RECOMMENDATIONS	MANAGEMENT ACTION PLAN	OFFICER OF PRIMARY INTEREST	INITIAL TARGET DATE
Moveable Assets			
 3.1.1.1 It is recommended that the FIS Implementation Committee for the Capitalisation of Assets: a) Document the approach followed at DFO for the identification and valuation of moveable assets; 	PREVIOUS RESPONSE 1. Dir AMAS sent three different memorandums to Regional Directors of Finance & Administration & Chiefs of Materiel Management to clarify the approach that should be taken for the validation of asset records.	Dir AMAS	Complete
	2. Corporate Materiel Management Division will develop in consultation with Corporate Accounting & Policy Division all materials necessary to address items (b-e) of recommendation 3.1.1.1.	Dir AMAS	2001-12-31
	STATUS OCTOBER 2003		REVISED DATE
	 A) Accounting for Capital Assets Policy was issued by Corporate Accounting and Policy in fourth draft, dated February 14, 2003. This version of the policy completely replaced the February 21, 2003 version. This policy is to be finalized and approved no later than March 31, 2004. B) The Departmental Moveable Assets Management Policy, draft #4b, dated July 23, 2003 was issued by Corporate Material. 		March 31, 2004 for finalization and approval of two policies.
	2003 was issued by Corporate Materiel Management. This policy is to be finalized and approved no later than March 31, 2004.		

Review Directorate

	RECOMMENDATIONS	MANAGEMENT ACTION PLAN	OFFICER OF PRIMARY INTEREST	INITIAL TARGET DATE
		PREVIOUS RESPONSE		
b)	Establish a quality assurance process to verify the accuracy and integrity of moveable assets in ABACUS;	 A modified Quality Assurance process was implemented to ensure that information entered into ABACUS was correct. Further research is still being done in some regions. STATUS OCTOBER 2003 Corporate Materiel Management Division is monitoring mass and manual additions. 	Dir AMAS	Complete
		PREVIOUS RESPONSE		
c)	Provide clarification regarding Headquarters responsibilities for the control of certain moveable assets that are located in the regions (this recommendation also applies to real	 Reference action plan item #2. STATUS OCTOBER 2003 	Dir AMAS	Complete
	property assets that would be controlled by Headquarters):	The Departmental Moveable Assets Policy provides clarification as to Headquarters/Regional responsibilities for updating all asset records in ABACUS.		November 2003

	RECOMMENDATIONS	MANAGEMENT ACTION PLAN	OFFICER OF PRIMARY INTEREST	INITIAL TARGET DATE
d)	Provide clarifications regarding the value of moveable assets that are transferred from other government departments;	6. Reference action plan item #2. STATUS OCTOBER 2003 Corporate Management Accounting For OGD assets transfer process has recently been clarified by RG. Corporate and Management Accounting is consulting with Oracle cluster for part of process implementation. Once the process is finalized, the new accounting procedure will be documented.	Dir AMAS	REVISED DATE March 2004 for OGD Assets Transfer Procedure

RECOMMENDATIONS	MANAGEMENT ACTION PLAN	OFFICER OF PRIMARY INTEREST	INITIAL TARGET DATE
e) Provide clarification concerning what constitutes the "date of acquisition" of an asset (this recommendation also applies to reproperty assets);	7. Reference action plan item #2. STATUS OCTOBER 2003 Corporate Materiel Management The current "draft" version #4b Departmental Moveable Assets Policy document dated July 23, 2003 will incorporate all requirements of Accrual Accounting, including those pertaining to valuation of assets, value of assets transferred from or to OGD's, roles & responsibilities, date of acquisition, retention issues etc. This policy will align with the Accounting for Capitalization of Assets Policy, 4 th version dated February 13, 2003. Both of these policies are expected to be finalized and approved by in April 2004. 8. For Real Property – reference action plan #10.	Dir AMAS	REVISED DATE March 31, 2004

	RECOMMENDATIONS	MANAGEMENT ACTION PLAN	OFFICER OF PRIMARY INTEREST	INITIAL TARGET DATE
		PREVIOUS RESPONSE		
3.1.1.2	It is recommended that the Director General, Finance and Administration update existing document retention procedures and asset management procedures in light of FIS (this recommendation also applies to real property assets).	9. Asset management procedures will be updated in light of FIS by the Corporate Accounting & Policy Division. For Real Property - reference action plan item # 10.	Dir AMAS	2001-12-31
	property assets).	STATUS OCTOBER 2003	Dir AMAS	REVISED DATE
		Corporate Materiel Management has issued since 2000, a series of policies and bulletins pertaining to the management of asset under FIS. These can be found on the F&A Website, Assets.		April 2004
		Currently Corporate Materiel Management is in the process of updating the Departmental Moveable Assets Policy to align it with the Accrual Accounting requirements of FIS and the requirements of the Accounting for Capital Assets Policy (4 th draft dated February 13, 2003). The		
		revised Departmental Moveable Assets Policy addressed issue of Roles and Responsibilities of all stakeholders involved with the management of assets.		

