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**National Defence – Assistant Deputy Minister (Finance)**  
**Financial Administration Manual (FAM) Chapter 1014-4-1 Control of Financial Signing Authorities**

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## **1. Effective Date**

- 1.1 This policy is effective on **26 February 2023**.
- 1.2 This policy replaces the previous version of Financial Administration Manual (FAM) Chapter 1014-4-1 Control of Financial Signing Authorities, issued on 17 October 2022.
- 1.3 This policy was approved by the Assistant Deputy Minister (Finance) (ADM(Fin)) on **26 February 2023**.

## **2. Application**

- 2.1 This FAM Chapter provides policy direction for the control of financial signing authorities delegated by the Minister of National Defence (MND) and by the Deputy Minister of National Defence (DM) and applies to anyone involved in the use, management and control of these authorities.

## **3. Context**

- 3.1 Whenever public money is spent, it is a requirement to ensure that the Department of National Defence and the Canadian Armed Forces (DND/CAF) have the necessary authority from Parliament to use funds for that purpose.
- 3.2 Specific authorities for the spending of public funds are conferred on the MND and the DM by Acts of Parliament such as the [Financial Administration Act](#) (FAA), the [National Defence Act](#), annual Appropriation Acts and regulations made under those Acts.
- 3.3 The MND and DM [delegate](#) these authorities to allow responsible officials to help them carry out their duties for financial administration of the DND/CAF.
- 3.4 The department must manage the delegation of authorities in accordance with legislation and Treasury Board (TB) policies and directives. Due to the wide range of [delegated authorities](#), and the nature and complexity of DND/CAF programs, the department may be faced with unique situations that may not be addressed or fully articulated under TB policy instruments.
- 3.5 Accordingly, this policy must be applied in conjunction with and after reading the following:
  - TB Policy on Financial Management;
  - TB Directive on Delegation of Spending and Financial Authorities;
  - TB Guide to Delegating and Applying Spending and Financial Authorities; and
  - Delegation of Authorities for Financial Administration for DND and the CAF (A-FN-100-002/AG-006), including Matrix (the Delegation Instrument).
- 3.6 Amendments to this FAM Chapter for purposes of clarification, temporary alignment with newly issued TB or DND/CAF policies, or to grant exemptions to items other than

those covered under the Delegation Instrument can be authorized by Assistant Deputy Minister (Finance)/Director General Strategic Financial Governance/Director Financial Policy (ADM(Fin)/DG SFG/DFP).

- 3.7 All financial documentation supporting the transactions must be retained for six years from the end of the fiscal year in which the transaction took place. When an Accounts Receivable is created, all documentation is to be 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.
- 3.8 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:
- Provide direction on the DND/CAF financial management policies and practices for the delegation of authorities that are particular to the department and generally not addressed in the TB policies, directives, standards and guidelines; and
  - Identify the DND/CAF key stakeholders involved in the exercise, administration and control of delegated authorities and outline their roles and responsibilities.
- 4.2 The expected results of implementing this policy are:
- Effective governance, oversight and internal controls over the administration of delegated authorities;
  - Expenditures using DND/CAF public funds are made under the proper authority and in a manner that safeguards government resources;
  - Key DND/CAF stakeholders are aware of and understand their roles and responsibilities with respect to the delegation of authorities; and
  - Individuals exercise delegated authorities with a valid Delegation of Authorities form (DoA form) in place, having completed the required training and in a manner that is compliant with this policy and the Delegation Instrument.

## **5. Requirements**

### **Budgetary Accountability**

- 5.1 To ensure financial resources are aligned with DND/CAF priorities and establish clear lines of accountability in financial management and administration, the DND/CAF [financial structure](#) in the [Financial Management System](#) (FMS) is mapped to the departmental Program Inventory and Level One (L1) organizational structures.
- 5.2 This mapping allows for budgetary reporting and control to be done, in part, on a [Responsibility Centre](#) basis. It provides the framework for delegating authorities to positions with budgetary responsibility over program activities and holds them accountable for results.

- 5.3 For purposes of this policy, a [Responsibility Centre \(RC\) Manager](#) is defined as the [incumbent](#) of a position who is allocated a budget and who has [spending authority](#) and [certification authority](#) under the FAA for this budget.
- 5.4 In DND, responsibility centres for a budgetary allocation are commonly identified using Fund Centres. Cost Centres and Work Breakdown Structures can also be used, from a cost management perspective, to identify responsibility centres accountable for transactions if the Cost Centre represents an organizational unit or the Work Breakdown Structure represents a project for which the RC Manager is solely responsible.
- 5.5 Only one RC Manager can be [designated](#) as the budget holder of a responsibility centre. Multiple RC Managers cannot have the same responsibility centre(s) on their DoA form as this would result in a loss of accountability over the budget.
- 5.6 RC Managers must exercise their delegated authorities with prudence to ensure the legitimacy, accuracy and completeness of transactions; and monitor expenditures against their budget so that they do not exceed their allocations.

