



Treasury Board of Canada  
Secrétariat

Secrétariat du Conseil du Trésor  
du Canada

Canada

# **Management Letter for the Core Control Audit of the National Film Board of Canada**

**August 2017**

## **Office of the Comptroller General**

## **Management Letter**

This management letter is presented to the management of the National Film Board of Canada. It provides the detailed findings and recommendations against all criteria tested and aligns recommendations with the criteria to which they relate.

Transactions were selected from the period of April 1 to December 31, 2015.

As a result of this audit, the National Film Board of Canada is required to develop a management action plan to address the recommendations provided in this management letter.

I thank you in advance for your timely cooperation.

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Office of the Comptroller General

## Detailed Findings and Recommendations

Legend of Compliance Thresholds <sup>1</sup>	
Met	Greater than or equal to 98% compliance
Partially Met	Greater than or equal to 80% and less than 98% compliance
Not Met	Less than 80% compliance

<i>Directive on Delegation of Financial Authorities for Disbursements</i>		
Criteria	Findings	Compliance
<p>i) Delegation of Financial Authorities for Disbursements</p> <p>Delegation instruments are appropriate, current, approved in accordance with the directive and provide delegation to individuals who have successfully completed required training.</p>	<p>The National Film Board's (NFB) Delegated Financial Signing Authorities Chart was signed by the Minister of Canadian Heritage in 2007.</p> <p>There have been three new ministers since NFB's Delegated Financial Signing Authorities Chart was last signed; however, NFB has been unable to obtain new minister approval for an updated version.</p> <p>A new minister was appointed in 2015. An updated chart was sent for approval within 90 days of appointment; however the chart has yet to be approved.</p> <p>Furthermore, the delegation of financial authorities' matrix granted travel approval authority to individuals below the senior departmental manager level. As per the Treasury Board (TB) Directive on Travel, Hospitality, Conference and Event Expenditures (1.2.1), approval of travel is to be delegated by the deputy head to the senior departmental manager level. Therefore, the changes to the directive were not reflected in the previous or the updated delegation matrix and the specimen signature cards.</p> <p>Moreover, controls over signature cards were reviewed based on the signature cards that were part of the sample. The following exceptions were noted:</p> <ul style="list-style-type: none"> <li>• The electronic signature specimen cards did</li> </ul>	Not Met

<sup>1</sup> Compliance thresholds for the transactions tested.

**Directive on Delegation of Financial Authorities for Disbursements**

Criteria	Findings	Compliance
	<p>not have an 'approved' date, so it was not possible to determine at which time the incumbent's supervisor/superior had formally designated that person; and</p> <ul style="list-style-type: none"> <li>• There was no evidence of a formal, annual review of signature specimen cards.</li> </ul>	
<p>ii) Learning, Training and Development Employees receive appropriate training in accordance with requirements pertaining to financial management, contracting and human resources.</p>	<p>For all 38 applicable files reviewed, employees had not received the appropriate training in accordance with requirements pertaining to financial management, contracting and human resources.</p>	<p>Not Met</p>

**Recommendations:**

1. The NFB should continue working with stakeholders to resolve the outstanding legal issue and ensure that the Delegated Financial Signing Authorities Chart is current.
2. The NFB should ensure that delegation business processes are improved and are consistently performed in compliance with the Treasury Board Directive on Delegation of Financial Authorities for Disbursements, and that sufficient documentation is retained on file to ensure that:
  - The delegation of financial authorities chart reflects the changes made to the Treasury Board Directive on Travel, Hospitality, Conference and Event Expenditures for approving travel;
  - All signature specimen cards include the date on which the appropriate authority had delegated financial authority to the incumbent;
  - Delegated financial authorities are formally reviewed on an annual basis and updated, if deemed necessary; and
  - All employees with delegated financial authorities receive mandatory training before they exercise their delegated authority.

**Overall Compliance: Not Met**

**Policy on Financial Management Governance**

<b>Criterion</b>	<b>Findings</b>	<b>Compliance</b>
i) The department has established a sound financial management governance structure that fosters prudent stewardship of public resources in the delivery of the mandate of the organization.	<p>The department has established a financial management governance structure that fosters prudent stewardship of public resource in the delivery of its mandate.</p> <p>The budget was established for fiscal year 2015-16 and was based on the Main Estimates. The budget was broken down by responsibility centre and further broken down by expense items.</p> <p>Variances between current budgets, expenditures to date and commitments were analyzed.</p> <p>The NFB also utilizes a Forecasting Tool where salaries are broken down by employee and responsibility centre.</p> <p>High level risks were identified in the 2015-16 Report on Plans and Priorities, and were also identified in the 2015-16 budget.</p> <p>The organizational budget was approved by both the CFO and the Deputy Head.</p>	Met
<b>Recommendation: None</b>		
<b>Overall Compliance: Met</b>		

**Directive on Acquisition Cards**

A total of 52 transactions spanning 31 unique cardholders were reviewed.

<b>Criteria</b>	<b>Findings</b>	<b>Compliance</b>
i) Acquisition cards attribution is controlled and cardholders have acknowledged their responsibility in writing.	<p>For 3 of 31 unique cardholder transactions reviewed, acquisition cards attribution was controlled and cardholders had acknowledged their responsibilities in writing. Some transactions had multiple compliance issues:</p> <ul style="list-style-type: none"> <li>• For four transactions reviewed, there was no Responsibility Center Manager (RCM) approval on the acquisition card request form;</li> <li>• For two transactions reviewed, an RCM</li> </ul>	Not Met

*Directive on Acquisition Cards*

A total of 52 transactions spanning 31 unique cardholders were reviewed.

Criteria	Findings	Compliance
	<p>signature was on file; however, it could not be substantiated to any employee signatures;</p> <ul style="list-style-type: none"> <li>• For five transactions reviewed, there was no evidence to indicate a credit limit was defined by the RCM for the cardholder;</li> <li>• For three transactions reviewed, the acquisition card request form stated a lower credit limit than what was provided to the cardholder;</li> <li>• For 25 transactions reviewed, there was no documentation on file to evidence that the cardholder acknowledged their responsibilities and obligations prior to receiving their acquisition card from the coordinator;</li> <li>• For two transactions reviewed, the acknowledgement of responsibilities was on file; however, the cardholder used their acquisition card prior to signing their acknowledgement of responsibilities form; and</li> <li>• For three transactions reviewed, the acquisition card coordinator did not sign the request form.</li> </ul>	
<p>ii) Funds commitment availability is certified by an individual with the delegated authority, prior to the expenditure initiation at the value expected to be incurred (section 32 of the Financial Administration Act).</p>	<p>For 44 of 52 transactions reviewed, funds commitment availability was certified by someone with the delegated authority prior to the expenditure initiation at the value expected to be incurred. The following exceptions were noted:</p> <ul style="list-style-type: none"> <li>• For six transactions reviewed, expense was not approved by an individual with the delegated authority; and</li> <li>• For two transactions reviewed, it could not be determined if approval was done by an individual with the delegated authority or prior to the purchases, as the signature specimen card for the Section 32 signee was not on file.</li> </ul> <p>(See Recommendation 9)</p>	<p>Partially Met</p>

*Directive on Acquisition Cards*

A total of 52 transactions spanning 31 unique cardholders were reviewed.

