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## **1. Effective Date**

- 1.1 This policy is effective on 20 April 2022.
- 1.2 This policy replaces the previous version of the Department of National Defence (DND)/Canadian Armed Forces (CAF) financial policy instrument, Financial Administration Manual (FAM) Chapter 1017-6 Official Mementos, issued on 12 December 2016.
- 1.3 The policy was approved by the Assistant Deputy Minister, Finance (ADM(Fin)) on 20 April 2022.

## **2. Application**

- 2.1 This policy applies to the planning, authorization, and recording of [official mementos](#) paid for or reimbursed using public funds and is specifically applied to the authority to present or transfer an official memento. The expenditure initiation authority exercised prior to its purchase is a separate authority.
- 2.2 This policy does not apply to:
  - [Gifts](#) and mementos given by the Minister of National Defence (MND) Office under the Treasury Board (TB) *Policies for Ministers' Offices*;
  - DND employees/CAF members receiving gifts and mementos from external parties. Refer to Defence Administrative Orders and Directives (DAOD) 7021-3, *Acceptance of Gifts, Hospitality and Other Benefits* for guidance on the receipt of a gift or memento;
  - Items given to an individual or organization under an awards and recognitions program; and/or
  - Promotional items such as pens, coffee mugs, lapel pins, and magnets.

## **3. Context**

- 3.1 The practice of transferring or exchanging official mementos is often a symbolic reflection that serves to illustrate the strength of the relationship with DND/CAF and is often done with the benefit of leveraging mutual program interests both domestically and internationally.
- 3.2 Under the *Financial Administration Act (FAA), the National Defence Official Mementos Regulations* (the Regulations) authorize the MND to present official mementos in specific circumstances when it facilitates or promotes the conduct of DND/CAF business (i.e. supports DND/CAF programs). This authority is restricted to the MND, Chief of Defence Staff (CDS) and certain other military officers as per [Appendix B](#). Approving authorities must ensure that each request meets all the requirements of this policy before granting approval, and before an official memento is given.
- 3.3 There is no government-wide authority for presenting gifts at public expense other than the provisions of the TB *Policies for Ministers' Offices*.

- 3.4 All financial documentation supporting the transactions must be retained for 6 years from the end of the fiscal year in which the transaction takes place. When an Accounts Receivable is created, all documentation is retained until the account is cleared. When a criminal disciplinary or recovery action is taken, all documentation must be retained and protected for six fiscal years after the process is completed.
- 3.5 For the purposes of this policy, the presentation of an official memento is the voluntary transfer without compensation of an item of public property that meets the definition of an official memento. See [Appendix A](#) for the definitions applicable to this policy and a list of acronyms used.

## **4. Objectives and Expected Results**

- 4.1 The objectives of this policy are to:
  - Identify the DND/CAF key stakeholders involved with official mementos and outline their roles and responsibilities; and
  - State and explain the DND/CAF Financial Management (FM) policies and practices for official mementos.
- 4.2 The expected results of implementing this policy are:
  - Effective governance and oversight over DND/CAF official mementos expenditures;
  - Effective internal controls over DND/CAF official mementos expenditures; and
  - Key DND/CAF stakeholders are aware of and understand their roles and responsibilities with respect to official mementos expenditures.

## **5. Requirements**

### **Planning for Official Mementos**

#### **General**

- 5.1 When planning an activity, individuals must ensure that the giving of an official memento is justified and within the spirit of this policy and the Regulations. Should any conflict arise between this policy and the Regulations, the provisions of the Regulations prevail. If in doubt, they should seek the assistance of their financial chain of command to determine the appropriateness of transferring an official memento for the planned activity.
- 5.2 In addition to the requirements of the Regulations, a memento must be planned in advance and the following factors must be considered:
  - Determination that the presentation of an official memento is deemed required to facilitate and promote DND/CAF business;
  - The cost is reasonable and in line with the Category of Recipient and approval level in [Appendix B](#);
  - A single memento should be presented to the most senior visitor in most scenarios;

- Ensure that only allowable recipients are transferred an official memento in line with the specific occasions covered in this FAM;
  - The nature of the official memento;
  - International [protocol](#) considerations are considered when applicable;
  - Determination if event approval is required; and
  - The timeframe required to obtain the necessary approvals.
- 5.3 Discretion and due regard for economy shall be used to ensure that the transfer is restricted to situations deemed necessary to facilitate or promote DND/CAF business. Situations that could result in conflict of interest and/or adverse public perception must be avoided. Responsibility Centre (RC) Managers and approving authorities should clearly understand the intent and use of public funds when planning the transfer of an official memento.