#### **Delegation to positions**

- 5.7 The Delegation of Authorities for Financial Administration Matrix (the Matrix), found in the Delegation Instrument, is used by the MND and DM to delegate their authorities.
- 5.8 Authorities in the Matrix are delegated to positions identified by title. Incumbents of these positions cannot sub-delegate these authorities, hence, they cannot authorize a subordinate to exercise authorities held by their superior that have not been delegated to the subordinate's position by the DM or MND through the Delegation Instrument.
- 5.9 Because the Matrix cannot accommodate all the positions that need authorities in the DND/CAF, generic position titles have been defined for various levels of management and for different functional roles. These generic positions appear under the General Departmental Authorities section of the Matrix, and are defined in Section 6 – Position Titles of the Delegation Instrument.
- 5.10 An incumbent's position must meet the definition of a generic title before the DoA form corresponding to that title can be issued in their name.
- 5.11 The Position Equivalency table of the Delegation Instrument lists all the positions recognized as equivalent to a generic position, from Base Commander to Level One Advisor. Positions are delegated the same authorities as their generic equivalent, unless otherwise stated in the Delegation Instrument, including the Matrix.
- 5.12 Delegated authorities must be exercised in accordance with the requirements of the Delegation Instrument. The document provides mandatory direction on the interpretation and application of authorities and their restrictions. It defines the Matrix elements and symbols, and describes the principles that must be followed. Readers should refer to the Delegation Instrument for guidance on these matters.

### **Designation of an individual**

- 5.13 DoA forms are used to designate individuals to exercise the authorities delegated to their position.
- 5.14 No individual can exercise the authorities delegated to their position without a valid DoA form, except for the MND and DM/Acting DM who do not need one.
- 5.15 A DoA form is created when the superior has ensured that there is a requirement for the incumbent of a position to exercise its delegated authorities in order to carry out their duties. Once the form is certified by the [designator](#), the incumbent may begin exercising the authorities.
- 5.16 The DoA form documents the authorities the incumbent is allowed to exercise and acknowledges that they have the necessary knowledge and training to exercise these authorities in a responsible manner.
- 5.17 All individuals must complete the required training for their position/rank before a DoA form can be issued in their name.
- 5.18 No individual shall exercise their delegated spending and [financial authorities](#) on a transaction through which they may personally benefit.
- 5.19 For more information on the process to create DoA forms, please refer to the [Delegation of Authorities Procedures](#).

### **Who can have a DoA form**

- 5.20 DoA forms are required for each individual from the Senior Associate Deputy Minister, Chief of Defence Staff (CDS) and L1 Advisors downward who will be exercising the authorities delegated to their position through the Matrix.
- 5.21 While contractors and most casual employees are not permitted to exercise authorities for financial administration, the following incumbents may be provided with a DoA form:
- DND indeterminate employees;
  - DND term employees;
  - DND casual employees who occupy an established position (with the prior approval of the L1 Comptroller);
  - CAF members of the Regular or Reserve Force who occupy an established position;
  - Exempt staff of the MND's office (note that they may not be designated to exercise the MND's authority for the hiring, determination of salaries, salary increases, or termination of their own exempt staff);
  - Indeterminate employees of other federal departments and/or other governments seconded or assigned to a DND position;
  - Indeterminate government employees occupying a position in another department that is listed in the Delegation Matrix;

- Staff of the Non-Public Funds, Canadian Forces, in accordance with the conditions indicated in the Delegation Instrument;
- Interchange Canada and Exchange Officer Program participants assigned to a DND position. The assignment agreement must indicate that the individual will exercise the authorities associated with the position as defined in the Delegation Matrix; and the terms and conditions of the agreement should address issues such as liability, official secrets and conflict of interest; and
- Locally engaged personnel abroad (hired as full time departmental employees).

5.22 In exceptional circumstances, the MND may choose to delegate financial authorities (i.e. *Financial Administration Act* (FAA) Sections 33 and 34) to individuals outside the federal public service. In such cases, the MND is to designate the individual in writing, subject to appropriate controls being implemented and training completed to ensure the authorities are exercised appropriately.

#### **Who can designate an individual**

5.23 The designator must be the immediate superior to whom the incumbent's position reports to, except where otherwise specified below.

5.24 A designator does not need to have their own DoA form to certify forms for their subordinates unless they are certifying forms for RC Administrators, Procurement Officers/Clerks and Contracting Officers/Clerks.

5.25 RC Administrators, Procurement Officers/Clerks and Contracting Officers/Clerks exercise authorities on behalf of their designator who remains accountable for the ensuing transactions. For this reason, the designator must have a valid form and can only assign authorities up to the levels reflected on their own DoA form. Additionally:

- The designator for Procurement Officers/Clerks must be at a minimum level of [Section Head](#) and report directly to a Director/Base Commander or equivalent position; and
- The designator for Contracting Officers/Clerks must be a Contracting Authority (i.e. the incumbent of an "Other RC Manager" position or above that has been delegated contracting authority in the Matrix).

**Note:** ADM(Mat) Procurement Specialists, ADM(Mat) Senior Procurement Officers, ADM(Mat) Procurement Officers/Clerks cannot designate others in the positions above to exercise the authorities they were granted in the Specific Departmental Authorities section of the Matrix.