Criteria	Findings	Compliance
<p>iii) The performance of account verification is performed by an individual with the delegated authority, is accomplished on a timely basis and verifies the correctness of the payment requested (section 34 of the <i>Financial Administration Act</i>).</p>	<p>For 12 of 52 transactions reviewed, the performance of account verification was done by someone with the delegated authority to do so, was accomplished on a timely basis, and verified the correctness of the payment requested. Some transactions had multiple compliance issues:</p> <ul style="list-style-type: none"> <li>• For three transactions reviewed, there was no documentation on file indicating account verification approval;</li> <li>• For 26 transactions reviewed, the account verification was performed by the acquisition cardholder;</li> <li>• For one transaction reviewed, there was no signature specimen card on file to verify if the account verification was performed by an individual with the delegated authority;</li> <li>• For 16 transactions reviewed, expense certified was not properly supported with proof of execution and cost;</li> <li>• For one transaction reviewed, Section 34 signature was not dated; and therefore, timeliness could not be determined; and</li> <li>• For 15 transactions reviewed, Section 34 account verification was not performed on a timely basis, as it was signed over 30 days after receipt of the BMO statement.</li> </ul> <p><b>(See Recommendation 10)</b></p>	<p>Not Met</p>
<p>iv) The payment and settlement is carried out by an individual with the delegated authority, for the correct dollar amount and to the right vendor on a timely basis (section 33 of the <i>Financial Administration Act</i>).</p>	<p>For 51 of 52 transactions reviewed, the payment and settlement was carried out by an individual with proper delegation of authority and for the correct dollar amount and to the right vendor on a timely basis:</p> <ul style="list-style-type: none"> <li>• For one transaction reviewed, Section 33 documentation was not on file.</li> </ul>	<p>Met</p>
<p>v) Cards are to be used solely for authorized government business-related purchases</p>	<p>For 51 of 52 transactions reviewed, acquisition cards were used solely for authorized government business related purchases of goods, services and</p>	<p>Met</p>

### *Directive on Acquisition Cards*

A total of 52 transactions spanning 31 unique cardholders were reviewed.

<b>Criteria</b>	<b>Findings</b>	<b>Compliance</b>
of goods, services and pre-approved hospitality expenditures.	pre-approved hospitality expenditures: <ul style="list-style-type: none"><li>• For one transaction reviewed, an acquisition card was used for travel related expenditure.</li></ul>	

#### **Recommendation:**

3. The NFB should ensure that sufficient documentation is retained on file for acquisition cards to substantiate their issuance, approval, modification, and acknowledgment of responsibilities by the cardholder.

**Overall Compliance: Not Met**

### *Contracting Policy*

A total of 53 contracting files were reviewed, which consisted of the following: 43 were non-competitive, 1 was an acquisition card transaction (not evaluated under non-competitive or competitive); and 9 were competitive (including 3 call-up against a standing offer, and 3 that were awarded through Public Services and Procurement Canada (PSPC) or Shared Services Canada (SSC)).

<b>Criteria</b>	<b>Findings</b>	<b>Compliance</b>
i) Procurement strategy: Non-Competitive (non-competitive method of supply include sole-source) There is documentation on file to support the justification for non-competitive procurement contracts in accordance with section 6 of Government Contracts Regulations.	For 34 of 43 applicable non-competitive contracting transactions reviewed, there was documentation on file to support the justification for non-competitive procurement contracts. Some transactions had multiple compliance issues: <ul style="list-style-type: none"><li>• For three transactions reviewed, there was no pre-defined statement of work on file; and</li><li>• For 7 transactions reviewed, best-value analysis was not documented on file.</li></ul>	Not Met



**Contracting Policy**

A total of 53 contracting files were reviewed, which consisted of the following: 43 were non-competitive, 1 was an acquisition card transaction (not evaluated under non-competitive or competitive); and 9 were competitive (including 3 call-up against a standing offer, and 3 that were awarded through Public Services and Procurement Canada (PSPC) or Shared Services Canada (SSC)).

Criteria	Findings	Compliance
<p>ii) Procurement strategy: (methods of supply include contracts, standing offers and supply arrangements) Appropriate tendering processes for bids are used in the proper circumstances.</p>	<p>For 38 of 53 applicable contracting transactions reviewed, appropriate tendering process for bids were used in the proper circumstances. Some transactions had multiple compliance issues:</p> <ul style="list-style-type: none"> <li>• For five transactions reviewed, the appropriate procurement method was not used; and</li> <li>• For 13 contracting transactions reviewed, the contracting method chosen was not used in compliance with its terms and conditions.</li> </ul>	<p>Not Met</p>
<p>iii) Procurement strategy: competitive (methods of supply include contracts, standing offers and supply arrangements) Bid evaluation criteria were provided on Request For Proposal (RFP) documents and were used for contractor selection in an open, fair and transparent manner.</p>	<p>For 2 of 3 applicable contracting transactions reviewed, bid evaluation criteria were provided on Request For Proposal (RFP) documents and were used for contractor selection in an open, fair and transparent manner. One transaction had multiple compliance issues:</p> <ul style="list-style-type: none"> <li>• For the one transaction reviewed, there was no bid selection method and evaluation criteria documented;</li> <li>• For the one transaction reviewed, there was no evidence on file that the statement of work was defined prior to the solicitation; and</li> <li>• For the one transaction reviewed, there was no bid solicitation document/ Request for Proposal documented.</li> </ul>	<p>Not Met</p>
<p>iv) Funds commitment availability is certified by an individual with the delegated authority, prior to the expenditure initiation at the value expected to be incurred (section 32 of the Financial Administration Act).</p>	<p>For 33 of 53 contracting transactions reviewed, funds commitment availability was certified by an individual with delegated authority, prior to the expenditure initiation and at the value expected to be incurred. Some transactions had multiple compliance issues:</p> <ul style="list-style-type: none"> <li>• For two transactions reviewed, the expense was not approved by an individual with the delegated authority;</li> <li>• For 16 transactions reviewed, the expense was not approved prior to the contract award;</li> <li>• For one transaction reviewed, it could not be</li> </ul>	<p>Not Met</p>

**Contracting Policy**

A total of 53 contracting files were reviewed, which consisted of the following: 43 were non-competitive, 1 was an acquisition card transaction (not evaluated under non-competitive or competitive); and 9 were competitive (including 3 call-up against a standing offer, and 3 that were awarded through Public Services and Procurement Canada (PSPC) or Shared Services Canada (SSC)).