### **Nature of Official Mementos**

- 5.4 Under the Regulations, an official memento is defined as “any item of public property of a distinctly Canadian character and manufacture, including contemporary arts and crafts and articles, representative of all or part of the Canadian [Armed] Forces or of Canadian culture or Canadian manufacturing.”
- 5.5 All official mementos must be items that are made in Canada, and should project a clear and positive image of Canada.
- 5.6 If the official memento is in the form of native Canadian imagery, artwork, or a representation of a specific, well-recognized native symbol, it must be authentic (i.e. made by Canadian Aboriginal Peoples).
- 5.7 Coins are not considered official mementos unless they are minted in Canada and have no monetary value. Any coins considered as official mementos should bear a symbol of Canada and an official symbol of the CAF, such as the tri-service badge/insignia. Symbols that officially represent Canada include the Canadian flag or Coat of Arms, the Royal Crest, Arms or Cypher, and the Beaver as indicated by Canadian Heritage. Other symbols are also acceptable, such as those of the Queen, Parliament Buildings, the Canadian National Vimy Memorial, the Citadelle of Québec, and the Canadian War Museum. However, the use of any further symbols of Canada must be submitted to the Directorate of History and Heritage 6, Heritage (DHH 6, Heritage) within the Chief of Military Personnel group for assessment and approval on a case by case basis.

### **Mementos Bank**

- 5.8 The Strategic Joint Staff (SJS) of the CDS manages an inventory of official mementos compliant with paragraphs 5.4 to 5.7, available to DND/CAF. The use of the mementos bank is strongly encouraged to ensure that requirements for the nature of the memento is respected. Refer to the Standard Operating Procedures (SOP) - Official Mementos document for detailed guidance.

### **Occasions for Presenting Official Mementos**

- 5.9 A single memento shall only be given under the following circumstances:

- On the occasion of an official visit to Canada by foreign dignitaries, representatives or officials;
- On the occasion of an official DND/CAF visit to a foreign country;
- During a working visit in Canada where the foreign visitor wishes to initiate the exchange;
- During a working visit to a foreign country where the representative of the host country wishes to exchange mementos;
- As common courtesy in recognition of unremunerated professional assistance provided to DND/CAF; or
- By a Canadian Defence Attaché at a diplomatic post as required by protocol.

### **Allowable Recipients**

5.10 As a show of appreciation for professional assistance or social hospitality extended, either inside or outside Canada, a single official memento may be given to the following individuals:

- Foreign dignitary;
- Military representative of the forces of another country; or
- Foreign or Canadian visiting official (see note).

Note: Volunteers that are visiting officials can be given a memento as a show of appreciation for professional assistance received. For example, leaders of indigenous groups and communities that are visiting officials can be presented a single official memento as appreciation for unremunerated services provided to DND/CAF in keeping with local Indigenous People's customs/traditions as part of ceremonies/practices when it facilitates or promotes the conduct of DND/CAF business. The official memento presented must be compliant with all the requirements of this policy and the Regulations.

5.11 This is only permitted where the recipient is not a prohibited recipient.

### **Prohibited Recipients**

5.12 Prohibited recipients include DND employees, CAF members, Minister's exempt staff, contractors, Non-Public Funds (NPF) staff, temporary help personnel, reservists, cadets, guest speakers or anyone else who received any remuneration or fee paid from the Consolidated Revenue Fund (CRF) within the previous 12 calendar months or was paid a fee for goods or services provided to DND/CAF.

Note: Remuneration or fee from the CRF excludes any payments received for the reimbursement of authorized expenditures.

5.13 However, an official memento may be presented to volunteer visiting officials who are reimbursed for their transportation, accommodation, meal costs or incidental allowance as per the terms and conditions specified within their respective volunteer agreements (i.e. pre-authorized in accordance with the departmental policy requirements for travel, and reimbursed in accordance with the *TB Special Travel Authorities* and applicable "traveller" provisions within the National Joint Council (NJC) *Travel Directive*). Depending on circumstances, where the memento is not of

nominal value and is considered remuneration for services performed, the department may need to issue a T1204 to the volunteer recipient. Refer to the SOP – T1024 – Government Service Contract Payments document for more details.

### **Groups**

- 5.14 In the case of a group visit, only a single official memento shall be exchanged for the entire group between the senior visitor in the group and the senior Canadian representative. Multiple mementos can only be exchanged in the limited circumstances described in paragraphs 5.16 and 5.17.