5.26 Payment Officers/Clerks and Pay and Benefits Officers/Clerks with FAA Section 33 authority are to be designated by the Regional Departmental Accounting Office (RDAO) Comptroller. Pay and Benefits Officers/Clerks with only FAA Section 34 authority may be designated by the RC Manager to whom they report.

5.27 RDAO Comptrollers shall have their DoA form certified by their superior.

- 5.28 The DND/CAF Ombudsman's DoA form is to be certified by the DM, on the recommendation of their superior, the MND.
- 5.29 The Director, Claims and Civil Litigation shall certify the DoA forms for the positions of Assistant Judge Advocate Generals (AJAGs), Deployed Legal Officer, Legal Counsel/Legal Officer, Senior Paralegal or Paralegal so that they can exercise the authorities to settle liability claims in line with paragraph 6.11, Claims and Civil Litigation of the Delegation Instrument.

### **Area of Authority**

- 5.30 Every position in the Matrix has a specified Area of Authority that is a key limitation to its delegated authorities i.e. an individual may only exercise authorities within the area of authority specified for their position.
- 5.31 There are four distinctive Areas of Authority:
- [Department \(Dept\)](#): refers to the department, which includes the CAF, and associated budgets;
  - [Canadian Armed Forces \(CAF\)](#): refers to the CAF and associated budgets;
  - [Own Organization \(Own Org\)](#): refers to the individual's own organization and associated budget(s); and
  - [Function](#): refers to the individual's functional expertise, as reflected in their job description. It does not refer to the DND/CAF budgetary domain except as detailed below.
- 5.32 The following positions are not restricted to their own organization's budget:
- Pay and Benefits Officers (Officers/Clerks) exercising FAA Section 34 and/or 33 for pay (salaries and benefits);
  - Payment Officers (Officers/Clerks); and
  - Positions exercising Column 5 - Foreign Service Benefits on Compassionate Travel Assistance transactions.

While these positions are not restricted to their own organization's budget, the designator should restrict the area of authority as deemed appropriate for local control purposes.

- 5.33 Other positions with Function Area of Authority cannot charge a budget held outside their own organization other than when a control framework is permitted and established, in accordance with the [Special Considerations](#) section of this FAM Chapter.
- 5.34 In line with paragraph 3.6.1 of the Delegation Instrument, RC Administrators, Procurement Officers/Clerks and Contracting Officers/Clerks can exercise contracting (transaction) authorities over the same Area of Authority as their designator. However, RC Administrators and Procurement Officers/Clerks cannot charge a budget held outside their own organization except when a control framework is in place as per the [Special Considerations](#) section of this FAM Chapter. These positions are subject to the



restrictions detailed in the [Restrictions](#) section of this document, and specifically at [paragraph 5.39](#).

### **Restrictions**

- 5.35 Authorities may be granted in full or be restricted. While some restrictions are reflected on an individual's DoA form, others are found in the Delegation Instrument, including the Matrix.
- 5.36 In the Delegation Instrument, restrictions can be maximum dollar limits that are not to be exceeded. The amounts are reflected in Canadian dollars and include applicable taxes unless otherwise specified in the notes.
- 5.37 Restrictions in the Delegation Instrument can also be functional in nature, imposed by legislation, government or DND/CAF policies. In these cases, delegated authorities are subject to the conditions found in the Delegation Instrument. Individuals designated with a DoA form must consult the Delegation Instrument notes for each authority (column) to fully understand the scope, extent and nature of the authorities reflected on their form.
- 5.38 On a DoA form, additional restrictions should be imposed by the designator, when applicable, for local control purposes and to align the authorities with the duties and responsibilities that are specific to the position. These additional restrictions can be limits to dollar amounts, transaction types, contracting vehicles, operational activities, geographical locations, organizational units or any other limitation that is deemed appropriate by the designator.
- 5.39 The designator for RC Administrators, Procurement Officers/Clerks and Contracting Officers/Clerks must ensure that all "R" restrictions are defined on the form. The authorities for these positions must not exceed the levels appearing on their designator's DoA form; and for RC Administrators, must not exceed those delegated to the position "Other RC Managers" in the Matrix.

### **Segregation of Duties**

- 5.40 When responsibilities are being assigned to individuals involved in the expenditure management process, internal control requirements demand that certain duties be kept separate.
- 5.41 Contracting (transaction) authority and certification authority (FAA Section 34) may not be exercised on the same transaction by the same individual.
- 5.42 Similarly, FAA Section 34 (certification authority) and FAA Section 33 (payment authority) may not be exercised on the same transaction by the same individual.
- 5.43 A complete list of duties that should be segregated, and information on limited exceptions for low dollar and low risk transactions are available in FAM Chapter 1016-3

Account Verification – FAA Section 34, paragraphs 5.9 – 5.12 and in Sections 5.1 and 5.2 of the [Standard Operating Procedures – Procure to Payment](#).

