

**Management Response and Action Plan**  
**Audit of Regional Internal Services – Financial and Materiel Management**  
**December 2013**

Recommendations	Management Response and Planned Management Action	Deliverables	Expected Completion Date	Responsibility
<p><b>Recommendation 1</b></p> <p><i>It is recommended that Chief Financial Officer update the roles and responsibilities for regional financial and material management, to align with the new business processes and reporting relationships and communicate department-wide.</i></p>	<p>Management agrees with this recommendation.</p> <p>The Chief Financial Officer Branch (CFOB) will update and share departmentally the 2007 roles and responsibilities document to reflect the results of its transformation activities.</p>	<p>Director General of the Departmental Resource Management Directorate (DRMD) will lead a working group that will update the 2007 roles and responsibilities document to reflect the results of its transformation activities.</p>	<p>December 2014</p>	<p>CFOB - DRMD</p>
		<p>The Material and Assets Management Division (MAMD) will update its materiel management policies, guidelines and training material to reflect the results of its transformation activities.</p>	<p>January 2014</p>	<p>CFOB - Financial Operations Directorate (FOD) - MAMD</p>
<p><b>Recommendation 2</b></p> <p><i>It is recommended that Chief Financial Officer monitor the new internal controls related to the payables at year-end process and the procurement process for operating effectiveness.</i></p>	<p>Management agrees with this recommendation.</p> <p>CFOB will monitor the new internal controls related to payables at year-end (PAYEs) process and the procurement process for the operating effectiveness.</p>	<p>Internal Control Division (ICD) to monitor controls that are related to the procurement process.</p>	<p>May 2014</p>	<p>CFOB - FOD – ICD</p>
		<p>ICD to monitor controls related to the PAYEs.</p>	<p>August 2014</p>	<p>CFOB-FOD-ICD</p>

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<p><b>Recommendation 3</b></p> <p><i>It is recommended that the Chief Financial Officer continue to develop and implement a departmental asset management solution.</i></p>	<p>Management agrees with the recommendation.</p>	<p>Application of barcode labels on all moveable assets, primarily office furniture. Appropriate assets information is to be captured in the newly acquired barcode reader technology.</p>	<p>August 2014</p>	<p>CSB</p>
	<p>The Corporate Services Branch (CSB), with support from CFOB, will implement the barcode technology acquired in January 2013 and work towards applying barcode labels to moveable assets located within Health Canada’s work locations.</p>	<p>Implement senior management approved SAP asset management technology.</p>	<p>September 2014</p>	<p>CFOB – FOD -MAMD</p>
	<p>CFOB will present an asset management initiative for investment consideration by senior management to implement new SAP asset management technology that will capture the barcode information and inform the SAP asset records. As well, CFOB will review current asset management policies to align them with new organization structure design.</p>	<p>Update asset management business processes to align with new governance structure.</p>	<p>September 2014</p>	<p>CFOB – FOD -MAMD</p>
		<p>Update asset management policies, guidelines and training materiel to align with new business processes.</p>	<p>September 2014</p>	<p>CFOB – FOD - MAMD</p>