Criteria	Findings	Compliance
	<p>determined if the expense was pre-approved, as the pre-approval documentation was signed but not dated;</p> <ul style="list-style-type: none"> <li>• For 10 transactions reviewed, the commitment was not recorded on a timely basis; and</li> <li>• For one transaction reviewed, it could not be determined if the commitment was recorded on a timely basis, as it was not dated.</li> </ul> <p><b>(See Recommendation 9)</b></p>	
<p>v) Contract Management Contracts and contract amendments were approved prior to the receipt of any goods or services or the expiration of the original contract and supporting documentation is retained on file.</p>	<p>For 22 of 52 applicable contracting transactions reviewed, the contract and contract amendments were approved prior to the receipt of any goods or services or the expiration of the original contract and supporting documentation was retained on file. Some transactions had multiple compliance issues:</p> <ul style="list-style-type: none"> <li>• For 20 transactions reviewed, security requirements were not addressed to ensure compliance with the provisions of the Policy on Government Security;</li> <li>• For two transactions reviewed, intellectual property rights were not identified or addressed;</li> <li>• For four transactions reviewed, the contract or the contract amendment was not signed by an individual with the delegated authority;</li> <li>• For 13 transactions reviewed, goods or services were received prior to contract or amendment issuance;</li> <li>• For one transaction reviewed, it could not be determined if contracts or contract amendments were issued prior to the goods received as the packing slip was not on file;</li> <li>• For one transaction reviewed, the transaction authority signature was not dated;</li> <li>• For one transaction reviewed, the vendor did not sign the contract terms and conditions;</li> <li>• For one transaction reviewed, the contract amendment was not on file;</li> <li>• For three transactions reviewed, contract</li> </ul>	<p>Not Met</p>

**Contracting Policy**

A total of 53 contracting files were reviewed, which consisted of the following: 43 were non-competitive, 1 was an acquisition card transaction (not evaluated under non-competitive or competitive); and 9 were competitive (including 3 call-up against a standing offer, and 3 that were awarded through Public Services and Procurement Canada (PSPC) or Shared Services Canada (SSC)).

Criteria	Findings	Compliance
	<p>amendments were not properly justified and substantiated; and</p> <ul style="list-style-type: none"> <li>• For five transactions reviewed, the contract amendments were not issued before contract expiry dates.</li> </ul>	
<p>vi) Account Verification The performance of account verification is performed by an individual with the delegated authority, is accomplished on a timely basis and verifies the correctness of the payment requested (section 34 of the Financial Administration Act).</p>	<p>For 30 of 52 applicable contracting transactions reviewed, account verification was performed by an individual with the delegated authority, was accomplished on a timely basis and verified the correctness of the payment requested. Some transactions had multiple compliance issues:</p> <ul style="list-style-type: none"> <li>• For three transactions reviewed, account verification (Section 34) was performed by the same individual who performed contracting authority (Section 41);</li> <li>• For 11 transactions reviewed, the expense certified was not properly supported with proof of execution and/or cost;</li> <li>• For 10 transactions reviewed, account verification was not performed on a timely basis; and</li> <li>• For six transactions, sufficient documentation was not on file to determine if account verification was administered on a timely basis.</li> </ul> <p><b>(See Recommendation 10)</b></p>	Not Met
<p>vii) Contract Payment The payment and settlement is carried out by an individual with the delegated authority, for the correct dollar amount and to the right vendor on a timely basis (Section 33 of the Financial Administration Act).</p>	<p>For 39 of 52 applicable contracting transactions reviewed, payment and settlement was carried out by an individual with the delegated authority, for the correct dollar amount and to the right vendor on a timely basis. Some transactions had multiple compliance issues:</p> <ul style="list-style-type: none"> <li>• For eight transactions reviewed, invoices or complete supporting documentation were not on file;</li> <li>• For one transaction reviewed, invoice payment documentation was not on file;</li> <li>• For one transaction reviewed, invoice payment</li> </ul>	Not Met

**Contracting Policy**

A total of 53 contracting files were reviewed, which consisted of the following: 43 were non-competitive, 1 was an acquisition card transaction (not evaluated under non-competitive or competitive); and 9 were competitive (including 3 call-up against a standing offer, and 3 that were awarded through Public Services and Procurement Canada (PSPC) or Shared Services Canada (SSC)).

Criteria	Findings	Compliance
	<p>exceeded the contract limit;</p> <ul style="list-style-type: none"> <li>• For one transaction reviewed, payment was processed before Section 34 was signed; and</li> <li>• For two transactions reviewed, invoice payment was not processed on a timely basis.</li> </ul> <p><b>(See Recommendation 11)</b></p>	
viii) Proactive Disclosure Contracts valued at over \$10,000 are publicly disclosed.	<p>For 32 of 34 applicable contracting transactions reviewed, the contracts (including amendments) valued at over \$10,000 were publicly disclosed. The following exception was noted:</p> <ul style="list-style-type: none"> <li>• For two transactions reviewed, the contracts were not disclosed.</li> </ul>	Partially Met
ix) Payable at year-end (PAYE) A PAYE was properly set up, and the transactions were identified as such.	PAYEs were not assessed because the audit covered the period from April 1 to December 31, 2015.	Not Applicable

**Recommendation:**

4. The NFB should ensure that contracting business processes are improved and are consistently performed in compliance with the Treasury Board Contracting Policy, and that sufficient documentation is retained on file to ensure that:
- Best-value analysis is performed prior to contract award;
  - Appropriate procurement methods are chosen and used in compliance with their terms and conditions;
  - Security requirements are addressed prior to the start of work and are conducted in compliance with the provisions of the Policy on Government Security;
  - Contracts and amendments are signed and dated by the delegated contracting authority;
  - Contracts and amendments are issued before the goods and services are received;
  - Contract amendments are properly justified and substantiated; and
  - Contract amendments are issued before contract expiry dates.

**Overall Compliance: Not Met**

**National Joint Council *Travel Directive***

<b>Criteria</b>	<b>Findings</b>	<b>Compliance</b>
<p>i) Government business travel expenses are managed to achieve fair, reasonable and modern travel practices.</p>	<p>For 24 of 51 transactions reviewed, the government business travel expense was managed to achieve fair, reasonable and modern travel practices. Some transactions had multiple compliance issues:</p> <ul style="list-style-type: none"> <li>• For one transaction reviewed, there was insufficient or no evidence on file to demonstrate that efforts had been made to reduce, minimize and/or avoid travel;</li> <li>• For nine transactions reviewed, the documentation for post-authorization of travel was not on file;</li> <li>• For three transactions reviewed, meals and incidentals allocations were not reimbursed in accordance with specified rates (for two of those transactions, the 75% allowance limit relating to meals and incidentals, when on travel status for the 31<sup>st</sup> consecutive day and onwards, was not applied, and for the remaining transaction, meals were not reimbursed in accordance to the directive);</li> <li>• For five transactions reviewed, there was no documentation on file (i.e.- contract) to verify the eligibility of meals claimed for non-public servants;</li> <li>• For nine transactions reviewed, the accommodations selected were not from a pre-approved government supplier list and were above the city rate limit, with no justification and pre-approval on file;</li> <li>• For one transaction reviewed, accommodations were from the pre-approved government supplier list; however, they were above the listed rate and the city rate limit, with no justification on file;</li> <li>• For three transactions reviewed, the rental vehicle did not respect the appropriate limit;</li> <li>• For two transactions reviewed, flight arrangements did not respect the appropriate limits;</li> </ul>	<p>Not Met</p>