### **Training**

- 5.44 Incumbents may only exercise the authorities delegated to their position if they have the necessary knowledge and training to do so, including valid certification for mandatory courses. Readers should refer to the [Delegation of Authorities Procedures](#) for complete information on mandatory training.
- 5.45 If there are delays in obtaining access to the Canada School of Public Service (CSPS) Authority Delegation Training (ADT), newly appointed civilian managers and executives that are registered for the course may temporarily exercise delegated authorities if they have valid results for the Defence Learning Network Expenditure Management: Sections 32, 33, 34 of the FAA Course (EMC). If the CSPS training and assessment are not completed within 21 days of being available, then the temporary authority is revoked.
- 5.46 Military officers newly promoted to the rank of Lieutenant-Colonel/Commander and above have 90 days from their promotion date to complete the CSPS ADT training. Majors/Lieutenant-Commanders and Captains/Lieutenants (Navy) newly appointed in commanding officer appointments also have 90 days from their appointment date to complete the training as per Canadian Forces General Message (CANFORGEN) 026/10.
- 5.47 Individuals acting or temporarily assigned to a position are subject to the same mandatory training requirements as the normal incumbent of the position, unless the duration of the acting/temporary assignment appointment to a position allows for an exception, as detailed in the following section on [Acting and Assignment Appointments](#).
- 5.48 Casual employees must meet the same mandatory training requirements as the normal incumbent of the position. The short duration of the casual employment does not allow for any exemptions.

### **Acting and Assignment Appointments**

- 5.49 Individuals who are temporarily appointed to a position other than their own can be designated to exercise the authorities delegated to that position using an acting or temporary assignment DoA form.
- 5.50 Individuals with an acting/temporary assignment DoA form may only exercise the authorities in the absence of the normal incumbent of the position.
- 5.51 The designator certifying the acting/temporary assignment DoA form must be the same designator that certifies the form for the normal incumbent of the position. The DoA form should indicate “Acting” or “Assignment” before the incumbent position title.

- 5.52 The form must indicate the inclusive dates of the acting/temporary assignment appointment under the Restrictions/Comments section. If the individual is to be appointed intermittently during this period, rather than specifying the acting/temporary assignment period, the form should state that each specific period of acting/temporary assignment will be activated in writing (e.g. e-mail) by the normal incumbent (indicate the incumbent position) or by the designator certifying the acting/temporary assignment DoA form. When the normal incumbent or the designator wants the individual to act, a copy of the activation request must be sent to the RDAO Comptroller to be kept on file for audit purposes.
- 5.53 Individuals in acting/temporary assignment positions are authorized to sign DoA forms for subordinates should the requirement arise (e.g. new employee). However, it is the responsibility of the normal incumbent of the position or newly appointed superior to review these forms as soon as possible and no later than 90 days after their arrival to determine if they remain valid. The outcome of the process must be documented and the following action taken:
- If the forms remain valid, no further action is required; and
  - If the forms are no longer valid, the forms should be inactivated and new ones created to reflect any changes required.
- 5.54 In cases where the superior is away for an extended period, the individual temporary appointed in their position shall review the forms of the immediate subordinates to determine if they require amendment or cancellation.
- 5.55 Individuals in acting/temporary assignments for a period of four months or more must meet the training requirements for the acting/assignment position if they are to exercise any of its delegated authorities. This includes the requirement for civilian and military managers to complete the CSPA ADT.
- 5.56 Civilian and military managers in acting/assignment positions for a period of less than four months do not have to complete the CSPA ADT if they have valid results for the EMC. However, if the acting/assignment is extended to where the total duration increases to four months or more, the CSPA ADT must be completed. Note that when an individual completes an acting/assignment and is appointed to act again in the same position within 30 calendar days of the completion date, the separate acting/assignment periods are to be treated as a single period.
- 5.57 Readers should refer to the [Delegation of Authorities Procedures](#) for information on specific training requirements and on how to complete DoA forms for acting/temporary assignments.

#### **Amendments and Cancellations**

- 5.58 Designators shall ensure that new forms are prepared when amendments are required to an existing DoA form.

- 5.59 Designators shall also ensure that cancellations are done when necessary, on an ongoing basis throughout the year to prevent the misuse of authorities and reduce the amount of effort required to conduct the annual verification.
- 5.60 When a superior leaves a position permanently, newly appointed superiors shall review the forms of their immediate subordinates as soon as possible and no later than 90 days after their arrival to determine if they remain valid as per [paragraph 5.53](#) and to take appropriate action if amendments or cancellations are required.

### **Annual Verification**

- 5.61 All DoA forms, and validation and authentication processes shall be verified annually by 15 November. The verification is to be conducted through a review process that is documented and auditable.
- 5.62 The purpose of the annual verification is to confirm that:
- a) The electronic matrix table in the FMS is up to date and accurately reflects the delegations in the Delegation of Authorities for Financial Administration for the DND and the CAF (A-FN-100-002/AG-006) Matrix;
  - b) DoA forms held for all incumbents who are authorized to exercise financial signing authorities are in compliance with the latest approved Delegation Instrument;
  - c) Incumbents identified on the form continue to occupy the positions identified on their DoA form and in the Delegation Matrix;
  - d) Incumbents have a continuing requirement to exercise financial signing authorities; and
  - e) Incumbents have the required knowledge, training and access to policy/procedure documents.