### **Multiple Locations**

- 5.15 Where a visit involves a number of locations by the same recipient(s), a single official memento will be presented once for the complete visit. The presentation of the official memento shall be between the senior visitor in the group and the senior Canadian representative. Exceptions are permitted in the limited circumstances described in paragraphs 5.16 and 5.17.

### **Exceptions**

- 5.16 On occasion, the circumstances surrounding an activity, or protocol, may support the presentation of an official memento(s) that is outside what is provided for in paragraphs 5.9 to 5.15.

- 5.17 The MND or CDS can authorize, on an exceptional basis, an official memento in the following circumstances:

- With reference to paragraphs 5.9 to 5.15, where protocol requires giving more than a single official memento to an allowable recipient;
- With reference to a group visit as per paragraph 5.14, where international protocol dictates an exchange of official mementos between group members other than just the senior visitor in the group and the senior Canadian representative;
- With reference to visits involving multiple locations as per paragraph 5.15, where international protocol or the customs of the visitor dictate an exchange of a single official memento between the senior visitor in the group and the senior Canadian representative at more than one location during the visit; and/or
- Where the official memento is in the form of a bottle of Canadian made alcohol.

### **Multiple Memento Presentations**

- 5.18 There may be occasions where in order to minimize expenditures (e.g. travel) and maximize its benefits, multiple business meetings or activities may be scheduled in the same location or multiple locations scheduled during the same trip. When multiple memento presentations are planned, whether the activities constitute a “group visit” in the same overall location or “multiple location visit” (both per paragraph 5.17) or discrete visits for the purposes of official memento approval requirements depends on the specifics of the activities. If official mementos are presented during activities that constitute [events](#) requiring approval, the determination of whether this involves a group, multiple location, or discrete visit should be aligned with how these activities are being treated from an event perspective (i.e. whether considered one event vs.

multiple events for event approval purposes). Similar to events, “visit splitting” for the purposes of avoiding the requirement for MND or CDS approval of multiple mementos must be avoided.

5.19 Factors to be considered in determining whether activities are related or unrelated include, but are not limited to:

- Participants (i.e. whether the same or similar group of participants within the activities);
- Purpose/objective of activities (i.e. whether they are discussing the same or similar topics);
- Timing (i.e. whether activities are taking place on consecutive days or whether there is a break in between); and
- Location (i.e. whether the activities take place in same location).

5.20 This determination requires the exercise of professional judgment, confirmation of approval authority in advance, consultation with the L1 comptroller and the documentation of the rationale for the determination should be kept on file as support. If there is reasonable doubt as to whether activities constitute discrete visits, and the presentation of more than one memento is being planned, MND or CDS approval must be sought in accordance with paragraph 5.17.

### **Exchange of Mementos**

5.21 If a Canadian representative receives a memento at the same time as one is being presented, its receipt shall be in accordance with *DAOD 7021- 3, Acceptance of Gifts, Hospitality and Other Benefits*. For any further assistance with such situations, enquiries should be forwarded to the Director Ethics Program within ADM (Review Services).

### **Financial Authorities**

#### **Monetary Limits and Approval for Presentation/Transfer of an Official Memento**

5.22 The Regulations specify that the MND, the CDS, or an officer designated by the CDS may approve the transfer of an official memento and provide further restrictions as follows: “the Chief of the Defence Staff shall not approve a transfer of an official memento where its value exceeds \$200 and an officer designated by the Chief of the Defence Staff shall not approve a transfer where the value of the official memento exceeds \$75”. “Officer” in this context means a military officer as defined in the *National Defence Act*. The positions with delegated authority to approve the presentation of an official memento are as per Appendix B. Incumbents of these positions can exercise the authority without any requirement for written designation by their superior.

5.23 The intended recipient and the cost of any single official memento are the main factors that will determine the appropriate approving authority. The cost threshold of each official memento for approval purposes, as found in Appendix B, shall include all associated costs (e.g. framing, engraving, wrapping, transportation/shipping, and all applicable taxes, etc.).

- 5.24 Professional judgement is required to determine whether a proposed transfer of a memento involves additional risk based on factors such as public perception and visibility. Therefore, in any situation where there is deemed to be additional risk, in addition to seeking approval from the appropriate delegated authority in accordance with [Appendix B](#), consideration should be given to disclosing the details of the proposed transfer to a more senior approval authority as deemed appropriate for the specific circumstances.
- 5.25 With the exception of the MND, only the CDS and certain other military officers (generally Level One (L1) or Level Two (L2) Advisor (mil) positions) can approve the presentation of an official memento. Refer to the SOP - Official Mementos document for the required approval level for organizations with L1 or L2 Advisor positions that are not occupied by military personnel.