**National Joint Council Travel Directive**

Criteria	Findings	Compliance
	<ul style="list-style-type: none"> <li>• For three transactions reviewed, it could not be determined whether flight class was within the appropriate limit, as there was insufficient or no documentation on file; and</li> <li>• For three transactions, departmental travel cards were not used to the extent possible to prepay travel arrangements.</li> </ul>	
<p>ii) Funds commitment availability is certified by an individual with the delegated authority, prior to the expenditure initiation at the value expected to be incurred (section 32 of the Financial Administration Act).</p>	<p>For 25 of 51 transactions reviewed, the funds commitment availability was certified by someone with the delegated authority prior to the expenditure initiation at the value expected to be incurred. Some transactions had multiple compliance issues:</p> <ul style="list-style-type: none"> <li>• For 17 transactions reviewed, the expense had not been approved by an individual with the appropriate delegated authority (travel outside headquarters was not approved by a senior departmental manager);</li> <li>• For four transactions reviewed, there was no pre-approval documentation on file;</li> <li>• For nine transactions reviewed, the expense was not approved prior to the travel; and</li> <li>• For one transaction reviewed, the commitment was not recorded at the value expected to be incurred.</li> </ul> <p><b>(See Recommendation 9)</b></p>	<p>Not Met</p>
<p>iii) The performance of account verification is performed by an individual with the delegated authority, is accomplished on a timely basis and verifies the correctness of the payment requested (section 34 of the Financial Administration Act).</p>	<p>For 44 of 51 transactions reviewed, the performance of account verification was done by an individual with the delegated authority, was accomplished on a timely basis, and there was verification of the correctness of the payment requested. The following exceptions were noted:</p> <ul style="list-style-type: none"> <li>• For six transactions reviewed, the expense certified was not properly supported with proof of execution and cost; and</li> <li>• For one transaction reviewed, account verification was not conducted on a timely basis (within 30 days).</li> </ul> <p><b>(See Recommendation 10)</b></p>	<p>Partially Met</p>

**National Joint Council *Travel Directive***

Criteria	Findings	Compliance
iv) The payment and settlement is carried out by an individual with the delegated authority, for the correct dollar amount and to the right vendor on a timely basis (section 33 of the Financial Administration Act).	For all 51 transactions reviewed, the payment and settlement was carried out by an individual with the delegated authority for the correct dollar amount and to the right vendor on a timely basis.	Met
v) All travel expenses for designated senior-level Government of Canada employees are proactively disclosed.	For the one applicable transaction reviewed, the travel expenses for the designated senior-level employee were proactively disclosed.	Met
vi) Total annual expenditures for travel for the department are disclosed on its website, including a brief description of the main variances from the previous year's actual expenditures.	The total annual expenditures for travel for the department were disclosed on its website, including a brief description of the main variances from the previous year's actual expenditures.	Met
vii) Travellers cheques and advances are used in valid circumstances.	<p>For 1 of 13 applicable transactions reviewed, travellers' cheques and advances were used in valid circumstances. The following exception was noted:</p> <ul style="list-style-type: none"> <li>• For 12 transactions reviewed, there was no documentation on file to demonstrate and justify that travel advances (for travel expenses) were used in valid circumstances. More specifically, highly exceptional circumstances which placed contractors in the unusual situation of being unable to finance their trip were not explained and justified. In addition, for six of those transactions, travel advance funds were also used for expenses other than travel expenses such as production related costs.</li> </ul>	Not Met

<b>National Joint Council <i>Travel Directive</i></b>		
<b>Criteria</b>	<b>Findings</b>	<b>Compliance</b>
<b>Recommendation:</b>		
<p>5. The NFB should ensure that travel business processes are improved and are consistently performed in compliance with the National Joint Council <i>Travel Directive</i>, and that sufficient documentation is retained on file to ensure that:</p> <ul style="list-style-type: none"> <li>• Justification for post-authorization of travel requests is obtained;</li> <li>• Employees are reimbursed for meals and incidentals within the limits prescribed by the Travel Directive;</li> <li>• Non-public servants are eligible for the reimbursement of travel expenses;</li> <li>• Accommodations are selected from the Government Accommodation Directory and within the city rate limit, and sufficient justification is kept on file when the hotel is not included in the Directory or when the identified limit is exceeded;</li> <li>• Rental vehicles and flight arrangements respect the appropriate limits; and</li> <li>• Travel advances are used only for travel costs, and justification for the provision of travel advances to contractors, in highly exceptional circumstances, is obtained.</li> </ul>		
<b>Overall Compliance: Not Met</b>		

<b><i>Directive on Travel, Hospitality, Conference and Event Expenditures</i></b>		
<b>Criteria</b>	<b>Findings</b>	<b>Compliance</b>
i) Hospitality events are planned and conducted in an economical and appropriate way to facilitate government business, consistently with the events circumstances.	<p>For 14 of 48 transactions reviewed, the hospitality event was not planned and conducted in an economical and appropriate way to facilitate government business, consistent with the event circumstances. Some transactions had multiple compliance issues:</p> <ul style="list-style-type: none"> <li>• For 28 transactions reviewed, justification confirming the necessity of the hospitality expense to achieve the departmental mandate and priorities was not on file;</li> <li>• For nine transactions reviewed, there was no documentation on file to substantiate why a certain supplier was chosen for the hospitality event (i.e., no best-value analysis);</li> <li>• For eight transactions reviewed, there was insufficient documentation on file to</li> </ul>	Not Met



*Directive on Travel, Hospitality, Conference and Event Expenditures*

Criteria	Findings	Compliance
	<p>determine whether the total hospitality cost was within the standard allowable cost per person (number of participants was not identified);</p> <ul style="list-style-type: none"> <li>• For three transactions reviewed, there was no justification on file demonstrating the need to serve alcohol at the hospitality event; and</li> <li>• For one transaction reviewed, it could not be determined if alcohol was served, as the documentation was not clear (receipt was partially covered).</li> </ul>	
<p>ii) Funds commitment availability is certified by an individual with the delegated authority, prior to the expenditure initiation at the value expected to be incurred (section 32 of the Financial Administration Act).</p>	<p>For 4 of 48 transactions reviewed, the funds commitment availability was certified by an individual with the delegated authority, prior to the expenditure initiation and at the value expected to be incurred. Some transactions had multiple compliance issues:</p> <ul style="list-style-type: none"> <li>• For 21 transactions reviewed, there was no pre-approval documentation on file;</li> <li>• For four transactions reviewed, the individual who had performed Section 32 did not have delegated authority to do so;</li> <li>• For three transactions reviewed, Section 32 was performed by an individual who attended the event;</li> <li>• For five transactions reviewed, it could not be determined whether the expense was approved by an individual with the delegated authority, as the attendees list was not on file (to determine if individual who attended also approved the expense);</li> <li>• For 20 transactions reviewed, the expense was not approved prior to the event; and</li> <li>• For two transactions reviewed, there was no commitment recorded.</li> </ul> <p><b>(See Recommendation 9)</b></p>	<p>Not Met</p>
<p>iii) The performance of</p>	<p>For 27 of 48 transactions reviewed, the performance</p>	<p>Not Met</p>

