <li>- No further action</li> <li>- Administrative remedial action, including relevant penalty</li> <li>- IPEA initiated <b>ruling or audit</b></li> <li>- Referral to <b>NACC or AFP</b></li> </ul>	<p>IPEA may commence an <b>audit</b>:</p> <ul style="list-style-type: none"> <li>- as the outcome of an <b>assurance review</b>,</li> <li>- where information assessed in the course of a <b>preliminary assessment</b>, or referred by a relevant body, clearly indicates serious or systemic misuse, or</li> <li>- as a systemic and comprehensive examination of the use of a specific category of a parliamentary work resource or a MOPS travel resource against the legislative framework.</li> </ul> <p>Referral to the <b>NACC</b> is considered where there is clear evidence of <b>serious or systemic corrupt conduct</b>.</p> <p>Referral to the <b>AFP</b> is considered where further investigative powers might assist in determining whether there is evidence of serious or systemic corrupt conduct, or where there are indications of infringement of legislation beyond IPEA's audit responsibilities.</p> <p>Finalised <b>Audits</b> may be published on the IPEA website. The decision to publish is made on a case by case basis.</p> <p><b>Potential pathways</b></p> <ul style="list-style-type: none"> <li>- No further action</li> <li>- Administrative remedial action, including relevant penalty</li> <li>- IPEA initiated <b>ruling</b></li> <li>- Referral to <b>NACC or AFP</b></li> </ul>	<p><b>Post payment checks</b> involve ongoing, systematic sampling and checking of a range of travel-related transactions. Expenses subject to these checks are:</p> <ul style="list-style-type: none"> <li>- unscheduled commercial ground transport (parliamentarians)</li> <li>- accommodation receipts "available on request" (parliamentarians and staff)</li> <li>- Cabcharge (parliamentarians and staff)</li> <li>- self-drive hire cars (staff)</li> <li>- travel allowance accommodation adjustments (staff)</li> <li>- business class travel (non-senior staff)</li> </ul> <p><b>Referral to the National Anti-Corruption Commission (NACC)</b></p> <p>IPEA may refer a matter to the <b>NACC</b> at any point during the assessment, review, or audit phases where it identifies compelling prima facie evidence of serious or systemic corrupt conduct.</p> <p><b>Referring to the Australian Federal Police</b></p> <p>IPEA may refer a matter to the <b>AFP</b> at any point of an assurance process. Referral may occur where IPEA considers that further investigative powers might assist in determining whether there is evidence of serious or systemic corrupt conduct. IPEA may also refer a matter to the <b>AFP</b> where there are indications of infringement of legislation beyond IPEA's audit responsibilities.</p> <p><b>Making a Ruling</b></p> <p><b>Rulings</b> are made by the Members. A <b>ruling</b> may be requested by a parliamentarian or initiated by IPEA to settle the outcome of an <b>assurance review or audit</b>.</p>