### **Avoidance of Personal Benefit**

- 5.26 In order to avoid any perception of personal benefit from the presentation of a memento, an approving officer (with the exception of the MND and CDS) cannot approve the presentation of a memento that they will be giving. In these circumstances someone of higher rank must approve. For civilians that are presenting mementos, the memento must be approved by a superior position within their L1 organization that is occupied by a military member with the appropriate authority to approve the transfer. Mementos that will be presented by L1 Advisors (military or civilian) require CDS approval, with prior recommendation from the L1 Comptroller.
- 5.27 Spouses of DND employees/CAF members can only be provided an official memento in circumstances where their volunteer duties are unrelated to the duties of the DND employee/CAF member in order to avoid situations of perceived personal benefit for DND employees/CAF members.

### **Event Approval**

- 5.28 In circumstances where official mementos are presented during activities that require event approval, the cost of the official memento(s) being presented must be included within the total event costs submitted for approval.
- 5.29 In such situations, the approval for the official memento(s) is conditional upon event approval being provided. As official memento approvals must meet all requirements of this FAM (including those listed within paragraph 5.35), the required details for official memento approval must be incorporated within the event request package along with clear indication that official memento approval is being sought. Alternately, when approval for the official memento(s) has already been granted separately from the event approval, this must also be clearly indicated in the event request package. Further guidance on event approvals and their specific requirements is provided in the FAM Chapter 1017-2 Event and Conference Expenditures and the SOP – Event and Conference Expenditures document.

### **Expenditure Initiation Authority and Contracting**

5.30 The authority to approve the presentation of an official memento is separate from expenditure initiation authority, FAA Section 32, contracting and other required financial authorities.

#### **Authority**

5.31 Approval for the transfer of the memento must be obtained before the authorities to commit and procure the memento can be exercised. Unless, the official mementos are to be procured in bulk (as per paragraphs 5.41 to 5.43). In cases of bulk mementos purchases, authorities to commit and procure can be exercised prior to the approval of the mementos transfer. Approval for the transfer of these mementos must then be obtained prior to each presentation.

5.32 All official memento expenditures must comply with the guidance within FAM Chapter 1016-2 – Expenditure Initiation and Commitment Control - FAA Section 32, Chapter 1016-3 – Account Verification - FAA Section 34 and Chapter 1016-4 – Manage Payments - FAA Section 33.

#### **Audit Trail**

5.33 An audit trail must exist for all official mementos and RC Managers must ensure that detailed supporting documentation for the approval of the transfer and the expenditure financial authorities is maintained in accordance with government and DND policy and the detailed instructions in the SOP – Official Mementos document.

#### **Financial Coding**

5.34 Official mementos expenditures are to be recorded in General Ledger (GL) 7331 – Official Mementos in the Departmental Resource Management Information System (DRMIS).

### **Approval Requests**

#### **Requirements**

5.35 Requests for official memento(s) must be completed and approved prior to the presentation of the official memento(s). Please use the applicable departmental forms and/or electronic process related to Official Mementos presentation in SOP - Official Mementos document. Requests require documented submission to the appropriate approving authority for the transfer and must include:

- Full justification necessitating the presentation;
- Date of the presentation;
- Location of the presentation;
- Recipient's name, position title and rank/level;
- The category of recipient (refer to [Appendix B](#));
- Description of the official memento (including how the memento complies with the requirements as per paragraph 5.4 to 5.7);

- Cost of the official memento (including all preparation and delivery costs, and applicable taxes);
- When applicable, indication of an exceptional circumstance that requires MND or CDS approval, including details of justification/rationale for the circumstance such as multiple mementos, higher cost, etc.;
- When applicable, the L1 Comptroller's recommendation if the request requires MND, CDS, or L1 Advisor approval; and
- When applicable, the details of any event approvals required or evidence of event approvals obtained in accordance with FAM Chapter 1017-2 Event and Conference Expenditures.