	RECOMMENDATIONS	MANAGEMENT ACTION PLAN	OFFICER OF PRIMARY INTEREST	INITIAL TARGET DATE
Real Pro	operty Assets	PREVIOUS RESPONSE		
prop eval stand cann oper shou	It is recommended that the FIS Implementation Committee for the Capitalisation of Assets: blish standards of documentation for real perty assets including those that have been uated using standard unit costs. Those dards should be implemented even if they not be completed in time for recording the ming balances. Adequate documentation all dbe seen as part of the department's poing role as a custodian of its assets (this mmendation also applies to Moveable ts);	 10. Real Property Management Directorate will formalise standards of documentation to keep an audit trail of the various decisions taken as part of the property management activities for their assets. STATUS OCTOBER 2003 Documentation relating to the valuation of assets prior to March 31, 2001 are maintained by PWGSC in accordance with the Specific Service Agreement (SSA). Any changes to assets after March 31, 2001, are supported by documentation outlined in the FIS Procedures Manual for Real Property Transactions. 	Director RPMD	2002-01-31

RECOMMENDATIONS	MANAGEMENT ACTION PLAN	OFFICER OF PRIMARY INTEREST	INITIAL TARGET DATE
	 PREVIOUS RESPONSE ⇒ Small Craft Harbours will develop its own standard of documentation. STATUS OCTOBER 2003 	Dir RPMD	REVISED DATE Complete
	Small Craft Harbours has developed their own standard of documentation. PREVIOUS RESPONSE 11. Moveable assets – reference action item # 1.	Policy officer SCH	Complete REVISED DATE Complete

RECOMMENDATIONS	MANAGEMENT ACTION PLAN	OFFICER OF PRIMARY INTEREST	INITIAL TARGET DATE
b) Establish standards of documentation for real property acquisitions (this recommendation also applies to moveable assets);	PREVIOUS RESPONSE 12. Reference action item # 10. STATUS OCTOBER 2003 The FIS Procedures Manual for Real Property Transactions will document standards of documentation. PREVIOUS RESPONSE 13. Moveable assets – reference action item # 1. STATUS OCTOBER 2003 The Departmental Moveable Assets Policy will	Dir RPMD	REVISED DATE Complete REVISED DATE Complete
	document standards of documentation.		Complete

RECOMMENDATIONS	MANAGEMENT ACTION PLAN	OFFICER OF PRIMARY INTEREST	INITIAL TARGET DATE
c) Develop estimates for contingent liabilities that might be associated with the implementation of reversionary clauses requiring the restoration of property to its original condition;	PREVIOUS RESPONSE 14. Real Property Management Directorate (RPMD) agree with the recommendation providing that sites having reversionary clauses are assigned a contingent liability associated with their restoration ONLY IF they have been identified as divestiture candidates and are on a list of assets to be divested. A detailed action plan has been developed by RPDM and they will implement as per the plan	Dir RPMD	2002-01-31
	 STATUS OCTOBER 2003 The Environmental Coordination Branch has provided estimates on contingent liability for sites that have undergone environmental assessments. ⇒ To confirm that SCH sites have been included in the RPMD plan. 	Dir RMPD	REVISED DATE Ongoing

RECOMMENDATIONS	MANAGEMENT ACTION PLAN	OFFICER OF PRIMARY INTEREST	INITIAL TARGET DATE
	PREVIOUS RESPONSE		
d) Issue a directive / procedure regarding out of service assets (this recommendation also applies to moveable assets);	15. RPDM will issue guidelines instructing regional staff to conduct a review of the content of the RPIS database with the purpose to update (if needed) the in-service or out-of-service status of each site.	Dir RPMD	2002-01-31
	STATUS OCTOBER 2003	Dir RPMD	REVISED DATE
	The RPIS User Guide & Instruction Manual, Section 5, RPIS "How to" Provides guidelines for making changes to RPIS.		Complete
	PREVIOUS RESPONSE		
	⇒ SCH will develop its own accounting policy on out of service assets.	Policy officer SCH	2002-01-31
	STATUS OCTOBER 2003		REVISED DATE
	SCH has developed their own accounting policy on out-of-service assets.		Complete