### **Assignment of RDAO Responsibilities**

- 5.63 Recognizing that some RDAOs are accountable for large and/or decentralized organizations, the RDAO Comptroller may request that subordinate financial organizations (in the field) and/or L1 financial organizations (in the National Capital Region) assist them in carrying out their responsibilities.
- 5.64 All assignments of responsibilities by the RDAO to empower financial personnel with the authority to act on their behalf shall be made in writing.
- 5.65 The RDAO Comptroller must ensure that the unit has the proper training and full understanding of their duties. The RDAO Comptroller remains accountable for their duties and responsibilities as listed at [paragraph 6.12](#), even when carried out by another unit.

### **Special Considerations**

- 5.66 Spending and certification authority is granted to RC Managers with respect to their own budgets and in relation to their budgetary responsibility and accountability.
- 5.67 In certain situations, such as with centrally managed budgets, there may be a specific requirement for an RC Manager (Originating RC Manager) to authorize an individual from another organization to make charges against their budget. This authorization must be provided in writing by way of a control framework established with another RC Manager (Receiving RC Manager).
- 5.68 The control framework extends the Receiving RC Manager's area of authority to include, for the purpose of a specified requirement only, the financial coding identified in the framework.
- 5.69 The authorization may include the agreement that the Receiving RC Manager may exercise Expenditure Initiation Authority (EIA), Commitment Authority (FAA Section 32) and/or Certification Authority (FAA Section 34). Where EIA is included in the authorization, the control framework shall identify a budgetary limit the Receiving RC Manager cannot exceed, and the superiors of the Originating and Receiving RC Managers must be made aware of this.
- 5.70 The control framework must identify the:
- a. Specific requirement for the framework;
  - b. Financial coding to be used;
  - c. Transaction types involved (e.g. travel);
  - d. Specific authorities that can be exercised (i.e. EIA, Commitment Authority (FAA Section 32), and/or Certification Authority (FAA Section 34));
  - e. Expiry date for the authorization. For ongoing arrangements, the authorization must be renewed annually at the start of each fiscal year; and
  - f. Budgetary limit if EIA is included.
- 5.71 The authorization provided in the control framework must not exceed the authorities and levels found on the Originating and Receiving RC Managers' DoA forms.
- 5.72 Segregation of duties is to be maintained as per [paragraphs 5.40 to 5.43](#).
- 5.73 A control framework is not necessary when an RC Manager chooses to rely on individuals outside their organization to perform only the various steps of the FAA Section 34 account verification process. However, it is mandatory that the RC Managers ensure that individuals have the appropriate training to complete the account verification.
- 5.74 If the Receiving RC Manager wants to designate subordinate RC Managers, RC Administrators or Procurement Officers/Clerks to make charges against the Originating RC Manager's budget, this designation must be stated and authorized in the control framework. The Receiving RC Manager is responsible for ensuring that any

subordinates charging the budget have the required authorities on their DoA form, as well as the necessary training and knowledge to exercise these authorities responsibly.

- 5.75 The control framework must clearly delineate responsibility and indicate that while the Originating RC Manager remains responsible for the budget, the Receiving RC Manager is responsible and accountable for ensuing transactions, including those made by their subordinates.
- 5.76 Both the Originating and Receiving RC Managers must ensure the authorization is properly documented and that there is evidence of acceptance and acknowledgement of responsibilities by both parties. The manner in which the authorization is documented will depend on the complexity of the arrangement and may take the form of a signed memorandum or an exchange of e-mails.
- 5.77 The Receiving RC Manager must provide the RDAO Comptroller with documentation pertaining to the control framework once it has been formally established. The documentation must include details of any related designation of subordinates in order to ensure RDAO awareness in advance of the RDAO conducting verifications in accordance with FAM Chapter 1016-4, Manage Payments – FAA Section 33.
- 5.78 Should either the Originating RC Manager or the Receiving RC Manager leave their respective positions, the departure must be communicated to the other party. A new framework must be drafted as soon as possible, and no later than eight weeks after the appointment of a new RC Manager or acting RC Manager. The new framework must be in the format of the original one. In the case of an acting RC Manager, if the acting/assignment appointment is for a period of less than four months, then the acting RC Manager may simply review the control framework and communicate any concerns to the other party.
- 5.79 Course loading, posting instructions, Canadian Forces Task Planning Operations tasking messages and enrolment messages where a participant's travel is charged to the hosting unit's or central budget are considered to provide the authorization to charge the Originating RC Manager's budget when they include the information required at [paragraph 5.70](#). Note that EIA for travel must be in compliance with the TB Directive on Travel, Hospitality, Conference and Event Expenditures (THCEE).

## **6. Roles and Responsibilities**

### **Minister of National Defence and Deputy Minister**

- 6.1 The MND and DM are responsible for:
- Formally delegating their authorities for financial administration in writing to positions through the Delegation Instrument, including the Matrix.

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

6.2 The ADM(Fin)/CFO is responsible for:

- All responsibilities outlined in section 4.1 of the TB Directive on Delegation of Spending and Financial Authorities;
- Providing financial functional direction and guidance across the department on matters related to the Delegation of Authorities for financial administration;
- Determining training requirements for EIA and FAA Sections 32, 33 and 34 that are in addition to those required by TB policy documents;
- Ensuring that individuals designated to exercise authorities have completed the required training;
- Ensuring that authorities are withdrawn or further restricted if it is determined that they are being abused or used improperly; and
- Reporting any significant difficulties, gaps in performance or compliance issues to the DM and making recommendations to address them.

