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**National Defence – Assistant Deputy Minister (Finance)**  
**FAM Chapter 1014-4-4 Finance Access to Departmental Financial Management System**

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## **1. Effective Date**

- 1.1 This policy is effective on **4 February 2022**.
- 1.2 This policy replaces Financial Administration Manual (FAM) Chapter 7 Financial Systems and Controls, issued on 1 September 1984.
- 1.3 The policy was approved by the Assistant Deputy Minister, Finance (ADM(Fin)) on **4 February 2022**.

## **2. Application**

- 2.1 This policy applies to the requirements related to the granting and managing of finance access to the Departmental Financial Management System (DFMS) to maintain an adequate system of accounting and internal control over the financial resources and assets allocated or entrusted to the Department of National Defence (DND) and the Canadian Armed Forces (CAF).
- 2.2 This FAM Chapter does not:
  - Define the particular roles described in the **DFMS**, referred to as Defence Resource Management Information System (DRMIS) in DND/CAF, [Role Catalogue](#);
  - Describe access provided to the Receiver General Central Systems via the DFMS Interface;
  - Describe access to the DFMS by users within the Assistant Deputy Minister (Materiel) (ADM(Mat)) for Material Acquisition and Support System or the Assistant Deputy Minister (Infrastructure and Environment) (ADM(IE)) categories of users for Infrastructure and Environment Reporting Integration System; or
  - Prescribe access to the SAP Business Warehouse.

## **3. Context**

- 3.1 The Deputy Minister's (DM) responsibilities as outlined in the Treasury Board (TB) Policy on Financial Management (FM) are to maintain and report timely accurate financial information as well as to integrate financial information with non-financial information to support decision making. In addition, the DM is also responsible for establishing, monitoring, and maintaining a risk-based system of internal control over financial management.
- 3.2 The scope of this policy includes any financial function that feeds information to the DFMS that is automated either directly by DRMIS such as the material module or via feeder systems such as the Automated Cashier System (ACS) module, or any other automated process.
- 3.3 This FAM Chapter establishes the framework for the management of users' finance access to the DFMS. This is based on a balanced approach between the risks, costs, and benefits of an open system versus the safety of restrictive finance access. Specifically, system management is based on risk analysis, logical finance access control, awareness training, audit trail, and data stewardship.

- 3.4 This FAM Chapter aims to maintain a level of security and control that minimizes the risks related to the threat of:
- Fraud;
  - Error;
  - Unauthorized finance access; and
  - Misrepresentation of accounting transactions.
- 3.5 Accordingly, this policy must be applied in conjunction with and after reading the following:
- TB Policy on Financial Management;
  - TB Policy on Government Security;
  - TB Guide to Internal Control over Financial Management; and
  - TB Guide to Ongoing Monitoring of Internal Control over Financial Management.
- 3.6 All financial documentation supporting the transactions must be retained for six 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.
- 3.7 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 the finance access control for the DFMS and outline their roles and responsibilities; and
  - State and explain the DND/CAF policies for finance access to the DFMS that are generally not addressed in the TB policies, directives, standards and guidelines.
- 4.2 The expected results of implementing this policy are:
- Only appropriate finance access be granted to DFMS users;
  - Effective governance, oversight and internal controls over DND/CAF's DFMS; and
  - Key DND/CAF DFMS stakeholders understand their roles and are aware of their responsibilities with respect to DFMS.

## **5. Requirements**

### **General**

- 5.1 Finance access to the DFMS shall only be granted upon successful completion of required training/certification and approval by appropriate departmental authorities.
- 5.2 In situations where a DFMS user has had their finance access amended or withdrawn, finance access may again be granted only upon successful completion of required training/certification and approval by appropriate departmental authorities.

5.3 The Department must develop and provide training sessions that will provide users knowledge of:

- Transaction processing;
- Security standards;
- Consequences of fraud or misuse;
- Role authorizations and restrictions; and
- Procedural requirements.

5.4 As a minimum, the following are the basic management processes and controls that must be implemented as described in following paragraphs.