*Directive on Travel, Hospitality, Conference and Event Expenditures*

Criteria	Findings	Compliance
<p>account verification is performed by an individual with the delegated authority, is accomplished on a timely basis and verifies the correctness of the payment requested (section 34 of the Financial Administration Act).</p>	<p>of account verification was done by an individual with the delegated authority, was accomplished on a timely basis, and there was verification of the correctness of the payment requested. Some transactions had multiple compliance issues:</p> <ul style="list-style-type: none"> <li>• For five transactions reviewed, there was no documentation on file indicating account verification approval;</li> <li>• For eight transactions reviewed, account verification was performed by individuals who had attended the hospitality event;</li> <li>• For three transactions reviewed, account verification was not performed by the appropriate delegated authority;</li> <li>• For one transaction reviewed, it could not be determined if account verification was performed by the appropriate delegated authority, as there was no attendees list on file;</li> <li>• For four transactions reviewed, the expense certified was not properly supported with proof of execution and cost; and</li> <li>• For seven transactions reviewed, account verification signature was not dated; therefore, timeliness could not be determined.</li> </ul> <p><b>(See Recommendation 10)</b></p>	
<p>iv) The payment and settlement is carried out by an individual with the delegated authority, for the correct dollar amount and to the right vendor on a timely basis (section 33 of the Financial Administration Act).</p>	<p>For 46 of 48 transactions reviewed, payment and settlement was carried out by an individual with the delegated authority, for the correct dollar amount and to the right vendor on a timely basis. The following exceptions were noted:</p> <ul style="list-style-type: none"> <li>• For one transaction reviewed, Section 33 documentation was not on file; and</li> <li>• For one transaction reviewed, Section 33 was not processed on a timely basis, within payment terms (i.e. within 30 days of invoice receipt date).</li> </ul>	<p>Partially Met</p>

*Directive on Travel, Hospitality, Conference and Event Expenditures*

<b>Criteria</b>	<b>Findings</b>	<b>Compliance</b>
v) Hospitality expenses for designated senior-level employees are properly recorded and proactively disclosed.	For 3 of 9 applicable transactions reviewed, the hospitality expenses for designated senior-level employees were properly recorded and proactively disclosed. The following exception was noted: <ul style="list-style-type: none"> <li>For six transactions reviewed, hospitality expenditures were not proactively disclosed on the department's website.</li> </ul>	Not Met
vi) Total annual expenditures for hospitality for the department are disclosed on its website, including a brief description of the main variances from the previous year's actual expenditures.	Total annual hospitality expenditures were disclosed on the departmental website, including a brief description of the main variances from the previous year's actual expenditures.	Met

**Recommendation:**

6. The NFB should ensure that hospitality business processes are improved and are consistently performed in compliance with the Treasury Board Directive on Travel, Hospitality, Conference and Event Expenditures, and that sufficient documentation is retained on file to ensure that:
- Planning documentation reasonably justifies the operational need for the hospitality expenditures, and identifies attendees;
  - The most efficient and economical alternatives for hospitality expenditures have been considered;
  - The rationale for the provision of alcohol at hospitality events has been sufficiently identified and substantiated; and
  - Hospitality expenses for designated senior-level employees are proactively disclosed on the departmental website.

**Overall Compliance: Not Met**

*Directive on Financial Management of Pay Administration*

A total of 38 files were reviewed, which consisted of the following: 7 acting pay, 7 new hires, 7 overtime, 1 compensatory leave paid in cash, 4 maternity leave, 1 parental leave, 8 departures, 1 severance pay, 1 dual remuneration, 1 premium pay for work on holiday.

<b>Criteria</b>	<b>Findings</b>	<b>Compliance</b>
<b>Casual Employees</b>		

**Directive on Financial Management of Pay Administration**

A total of 38 files were reviewed, which consisted of the following: 7 acting pay, 7 new hires, 7 overtime, 1 compensatory leave paid in cash, 4 maternity leave, 1 parental leave, 8 departures, 1 severance pay, 1 dual remuneration, 1 premium pay for work on holiday.

<b>Criteria</b>	<b>Findings</b>	<b>Compliance</b>
i) Casual (non-EX) Key terms and conditions requirements for casual employees are administered correctly.	Please note that this criterion is not applicable, as National Film Board is a separate employer and is not subject to the Public Service Employment Act and relevant Treasury Board Directives related to casual employees.	Not Applicable
ii) Casual (non-EX) Employee's security screening is managed properly and subject to proper delegated authority.	Please note that this criterion is not applicable, as National Film Board is a separate employer and is not subject to the Public Service Employment Act and relevant Treasury Board Directives related to casual employees. Therefore, security for casual employees was not assessed.	Not Applicable
<b>Performance Pay</b>		
iii) EX group and excluded employees Performance pay is administered correctly and approved by the appropriate delegated authority.	Please note that this criterion is not applicable, as National Film Board is a separate employer and is not subject to the Public Service Employment Act and relevant Treasury Board Directives.	Not Applicable
<b>All Pay Administration Files</b>		
iv) Funds commitment availability is certified by an individual with the delegated authority, prior to the expenditure initiation at the value expected to be incurred (section 32 of the Financial Administration Act).	<p>Commitments are recorded at the value expected to be incurred at the beginning of the fiscal year.</p> <p>For 20 of 23 applicable transactions reviewed, funds commitment availability was certified by an individual with the delegated authority, prior to the expenditure initiation at the value expected to be incurred. The following exceptions were noted:</p> <ul style="list-style-type: none"> <li>• For one transaction reviewed, there was no pre-approval documentation on file; and</li> <li>• For two transactions reviewed, approval of the staffing request occurred after the start date.</li> </ul>	Partially Met

**Directive on Financial Management of Pay Administration**

A total of 38 files were reviewed, which consisted of the following: 7 acting pay, 7 new hires, 7 overtime, 1 compensatory leave paid in cash, 4 maternity leave, 1 parental leave, 8 departures, 1 severance pay, 1 dual remuneration, 1 premium pay for work on holiday.