### **Re-Approval**

- 5.36 Where there are significant changes to elements of an official memento transfer request, a re-approval request must be submitted to the original approving authority for the transfer (following the same process as an original approval), prior to the presentation.
- 5.37 Examples of significant changes that trigger re-approval include:
- Changes in the intended recipient(s) that requires a different level of approval, such as a different category of recipient than initially approved;
  - Changes in dates where the new date is not within a reasonable timeframe of the originally scheduled/approved date (see note);
  - Increases in the number of mementos being presented for a visit; and/or
  - Any change within the official memento transfer request that is not within the original approving authority's limits.
- Note: This would typically include delays of 12 months or more from the originally planned dates but re-approval should be sought for delays of less than 12 months when circumstances dictate. In any situation where the delay spans into a new fiscal year, FAA Sec 32 re-approval is required.
- 5.38 Official memento re-approvals require an amended memento approval request and a briefing note justifying the amended request. The original approving authority must submit the re-approval request to the appropriate approval authority in circumstances where the re-approval exceeds their authority limits. Refer to the SOP – Official Mementos document for more details on re-approval.
- 5.39 Where the official memento(s) forms part of an event that requires approval, event re-approval may also be required as per FAM Chapter 1017-2 Event and Conference Expenditures.

### **When Official Mementos Approval or Re-Approval Has Not Been Obtained Prior to Presentation**

- 5.40 Obtaining official mementos approval or re-approval after its presentation is not permitted. For those exceptional situations when official mementos approval or re-approval authority has not been obtained prior to presentation, a Briefing Note (BN) must be submitted to the person who would have been the approval/re-approval

authority. The BN is for disclosure purposes and must explain why the proper approval was not obtained in advance and the corrective actions taken to prevent recurrence.

## **Bulk Procurement of Official Mementos**

### **General**

- 5.41 The practice of pre-purchasing official mementos is considered reasonable and acceptable when taking advantage of economies and efficiencies offered through bulk purchases.

### **Bulk Procurement Requirements**

- 5.42 Official mementos that are purchased in bulk must be within the purchasing RC Manager or procurement authority's contracting authority limits. Due to the increased risk associated with bulk procurement, the precursor expenditure initiation authority must be exercised by a L1 or L2 Advisor or equivalent position. Furthermore, these RC Managers are responsible for ensuring the following requirements are adhered to:
- All purchases should be consumed in the fiscal year of purchase;
  - An inventory record of official mementos must be maintained reflecting the relevant details such as product, quantity, and cost;
  - Sufficient controls must be in place, including the appropriate segregation of duties, for the purpose of safeguarding the mementos; and
  - Bulk purchases of official mementos cannot be made during the last quarter of the fiscal year (unless delivered in the new fiscal year).
- 5.43 All transfers of official mementos must be authorized by the appropriate approval authority as per [Appendix B](#).

### **Inventory Carry Forward**

- 5.44 Recognizing that operations may not go as planned, an RC manager may carry forward an inventory of bulk procured official mementos purchased in one given fiscal year to the following fiscal year. However, it is incumbent on the RC Manager to properly plan so as to minimize any carry-forward.

## **6. Roles and Responsibilities**

### **Minister of National Defence**

- 6.1 For the purposes of this policy, the Minister of National Defence (MND) is responsible for:
- Prescribing any limitations to be implemented with respect to the authority granted under the *National Defence Official Mementos Regulations*.

**Chief of Defence Staff**

- 6.2 For the purposes of this policy, the Chief of Defence Staff (CDS) is responsible for:
- Approving the delegation of authority to military positions for the transfer of official mementos ([Appendix B](#)); and
  - Overseeing the application of appropriate corrective actions for instances of non-compliance with this FAM's requirements.

**Assistant Deputy Minister (Finance)/Chief Financial Officer**

- 6.3 As the Department's Chief Financial Officer (CFO), the Assistant Deputy Minister, (Finance) (ADM(Fin)/CFO) is responsible for:
- Overseeing the implementation of this policy;
  - Ensuring delegated authority for official mementos is clearly communicated and adhered to;
  - Bringing to the Deputy Minister's (DM) and/or CDS' attention any significant difficulties, gaps in performance or compliance issues and developing proposals to address them;
  - Ensuring that appropriate corrective actions are taken to address instances of non-compliance with the requirements of this policy; and
  - Reporting significant performance or compliance issues to the Office of the Comptroller General.

**Level One Advisors**

- 6.4 The L1 Advisors, defined as 'Senior Departmental Managers' as per the *TB Policy on Financial Management*, are responsible for:
- Ensuring that this policy is properly applied throughout their organization; and
  - Reviewing and recommending for approval official memento requests requiring the approval of the MND or CDS.

**Director General, Strategic Financial Governance**

- 6.5 The Director General, Strategic Financial Governance (DGSFG) is responsible for:
- Ensuring that this policy takes into consideration the unique situations and circumstances of DND/CAF;
  - Ensuring that procedures are developed/updated in support of this policy;
  - Ensuring that DND/CAF financial management and related systems support the management of official mementos expenditures;
  - Providing financial policy interpretation and clarification when appropriate; and
  - Bringing to the attention of the ADM(Fin)/CFO any significant compliance issues with this policy that they become aware of and providing recommendations on how to address them.