#### **Type of Employment Status**

5.5 Finance access to the DFMS functionalities which are linked to the expenditure or receipt of public funds is restricted to employees hired under the *Public Service Employment Act* (PSEA) and CAF members that are accountable to the Minister of National Defence (MND). Terms must be over six months to be considered accountable to the MND. Casuals and contractors may be granted finance access under extremely strict conditions and only permitted to view data as required for their job functions. Other users may, based on a thorough risk analysis, have limited finance access necessary for the performance of their job duties (Refer to [Appendix B](#) – Departmental Financial Management System Roles Eligibility Based on Employment Category for more information).

#### **Role Restrictions to Exercise Delegated Financial Authorities**

5.6 The Delegation of Authorities for Financial Administration for DND and the CAF (i.e. Delegation Instrument) provides guidance on the interpretation and application of delegated financial administration authorities, including identifying any restrictions that must be complied with. If financial authorities are being exercised through a system (i.e. use of electronic authentication and authorization (EAA)), that system must comply with the Delegation Principle for Separation of Authorities, articulated in the Delegation Instrument.

5.7 All systems must include processes and controls that respect the Delegation Principles for Separation of Authorities, as described in the Delegation Instrument. With respect to DFMS, as a minimum, all DFMS must establish controls to prevent a user from both inputting and approving a transaction that will result in a payment of public funds or approving a transaction from which they can directly or indirectly benefit.

#### **Role Restrictions to Segregate Duties**

5.8 An effective internal control framework requires an appropriate segregation of duties among various individuals to prevent errors and fraud. Therefore, at a minimum, the following principles shall be followed:

- Establish user roles which separate the duties between the billing, collection and cancellation functions of revenues and accounts receivable;

- Limit the creation and updating of the vendor table to specific user roles;
- Establish user roles which separate the duties between vendor data information, data input and final approval functions of accounts payable;
- Establish user roles which separate the duties between the cardholder and regional card coordinator in relation to data information, data input and final approval functions for [departmental credit cards](#) or similar accounts;
- Set controls to ensure only authorized personnel can view the salary information; and
- Limit user finance access of Local Access Control Officers (LACO) in the DFMS so that they cannot create, amend, approve, or delete any financial transactions.

#### **Role Restrictions for Finance Access to Sensitive or Classified Information**

- 5.9 In some cases, data when combined from different sources may provide finance access to sensitive or classified information, personal information, vendor information or client information. The DFMS must use role restrictions, to ensure that only individuals who need finance access to specific information to perform their duties have such finance access (e.g. detailed salary information, [departmental credit card](#) tombstone information, etc.).

#### **User Training**

- 5.10 Director Financial Analytics, Systems Support and Training (DFASST) is responsible for developing training for finance roles that will ensure users not only know how to process a transaction but also know the security rules of the system. Users must also be aware of the consequences of fraud or misuse. They must also understand their roles in segregation of duties and finance access to sensitive or classified information, and ensure security rules are followed.

#### **Formal Training and Registration Process**

- 5.11 A formal registration process documents who has finance access to the system, their user role(s) and this effectively creates a documented audit trail. It is mandatory that every user completes a registration process for finance access to the DFMS, which must be approved by the LACO, the individual's Responsibility Centre (RC) Manager and Comptroller.

#### **Departmental Financial Management System Finance Access Criteria**

- 5.12 Safeguarding the integrity and completeness of departmental financial data requires controlled finance access in combination with the establishment of profiles to allow only authorized individuals to add, amend, delete, and/or view data in the DFMS.
- 5.13 All DFMS users shall be granted finance access to the minimum DFMS functionalities required to perform their duties.
- 5.14 Finance access to the DFMS may be granted to individuals only where:
- It is required to fulfill the responsibilities of the applicant's position;

- The applicant's security clearance is, as a minimum, at the Enhanced Reliability level (it can be of a higher security clearance level for specific DFMS functionalities);
- They have the ability and knowledge to perform the functions in the DFMS as demonstrated by successful completion of pre-requisite training;
- They have knowledge of this policy and the applicable procedures;
- They acknowledge they understand their responsibilities and obligations for accessing DFMS;
- The prescribed DFMS finance access registration process is completed by the individual and approved by all applicable approving authorities; and
- The DFMS finance access would not result in a perceived or actual conflict of interest, including the ability to personally benefit either directly or indirectly from a transaction recorded by the individual in the DFMS.