**Assistant Deputy Minister (Infrastructure & Environment) (ADM(IE))**

6.3 The ADM(IE) is responsible for:

- Determining training requirements for Real Property Transactions authority that are in addition to those required by TB policy documents.

**Level One Advisors**

6.4 L1 Advisors are responsible for:

- Ensuring compliance with the financial functional direction provided by the CFO over the management of delegation of authorities;
- Ensuring the responsibility (centre) structure for their organization is aligned with its organizational structure and has a single point of accountability (i.e. a single RC Manager who is accountable) for individual budgets;
- Ensuring compliance with procedures established by the DFSI;
- Ensuring their organization advises DFP of any position title or organizational change that may impact the Delegation Instrument;
- Ensuring their organization contributes to the update of the Delegation Instrument, including the Matrix, for authorities for which they are functionally responsible; and

- Ensuring their organization provides policy interpretation and advice on the Delegation of Authorities for which they are functionally responsible.

**Director General Strategic Financial Governance (DG SFG)**

6.5 DG SFG is responsible for:

- Ensuring this policy takes into consideration the unique situations and circumstances of the DND/CAF;
- Supporting the implementation of this FAM chapter through adequate policies, procedures and controls;
- Ensuring the business processes, procedures and related systems adequately support the use and management of delegated authorities in accordance with this policy and the Delegation Instrument, including the Matrix; and
- Bringing to the attention of the ADM(Fin)/CFO any significant compliance issues with this policy and the Delegation Instrument, including the Matrix, that they become aware of and providing recommendations on how to address them.

**Director General Financial Operation and Services (DG FOS)**

6.6 DG FOS is responsible for:

- Supporting the implementation and oversight of the application of this policy;
- Ensuring management practices and controls pertaining to the delegation of authorities are in place and compliant with this policy;
- Promoting departmental procedures and best practices so that the treatment of DoA forms is standardized and policy compliant across the department;
- Ensuring the annual verification of the delegation of authorities is completed in accordance with this policy; and
- Reporting any significant difficulties, gaps in performance or compliance issues to the CFO and making recommendations to address them.

**Director Materiel Policy and Procedures (DMPP)**

6.7 The DMPP is responsible for:

- Developing and promulgating departmental policies on the delegation of authorities related to materiel acquisition, management or disposal;



- Providing policy interpretation and clarification when appropriate on policy matters related to the Delegation of Authorities for the acquisition, management or disposal of materiel; and
- Determining training requirements for material acquisition, management and disposal authorities that are in addition to those required by TB policy documents.

#### **Director Financial Policy (DFP)**

6.8 The DFP is responsible for:

- Developing and promulgating departmental policies on the Delegation of Authorities and related matters;
- Providing policy interpretation and clarification when appropriate on policy matters related to the Delegation of Authorities for financial administration; and
- Reviewing documents related to the Delegation of Authorities procedures to ensure compliance with legislation and policy.

#### **Director Financial Systems Integration (DFSI)**

6.9 The DFSI is responsible for:

- Providing support on FMS system changes, FMS enhancements and business requirements;
- Developing and issuing mandatory procedures in compliance with this policy that standardize how activities related to the delegation of authorities are performed across the DND/CAF; and
- Ensuring that the departmental FMS adequately supports activities related to the delegation of authorities.

#### **Director Financial Analytics Systems Support and Training (DFASST)**

6.10 The DFASST is responsible for:

- Maintaining the FMS delegation of authorities' database in compliance with this policy, including with [paragraph 3.7](#) for the retention of electronic records.

#### **Corporate Departmental Accounting Office (CDAO)**

6.11 CDAO is responsible for:

- Providing guidance and mandatory functional direction to RDAOs with regards to the application of this policy and related procedures;

- Promoting procedures and internal controls to support a standardized application of this policy;
- Establishing and issuing procedures related to the Annual Verification, including on the review of DoA forms, validation and authentication processes; and
- Monitoring and oversight of RDAO compliance with this policy and the Delegation Instrument, including the Matrix and related procedures and controls.

### **Regional Departmental Accounting Office (RDAO) Comptroller**

6.12 The RDAO Comptroller is responsible for:

- Ensuring that this policy is fully implemented in their region;
- Conducting the annual verification of delegated authorities as per [paragraphs 5.61 to 5.65](#) of this FAM Chapter;
- Ensuring that individuals designated with a DoA form have completed their mandatory training and maintain valid certification;
- Reviewing newly completed DoA forms for compliance with this policy and the Delegation Instrument, including the Matrix, and approving them for use; or otherwise notifying the incumbent and designator of any errors or omissions on the form;
- Complying with [paragraph 3.7](#) on the retention of records by keeping DoA forms on file, including original DoA forms with an ink signature, as well as all activation requests for acting/temporary assignment appointments;
- Maintaining a list/database of those individuals with a paper DoA form until the forms are uploaded in the FMS delegation of authorities database; and
- Notifying the designator if an individual is abusing or using authorities improperly; and escalating the issue if corrective action is not taken.