**Director General, Financial Operations and Services**

6.6 The Director General, Financial Operations and Services (DGFOS) is responsible for:

- Collaborating with DGSFG in developing/updating the procedural document (SOPs) in support of this policy;
- Ensuring that the requirements for official mementos are clearly identified and communicated across DND/CAF;
- Ensuring departmental compliance with this policy is monitored;
- Ensuring the accuracy, reasonableness and availability of information related to official mementos for reporting purposes; and
- Bringing to the attention of the ADM(Fin)/CFO any significant compliance issues with this policy that they become aware of and providing recommendations on how to address them.

**Central Departmental Accounting Office**

6.7 The Central Departmental Accounting Office (CDAO) is responsible for:

- Ensuring that compliance with this policy is monitored in accordance with verification and other tasks performed on official mementos; and
- Monitoring Regional Departmental Accounting Office (RDAO) compliance with this policy.

**Director, Financial Policy**

6.8 The Director, Financial Policy (DFP) is responsible for:

- Developing and promulgating policies for presenting official mementos; and
- Providing policy interpretation and advice to the CDS, CFO, and L1 Comptrollers.

**Level One Comptrollers**

6.9 The L1 Comptrollers are responsible for:

- Ensuring that an appropriate process is in place to promote compliance with this policy;
- Monitoring compliance with this policy and expenditure management policies throughout their L1 organization; and
- Reviewing and recommending for approval official memento requests that require the approval of the MND, CDS, or L1 Advisor.

**Strategic Joint Staff**

6.10 The Strategic Joint Staff (SJS) are responsible for:

- Procuring and distributing items from the Department's official mementos bank;
- Ensuring inventory in the bank is compliant with this policy; and
- Providing advice on official mementos and requirements for mementos procured outside of the bank.

### **Regional Departmental Accounting Office Comptrollers**

- 6.11 The Regional Departmental Accounting Office (RDAO) Comptrollers are responsible for:
- Ensuring that compliance with this policy is monitored within their area of responsibility; and
  - Providing guidance and assistance to managers in applying this policy.

### **Responsibility Centre Managers**

- 6.12 The Responsibility Centre (RC) Managers are responsible for ensuring that:
- Only valid requests for the transfer of official mementos are considered/recommended for approval;
  - Accurate preliminary costing is conducted to determine the required approval level;
  - Appropriate approval authority is obtained in advance of the presentation of the official memento(s);
  - All contracting rules are respected when procuring official mementos from a vendor;
  - Any bulk purchases of official mementos are carefully planned, to minimize inventory at year end, and adhere to the guidance provided within this document; and
  - A planned official memento recipient is not a prohibited recipient.

### **Approving Authority**

- 6.13 The Approving Authority is responsible for:
- Reviewing the official memento transfer request to ensure it is valid and conforms to this policy's requirements including [Appendix B](#) - Approval Authority Matrix for the Transfer of Official Mementos.

## **7. Consequences of Non-Compliance**

- 7.1 Under the *TB Policy on Financial Management* the DM is responsible for investigating and acting when significant issues regarding policy compliance arise. The DM must also ensure that appropriate remedial actions are taken to address such issues within the DND/CAF. The *TB Framework for the Management of Compliance* provides guidance on the considerations for determining the possible mix of consequences which include; the impact of the non-compliance, whether there is a history of non-compliance, whether there was intent and whether there are other circumstances.
- 7.2 To support the DM's responsibility under the *TB Policy on Financial Management*, the ADM(Fin)/CFO or in the case of a member of the CAF, the military chain of command at the ADM(Fin)/CFO's direction, must ensure corrective actions are taken and that consequences are commensurate with the nature of the non-compliance with this policy. Corrective actions and consequences can include a requirement for additional training, changes to procedures or systems, removal or suspension of delegated

spending and financial authorities, disciplinary action or other measures as appropriate. For additional information refer to the *TB Framework for the Management of Compliance*.