### **Conflicting Functions**

5.15 DFMS users should not have finance access to conflicting DFMS functions that would not allow compliance to role restriction to exercise delegated financial administration authorities, to segregate duties, and for finance access to sensitive or classified information. Clearly documented alternate control measures (including increased finance access monitoring by the user's RC Manager and supervisor) may be implemented where:

- Circumstances do not allow for an adequate role restriction to exercise financial administration authorities, to segregate duties and/or for finance access to sensitive or classified information;
- As a result of alternate controls, the risk resulting from non-compliance to the role restriction to exercise financial authorities, to segregate duties, and for finance access to sensitive or classified information is deemed low and tolerable by authorized organization; and
- The RC Manager must seek approval from their L1 Comptroller and DFASST for the alternate control measures and if approved, these measures must be documented.

### **Abusive or Improper Use**

5.16 Finance access to the DFMS must be withdrawn by the RC Manager if it is determined that the access is being abused or improperly used. Access can be reinstated when the RC Manager and the Regional Departmental Accounting Office (RDAO) Comptroller are satisfied that the situation has been corrected and the abusive or improper use will not re-occur.

### **Inactive DFMS Accounts**

5.17 The DFMS Finance userid for the user shall be automatically suspended in production if it is inactive for a period of 90 consecutive calendar days. At each month-end, DFMS Finance userids that have been inactive in DFMS production for the previous 180 consecutive calendar days will be automatically deleted from production, DRMIS Business Warehouse Production, DRMIS Application Portal, and DRMIS Training (Finance). In the Training (Finance) System, the userid's

corresponding role certification data will also be archived. The DFMS Finance user id shall be automatically deleted in production after 30 calendar days if the user does not log into the DFMS after the account is created.

- 5.18 The LACO shall, upon a formal e-mail notification from the user's RC Manager, re-establish finance access to the inactive DFMS account. The RC Manager shall, through the notification, demonstrate to the LACO that the current user's responsibilities warrant finance access to the DFMS.

#### **Extended Absence**

- 5.19 Upon a formal notification from the user's RC Manager, the LACO will suspend any user account for a user who will be absent for more than 60 consecutive calendar days.
- 5.20 The LACO shall, upon a formal e-mail notification from the user's RC Manager, re-establish user's finance access to the DFMS account provided the account has been inactive for less than 180 consecutive calendar days. The RC Manager shall, through the notification, demonstrates to the LACO that the returning user's responsibilities warrant finance access to the DFMS.

#### **Employee and CAF Member Departure Process**

- 5.21 Departing and/or retiring DND employees and CAF members must contact their LACO and complete DFMS out-clearance procedures prior to their departure.

## **6. Roles and Responsibilities**

### **Deputy Minister**

- 6.1 The Deputy Minister (DM) is responsible for:
- Ensuring that timely and accurate departmental financial information is available to support decision making in the department and across government;
  - Ensuring that a risk-based departmental system of internal control over financial management is established, monitored and maintained; and
  - Taking corrective actions in instances of non-compliance with those responsible for implementing the requirements of this policy instrument.

### **Assistant Deputy Minister (Information Management)**

- 6.2 The Assistant Deputy Minister (Information Management) (ADM(IM)) is responsible for ensuring the management of the DFMS by:
- Coordinating with Assistant Deputy Minister (Finance)(ADM(Fin)/Chief Financial Officer (CFO), Assistant Deputy Minister (Materiel)/ADM(Mat), Assistant Deputy Minister (Infrastructure and Environment)/ADM(IE) to ensure that the DFMS is in line with TB requirements and FM policies;
  - Maintaining, activating, editing and deactivating functionalities;
  - Configuring, testing and implementing new functionalities to meet financial users' needs;



- Maintaining the technical architecture and infrastructure;
- Providing guidance to users (through help desk, training, communications, and business transformation);
- Providing the list of DFMS user accounts and related user finance access level profiles to the RDAOs for audit purposes;
- Establishing security standards as well as the implementing and monitoring of security standards. Identifying trends and root causes of information technology problems within the DFMS, and coordinating solutions;
- Establishing a database that identifies users along with their finance access roles and rights; and
- Maintaining and updating tools and reference material as required.