### **Level One (L1) Comptrollers**

6.13 L1 Comptrollers are responsible for:

- Establishing a responsibility (centre) structure that is aligned with the organizational structure and has a single point of accountability (i.e. a single RC Manager who is accountable) for individual budgets;
- Preparing, validating and staffing DoA forms for individuals in their respective L1 organization;

- Ensuring that subordinate Comptrollers are compliant with this policy and procedures when the L1 Comptroller chooses to rely on them for preparing, validating and staffing DoA forms for individuals within the organization;
- Ensuring that the RDAO is informed immediately if a DoA form is withdrawn or further restricted;
- Ensuring that compliance with this policy is monitored within their respective L1 organization;
- Ensuring that all processes and controls associated with delegation of authorities are working effectively; and
- Ensuring that the DoA information is correctly reflected in the FMS.

### **Designator**

6.14 The Designator is responsible for:

- Assessing an incumbent's need for exercising the authorities in the Matrix and, if needed, ensuring the incumbent is provided with the appropriate DoA form for their position in accordance with the Delegation Instrument and this policy;
- Reviewing the DoA form for accuracy, and to ensure the authority levels:
  - a) Do not exceed those delegated to the position in the Matrix and Delegation Instrument notes;
  - b) Are aligned with the incumbent's responsibilities; and
  - c) Are adjusted, if necessary, to introduce further restrictions in the Restrictions/Comments section of the form to take into account risk factors and local control requirements.
- Ensuring the incumbent has the necessary knowledge and completed all the required training to exercise the authorities on their DoA form, and maintains up-to-date course certification;
- Authenticating the incumbent's signature;
- Reading, understanding and signing the Certification by designator on the DoA form;
- Ensuring the incumbent has access to applicable policy and procedural documents in support of their exercising delegated authorities;
- Ensuring the cancellation of a DoA form when the incumbent has left the position by advising the RDAO Comptroller (through the functional financial chain of command);

- Advising the RDAO Comptroller when amendments to DoA forms are required and submitting replacement forms; and
- Ensuring authorities delegated to a position are withdrawn or further restricted if they are abused or exercised incorrectly. Closer monitoring and/or probationary periods may be considered until the designator and the RDAO Comptroller are satisfied that the situation has been corrected and the abuse or improper use will not re-occur.

### **Incumbent**

6.15 The Incumbent is responsible for:

- Ensuring that they do not exercise any authorities for financial administration, prior to the completion of a DoA form and certification by the designator;
- Understanding the authorities on their DoA form and consulting the Delegation Instrument notes for each authority (column) to fully understand the scope, extent and nature of the authorities reflected on their form;
- Acquiring and maintaining valid training certification and certifying that they have the necessary knowledge and training to exercise their delegated authorities in a responsible manner; and
- Exercising their authorities in compliance with this policy and the Delegation Instrument. This includes ensuring that they do not exceed the authorities indicated on their DoA form or the restrictions indicated in the Delegation Instrument notes.

## **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](#)  
*Criminal Code*

### 8.2 Treasury Board and Central Agency FM Policy Instruments

[TB Policy on Financial Management](#)  
[TB Policy on People Management](#)  
[TB Directive on Delegation of Spending and Financial Authorities](#)  
[TB Directive on Mandatory Training](#)  
[TB Directive on Payments](#)  
[TB Guide to Delegating and Applying Spending and Financial Authorities](#)

### 8.3 DND/CAF FM Policies

[Delegation of Authorities for Financial Administration for the DND and the CAF](#)  
[FAM Chapter 1016-4 Manage Payments – FAA Section 33](#)  
[FAM Chapter 1016-2 Expenditure Initiation and Commitment Control – FAA Section 32](#)  
[FAM Chapter 1016-3 – Account Verification – FAA Section 34](#)  
[Project Approval Directive](#)

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

[Delegation of Authorities Procedures](#)  
[Standard Operating Procedures - Procure to Payment](#)  
[CANFORGEN 149/06, CF Responsibilities to TB Secretariat Policy on Learning, Training and Development](#)  
[CANFORGEN 026/10, Mandatory Training: Authority Delegation and Knowledge Validation](#)

## 9. Enquiries

- 9.1 Questions on policy interpretation and clarification are to be addressed to the appropriate Comptroller.
- 9.2 If the local Comptroller requires assistance, the question will be escalated through the financial chain of command.
- 9.3 If the L1 Comptroller needs guidance on the matter(s) raised, the L1 Comptroller may contact the CDAO.
- 9.4 If the CDAO needs guidance on the matter(s) raised, they may contact DFP.

## Appendix A – Definitions and Acronyms

### Definitions

The following definitions apply to this policy:

**Area of Authority - Canadian Armed Forces (CAF) (*Domaine de compétence – Forces armées canadiennes (FAC)*)** – indicates that the incumbent of the position has authority to act, where indicated, on behalf of the CAF.