Criteria	Findings	Compliance
<p>v) The performance of account verification is performed by an individual with the delegated authority, is accomplished on a timely basis and verifies the correctness of the payment requested (section 34 of the Financial Administration Act).</p>	<p>For 11 of 18 applicable transactions reviewed, the performance of account verification was performed by an individual with the delegated authority, was accomplished on a timely basis, and there was verification of the correctness of the payment requested. The following exceptions were noted:</p> <ul style="list-style-type: none"> <li>• For two transactions reviewed, there was no documentation on file indicating account verification approval;</li> <li>• For three transactions reviewed, there was no signature specimen card on file to verify if the account verification was performed by an individual with the delegated authority;</li> <li>• For one transaction reviewed, the expense certified was not properly supported with proof of execution and cost; and</li> <li>• For one transaction reviewed, account verification was not performed on a timely basis.</li> </ul> <p><b>(See Recommendation 10)</b></p>	<p>Not Met</p>
<p>vi) The payment and settlement is carried out by an individual with the delegated authority, for the correct dollar amount and to the right vendor on a timely basis (section 33 of the Financial Administration Act).</p>	<p>For 24 of 25 applicable transactions reviewed, the payment and settlement was for the correct dollar amount and to the right vendor:</p> <ul style="list-style-type: none"> <li>• For one transaction reviewed, there was no supporting documentation on file to verify that payment was issued for the correct amount.</li> </ul> <p>Note that sub-criteria relating to an individual with the delegated authority and timeliness were not assessed, as Section 33 responsibilities are completed by the Public Service Pay Center.</p>	<p>Partially Met</p>
<p>vii) Adequate segregation of duties, such as ensuring the custody and distribution of cheques</p>	<p>Adequate segregation of duties existed in pay administration roles.</p>	<p>Met</p>

*Directive on Financial Management of Pay Administration*

A total of 38 files were reviewed, which consisted of the following: 7 acting pay, 7 new hires, 7 overtime, 1 compensatory leave paid in cash, 4 maternity leave, 1 parental leave, 8 departures, 1 severance pay, 1 dual remuneration, 1 premium pay for work on holiday.

Criteria	Findings	Compliance
and direct deposit payment statements, exists in pay administration roles.		
viii) Departure procedures for the department are followed.	<p>For all eight applicable transactions reviewed, departure procedures for the department were not followed:</p> <ul style="list-style-type: none"> <li>For eight transactions reviewed, there was no evidence on file of departure forms signed by all concerned parties prior to leaving the organization and the release of the final payment to the employee.</li> </ul>	Not Met

**Recommendation:**

- The NFB should ensure that departure forms are completed by all applicable authorities and kept on file.

**Overall Compliance: Not Met**

*Directive on Receivables Management*

Criteria	Findings	Compliance
i) Governance of accounts receivable – Departmental mechanisms exist to ensure the appropriate use of accounts receivable.	<p>A departmental credit policy did not exist.</p> <p>Results-based measurement mechanisms were not established and monitored.</p> <p>There was evidence of the preparation of reports on the financial activities of the receivables portfolio as a receivable aging report was prepared; but there was no evidence of monitoring or distribution to management.</p> <p>There was no evidence of the preparation and distribution to management of reports on the non-financial activities of the receivables portfolio.</p> <p>In addition, there was no division of duties between collections, and maintenance of accounting records.</p>	Not Met

*Directive on Receivables Management*

Criteria	Findings	Compliance
	It was noted that the same individual was also responsible for the depositing (sending) of cheques to the bank.	
ii) Administration of accounts receivable programs – The department enters into an agreement with each debtor which defines the type(s) of good and services that can be provided on credit, seeks security for debts due and informs the debtor of their obligations under applicable acts and regulations.	The NFB provided evidence to demonstrate that debtors were informed of their obligations under the payment terms. However, the NFB had not documented the types of goods and services that could be provided on credit.	Not Met
iii) Recording and Settlement – Receivable transactions are recorded accurately and are accompanied by complete audit trails.	For 28 of 49 applicable transactions reviewed, the receivable transactions were recorded accurately in the departmental accounts and a complete audit trail existed to track all claims from the transaction that gave rise to the receivable through to its final settlement. Some transactions had multiple compliance issues : <ul style="list-style-type: none"> <li>• For three transactions reviewed, the account receivable was not recorded in the correct fiscal year; and</li> <li>• For 20 transactions reviewed, the account receivable did not have a complete audit trail, as documentation was missing from the files.</li> </ul>	Not Met

**Recommendation:**

8. The NFB should ensure that receivables business processes are improved and are consistently performed in compliance with the Treasury Board *Directive on Receivables Management*, and that sufficient documentation is retained on file to ensure that:
- A departmental credit policy is established, and types of goods and services that can be provided on credit are identified;
  - Result-based measurement mechanisms are established and monitored regularly;
  - Periodic reports on the financial and non-financial activities of the portfolio are prepared and distributed to management;

<i>Directive on Receivables Management</i>		
Criteria	Findings	Compliance
	<ul style="list-style-type: none"> <li>• Appropriate division of duties are established relating to collections, maintenance of accounting records, and the handling of money; and</li> <li>• A complete audit trail exists to track all claims from the transaction that gave rise to the receivable through to its final settlement.</li> </ul>	
<b>Overall Compliance: Not Met</b>		

<i>Directive on Expenditure Initiation and Commitment Control</i>		
Criteria	Findings	Compliance
i) Funds commitment availability is certified by an individual with the delegated authority, prior to the expenditure initiation at the value expected to be incurred.	<p>For 126 of 227 transactions reviewed, funds commitment availability was certified by an individual with the delegated authority, prior to the expenditure initiation at the value expected to be incurred.</p> <p>The results of these findings are rolled-up from expenditure initiation findings found under:</p> <ul style="list-style-type: none"> <li>▪ Directive on Acquisition Cards (criterion ii);</li> <li>▪ Contracting Policy (criterion iv);</li> <li>▪ National Joint Council Travel Directive (criterion ii);</li> <li>▪ Directive on Travel, Hospitality, Conference and Event Expenditures (criterion ii); and</li> <li>▪ Directive on Financial Management of Pay Administration (criterion iv).</li> </ul>	Not Met
<p><b>Recommendation:</b></p> <p>9. The NFB should ensure that expenditure initiation (pre-approval and commitment) is properly documented and performed by an individual who has the appropriate delegated authority before expenses are incurred, specifically in relation to acquisition card purchases, contracting, travel, and hospitality expenditures.</p>		
<b>Overall Compliance: Not Met</b>		

<i>Directive on Account Verification</i>		
Criteria	Findings	Compliance



**Directive on Account Verification**

Criteria	Findings	Compliance
<p>i) The performance of account verification is performed by an individual with the delegated authority, is accomplished on a timely basis and verifies the correctness of the payment requested.</p>	<p>For 124 of 221 transactions reviewed, the performance of account verification was done by an individual with the delegated authority, was accomplished on a timely basis and verified the correctness of the payment requested.</p> <p>The results of these findings are rolled-up from account verification findings found under:</p> <ul style="list-style-type: none"> <li>▪ Directive on Acquisition Cards (criterion iii);</li> <li>▪ Contracting Policy (criterion vi);</li> <li>▪ National Joint Council Travel Directive (criterion iii);</li> <li>▪ Directive on Travel, Hospitality, Conference and Event Expenditures (criterion iii); and</li> <li>▪ Directive on Financial Management of Pay Administration (criterion v).</li> </ul>	<p>Not Met</p>
<p>ii) The payment and settlement is carried out by an individual with the delegated authority, for the correct dollar amount and to the right vendor on a timely basis.</p>	<p>For 211 of 228 transactions reviewed, the payment and settlement was carried out by an individual with the delegated authority, for the correct dollar amount and to the right vendor on a timely basis.</p> <p>The results of these findings are rolled-up from payment and settlement findings found under:</p> <ul style="list-style-type: none"> <li>▪ Directive on Acquisition Cards (criterion iv);</li> <li>▪ Contracting Policy (criterion vii);</li> <li>▪ National Joint Council Travel Directive (criterion iv);</li> <li>▪ Directive on Travel, Hospitality, Conference and Event Expenditures (criterion iv); and</li> <li>▪ Directive on Financial Management of Pay Administration (criterion vi).</li> </ul>	<p>Partially Met</p>
<p><b>Recommendations:</b></p> <p>10. The NFB should ensure that account verification is performed by an individual with the appropriate delegated authority on a timely basis, and is supported with proof of execution and cost, specifically in relation to acquisition card purchases, contracting, travel, hospitality expenditures and pay administration actions.</p> <p>11. The NFB should ensure that payment and settlement is carried out for the correct dollar</p>		