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

6.3 The Assistant Deputy Minister (Finance)/Chief Financial Officer (ADM(Fin)/CFO) is responsible for:

- Establishing a governance framework and risk-based management practices and controls that include the extent of the finance access to the DFMS required by individuals in accordance with their operational requirements;
- Establishing, monitoring, and maintaining a risk-based system of internal controls over financial management and ensuring departmental compliance with legislation, TB policy and this policy;
- Maintaining and reporting timely and accurate departmental financial information;
- Integrating financial information with non-financial information to support decision making and risk management; and
- Providing financial functional direction and guidance across the department on matters related to finance access to DFMS.

### **Level One Advisors**

6.4 The Level 1 (L1) Advisors are responsible for:

- Ensuring compliance with the financial functional direction provided by the CFO over finance access to the DFMS;
- Ensuring that this policy is properly applied within their organization;
- Ensuring that corrective actions are taken in their area of responsibility when control weaknesses are identified; and
- Ensuring the RC Managers within their organization are aware of their responsibilities and have the necessary training, knowledge and skill to carry them out.

### **Level One Comptrollers**

6.5 The Level One (L1) Comptrollers are responsible for:

- Ensuring processes and controls are in place in their respective organizations to ensure compliance with this policy;
- Ensuring all processes and controls related to finance access to DFMS are monitored for compliance and working effectively;

- Ensuring compliance with procedures developed by the Director Financial Systems Integration (DFSI);
- Ensuring pertinent, accurate and complete information on finance access to DFMS is available upon request;
- Supporting RC Managers in ensure that only authorized individuals have finance access to the DFMS;
- Ensuring effective maintenance of records on finance access to DFMS for audit trail; and
- Ensuring that individuals authorized with finance access to the DFMS have the required training and skills to process transactions and have knowledge of the security rules of the system.

### **Director General Strategic Financial Governance**

6.6 The Director General Strategic Financial Governance (DGSFG) is responsible for:

- Supporting the implementation and monitoring of compliance with this policy;
- Ensuring that business processes and procedures that adequately support finance access to the DFMS are developed and promulgated;
- Ensuring that key controls and quality assurance programs related to finance access to the DFMS are reviewed and recommendations made based on the results; 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**

6.7 The Director General Financial Operations and Services (DGFS) is responsible for:

- Supporting the implementation and oversight of the day-to-day application of this policy;
- Promoting departmental procedures and best practices to ensure compliance with this policy across the department; 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 Financial Policy**

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

- Developing and promulgating departmental financial policy on finance access to the DFMS;
- Providing policy interpretation and clarifications assistance on policy matters related to this FAM Chapter; and
- Reviewing financial management procedures related to the finance access to DFMS to ensure compliance with all financial legislation, TB FM policy instruments (including mandatory guidelines) and DND FM policies.

### **Director Financial Controls**

- 6.9 The Director Financial Controls (DFC) is responsible for:
- Assessing quality assurance programs and making recommendations based on the results of the assessments;
  - Assessing the effectiveness of key controls related to finance access to DFMS and making recommendations based on the results of the assessments;
  - Reporting on the status of the assessments and completing the annual summary for inclusion to the departmental financial statements; and
  - Tracking and reporting on the status of remediation action plans.

### **Director Financial Systems Integration**

- 6.10 The Director Financial Systems Integration (DFSI) is responsible for:
- Developing and issuing mandatory procedures in compliance with this policy;
  - Providing input on new projects or initiatives to ensure that there is no gap between the actual result and the expected outcome of implementing this FAM Chapter;
  - Providing financial impact assessments to Level One Comptrollers on their business requirements that are related to DFMS user finance access in consultation with other finance stakeholders;
  - Supporting stakeholders in defining and managing their DFMS requirements; and
  - Supporting stakeholders in establishing DFMS user profiles in accordance with financial policies, internal controls and business needs that comply with the security protocols and the requirements of this FAM Chapter and other departmental policy direction.

