

TREASURER'S DIRECTIONS
ACCOUNTING – INTRODUCTION
Section A1.4 : Corporate Systems

STATEMENT OF INTENT

The use of Corporate Systems by Agencies provides a common base for the consistent capture and recording of Agency and whole of Government financial, personnel, and performance management information. This Section identifies and prescribes the application and use of Corporate Systems by Agencies.

MAIN FEATURES

Section 38 of the *Financial Management Act* requires every Accountable Officer and every employee of an Agency to comply with the Treasurer's Directions.

What are Corporate Systems ?

- Corporate Systems are systems used by Agencies across Government and include the:
 - Government Accounting System (GAS);
 - Personnel Information and Payroll System (PIPS); and
 - Apex Budgeting and Reporting System.

Use of Corporate Systems

- Certain Corporate Systems are to be utilised by Agencies.
- Approval is required from the Under Treasurer to operate an alternate system module or modules.

System Control Requirements

- System control instructions governing the use of Corporate Systems are to be applied by an Agency.

For authoritative instruction and guidance, reference should be made to related Treasurer's Directions and associated commentary, relevant Australian accounting standards and other authoritative interpretations.

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AUTHORITIES

Financial Management Act

REFERENCES

Government Accounting System User Manuals

Personnel Information and Payroll System User Manuals

Apex Budget and Reporting System User Manuals

Related Treasurers Directions:

A1.3 Accounting – Introduction : Standard Classification Codes

A3.4 Accounting – Liabilities : Employee Benefits

A6.2 Accounting – Expenses : Employee Benefits

WHAT ARE CORPORATE SYSTEMS ?

A1.4.1

Corporate Systems are systems that are used for a particular purpose or function across the whole of Government.

- (i) The use of Corporate Systems across Government is beneficial where systems are used for a similar purpose or function, such as financial or personnel management. In these situations Corporate Systems provide a common base for the recording and reporting of Agency and whole of Government financial, personnel and performance management information.
- (ii) Benefits of Agencies utilising Corporate Systems accrue to both Agencies and the Government as a whole and include:
 - a reduced total systems cost;
 - increased efficiencies in system processes and controls through standardisation;
 - increased accuracy and timeliness of information and reports;
 - ease of maintenance and fault resolution;
 - improved Government knowledge base;
 - reduced duplication of information through the use of central data repositories; and
 - increased data storage and security.
- (iii) In addition to financial and personnel Corporate Systems there are a range of other Corporate Systems that may be utilised by Agencies. For example, the Integrated Land Information System (ILIS), the Asset Information System (AIS) and the Building Asset Management System (BAMS) provide Government and Agencies with key information in relation to land, building and infrastructure assets.
- (iv) For further information and guidance on the operational requirements of these and other Corporate Systems, reference should be made to the system owner, which in most cases will be the Agency responsible for the management and upkeep of the system.

USE OF CORPORATE SYSTEMS

A1.4.2

The following Corporate Systems are to be utilised by Agencies:

- the Government Accounting System (GAS);
- the Personnel Information and Payroll System (PIPS); and
- the Apex Budgeting and Reporting System.

- (i) In addition to efficiencies associated with use across Government, these Corporate Systems have the capacity to meet the financial and related requirements of both the Territory and individual Agencies. Where these Corporate Systems contain several modules, an Agency is not required to utilise modules that are not relevant to that Agency's operations.
- (ii) The Government Accounting System facilitates the recording, processing and reporting of financial transactions and information. The consistency of such financial information is further enhanced through Agencies use of the Standard Classification Codes. Treasurer's Directions Section A1.3 provides further instruction and guidance on the application and use of the Standard Classification Codes.
- (iii) The Personnel Information and Payroll System provides for the recording, processing and reporting of personnel and payroll transactions and information. In addition to holding personnel information such as salary levels and leave balances, it is the source of key information used to calculate the Government's salary expenses and employee benefit liabilities. Treasurer's Directions Sections A3.4 and A6.2 provide further instruction and guidance in relation to employee benefits.
- (iv) The Apex Budgeting and Reporting System collates and reports on Agency budget and actual financial information, as well as output information and performance measures. Apex is also designed to satisfy a range of whole of Government reporting requirements. Northern Territory Treasury will coordinate the use of and access to the Apex System.

A1.4.3

Approval is required from the Under Treasurer to operate an alternate system module or modules to those contained in the Corporate Systems listed in Direction A1.4.2.

- (i) The benefits and advantages provided by the consistent use of Corporate Systems are extremely desirable, particularly at the whole of Government level. As such, approval to operate an alternate module or system will only be granted in rare circumstances where an Agency can demonstrate a strong case not to use a particular Corporate System or module.

- (ii) The Agency proposing an alternate module or system will consult with the system owner and Northern Territory Treasury to ensure that the proposed alternate modules or system interfaces appropriately with the Corporate Systems and satisfies all data requirements.
- (iii) Approval from the Under Treasurer to operate an alternate system will be sought in writing and should:
- identify the unique requirement(s) of the Agency and detail the reason(s) why an alternate system is required;
 - highlight all additional costs to be incurred and benefits provided by the alternate system;
 - provide details of the proposed alternate system drawing specific reference to the system objectives, functions and the availability of technical support;
 - contain an evaluation highlighting the perceived deficiencies of the relevant module(s) of the particular Corporate System; and
 - provide details of the capacity of the alternate system to interface with relevant Corporate Systems.
- (iv) In situations where approval is provided to operate an alternate module or system, the relevant Agency assumes responsibility for the operation of the alternate system.

SYSTEM CONTROL REQUIREMENTS

A1.4.4

System control instructions governing the use of Corporate Systems are to be applied by an Agency.

- (i) In addition to these Directions, a range of system control instructions may be issued in regard to the proper use of Corporate Systems including:
- Treasury Circulars;
 - Procurement Directions;
 - Instructions/Circulars from Corporate System owners; and
 - system user manuals.
- (ii) It is also appropriate for Agencies to ensure that adequate internal procedures and controls are in place over their use of Corporate Systems. These internal procedures and controls should have regard to the inherent risks associated with system use.