

PART I

ALL AGENCIES ARE REQUESTED TO COMPLETE PART I.

If you cannot answer a question, please indicate whether the question is NOT APPLICABLE or if INFORMATION IS NOT AVAILABLE.

Section 1: Contact details

1.1 Agency

1.2 Reporting and financial arrangements are governed by:
(Please indicate with a 'X' whether one or more of the following Acts apply)

Financial Management and Accountability Act 1997

YES	NO
<input type="checkbox"/>	<input type="checkbox"/>

Commonwealth Authorities and Companies Act 1997

YES	NO
<input type="checkbox"/>	<input type="checkbox"/>

Other

1.3 Contact Officer

Position

Phone

Fax

Email

Address

This section asks about your agency's total revenues, charges and expenses. All agencies should complete this section, whether or not you consider you undertake cost recovery.

Section 2: Agency revenues, charges and expenses

(Please indicate with a 'X' which response applies)

2.1 Has your agency charged any cost recovery fees, levies or other charges in the last five financial years?

YES	NO
X	

Relevant charges include any fees, levies, taxes (including some customs and excise duties earmarked for specific purposes) or other charges which arise from the services, programs or business activities of your agency, and which are collected by your agency or by another agency on your behalf. For example, application fees, processing charges, consultancy fees, publication sales, special industry duties, excises or levies other than general taxation.

2.2 Were any of the appropriations allocated to your agency in the last five financial years linked (hypothecated) to revenue collected from fees, levies or charges (for example, levies paid to the Consolidated Revenue Fund but earmarked for allocation to your portfolio)? (Whether the revenue was collected by your agency or by another agency on your behalf).

YES	NO
	X

2.3 Has your agency considered introducing any cost recovery arrangements in the past that were not implemented?
(Please attach any relevant reviews, analysis or other information.)

YES	NO
	X

2.4 Is your agency considering introducing any cost recovery arrangements in the future?
(Please attach any relevant reviews, analysis or other information.)

YES	NO
	X

If you answered NO to questions 2.1 and 2.2, you need not answer any further questions. Thank you for your cooperation. Please return the questionnaire to the Commission (see front sheet for instructions).

If you answered YES to EITHER question 2.1 OR question 2.2 OR both, please complete section 3 below, and Part II on the following worksheet.

Section 3: Agency revenues and expenses

3.1 Does your agency classify revenues and expenses as agency and administered?

Agency revenues and expenses are those controlled by the department/agency (for example, employee and administrative expenses). Administered revenues and expenses are those which are controlled by Government and managed or oversighted by the department/agency on behalf of the Government (for example, social security payments).

YES	NO
	X

If your agency classifies revenues and expenses as 'agency' and 'administered' then please fill in both tables below. If your agency does not classify revenues and expenses as 'agency' and 'administered' then please put all revenues and expenses in the 'agency' table below.

AGENCY revenues and expenses (Please use \$'000)					
	1995-96	1996-97	1997-98	1998-99	1999-2000
Agency revenue from cost recovery (a)					
3.2 Cost recovery revenue retained by your agency	200	161	394	1028	1280
3.3 Cost recovery revenue paid to CRF and appropriated to your agency (or another agency for a specific purpose (ie. annotated, hypothecated or earmarked revenues)	0	0	0	0	0
3.4 Cost recovery revenue paid to CRF and not specifically appropriated to your agency (or another agency)	0	0	0	0	0
3.5 Total agency revenue from cost recovery	200	161	394	1028	1280
Agency revenue from other sources					
3.6 Other appropriations	3164	3281	3462	3612	3670
3.7 Other sources (eg. asset sales, dividends, interest, funding from other government agencies)	3383	3544	3615	3937	3773
3.8 Total agency revenue from other sources	6547	6825	7077	7549	7443
3.9 Total agency revenue	6747	6986	7471	8577	8723
3.10 Total agency expenses	7086	7311	7794	8534	9777
CRF Consolidated Revenue Fund					
(a) Include all revenue from fees, levies, excises and other charges which arise from the services or activities of your agency and which is paid to your agency to another agency or to the Consolidated Revenue Fund.					

ADMINISTERED revenues and expenses (Please use \$'000)

	1995-96	1996-97	1997-98	1998-99	1999-2000
Administered revenue from cost recovery (a)					
3.11 Cost recovery revenue retained by your agency					
3.12 Cost recovery revenue paid to CRF and appropriated to your agency (or another agency for a specific purpose (ie. annotated,					
3.13 Cost recovery revenue paid to CRF and not specifically appropriated to your agency (or another agency)					
3.14 Total administered revenue from cost recovery	0	0	0	0	0
Administered revenue from other sources					
3.15 Other appropriations					
3.16 Other sources (eg. asset sales, dividends, interest, funding from other government agencies)					
3.17 Total administered revenue from other sources	0	0	0	0	0
3.18 Total administered revenue	0	0	0	0	0
3.19 Total administered expenses					

CRF Consolidated Revenue Fund

(a) Include all revenue from fees, levies, excises and other charges which arise from the services or activities of your agency and which is paid to your agency to another agency or to the Consolidated Revenue Fund.