### **Director Financial Analytics, Systems Support and Training**

- 6.11 The Director Financial Analytics, Systems Support and Training (DFASST) is responsible for:
- Maintaining FM instructions and related guidance;
  - Developing, updating and issuing training material on the DFMS functionalities;
  - Providing training to the DFMS Finance users;
  - Communicating and providing training on FM procedures and best practices;
  - Establishing a DFMS finance access request procedure in compliance with this FAM Chapter;
  - Establishing security standards for all the DFMS users that comply with the requirements of this FAM Chapter, Governmental legislative and policy instruments;
  - Approving requests for procedural exemptions that are compliant with the principles and requirements established by this policy and other departmental policy direction;
  - Performing day-to-day management, maintenance, documentation, training, certification and support related to the financial system components of the DFMS;
  - Ensuring that the security standards are being followed;
  - Approving system finance access for those who require restricted roles;

- Performing regular reviews of users holding restricted roles and removing the finance access as required;
- Providing DFMS reporting capability;
- Approving analytics accounts for ADM(Fin) users; and
- Provisioning user finance access to the Financial Planning and Forecasting (FP&F) tool.

### **Director Financial Operations**

6.12 The Director Financial Operations (DFO) is responsible for:

- Ensuring that compulsory functional direction and guidance is provided department wide to support the implementation of this policy; and
- Ensuring that RDAO compliance with this policy and related procedures is monitored.

### **Corporate Departmental Accounting Office**

6.13 The Corporate Departmental Accounting Office (CDAO) is responsible for:

- Providing functional direction and guidance to RDAO Comptrollers with regards to the application of this policy and related procedures;
- Promoting procedures and internal controls to support a standardized application of this policy; and
- Monitoring and oversight of RDAOs' compliance with this policy and related procedures and controls.

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

6.14 The Regional Departmental Accounting Office (RDAO) Comptrollers are responsible for:

- Overseeing the approval, control and monitoring finance access to the DFMS in their region;
- Providing adequate levels of assurance on the effectiveness of the implementation of the requirements prescribed in this FAM Chapter, other departmental policy direction, related procedures and local control frameworks;
- Ensuring that all individuals in their region are aware of and understand the requirements of this FAM Chapter, other departmental policy direction and related procedures;
- Reviewing on a periodic basis the list of the DFMS user accounts and related user finance access level profiles in their region;
- Requesting on behalf of RC Managers, when applicable, approval of procedural exemption; and
- Establishing LACO positions in their region.

### **Local Access Control Officers**

6.15 The Local Access Control Officers (LACOs) are responsible for:

- Creating, modifying and deleting user accounts in the DFMS in accordance with the requirements of this FAM Chapter, other departmental policy direction and related procedures;
- Ensuring a proper segregation of duties and compliance to user role restrictions so that only certain roles are to be authorized for the DFMS user based on their job responsibilities;
- Approving, controlling and monitoring finance access to the DFMS by users;
- When assigning the DFMS user roles:
  - Matching the user's profile and responsibilities (i.e. the DFMS user will have finance access only to the minimum DFMS functionalities required to perform their duties);
  - Ensuring that the role(s) requested complies with departmental and local restrictions (e.g. ensuring only valid combinations of profiles are requested in order to preserve segregation of duties and compliance to user role restrictions); and
  - Ensuring that, if the applicant has more than one user account, the combination of roles does not allow the applicant to circumvent departmental or local restrictions.
- Conducting periodic audit of all DFMS Finance Access Application documentation to ensure the users have appropriate finance access rights in the DFMS that are consistent with their duties;
- Redeploying user accounts when user accounts are assigned to a new LACO as a result of position change (only if the user requires DFMS finance access, the user profile does not change and all the appropriate approvals are obtained);
- Investigating and reporting promptly security infractions to the RDAO Comptroller and the DFMS Central Security Office;
- Revoking the DFMS finance access of individuals who do not comply with the requirements of this FAM Chapter, other departmental policy direction and related procedures;
- Ensuring that all sections of the registration documentation request for finance access to DFMS is duly completed;
- Briefing users personally on their responsibilities related to the DFMS security;
- Maintaining a current list of the DFMS user accounts and related user finance access level profile; and
- Keeping all completed original DFMS registration documentation for finance access and Salary Wage Envelope (SWE) Access Forms on file for seven years.

