

Treasurer's Instruction No	1214
Title	Agency Procurement Audit Requirements: building and construction/roads and bridges
Effective date	22 December 2006
Objective and Background	Provides instruction on the internal audit requirements that agencies are required to fulfil in relation to building and construction/roads and bridges procurement
Version Number	2
Last Reviewed Date	November 2006

Black letter (or bold) items within these Instructions are mandatory and other plain font items are instructional or for the purpose of providing guidance only.

- (1) This instruction applies only to the procurement of building and construction and roads and bridges and is to be read in conjunction with Instructions 1201 to 1229.**

Further information, including a definition of “building and construction” and “roads and bridges” and information on the types of services that fall under these categories is located in the Buying for Government section of www.purchasing.tas.gov.au.

Refer to Instructions 1101 to 1124 for information in relation to procurement of goods and non-construction related services.

AUDIT REQUIREMENTS

- (2) Agencies are required to ensure that a percentage of all major works procurements undertaken during a financial year are subject to a compliance audit as part of the agency's internal audit program.**

- (3) An exemption from the requirement to undertake a compliance audit as part of the agency's internal audit program may be approved by the Secretary of the Department of Treasury and Finance.**

A condition of such an exemption may be a requirement for the agency to engage an independent auditor for the purposes of conducting an appropriate overview of major works procurements.

- (4) The appropriate percentage of major works procurements to be audited is to be determined by the agency's internal auditor having regard to ASA 530 in determining the sample size.**

- (5) The compliance audit is to consider conformity with the mandatory requirements contained in the Treasurer's Instructions and in associated guidance material.**

- (6) Agencies are to forward a copy of an extract from their internal audit report relating to the compliance audit of all major works contract, to the Department of Treasury and Finance, within 2 months of the final audit report being completed.**