

Statutory Audit Function

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

Preliminary Assessment	Assurance Review	Audit	Post-Payment Checks
<p>A Preliminary Assessment is generally confidential and establishes if further review is necessary.</p> <p>A Preliminary Assessment is conducted where use of work expense(s) (for example, identified through direct contact, third party reporting or media) indicates a matter requires review.</p> <p>Preliminary Assessments review information held or accessible by IPEA to determine the threshold question of:</p> <ul style="list-style-type: none"> • Has a parliamentary business resource been used? <p>If the answer is YES, an Assurance Review follows.</p> <p><u>Potential pathways:</u></p> <ol style="list-style-type: none"> 1. No further action 2. Referral to more appropriate agency 3. Assurance Review 	<p>An Assurance Review determines if there has been a misuse of a parliamentary business resource.</p> <p>IPEA assesses the use of the parliamentary business resource against the legislative framework to determine:</p> <ul style="list-style-type: none"> • Was there misuse? <p>If the answer is YES, IPEA considers if an Audit, referral or administrative action is appropriate.</p> <p>An Audit is considered when:</p> <ul style="list-style-type: none"> • There is evidence for, or allegations of, systemic or substantial misuse • IPEA's statutory information-gathering powers may be required to obtain all the required information • There may be an educative benefit in publishing IPEA's findings. <p>Referral to the AFP is considered when there is evidence of serious fraud or other criminal conduct.</p> <p><u>Potential pathways:</u></p> <ol style="list-style-type: none"> 1. No further action 2. Administrative remedial action, including penalty 3. An IPEA initiated Ruling or Audit 4. Referral to the AFP 	<p>An Audit may commence for two main reasons:</p> <ol style="list-style-type: none"> 1. As the outcome of an Assurance Review 2. As a systematic and comprehensive examination of the use of a specific category of a parliamentary business resource against the legislative framework, potentially by all parliamentarians and/or MOP(S) Act employees. <p>Where an Audit results from an Assurance Review, the Macquarie Dictionary definitions of these terms are considered:</p> <ul style="list-style-type: none"> • Substantial: "of ample or considerable amount, quantity, size etc." • Systemic: "affecting an organisation, network ... etc as a whole" <p>Where an educational purpose or benefit is identified, part or all of the Audit may be published. The decision to publish is made on a case-by-case basis.</p> <p><u>Potential pathways:</u></p> <ol style="list-style-type: none"> 1. No further action 2. Administrative remedial action, including penalty 3. An IPEA initiated Ruling or Audit 4. Referral to the AFP 	<p>Post-Payment Checks are ongoing systematic testing of expense use through regular sampling of transactions. This covers a range of expenses such as:</p> <ul style="list-style-type: none"> • business class travel • short term self-drive hire cars • accommodation receipts • desirable destinations • accompanying family • travel adjacent to public/school holidays. <p>Referring to the Australian Federal Police (AFP)</p> <p>IPEA may refer a matter to the AFP at any point during the Assessment, Review or Audit process, where compelling prima facie evidence of fraud or other criminal conduct is identified.</p> <p>Making a Ruling</p> <p>Rulings are made and finalised by the Members, including where they are, requested by a parliamentarian, recommended by an Assurance Review or Audit.</p>