### **Finance Coordinator**

6.16 The Finance Coordinator (FCOR) for each section/unit is responsible for:

- Reviewing the operational requirements with RC Managers and prioritizing applicants for training;
- Registering users for the DFMS training module;
- Providing training instructions to the users;
- Monitoring user training; and
- Providing first-line support to users for both training and production issues.

### **Responsibility Centre Managers**

- 6.17 The Responsibility Centre (RC) Managers are responsible for:
- Ensuring compliance to the requirements of this policy and related procedures when approving finance access to DFMS and forwarding the application to the LACO for approval;
  - Ensuring a proper segregation of duties and compliance to user role restrictions so that only certain roles are to be authorized for the DFMS user based on their job responsibilities;
  - Performing prompt and appropriate administrative and disciplinary action in situations where there is an improper or abusive use of the DFMS;
  - Requesting promptly that the LACO amends or revokes a user's finance access in situations where the user's responsibilities change as a result of a change in financial functions, a change in employment status, extended leave, termination of employment or transfer to another position;
  - Requesting promptly that the LACO amends or revokes a user's finance access in situations where there is non-compliance to any other DFMS finance access criteria or where there is improper or abusive DFMS use; and
  - Authorizing in writing the DFMS finance access request of applicants and retaining a copy of the original registration documentation for finance access to DFMS on file.

### **Supervisor**

- 6.18 The supervisor is responsible for:
- Reviewing the [role catalogue](#) to determine which role(s) is/are required by their employee(s) for finance access to DFMS; and
  - Reviewing their employees(s) completed registration application for finance access to DFMS and forwarding it to the RC Manager for approval.

### **Departmental Financial Management System User**

- 6.19 The Departmental Financial Management System (DFMS) user is responsible for:
- Completing the prescribed DFMS registration process if finance access is required for their job function;
  - Completing the mandatory training before using the DFMS;
  - Keeping their user identification code and password confidential and not granting finance access of their DFMS account to any other person;
  - Locking their computer when away from their desk to prevent unauthorized DFMS finance access;
  - Having finance access to only the DFMS information required to carry out their job responsibilities;
  - Ensuring they do not input or approve any payment of travel, relocation, General Allowance claims in DFMS unless specifically authorized by the Comptroller;
  - Ensuring they do not input or approve any financial documents in DFMS for which they can benefit directly or indirectly;
  - Treating all the DFMS information as proprietary and not revealing such information, except to the extent required by their job responsibilities; and

- Informing their RC Manager when they no longer occupy the position requiring their current DFMS finance access or when they will be away from their position for a period longer than 60 consecutive calendar days.

## **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**

### **Legislation**

[Access to Information Act](#)  
[Financial Administration Act](#)  
[National Defence Act](#)  
[Privacy Act](#)  
[Public Service Employment Act](#)

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

[TB Policy on Financial Management](#)  
[TB Policy on Government Security](#)  
[TB Guide to Internal Control over Financial Management](#)  
[TB Guide to Ongoing Monitoring of Internal Controls over Financial Management](#)  
[TB Guideline on Self-Insurance](#)  
[TB Directive on Delegation of Spending and Financial Authorities](#)  
[TB Directive on Payments](#)  
[TB Directive on Public Money and Receivables](#)

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

[FAM Chapter 1014-2-1 – Corporate Departmental Accounting Office \(CDAO\)](#)

[FAM Chapter 1014-2-2 – Regional Departmental Accounting Office \(RDAO\)](#)  
[FAM Chapter 1014-3 – Statement of Management Responsibility Including Internal Controls Over Financial Reporting](#)  
[FAM Chapter 1014-4-1 - Control of Financial Signing Authorities](#)  
[FAM Chapter 1016-4 – Manage Payments – FAA Section 33](#)  
[FAM Chapter 1016-7 – Departmental Credit Cards](#)