<i>Directive on Account Verification</i>		
<b>Criteria</b>	<b>Findings</b>	<b>Compliance</b>
	amount and to the right vendor on a timely basis, specifically in relation to contracting.	
<b>Overall Compliance: Not Met</b>		

## Appendix 1: Policies and Directives Tested

Areas Tested	
<input checked="" type="checkbox"/> Directive on Delegation of Financial Authorities for Disbursements	<input type="checkbox"/> Directive on Accountable Advances
<input checked="" type="checkbox"/> Policy on Financial Management Governance	<input type="checkbox"/> Directive on Year-End Recording of Payables
<input type="checkbox"/> Directive on Loans and Loan Guarantees	<input checked="" type="checkbox"/> Contracting Policy
<input type="checkbox"/> Directive on Losses of Money or Property	<input checked="" type="checkbox"/> National Joint Council Travel Directive
<input type="checkbox"/> Directive on Payment Requisitioning and Cheque Control	<input checked="" type="checkbox"/> Directive on Travel, Hospitality, Conference and Event Expenditures
<input type="checkbox"/> Directive on Departmental Bank Accounts	<input type="checkbox"/> Performance Pay Administration <sup>4</sup>
<input checked="" type="checkbox"/> Directive on Expenditure Initiation and Commitment Control <sup>2</sup>	<input type="checkbox"/> Directive on Leave and Special Working Arrangements
<input checked="" type="checkbox"/> Directive on Receivables Management	<input checked="" type="checkbox"/> Directive on Financial Management of Pay Administration
<input type="checkbox"/> Directive on Specified Purposes Accounts	<input type="checkbox"/> Policy on Transfer Payments
<input checked="" type="checkbox"/> Directive on Account Verification <sup>3</sup>	<input type="checkbox"/> Directive on Transfer Payments
<input type="checkbox"/> Directive on Fleet Management: Light-Duty Vehicles	<input type="checkbox"/> Term Employment Policy (Casual Employees)
<input checked="" type="checkbox"/> Directive on Acquisition Cards	<input type="checkbox"/> Directive on Terms and Conditions of Employment (Casual Employees)

<sup>2</sup> Includes the *Financial Administration Act*, section 32.

<sup>3</sup> Includes the *Financial Administration Act*, section 34.

<sup>4</sup> Includes the *Policy on the Management of Executives*, the *Directive on Terms and Conditions of Employment for Certain Excluded/Unrepresented Employees* and the *Directive on Executive Compensation*.

## Appendix 2: Risk Ranking of Recommendations

The following table presents the recommendations and their assigned priority ranking. Rankings were determined based on the relative importance of the recommendations and their potential to motivate long-term change and reduce risk in National Film Board of Canada.

Recommendations	Priority
1. The NFB should continue working with stakeholders to resolve the outstanding legal issue and ensure that the Delegated Financial Signing Authorities Chart is current.	<b>High</b>
2. The NFB should ensure that delegation business processes are improved and are consistently performed in compliance with the Treasury Board Directive on Delegation of Financial Authorities for Disbursements, and that sufficient documentation is retained on file to ensure that: <ul style="list-style-type: none"> <li>• The delegation of financial authorities chart reflects the changes made to the Treasury Board <i>Directive on Travel, Hospitality, Conference and Event Expenditures</i> for approving travel;</li> <li>• All signature specimen cards include the date on which the appropriate authority had delegated financial authority to the incumbent;</li> <li>• Delegated financial authorities are formally reviewed on an annual basis and updated, if deemed necessary; and</li> <li>• All employees with delegated financial authority receive mandatory training before they exercise their authority.</li> </ul>	<b>High</b>
3. The NFB should ensure that sufficient documentation is retained on file for acquisition cards to substantiate their issuance, approval, modification, and acknowledgment of responsibilities by the cardholder.	<b>Medium</b>
4. The NFB should ensure that contracting business processes are improved and are consistently performed in compliance with the Treasury Board Contracting Policy, and that sufficient documentation is retained on file to ensure that: <ul style="list-style-type: none"> <li>• Best-value analysis is performed prior to contract award;</li> <li>• Appropriate procurement methods are chosen and used in compliance with their terms and conditions;</li> <li>• Security requirements are addressed prior to the start of work and are conducted in compliance with the provisions of the Policy on <i>Government Security</i>;</li> <li>• Contracts and amendments are signed and dated by the delegated contracting authority;</li> <li>• Contracts and amendments are issued before the goods and services are received;</li> </ul>	<b>High</b>

Recommendations	Priority
<ul style="list-style-type: none"> <li>• Contract amendments are properly justified and substantiated; and</li> <li>• Contract amendments are issued before contract expiry dates.</li> </ul>	
<p>5. The NFB should ensure that travel business processes are improved and are consistently performed in compliance with the National Joint Council <i>Travel Directive</i>, and that sufficient documentation is retained on file to ensure that:</p> <ul style="list-style-type: none"> <li>• Justification for post-authorization of travel requests is obtained;</li> <li>• Employees are reimbursed for meals and incidentals within the limits prescribed by the Travel Directive;</li> <li>• Non-public servants are eligible for the reimbursement of travel expenses;</li> <li>• Accommodations are selected from the Government Accommodation Directory and within the city rate limit, and sufficient justification is kept on file when the hotel is not included in the Directory or when the identified limit is exceeded;</li> <li>• Rental vehicles and flight arrangements respect the appropriate limits; and</li> <li>• Travel advances are used only for travel costs, and justification for the provision of travel advances to contractors, in highly exceptional circumstances, is obtained.</li> </ul>	<b>Medium</b>
<p>6. The NFB should ensure that hospitality business processes are improved and are consistently performed in compliance with the Treasury Board Directive on Travel, Hospitality, Conference and Event Expenditures, and that sufficient documentation is retained on file to ensure that:</p> <ul style="list-style-type: none"> <li>• Planning documentation reasonably justifies the operational need for the hospitality expenditures, and identifies attendees;</li> <li>• The most efficient and economical alternatives for hospitality expenditures have been considered;</li> <li>• The rationale for the provision of alcohol at hospitality events has been sufficiently identified and substantiated; and</li> <li>• Hospitality expenses for designated senior-level employees are proactively disclosed on the departmental website.</li> </ul>	<b>High</b>
<p>7. The NFB should ensure that departure forms are completed by all applicable authorities and kept on file.</p>	<b>Low</b>
<p>8. The NFB should ensure that receivables business processes are improved and are consistently performed in compliance with the Treasury Board Directive on Receivables Management, and that sufficient documentation is retained on file to ensure that:</p> <ul style="list-style-type: none"> <li>• A departmental credit policy is established, and the types of goods and services that can be provided on credit are identified;</li> </ul>	<b>Low</b>