End of Part I. Please complete Part II, which is on a separate worksheet.

PART II

If your agency operated any cost recovery arrangements in 1999-2000, please complete this part. Please fill out a separate form for each sub-unit, cost recovery program or activity, or output or outcome for which you are reporting. Similar cost recovery arrangements may be reported in groups.

PART II(a)

Name of sub-unit, agency, program or activity, output or outcome	Development and manufacture of astronomical instrumentation for other telescopes overseas
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Section 4: Cost recovery arrangements in 1999-2000

Descriptive material	
4.1	Nature of cost recovery arrangement (eg. licence fee, service charge, hypothecated excise tax or levy etc)
	Recovery of direct costs with an on-cost to cover non-direct costs.
4.2	Basic description of arrangements: (Please attach any relevant documents.)
	Recovery of direct costs with an on-cost to cover non-direct costs.
4.3	Who pays the cost recovery charges?
	The customer.
4.4	Who benefits from the program or activity, output or outcome?
	Research astronomers, particularly those in Australia and the UK.
4.5	Do you attempt to measure these benefits? If YES, how?
	No
4.6	Are there alternate providers or substitutes for this program or activity, output or outcome? (Please describe)
	There are university departments and observatories around the world that also design and build astronomical instrumentation.
4.7	When was this cost recovery arrangement introduced?
	1997

PART II(b)

Name of sub-unit, agency, program or activity, output or outcome Development and manufacture of astronomical instrumentation for other telescopes overseas

Program or activity, output or outcome cost recovery arrangements in 1999-2000 (continued)
(Please use \$'000)

Program or activity, output or outcome revenues			
4.8	Cost recovery revenue paid to CRF earmarked for appropriation to same agency	\$	0
4.9	Cost recovery revenue paid to CRF earmarked for appropriation to a third party	\$	0
4.10	Cost recovery revenue paid to CRF and not earmarked for particular appropriation	\$	0
4.11	Cost recovery revenue paid to CRF (subtotal)	\$	0
4.12	Cost recovery not paid into CRF	\$	1280
4.13	Total cost recovery revenue	\$	1280
4.14	Appropriations not related to cost recovery	\$	0
4.15	Other sources (please specify)	\$	0
4.16	Total program or activity, output or outcome revenues	\$	1280
Program or activity, output or outcome expenses			
4.17	Direct expenses	\$	920
4.18	Indirect expenses (including corporate overheads)	\$	272
4.19	Third party expenses (a)	\$	0
4.20	Total program or activity, output or outcome expenses	\$	1192
Administration costs			
4.21	What costs are associated with administering the cost recovery arrangements?	\$	NA

CRF Consolidated Revenue Fund. Direct costs are those directly related to a particular program. Indirect costs include indirect agency overheads and general running costs. (a) Include third party costs where third parties are involved in a program or activity a their costs are being recovered as part of the cost recovery arrangements.

PART II(c)

Name of sub-unit, agency, program or activity, output or outcome	Development and manufacture of astronomical instrumentation for other telescopes overseas
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Section 5: Institutional arrangements

5.1	What was the rationale for introducing these cost recovery arrangements? (Please attach sources, eg. legislative objects clauses, press releases, second reading speeches.)	The rationale for undertaking contracts to build astronomical instrumentation was to allow particular technologies developed at the Anglo-Australian Observatory to be used elsewhere to the advantage of scientific knowledge, and to maintain a critical mass in instrumentation design and development in a time of falling budgets.
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5.2 What was the legal basis for establishing these cost recovery arrangements: (Please name and attach relevant documents.)

Legislation (eg. s.31 of the Financial Management and Accountability Act, tax or levy acts)	
Subordinate legislation (eg. regulations, standards)	
Co-regulation or quasi-regulation	
Commonwealth/State/Territory agreement	
Voluntary arrangements (eg. codes of practice)	
Other	The Anglo-Australian Telescope Board approved the policy to build instruments for other telescopes and the cost-recovery charging policy. An extract from the AAT Board Handbook of Policies and Administrative Guidelines is attached.

5.3 Who was consulted about introducing these cost recovery arrangements? (Please name relevant bodies and describe the consultation arrangements.)

Commonwealth government (DOFA etc)	
Other governments (state, territory, local)	
Industry	
Consumers	
Other	There was no consultation.