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

[CDAO Commiqués](#)  
[Financial Management Procedures and Guides](#)  
[DRMIS Role Catalogue](#)  
[DRMIS LACO Responsibilities](#)  
[DRMIS Generic Userids \(Roles RU32, RU34 and RU37\)](#)  
[DRMIS Role Assignment Rules](#)  
[DRMIS Production Role Eligibility based on Employment Category](#)  
[DRMIS LACO Procedures to Combine Roles against a User ID](#)  
[DRMIS LACO Procedures to Re-deploy a User ID](#)  
[DRMIS LACO Procedures to Rename User ID](#)  
[DRMIS LACO Process Dashboard](#)  
[DRMIS Finance Coordinator Job Aid](#)  
[DRMIS Finance User Job Aid](#)  
[DRMIS Business Process – Report Process Guides](#)  
[Dormant Finance Userid Archive Process](#)  
[DRMIS Finance Access Application Form](#)

Please see ADM(Fin) web site for tools to which the FM procedure relates.

## **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

**Business process (*processus opérationnel*)** is a collection of interrelated tasks and key controls operating together to achieve a desired result. Business processes shall include, but are not limited to, the financial management activities of planning, budgeting, accounting, reporting, financial control, oversight, analysis, decision-making support and advice.

**Business process owner (*responsable des processus opérationnels*)** is the individual responsible for overseeing the controls associated with a particular business process or an information technology general controls process.

**Delegate (*also delegated or delegation*) (*déléguer (aussi délégué ou délégation)*)** is an action by which a person (i.e., delegator), vested with specific statutory or delegated authorities, assigns a specific power or function to another individual.

**Departmental Financial management system (*système de gestion financière du Ministère*)** 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 program systems or central systems, that produces financial information and related non-financial information. DND's DFMS includes DRMIS and would also include any future replacement of DRMIS.

**Financial authorities (*pouvoirs financiers*)** includes:

- Certification authority ([Financial Administration Act, section 34](#)); and
- Payment authority ([Financial Administration Act, section 33](#)).

**Financial function (*fonction financière*)** is any function that will ultimately create, amend or delete financial information recorded in a DFMS or included in departmental financial statements, public accounts or other external financial reports. Therefore this includes input within a DFMS from departmental feeder systems.

**Financial information (*information financière*)** is any data or information and knowledge used in understanding, managing and reporting on the monetary aspects of any activity. Financial information is not limited to accounting data but includes aggregated information and knowledge developed and used to understand, manage and report on the monetary aspects of any activity.

**Financial management (*gestion financière*)** is a continuum of finance-related activities undertaken to ensure sound and prudent use of public funds in an effective, efficient and economical manner.

**Financial reporting (*rapport financier*)** is internal and external financial reports and disclosures. Internal financial reporting can include financial information that supports decision making, risk assessment, planning, budgeting, resource allocations, accounting, performance assessments and reports. External reporting includes all

financial statements, reports or disclosures, including those prepared for Parliament or designed to be made public.

**Internal control over financial management (*contrôle interne en matière de gestion financière*)** is a set of measures and activities that provide reasonable assurance of the effectiveness and efficiency of the financial management activities of the department.

**Responsibility centre manager (*gestionnaire de centre de responsabilité*)** is a generic term used to describe the incumbent of a position who is allocated a budget and who has spending authority and certification authority under the *Financial Administration Act* for this budget.

**System administrator (*administrateur du système*)** is a person who is responsible for the upkeep, configuration, and reliable operation of the financial management systems.

**System of internal control (*système de contrôle interne*)** is a set of internal controls in a department to mitigate risks and provide reasonable assurance in the following broad categories:

- The effectiveness and efficiency of programs, operations and resource management, including safeguarding of assets;
- The reliability of financial reporting; and
- The compliance with legislation, regulations, policies and delegated authorities.

As such, internal controls operate at all levels throughout the organization and are an integral part of an organization's risk management framework. In practice, the departmental system of internal control is composed of several internal control systems covering various management areas, such as financial management and financial reporting.