RECOMMENDATIONS	MANAGEMENT ACTION PLAN	OFFICER OF PRIMARY INTEREST	INITIAL TARGET DATE
	PREVIOUS RESPONSE 16. The moveable asset component of this recommendation will be addressed by Corporate Accounting & Policy Division. Reference action item #2. STATUS OCTOBER 2003 The Accounting for Capital Assets Policy and the Departmental Moveable Assets Management Policy both address the life cycle management of moveable assets. Furthermore, both of these policies will be finalized and approved no later than March 31, 2004.	Dir AMAS Dir AMAS	REVISED DATE April 2004

	RECOMMENDATIONS	MANAGEMENT ACTION PLAN	OFFICER OF PRIMARY INTEREST	INITIAL TARGET DATE
e)	Issue a directive / procedure regarding capitalizable costs (this recommendation also applies to moveable assets);	PREVIOUS RESPONSE 17. Policy #602 on the capitalization of assets was updated to address this recommendation. STATUS OCTOBER 2003	Dir AMAS	Complete REVISED DATE
		Accounting for Capital Assets Policy, 4 th draft, dated February 14, 2003 was completely updated to address this recommendation. This policy will be finalized and approved no later than March 31, 2004. Furthermore, the Departmental Moveable Assets Management Policy, draft 4b, dated July 23, 2003 will also be finalized no later than March 31, 2004.	Dir AMAS	March 31, 2004

	RECOMMENDATIONS	MANAGEMENT ACTION PLAN	OFFICER OF PRIMARY INTEREST	INITIAL TARGET DATE
		PREVIOUS RESPONSE		
f)	Document the process for establishing and controlling asset categories; and document the quality assurance process developed to monitor and control the identification and valuation of real property assets.	18. PWGSC will be providing DFO with an overview of the process followed and summary results of the QA program pertaining to the level of compliance of the DFO inventory of capital assets with the TB policy on capital assets. A CERTIFICATION DOCUMENTATION was presented to DFO by PWGSC during a sign-off ceremony. This marked the conclusion of the Accrual Accounting Project.	Dir, RPDM	2002-01-31 (or as soon as PWGSC is in the position to hold the sign-off ceremony)
		STATUS OCTOBER 2003		REVISED DATE
		PWGSC are the custodians of these documents. They have a Quality Assurance Program and have carried out a QA assessment on DFO assets. An official ceremony is to take place to officially transfer the documentation from PWGSC to DFO.	Dir RPMD	Complete

	RECOMMENDATIONS	MANAGEMENT ACTION PLAN	OFFICER OF PRIMARY INTEREST	INITIAL TARGET DATE
		PREVIOUS RESPONSE		2002-01-31
		⇒ SCH will develop its own QA program with its regional offices.		REVISED DATE
		STATUS OCTOBER 2003		Complete
		SCH have developed their own QA program.	Policy officer SCH	
Policies	and Procedures	PREVIOUS RESPONSE		
3.2.1.1	It is recommended that the FIS Project Manager in conjunction with the FIS coordinator of Policies and Procedures determine who will be accountable and responsible for the ongoing update of policies and procedures during the FIS transition period.	19. Currently, the accountability and responsibility of ongoing updating of the majority of policies and procedures resides within the Corporate Accounting and Policy Division (CAPD). However, responsibilities pertaining to this area may shift depending on the results of the Finance and Administration accountability study.	The Senior Policy Officer, CAPD	Complete
		STATUS OCTOBER 2003	Dir AMAS	
		Accounting, Materiel and Administrative Services (AMAS) Branch A new division called the Financial Policy Division is almost fully staffed. This division is responsible for the creation and update of financial policies.		

	RECOMMENDATIONS	MANAGEMENT ACTION PLAN	OFFICER OF PRIMARY INTEREST	INITIAL TARGET DATE
Training		PREVIOUS RESPONSE		
3.2.2.1	It is recommended that the FIS Project Manager in conjunction with the Team Leader responsible for training implement a mechanism to assess the effectiveness of training provided and identify any deficiencies.	20. No formal mechanism to assess the effectiveness of the training conducted to date has been implemented because a low key implementation approach had been approved by Senior Management and there were not sufficient funds available for it. However, the MC PMO will ensure that some kind of assessment is considered for any future training to take place.	Modern Comptrollership Project Office	2002-03-31
		STATUS OCTOBER 2003 Training assessment will be completed by the Modern Comptrollership Project Office (MCPO) by November 2003. Furthermore, the MCPO will be developing the training curriculum. Training to commence January 2004 to March 2004.	Dir MCPO	March 2004