5.4 What guidelines were consulted when establishing these cost recovery arrangements? (Please attach source of information, guidelines etc.)	CSIRO guidelines, UK Treasury Guidelines. (The UK provides half of the AAT Board's funding.) A copy of the UK Treasury Guidelines is attached but the CSIRO guidelines were obtained on a commercial-in-confidence basis and returned after use.										
5.5 Which agency is responsible for the following activities? (Please name relevant agency)	<table border="1"> <tr> <td data-bbox="416 612 891 639">Policy setting</td> <td data-bbox="904 612 1792 639">Anglo-Australian Observatory</td> </tr> <tr> <td data-bbox="416 644 891 671">Price setting</td> <td data-bbox="904 644 1792 671">Anglo-Australian Observatory</td> </tr> <tr> <td data-bbox="416 676 891 703">Administration</td> <td data-bbox="904 676 1792 703">Anglo-Australian Observatory</td> </tr> <tr> <td data-bbox="416 708 891 735">Revenue collection</td> <td data-bbox="904 708 1792 735">Anglo-Australian Observatory</td> </tr> </table>	Policy setting	Anglo-Australian Observatory	Price setting	Anglo-Australian Observatory	Administration	Anglo-Australian Observatory	Revenue collection	Anglo-Australian Observatory		
Policy setting	Anglo-Australian Observatory										
Price setting	Anglo-Australian Observatory										
Administration	Anglo-Australian Observatory										
Revenue collection	Anglo-Australian Observatory										
5.6 Is there any ongoing consultation about these cost recovery arrangements? With whom? (Please name relevant bodies.)	<table border="1"> <tr> <td data-bbox="416 805 891 833">Commonwealth government (DOFA etc)</td> <td data-bbox="904 805 1792 833"></td> </tr> <tr> <td data-bbox="416 837 891 865">Other governments (state, territory, local)</td> <td data-bbox="904 837 1792 865"></td> </tr> <tr> <td data-bbox="416 869 891 896">Industry</td> <td data-bbox="904 869 1792 896"></td> </tr> <tr> <td data-bbox="416 901 891 928">Consumers</td> <td data-bbox="904 901 1792 928"></td> </tr> <tr> <td data-bbox="416 933 891 960">Other</td> <td data-bbox="904 933 1792 960">No on-going consultation.</td> </tr> </table>	Commonwealth government (DOFA etc)		Other governments (state, territory, local)		Industry		Consumers		Other	No on-going consultation.
Commonwealth government (DOFA etc)											
Other governments (state, territory, local)											
Industry											
Consumers											
Other	No on-going consultation.										
5.7 Please describe these consultation arrangements.	NA										
5.8 Have the cost recovery arrangements been formally reviewed? What was the outcome? (Please attach copy of review)	Not yet.										

PART II(d)

Name of sub-unit, agency, program or activity, output or outcome

Development and manufacture of astronomical instrumentation for other telescopes overseas

Section 6: Price setting arrangements

6.1 How are these cost recovery charges determined? (Please attach any relevant documents)

- | | |
|--|---|
| (i) How are charges set? (eg. by formula in legislation or based on 'market prices') | Charges are based on recovery of direct costs plus an overhead to recover indirect costs. |
| (ii) Are charges directly related to the costs of particular activities, outcomes or outputs, or charged on some other basis? (eg. levies on users' turnover, profits or assets) | The on-cost is a function of salary cost; the rate varies depending on the customer. |

6.2 If charges are directly related to the costs of particular activities, outputs or outcomes:

- | | |
|--|--|
| (i) What costs do charges aim to recover? (eg. only direct costs or indirect costs such as overheads) | Direct and indirect costs. |
| (ii) What proportion of these costs do charges aim to recover? (%) | 100% of direct costs, varying proportion of indirect cost depending on the customer. |
| (iii) Does the charging regime require assets to be valued? (eg. to allow the calculation of user cost of capital or return on assets) | Yes |
| (iv) If 'YES' to (iii), on what basis are assets valued? (eg. historic, replacement, deprival or replacement cost) | Deprival value. |
| (v) Do charges include a user cost of capital? | Yes, for some customers. |
| (vi) If 'YES' to (iv), how is it calculated? | On the most recent asset valuation. (Assets are revalued every three years.) |
| (vii) Do charges include return on assets? (eg. profit) | No |
| (viii) If 'YES' to (vii), on what basis? | |
| (ix) Do charges discriminate between types of users? | Yes. |

(x) If 'YES' to (ix), on what basis?	Charges vary depending on the level of scientific collaboration involved; there are three different tariffs.
(xi) Do charges allow for access and equity considerations (eg. waivers, discounts)?	No
(xii) If 'YES' to (xi), on what basis?	
(xiii) Other (Please describe other significant features)	
6.3 How are indirect costs allocated for cost recovery arrangements? (eg. activity based costing, according to share of direct costs or other rule.)	As a percent of salary costs, the rate varying depending on the customer.
6.4 Are there any price controls on these charges?	No
6.5 How often is the level of charges changed?	Each instrument developed is charged on the basis of what it costs so, in that sense, there is no level of charge to change. However, the basis for establishing the on-costs is reviewed every three years.
6.6 What happens if revenue recovered is greater than costs incurred?	This can happen if the contract is a fixed price contract. So can the reverse. In both cases, the effect is absorbed by the AAO operating budget. Mostly, however, the contracts are on a time and materials basis so revenue is the same as cost, by definition.

End of Part II. Thank you for your cooperation. Please return the questionnaire and attachments to the Commission (see front sheet for instructions)