



RECEIVER GENERAL MANUAL

CHAPTER 1

INTRODUCTION

Last Update: 1999-04-29



Public Works and
Government Services
Canada

Travaux publics et
Services gouvernementaux
Canada

Government Operational
Service

Service opérationnel
au gouvernement

Canada

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1.1 PURPOSE

In November 1995, the Treasury Board approved the overall scope, objectives and implementation approach for the Financial Information Strategy (FIS). FIS is designed to move the government's basis of accounting closer to that of the private sector and, in doing so, improve the quality and timeliness of financial information available throughout the government. This leads to:

- ▼ better support program review, business planning, budgeting, expenditure management and other management and decision-making processes
- ▼ better accountability for program and financial results leading to improved estimates and performance reporting to Parliament.

To accomplish these objectives, the government has:

- ▼ changed the basis of accounting from modified accrual accounting to full accrual accounting
- ▼ implemented a new chart of accounts for government-wide reporting
- ▼ decentralized accounting to departments with the Receiver General continuing to undertake the government's treasury function and to produce government-wide financial statements
- ▼ made departments responsible for scheduling payments
- ▼ modernized the central accounting system by developing the Central Financial Management Reporting System (CFMRS)
- ▼ improved departmental systems to take advantage of new technology
- ▼ fostered a learning environment for managers to improve their ability to use quality financial information for strategic purposes.

With these changes comes a shift in authorities and responsibilities, which leads to the purpose of this manual:

- ▼ reference — to inform departments and agencies, both FIS compliant (also referred to as FIS departments) and non-FIS compliant (also referred to as non-FIS departments), of their responsibilities under the FIS approach and to outline the procedures related to the use of the central systems, which have been developed or modified to support the Financial Information Strategy. This includes information on how to prepare for FIS compliancy and operating in a FIS environment.
- ▼ audit — to provide a framework for monitoring and assessing the implementation of these government-wide changes in accounting practices and the use of the systems which have evolved as a result of FIS.

It is important to note that departments wanting to become FIS compliant will still need to meet with representatives of each of the central systems to acquire the application knowledge essential for functioning in a FIS environment. A useful initial step will be to read the first eight chapters of this manual.

For those non-FIS departments looking for further information about FIS, it is recommended that they initially contact:

Director, Central Accounting Systems Directorate
Core 13A2, Place du Portage
Phase III
Hull, Quebec
Tel: (819) 956-5286

The Central Accounting Systems Directorate (CASD) will help a non-FIS department acquire the necessary information and assistance to facilitate a transition to FIS.

1.2 ORGANIZATION OF MANUAL

The Receiver General Manual contains:

- ▼ only material that has been approved by the issuing authority for this manual (the Central Accounting and Reporting Sector of Public Works and Government Services Canada), the Receiver General for Canada and the offices of primary interest (OPI) for the various systems
- ▼ only procedures and guidelines that are common to two or more departments. The few exceptions to common practice have not been mentioned.

The internal structure of the manual has been organized around an introduction to the Financial Information Strategy, its related concepts, the changes brought about by the Strategy - Chapter 3 and the five central systems which support FIS implementation:

- ▼ Standard Payment System (SPS) - Chapter 4
- ▼ Payroll Systems (PS) comprising both the Regional Pay System (RPS) and the Payroll Systems - General Ledger (PS-GL) - Chapter 6
- ▼ Banking Facilities System (BFS) - Chapter 5
- ▼ Receiver General - General Ledger (RG-GL) - Chapter 7
- ▼ Central Financial Management Reporting System (CFMRS) - Chapter 8

Each system is then dealt with in its own chapter, giving its basic functions, the roles of the various organizations in performing system functions and the procedures a user in a client department will follow in interfacing with that particular central system. Where appropriate, tips have been provided to assist in departmental compliancy and interaction with the central systems.

Because the systems and all government departments are in a transition phase over the next few years as FIS is fully implemented, chapters have been developed to explain government-wide changes and to provide information on practices which may continue to evolve as FIS reaches full implementation, e.g., the changes in how a department performs its reconciliations, the new government-wide Chart of Accounts, month-end and year-end procedures.

Until the end of this FIS transition period, the Receiver General Manual will cover procedures related to processing and accounting for both FIS and non-FIS departments. Chapters 3 through 8 explain the interrelationships between a FIS department and the five central systems that have either been modified or created to support FIS implementation. Chapter 9, IS Processing during the FIS Transition Period covers IS processing for both FIS and non-FIS departments. Chapter 10, Departmental and Central Accounting Entries under Full FIS, provides the accounting entries for a large number of accounting transactions, but from the point of view of all the departments being FIS compliant. Chapter 11, Reconciliations Required by Departments under FIS, identifies what departmental reconciliations are required by FIS departments and provides tips as to potential sources of any differences.

For non-FIS departments, every effort has been made to keep changes to daily and year-end procedures to a minimum. This has meant minimal or no adjustment to several existing Receiver General directives (RGDs).

For departments that will be non-FIS during some or all of the FIS transition period, a matrix will be provided regarding the chapters and appendixes in the RG Manual that are applicable to them.

The main menu screen includes the complete table of contents for this manual. A hotlink bar gives users the option of accessing, from any point in the document:

- ▼ main menu
- ▼ glossary
- ▼ listing of acronyms, abbreviations and initialisms used in the manual
- ▼ links to Receiver General Directives
- ▼ a keyword search capability
- ▼ help in navigating the manual and linking to other URLs
- ▼ what's new, identifying recent changes to the manual
- ▼ contact for the manual OPI.

Hotlinks within the text allow the user to double-click on the Internet address to connect with the given URL.

1.3 UPDATES TO MANUAL

The primary focus of this manual is on FIS departments with information provided for non-FIS departments wanting to know how to become FIS departments. As the FIS transition period unfolds, the focus will change resulting in a second major version of this manual, anticipated in the year 2001-02, to deal with full government-wide FIS compliancy. It is expected that this second major version will be much smaller, since non-FIS departments will no longer exist and the RGDs that apply to them will be retired.

In the interim, revisions involving minor changes to the manual content will be published as available. Users will be advised of the version of the manual they are viewing on-line and its date of publication to the Web. Any changes will also be noted in the “What’s New” section, which can be reached from the manual’s main menu. Also the “Last Update” date is shown in the right side of each chapter’s footer. Further, any changes of any significance will be listed in summary form at the beginning of each chapter.

1.4 ACCESS TO MANUAL

The Receiver General Manual, and all accompanying text, including Receiver General directives can be accessed from the one site (<http://publiservice.pwgsc.gc.ca/cars-sccr/>). Users wishing to download and print sections of text will be able to do so, by following the instructions given on the site.

1.5 LINKS TO OTHER DOCUMENTS

The move to full FIS compliancy is very much a period of transition for government departments and the financial systems and procedures they are, or will be, using. Because of the extent of the changes, not all the associated documentation is available on-line, nor is it available at a single site. The on-line Receiver General Manual includes the hotlinks to any reference or associated materials that were available on-line at the time that a particular version of the Receiver General Manual was published to the Web. As further reference materials and sites of interest to manual users are made available on-line including the documentation for each of the five systems from its OPI, the links will be updated/added to the Receiver General Manual.

1.6 INQUIRIES ON MANUAL CONTENT

Feedback is always important as a voice for users and a means of keeping a two-way line of communications open between the OPI responsible for this manual and users dealing with its content on a regular basis. The Contact| button on the manual s main menu provides an e-mail form which can be completed and submitted. Comments, suggestions and questions are welcomed.

Users may also contact the OPI by telephone or fax:

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