RECOMMENDATIONS	MANAGEMENT ACTION PLAN	OFFICER OF PRIMARY INTEREST	INITIAL TARGET DATE
	PREVIOUS RESPONSE		
	21. During the first wave of FIS training, only financial staff and functional specialists were trained i.e.; asset officers and managers. That training received very good feedback by the participants. Training for departmental program managers will be provided in the late fall. The Senior Finance Managers and the Regional Directors of F&A in the regions have been tasked with delivering this training. STATUS OCTOBER 2003	Senior Financial Managers (SFMs) and Regional Directors of Finance & Administration for training delivery	2002-03-31
	Training for departmental program managers will be in place for the winter of 2004. The Modern Comptrollership Office will be developing the curriculum, but the regions will need to pay for the training. The Senior Finance Managers and the Regional Directors of F&A in the regions have been tasked with delivering this training.	Dir Modern Comptrollership Project Office (MCPO) for development of curriculum	March 2004

RECOMMENDATIONS	MANAGEMENT ACTION PLAN	OFFICER OF PRIMARY INTEREST	INITIAL TARGET DATE
	AMAS Currently Regional Support Units (RSUs) deliver any training for the asset module of the Oracle Financial System – ABACUS. As per response to Recommendation 3.2.2.1 previous response #20 and Status September 2003 Response - Training assessment survey will be completed by the Modern Comptrollership Project Office (MCPO) by November 2003. Furthermore, the MCPO will be developing the training curriculum. Training to commence January 2004 to March 2004.	Senior Financial Managers (SFMs) and Regional Directors of Finance & Administration for training delivery	April 2004

	RECOMMENDATIONS	MANAGEMENT ACTION PLAN	OFFICER OF PRIMARY INTEREST	INITIAL TARGET DATE
		PREVIOUS RESPONSE		
3.2.2.2	It is recommended that the FIS Project Manager in conjunction with the Director General - Finance and Administration, determine how the training to finance staff and asset managers could be improved to address capital asset issues encountered during the FIS Implementation Review #2.	22. The FIS Project Manager will liaise with representatives from Real Property, SCH and Moveable Assets to determine the best course of action to address this recommendation. Until a course of action is determined, Corporate Materiel Management will continue to release bulletins which are available on the F&A web-site, to highlight the changes in asset management under FIS.	Modern Comptrollership Project Office	2002-03-31
		STATUS OCTOBER 2003		REVISED DATE
		No training has taken place for program managers and their support staff. The training assessment survey will likely identify that the winter 2004 training will focus on budget forecasting, analysis and commitments. From the perspective of program managers, capital asset training will likely be a lower priority.	Modern Comptrollership Project Office	April 2004

	RECOMMENDATIONS	MANAGEMENT ACTION PLAN	OFFICER OF PRIMARY INTEREST	INITIAL TARGET DATE
Reconci	iliation Processes	PREVIOUS RESPONSE		
3.2.4.1	It is recommended that the Director, Accounting, Materiel, and Administrative Service update existing financial reconciliation procedures in light of the new FIS reconciliation requirements.	23. An initiative is currently underway to update reconciliation procedures. DFO intends to stop recording assets under \$10K and this will greatly reduce the month end reconciliation process at the regional level. The asset records (\$1K – 10K) carried over from last year, included in the opening balances, will remain in the database for FIS reporting purposes.	Dir AMAS	2002-03-31
		STATUS OCTOBER 2003		REVISED DATE
		Corporate and Management Accounting The Fixed Assets sub-ledger to General Ledger reconciliation procedures are to be completed by Corporate and Management Accounting in November 2003. Corporate and Management Accounting is currently assisting the regions to identify and reconcile the capital funding purchases to capital assets records on a monthly basis. The regions are required to research the history of transactions and resolve the variances with the assistance of Corporate Accounting and Corporate Material Management on an on-going basis. November 2003. The focus should be on reconciliation to be done by the regions. (For example, contra account balance to actual expenditures to capital asset records.)		April 2004 Ongoing

	RECOMMENDATIONS	MANAGEMENT ACTION PLAN	OFFICER OF PRIMARY INTEREST	INITIAL TARGET DATE
3.2.4.2	It is recommended that the Director, Accounting, Materiel, and Administrative Service assess the impact of the new reconciliation requirements on resources.	PREVIOUS RESPONSE 24. The impact of the new reconciliation requirements on resources was addressed in the AMAS FIS Business Case report submitted to the DG of Finance and Administration on June 11 th , 2001. STATUS OCTOBER 2003 The Business Case was presented to the DG in 2001, extra resources were requested for Corporate and Regional reconciliation but were not allocated	Dir AMAS	Complete
		 at that time. Another Business Case for Corporate and Management Accounting was presented to the DG in June 2003, which includes two phases: The first phase is to stabilize resources for current operations, which has been approved by the DG. The target implementation date is March 2004. The second phase is to focus on control/procedures/training under Modern Comptrollership initiative. It is being assessed mindful of the Modern Comptrollership Action Plan and other management modernization plans 		