Recommendations	Priority
<ul style="list-style-type: none"> <li>• Result-based measurement mechanisms are established and monitored regularly;</li> <li>• Periodic reports on the financial and non-financial activities of the portfolio are prepared and distributed to management;</li> <li>• Appropriate division of duties are established relating to collections, maintenance of accounting records, and the handling of money; and</li> <li>• A complete audit trail exists to track all claims from the transaction that gave rise to the receivable through to its final settlement.</li> </ul>	
<p>9. The NFB should ensure that expenditure initiation (pre-approval and commitment) is properly documented and performed by an individual who has the appropriate delegated authority before expenses are incurred, specifically in relation to acquisition card purchases, contracting, travel and hospitality expenditures.</p>	<b>High</b>
<p>10. The NFB should ensure that account verification is performed by an individual with the appropriate delegated authority on a timely basis, and is supported with proof of execution and cost, specifically in relation to acquisition card purchases, contracting, travel, hospitality expenditures and pay administration actions.</p>	<b>High</b>
<p>11. The NFB should ensure that payment and settlement is carried out for the correct dollar amount and to the right vendor on a timely basis, specifically in relation to contracting.</p>	<b>Low</b>

### Appendix 3: Links to Applicable Legislation, Policies and Directives

Applicable Legislation, Policies, and Directives	Website Reference (links current as of November 4, 2016)
Financial Administration Act	<a href="http://laws-lois.justice.gc.ca/eng/acts/f-11/">http://laws-lois.justice.gc.ca/eng/acts/f-11/</a>
Policy on Internal Control	<a href="http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=15258&amp;section=text">http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=15258&amp;section=text</a>
Directive on Delegation of Financial Authorities for Disbursements	<a href="http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=17060">http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=17060</a>
Policy on Learning, Training and Development	<a href="http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=12405&amp;section=text">http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=12405&amp;section=text</a>
Policy on Financial Management Governance	<a href="http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=14005">http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=14005</a>
Directive on Loans and Loan Guarantees	<a href="http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=17062">http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=17062</a>
Directive on Losses of Money and Property	<a href="http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=15792">http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=15792</a>
Directive on Payment Requisitioning and Cheque Control	<a href="http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=15784">http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=15784</a>
Directive on Departmental Bank Accounts	<a href="http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=15791">http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=15791</a>
Directive on Expenditure Initiation and Commitment Control	<a href="http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=17061">http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=17061</a>
Directive on Receivables Management	<a href="http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=17063">http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=17063</a>
Directive on Specified Purposed Accounts	<a href="http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=17064">http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=17064</a>
Directive on Account Verification	<a href="http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=15790">http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=15790</a>
Directive on Fleet Management: Light Duty Vehicles	<a href="http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=12065">http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=12065</a>
Directive on Acquisition Cards	<a href="http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=17059">http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=17059</a>
Directive on Accountable Advances	<a href="http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=15789">http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=15789</a>
Accountable Advances Regulations	<a href="http://laws.justice.gc.ca/eng/regulations/SOR-86-438/index.html">http://laws.justice.gc.ca/eng/regulations/SOR-86-438/index.html</a>
Directive on Year-End Recording of Payables	<a href="http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=27784">http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=27784</a>
Contracting Policy	<a href="http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=14494">http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=14494</a>
Government Contract Regulations	<a href="http://laws-lois.justice.gc.ca/eng/regulations/sor-87-402/">http://laws-lois.justice.gc.ca/eng/regulations/sor-87-402/</a>
Policy on Government Security	<a href="http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=16578">http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=16578</a>
Guidelines on the Proactive Disclosure of Contracts	<a href="http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=14676">http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=14676</a>
National Joint Council Travel Directive	<a href="http://www.njc-cnm.gc.ca/directive/index.php?did=10&amp;lang=eng">http://www.njc-cnm.gc.ca/directive/index.php?did=10&amp;lang=eng</a>
Special Travel Authorities	<a href="http://www.tbs-sct.gc.ca/pubs_pol/hrpubs/TBM_113/STA-eng.asp">http://www.tbs-sct.gc.ca/pubs_pol/hrpubs/TBM_113/STA-eng.asp</a>
Guidance Document: Proactive Disclosure of Travel and Hospitality Expenses (not available on public domain)	<a href="http://publiservice.tbs-sct.gc.ca/pd-cp/dthe-dfva/guidance-orientation-eng.asp">http://publiservice.tbs-sct.gc.ca/pd-cp/dthe-dfva/guidance-orientation-eng.asp</a>
Directive on Travel Cards and Travellers Cheques	<a href="http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=15783">http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=15783</a>
Directive on Travel, Hospitality, Conference and Event Expenditures	<a href="http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=27228">http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=27228</a>
Policy on the Management of Executives	<a href="http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=12572">http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=12572</a>
Directive on Executive Compensation	<a href="http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=14220">http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=14220</a>

<b>Applicable Legislation, Policies, and Directives</b>	<b>Website Reference (links current as of November 4, 2016)</b>
Policy on Performance Pay Administration Policy for Certain Non-Management Category Senior Excluded Levels	<a href="http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=13951">http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=13951</a>
Directive on the Performance Management Program for Executives	<a href="http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=14226">http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=14226</a>
Directive on Terms and Conditions of Employment for Certain Excluded/Unrepresented Employees	<a href="http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=15773">http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=15773</a>
Directive on Leave and Special Working Arrangements	<a href="http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=15774">http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=15774</a>
Directive on Financial Management of Pay Administration	<a href="http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=15781">http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=15781</a>
Public Service Employment Act	<a href="http://laws-lois.justice.gc.ca/eng/acts/p-33.01/">http://laws-lois.justice.gc.ca/eng/acts/p-33.01/</a>
Collective Agreement for Program and Administrative Services	<a href="http://www.tbs-sct.gc.ca/pubs_pol/hrpubs/coll_agre/pa/pa-eng.asp">http://www.tbs-sct.gc.ca/pubs_pol/hrpubs/coll_agre/pa/pa-eng.asp</a>
Policy on Transfer Payments	<a href="http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=13525">http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=13525</a>
Directive on Transfer Payments	<a href="http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=14208">http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=14208</a>
Term Employment Policy	<a href="http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=12584">http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=12584</a>
Directive on Terms and Conditions of Employment	<a href="http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=15772">http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=15772</a>