## **8. References**

### **8.1 Legislation**

[Financial Administration Act](#)  
[National Defence Act](#)  
[National Defence Official Mementos Regulations](#)

### **8.2 Treasury Board (TB), National Joint Council (NJC) and Central Agency FM Policy Instruments**

[NJC Travel Directive](#)  
[TB Framework for the Management of Compliance](#)  
[TB Policy on Financial Management](#)  
[TB Policies for Ministers' Offices](#)  
[TB Special Travel Authorities](#)

### **8.3 DND/CAF FM Policies**

[DAOD 1016-0, Expenditure Management](#)  
[DAOD 7021-1, Conflict of Interest](#)  
[DAOD 7021-3, Acceptance of Gifts, Hospitality and Other Benefits](#)  
[Delegation of Authorities for Financial Administration for DND and the CAF](#)  
[FAM Chapter 1016-2, Expenditure Planning and Initiation – FAA Section 32](#)  
[FAM Chapter 1016-3, Account Verification – FAA Section 34](#)  
[FAM Chapter 1016-4, Manage Payments – FAA Section 33](#)  
[FAM Chapter 1017-2 Event and Conference Expenditures](#)  
[Procurement Administration Manual](#)

### **8.4 DND/CAF FM Guides, Forms and Other Tools**

[GL Code for Official Memento](#)  
[Memento Bank and Order Form](#)  
[Standard Operating Procedure – Event and Conference Expenditures](#)  
[Standard Operating Procedure – Exercising Delegated Financial Authority – Manage Payments \(FAA Section 33\)](#)  
Standard Operating Procedure – Official Mementos (under development)  
[Standard Operating Procedure – Procure to Payment](#)  
[Standard Operating Procedure – T1204 – Government Service Contract Payments](#)

## **9. Enquiries**

- 9.1 Enquiries on this policy are to be directed to the appropriate L1 Comptroller.
- 9.2 If the L1 Comptroller needs guidance on the matter(s) raised, the L1 Comptroller may contact SJS or Directorate of Foreign Liaison 3 (DFL 3) under the VCDS.

- 9.3 If SJS or DFL 3 requires interpretation or clarification on the matter(s) raised, they may contact Director, Financial Policy (DFP).

## **Appendix A – Definitions and Acronyms**

### **Definitions**

**Consolidated Revenue Fund (Trésor)** holds all of the federal government moneys to be used for the disbursement of all Government of Canada expenditures, investments and transfers.

**Events (événements)** involve gatherings of individuals (both public and/or non-public servants) engaged in activities other than operational activities of the department.

**Gifts (cadeaux)** are items given willingly to someone without payment (i.e. a present).

**Officer (officier)** in the context of this policy refers:

- A person who holds Her Majesty's commission in the Canadian Forces;
- A person who holds the rank of officer cadet in the Canadian Forces; and
- Any person who pursuant to law is attached or seconded as an officer to the Canadian Forces.

**Official memento (souvenir officiel)** is defined as any item of public property of a distinctly Canadian character and manufacture, including contemporary arts and crafts and articles, representative of all or part of the Canadian [Armed] Forces or of Canadian culture or Canadian manufacturing.

**Official visit (visite officielle)** refers to a visit for reasons of diplomacy or protocol.

**Protocol (activités protocolaires)** is defined as the official formality and etiquette observed on state occasions according to the documented current practices in the country of a foreign dignitary, representative or official. For any assistance in determining the protocol for a specific circumstance or visit, contact the Directorate of Foreign Liaison 3 (DFL 3) within the Vice Chief of Defence Staff group.

**Traveller (voyageur)** is any person who is authorized to travel on federal government business.

**Visiting official (dignitaire en visite)** refers to any person holding office, engaged in official duties, and/or representative of an organization that is visiting or has been invited to spend time at a National Defence establishment, including visiting academics such as a visiting professor.

**Volunteer (volontaire)** is any person who freely provides services to an organization without the expectation of remuneration for these services.

**Working visit (visite de travail)** refers to a visit for operational purposes, such as attending meetings or functional demonstrations.

**Acronyms**

ADM – Assistant Deputy Minister  
ADM(Fin) – Assistant Deputy Minister (Finance)  
BN – Briefing Note  
CAF – Canadian Armed Forces  
CDAO – Central Departmental Accounting Office  
CDS – Chief of Defence Staff  
CFO – Chief Financial Officer  
CFLC – Canadian Forces Liaison Council  
CRF – Consolidated Revenue Fund  
DAOD – Defence and Administrative Orders Directive  
DFL 3 – Director, Foreign Liaison 3  
DFP – Director, Financial Policy  
DGFOS – Director General, Financial Operations and Services  
DGSFG – Director General, Strategic Financial Governance  
DHH 6 - Directorate of History and Heritage 6  
DM – Deputy Minister  
DND – Department of National Defence  
DRMIS – Departmental Resource Management Information System  
FAA – *Financial Administration Act*  
FAM – Financial Administration Manual  
FM – Financial Management  
GL – General Ledger  
L1 – Level One  
L2 – Level Two  
MND – Minister of National Defence  
NATO - North Atlantic Treaty Organization  
NORAD - North American Aerospace Defense Command  
NPF – Non-public Funds  
NJC – National Joint Council  
RC – Responsibility Centre  
RDAO – Regional Departmental Accounting Office  
SJS – Strategic Joint Staff  
SOP – Standard Operating Procedures