RECOMMENDATIONS	MANAGEMENT ACTION PLAN	OFFICER OF PRIMARY INTEREST	INITIAL TARGET DATE
Reporting	PREVIOUS RESPONSE		
 3.2.5.1 It is recommended that the FIS Reporting Team: a) Establish a process for the preparation and review of the departments mandatory financial statements; 	25. The specifications for the financial statements are now being developed and discussed with Finance and Administration Systems. It is anticipated that an interim set of financial statements will be prepared as at November 30, 2001. The objective of preparing this set of interim statements is to ensure that the systems, the required information and related internal DFO processes are in place well in advance of the year-end requirement. Those interim financial statements will be reviewed by interested parties in DFO.	Dir. Accounting, Materiel and Administration Services	2002-01-07
	STATUS OCTOBER 2003 The FIS Reporting team was established to address internal reporting needs under FIS rather than the departmental Financial Statements. Responsibility for the preparation of the annual financial statements fell to Corporate and Management Accounting. The annual financial statements have been generated successfully at the year-end 2001-02 and 2002-03. 2001/02 financial statements have been reviewed by Treasury Board and recommendations have been incorporated into the 2002/03 financial statements.	Dir. Accounting, Materiel and Administration Services	Complete

RECOMMENDATIONS	MANAGEMENT ACTION PLAN	OFFICER OF PRIMARY INTEREST	INITIAL TARGET DATE
	PREVIOUS RESPONSE 26. Based on the above, necessary guidelines and procedures for the preparation of the annual financial statements will be developed and in place before the first set of financial statements are produced as at March 31, 2002.		2002-02-28
	Currently the specific procedure is not required for this item. Corporate and Management Accounting have developed the specifications for preparation of the annual financial statements with FAS. The specific schedules and reports are compiled electronically and can be printed using the "Financial Statements and Plates Reporting User Guide". Internally these financial schedules and reports are reviewed and compared to the final Trial Balance by the Corporate Accounting group to ensure the accuracy and truthful representation. Externally the financial statements have been reviewed by TBS. In 2003, DFO financial statements will also be audited by the OAG, and DFO will comply with the OAG recommendations.	Dir. Accounting, Materiel and Administration Services	REVISED DATE Complete

RECOMMENDATIONS	MANAGEMENT ACTION PLAN	OFFICER OF PRIMARY INTEREST	INITIAL TARGET DATE
b) Identify an "external audit co-ordinator" who will be responsible for ensuring DFO readiness for external audits by the Government of Canada's external auditors; and	PREVIOUS RESPONSE 27. The MC project office will determine who the "external audit coordinator" will be.	Modern Comptrollership Project Office	2001-12-31
	STATUS OCTOBER 2003 The Director General, Review Directorate is responsible for ensuring DFO readiness for external audits by the Government of Canada's external auditors.	Modern Comptrollership Project Office	REVISED DATE Complete

	RECOMMENDATIONS	MANAGEMENT ACTION PLAN	OFFICER OF PRIMARY INTEREST	INITIAL TARGET DATE
c)	Develop a plan indicating how they will assess the needs of DFO managers when developing new or updating existing internal management reports.	PREVIOUS RESPONSE 28. It has been proposed that regions will establish the regional reports for the preparation and review of the regional financial statements (including MRS and DFMR reporting requirements) and that Senior Financial Managers will establish reports required to permit reporting and review of the sector financial statements (including MRS and DFMR reporting	Director Financial Branch, Regional Directors of F&A, Senior Financial Managers	Ongoing
		requirements). STATUS OCTOBER 2003 The Department has developed financial statements that Treasury Board has accepted. A framework is in the process of being established with regard to MRS reporting requirements.	Director Financial Branch, Regional Directors of F&A, Senior Financial Managers	REVISED DATE Complete Ongoing

	RECOMMENDATIONS	MANAGEMENT ACTION PLAN	OFFICER OF PRIMARY INTEREST	INITIAL TARGET DATE
3.2.6.1	Management It is recommended that the FIS Project Manager in conjunction with the Coordinator of change management develop a detailed Change Management plan indicating why, when, how and by whom the specific change management activities will be provided.	PREVIOUS RESPONSE 29. A detailed FIS Change Management Strategy and plan was developed in January 2001. The plan is being implemented in conjunction with Modern Comptrollership activities.	FIS project manager and co- ordinator of change management	Complete