**Area of Authority - Department (Dept) (*Domaine de compétence – Ministère (MDN)*)** – indicates that the incumbent of the position has authority to act, where indicated, on behalf of the Department, which includes the CAF.

**Area of Authority - Own Organization (Own Org) (*Domaine de compétence – Organisation du titulaire (org.)*)** – indicates that the incumbent of the position has authority to act, where indicated, on behalf of their organization.

**Area of Authority - Function (*Domaine de compétence – Fonction*)** – indicates that the incumbent of the position has authority to act, where indicated, as it applies for their specific function. In cases where the incumbent is to make charges against budgets held outside their organization, they must ensure there is a control framework in place in accordance with the [Special Considerations](#) section of FAM Chapter 1014-4-1, except for the positions listed at [paragraph 5.32](#).

**Certification authority (*Pouvoirs d'attestation*)** - the authority, according to section 34 of the Financial Administration Act, to certify contract performance and price, entitlement or eligibility of the payment.

**Delegate (*Déléguer*)** is the action by which an individual (i.e. delegator), vested with specific statutory authority, assigns a specific power or function to another. Authorities are delegated by the MND and DM to positions identified by title, not to individuals identified by name.

**Delegated authorities (*Pouvoirs délégués*)** can consist of spending (including contracting), financial and other authorities reflected in the Matrix.

**Delegation Instrument (*Instrument de delegation*)** is comprised of the delegation policy document entitled “Delegation of Authorities for Financial Administration for DND and the CAF” (A-FN-100-002/AG-006), as well as, the Matrix.

**Designate (*Désigner*)** is the formal appointment of an individual to exercise specific authorities or functions by virtue of their position.

**Designator (*Désignateur*)** is the individual who is formally appointing the incumbent of a position to exercise the specific authorities delegated to that position.

**Financial authorities (*Pouvoirs financiers*)** include certification authority (FAA Section 34) and payment authority (FAA Section 33).

**Financial structure (*Structure financière*)** refers to the Funds Centres and Cost Centres hierarchies (the elements in Work Breakdown Structures link to Cost Centres).

**Financial Management System (*Système de gestion financière*)** is any combination of business processes (end-to-end, automated and manual), procedures, controls, data and software applications, all of which are categorized as either a departmental financial and materiel management system or program system or central system that produces financial information and related non-financial information. DND's departmental FMS includes DRMIS and would also include any future replacement of DRMIS.

**Incumbent (*Titulaire*)** is the holder of a position, including an individual appointed on an acting or temporary basis.

**Responsibility Centre (RC) (*Centre de responsabilité (CR)*)** is an organizational entity against which transactions are recorded in the Financial Management System. For purposes of Delegation of Authorities, Fund Centres, Cost Centres and Work Breakdown structures are financial codes used to identify responsibility centres in the Area of Authority of an individual's DoA form over which they can exercise the authorities indicated on their form.

**Responsibility Centre (RC) Manager (*Gestionnaire de centre responsabilité (CR)*)** is, for purposes of Delegation of Authorities, the incumbent of a position who is allocated a budget and who has spending authority and certification authority under the FAA for this budget. Generic RC Manager positions are found in the "General Departmental Authorities" section of the Matrix and include "Other RC Managers" and Level One Advisors and all the positions listed in between.

**Section Head (*Chef de section*)** is, for purposes of Delegation of Authorities, a Procurement Officer position classified as a PG (civilian) at the level of no less than PG-6 (or another classification at an equivalent level) or a military Officer at the rank of no less than a LCol/Cdr.

**Spending authority (*Pouvoirs de dépenser*)** – consists of three elements: expenditure initiation authority, commitment authority, and transaction (contracting) authority.

## **Acronyms**

ADM – Assistant Deputy Minister

ADM(Fin)/CFO – Assistant Deputy Minister (Finance)/Chief Financial Officer

ADM(IE) – Assistant Deputy Minister (Infrastructure & Environment)

ADM(Mat) – Assistant Deputy Minister (Materiel)

ADT – Authority Delegation Training

CAF – Canadian Armed Forces

CANFORGEN – Canadian Forces General Message

CDAO – Corporate Departmental Accounting Office

CDS – Chief of the Defence Staff

CFO – Chief Financial Officer

CSPS – Canada School of Public Service

DFP – Director Financial Policy

DFASST – Director Financial Analytics Systems Support and Training

DFSI – Director Financial Systems Integration

DG FOS – Director General Financial Operations and Services

DG SFG – Director General Strategic Financial Governance

DM – Deputy Minister

DMPP – Director Material Policy and Procedures

DND – Department of National Defence

DoA – Delegation of Authority

DRMIS – Defence Resource Management Information System

EIA – Expenditure Initiation Authority

EMC – Expenditure Management Course

FAA – *Financial Administration Act*



**National Defence – Assistant Deputy Minister (Finance)**  
**Financial Administration Manual (FAM) Chapter 1014-4-1 Control of Financial Signing Authorities**

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FAM – Financial Administration Manual

FMS – Financial Management System

L1 – Level One

MND – Minister of National Defence

RC – Responsibility Centre

RDAO – Regional Departmental Accounting Office

TB – Treasury Board

THCEE – Travel Hospitality Conference and Event Expenditures