TB – Treasury Board

VCDS – Vice Chief of the Defence Staff

## Appendix B – Approval Authority Matrix for the Transfer of Official Mementos

Appendix B: Approval Authority Matrix for the Transfer of Official Mementos <sup>(1)(2)</sup>						
POSITION TITLE <sup>(3)(4)</sup> CATEGORY <sup>(9)</sup>	MND	CDS	Level One Advisor (military) <sup>(4)(5)(6)</sup>	Level Two Advisor (military) <sup>(4)(5)(6)</sup>	DFL (military) <sup>(5) (7)</sup>	CFLC (military) <sup>(5) (8)</sup>
<b>EXCEPTIONS</b>						
<ul style="list-style-type: none"> <li>Official memento is in the form of a bottle of Canadian made alcohol</li> <li>More than one official memento to be presented:                             <ul style="list-style-type: none"> <li>to an allowable recipient;</li> <li>as part of a group visit; and/or</li> <li>during a multiple location visit</li> </ul> </li> </ul>	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> No	<input type="checkbox"/> No	<input type="checkbox"/> No
<b>COST OF ANY SINGLE OFFICIAL MEMENTO</b>	GREATER THAN \$200	UP TO \$200	UP TO \$75	UP TO \$75	UP TO \$75	UP TO \$75
<u>Category 1 Recipients:</u>						
<ul style="list-style-type: none"> <li>Guests of the MND, DM or CDS</li> <li>Foreign military or civilian equivalents to the MND, DM or CDS</li> </ul>	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> No	<input type="checkbox"/> No	<input type="checkbox"/> No
<u>Category 2 Recipients:</u>						
<ul style="list-style-type: none"> <li>NATO, NORAD Chiefs of Staff or equivalents, National Commanders, Under Secretaries of State</li> <li>Foreign senior military or civilian dignitaries and official representatives equivalent to DND Level One Advisor <sup>(4)</sup></li> </ul>	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
<u>Category 3 Recipients:</u> <sup>(9)</sup>						
<ul style="list-style-type: none"> <li>Any other individual when:                             <ul style="list-style-type: none"> <li>Considered justified; and</li> <li>Restricted to situations where unremunerated professional assistance received or hospitality extended, either inside or</li> </ul> </li> </ul>	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes

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outside Canada, in support of programs of the DND or the CAF.						
(1) The authorities reflected in this table cannot be further delegated (i.e. this table reflects the lowest levels that can exercise these authorities). (2) The approval of the transfer of an official memento is conditional upon event approval, where applicable. (3) As per the FAA Regulations, this authority is granted to the MND, CDS and military officers designated by the CDS as reflected in this table. A request to transfer a memento must be approved by the appropriate military position title prior to it being given. (4) Level One and Two military Advisors are those positions identified as such in the Position Equivalency Table in the <a href="#"><u>Delegation of Authorities for Financial Administration for DND and the CAF</u></a> . (5) If these positions are not military, approval must be sought from a Level One or Level Two Advisor military position within the Level One organization that has the authority required to approve, along with a recommendation to approve. If there is no Level One or Two Advisor (military) within the Level One organization, CDS approval is required. (6) This includes Level One (Military) Advisors, and Level Two (Military) Advisors with the Authority of a Commander of a Command. (7) Directorate of Foreign Liaison's (DFL) authority, is restricted to: a. Mementos presented to departing Foreign Service Attachés who are officially accredited to Canada; b. Presentations of mementos to VIP visitors; and/or c. Approving mementos on behalf of Canadian Defence Attaché Officers who are posted outside Canada. (8) Canadian Forces Liaison Council (CFLC) authority is restricted to the presentation of mementos as awards to reserve employers. (9) Must be read in conjunction with paragraph 5.9 regarding occasions for presenting official mementos and paragraphs 5.10 to 5.13 regarding allowable and prohibited recipients. (10) Cost of any single official memento includes all relevant preparation costs such as framing, engraving or wrapping, transportation/shipping, as well as all applicable taxes.						