

**Finance Branch**  
**Management Action Plan – 2004-713 Audit of Financial Commitments and Forecasting**  
**August 3<sup>rd</sup>, 2005**

<b>Recommendations</b>	<b>OPI</b>	<b>Implementation Actions</b>	<b>Action Implementation Date(s)</b>
<p>1. The Audit should be concluded at the Survey Phase since a detailed examination is unlikely to provide additional assurance on commitments and forecasts.</p>		<p>Agreed</p>	<p>No Action</p>
<p>2. The Chief Financial Officer of Finance Branch should ensure that the Common Departmental Financial System (CDFS) is sufficiently robust and flexible in its programming and controls, to support Managers, accountable for sound financial management, in actions that are compliant to departmental financial policies, and in reporting of financial information that is accurate, relevant and timely for decision making.</p>	<p>1- Mike Hawkes, Chief Financial Officer, Finance Branch</p> <p>2- Eric Miller, Director General, Financial Operations</p>	<p>Finance Branch is continuing its efforts with respect to the implementation of the Financial Management Framework in 2005-2006. Issues were raised with respect to PWGSC's current financial and materiel management systems and associated business and reporting systems. Furthermore, Treasury Board Secretariat has made some progress over the last year on its government-wide initiative relating to shared services and systems.</p> <p>As we embark on this very important initiative, we have involved all stakeholders to conduct a thorough study so that recommendations take into consideration all significant factors.</p> <p>In light of those facts, the Financial Systems Directorate (FSD), Finance Branch, is in the process of requesting proposals from consulting firms to assist in the development of a business case to evaluate whether it would be most beneficial for PWGSC to maintain its current financial and materiel management systems and associated business and reporting systems or to implement the Government of Canada's common configuration of SAP to support the department's improved management initiatives. A business case will be prepared and submitted to the Deputy Minister by the end of December 2005.</p> <p>In the meantime, additional version releases of CDFS are scheduled to roll out in September 2005 that will address issues related to the commitment system threshold problem. Previous releases in 05/06 have already corrected internal charging between branches and commitments associated with those internal costs. Additional work has already started to amend and modify exception reports in 05/06.</p>	<p>1.1) For the completion of the business case: December 2005</p> <p>1.2) CDFS System releases to correct threshold amounts: September 2005</p> <p>1.3) Exception reports: January 2006</p> <p>1.4) Decision on status Quo or new integrated financial system: March 2006</p>