

## Tasmanian Audit Office

### Terms of reference for the audit of aspects of Government's contributions to the activities of the Tasmanian Education Foundation

#### Audit Objectives

This is both an effectiveness and compliance audit. There are three objectives to this audit

- To assess the effectiveness of government's oversight of the expenditure of up to \$1m of taxpayer's funds. Oversight includes the spectrum from the original budgetary approval to the actual expenditure of public monies; and
- Compliance by the Department with TI 709
- Evidence of compliance by the Tasmanian Education Foundation with normally acceptable governance arrangements including expenditure controls, at least as these related to the expenditure of funds provided by the State.

#### Authority for conducting the Audit

This audit includes auditing expenditure incurred by a non-State entity, that is, the Tasmanian Education Foundation, which was provided to it by the government. As a result, the following sections of the *Audit Act 2008* apply:

##### **23. Examinations and investigations**

The Auditor-General may at any time carry out an examination or investigation for one or more of the following purposes:

- (c) investigating any matter relating to public money or other money, or to public property or other property;
- (e) examining the efficiency, effectiveness and economy of a State entity, a number of State entities, a part of a State entity or a subsidiary of a State entity;

##### **31. Functions and powers of Auditor-General as to audits**

(1) The Auditor-General is to perform the audits required by this or any other Act in such a manner as the Auditor-General thinks fit having regard to –

- (b) the Australian Auditing and Assurance Standards.

(2) In performing any such audit, the Auditor-General may take into account any other matter that –

- (a) affects the efficiency, effectiveness or economy of any State entity or audited subsidiary of a State entity; or
- (b) the Auditor-General considers appropriate.

#### Audit Scope

The audit scope will be concerned with:

- Government's role in agreeing to Appropriate \$1 million to the Tasmanian Education Foundation over two financial years
- The Department of Education's role in funding and monitoring the activities of the TEF
- The establishment, governance, funding and financial operations of Tasmanian Education Foundation
- The period from April 2008 to 31 July 2009.

## **Resources**

The audit will be conducted by staff in the Tasmanian Audit Office. Where possible, the audit will leverage from audit work already conducted by WHK Denison, the Foundation's auditor. Where necessary, if needed in order to satisfy the terms of reference, WHK Denison will be requested to do additional work, at TAO's cost.

## **Timing**

The work will commence on 30 July 2009 and be completed as soon as possible.

## **Reporting**

The Auditor-General will report findings to the Tasmanian Parliament. In doing so normal natural justice practices will be followed.

HM Blake

Auditor-General

31 July 2009