### **Acronyms**

ACS – Automated Cashier System

ADM – Assistant Deputy Minister

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

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

ADM(IM) – Assistant Deputy Minister (Information Management)

ADM(Mat) – Assistant Deputy Minister (Materiel)

CAF - Canadian Armed Forces

CDAO – Corporate Departmental Accounting Office

CFO – Chief Financial Officer

DFASST – Director Financial Analytics, Systems Support and Training

DFC – Director Financial Controls

DFMS – Departmental Financial Management System

DFO – Director Financial Operations

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DFP – Director Financial Policy  
DFSI – Director Financial Systems Integration  
DGFOS – Director General Financial Operations and Services  
DGSFG – Director General Strategic Financial Governance  
DM – Deputy Minister  
DND – Department of National Defence  
DRMIS – Defence Resource Management Information System  
EAA – Electronic Authentication and Authorization  
FAA – *Financial Administration Act*  
FAM – Financial Administration Manual  
FCOR – Finance Coordinator  
FM – Financial Management  
FP&F – Financial Planning and Forecast  
FSWEP – Federal Student Work Experience Program  
L1 – Level One  
LACO – Local Access Control Officer  
MND – Minister of National Defence  
PSEA – Public Service Employment Act  
RC – Responsibility Centre  
RDAO – Regional Departmental Accounting Office  
SOP – Standard Operating Procedures  
SWE – Salary Wage Envelope  
TB – Treasury Board

## Appendix B – Departmental Financial Management System Role Eligibility Based on Employment Category

An individual's type of employment category determines what roles they may be eligible for in DFMS:

Who <sup>6</sup>	DFMS Finance Access <sup>1</sup>
Public servant hired under the Public Service Employment Act	Full <sup>2</sup>
Term employee with longer than six months continuous service and eligible for a public service pension.	Full <sup>2</sup>
Regular force CAF member	Full <sup>2</sup>
Reservist – all classes <sup>3</sup>	Full <sup>2</sup>
Exchange candidate <sup>4</sup>	Full <sup>2</sup>
Students employed via the <a href="#">Federal Student Work Experience Program</a> (FSWEP) <sup>5</sup>	Full <sup>2</sup>
Non-Public Property (NPP) employee <sup>8</sup>	Full <sup>2</sup>
Commissionaire <sup>8</sup>	Full <sup>2</sup>
All Others <sup>8</sup> Currently includes (not exhaustive): Volunteer; Contractor <sup>7</sup> ; Consultant; Casual employee; Reservist – Class A who works less than an average of five (5) days per month; Students not employed via the <a href="#">Federal Student Work Experience Program</a> (FSWEP) Term employee with a term of less than six months (not pensionable); and Temporary help agency personnel.	Limited role eligibility as required to perform their duties

### Notes:

1. Only civilian indeterminate employees, CAF regular force members or Class A, B and C Reservists can be granted finance access to salary information;
2. Eligible for any role as determined by the RC Manager to fulfill the duties of the position and as authorized by the LACO.
3. For Class B and C reservists there are no restrictions other than as highlighted in note one. For Class A reservists, the individual must work at least an average of five (5) days per month.

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4. Individuals (military or civilian) who occupy an official DND position with a civilian or military position number and have a Memorandum of Understanding (MOU) in place that defines the roles and responsibilities and includes a clause for fraud or loss that indemnifies DND so that recovery can be made from the third party.

5. Individuals employed under [Federal Student Work Experience Program](#) (FSWEP), one of the TB programs described in [Student Employment Programs in the Federal Government](#).

6. These individuals must have appropriate knowledge of the departmental FMS and must have, as a minimum, an enhanced reliability security classification and be authorized by the LACO.

7. Contractors are required to complete the supplementary [Access and Non-Disclosure Agreement](#) Form.

8. As per Public Services and Procurement Canada Guide to Using Insurance Clauses, the Comprehensive Crime Insurance states that contractors whose employees will have the care, custody or control of money, securities, and other valuable property belonging to other parties should carry crime insurance which protects against liabilities arising out of:

- employee dishonesty;
- loss of money & securities from inside the premises; and
- loss of money & securities from outside the premises.