



Public Health  
Agency of Canada

Agence de la santé  
publique du Canada

**Management Response and Action Plan**  
**Audit of Key Financial Controls – Year 2**  
**December 2014**

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Recommendations	Management Response and Planned Management Actions	Deliverables	Expected Completion Date	Responsibility
<p><b>Recommendation 1</b></p> <p><i>It is recommended that the Chief Financial Officer ensure that:</i></p> <ul style="list-style-type: none"> <li>• <i>the management variance review attestation text is modified to ensure that it reflects the nature of the work performed for the review of salary expenditures; and</i></li> <li>• <i>the management variance review process is amended to include sign-off at the cost centre manager level, to serve as evidence of Finance Administration Act Section 34 certification of pay expenditures.</i></li> </ul>	Management agrees with the recommendation.			
	<p>The Office of the Chief Financial Officer will work with Accounting Operations and Systems to ensure that the management variance review attestation text is modified to reflect the nature of the work performed related to the review of salary expenditures.</p>	<p>The Office of the Chief Financial Officer will work with Accounting Operations and Systems within the Shared Services Partnership to implement a new attestation text that will be inserted into the management variance review sign-off forms, specifying the work completed relating to salary expenditures.</p>	December 31, 2014	Director, Resource Management and Analysis Division (RMAD) and Director, Accounting Operations and Systems Division, Financial Operations Directorate, Shared Services Partnership
	<p>The Office of the Chief Financial Officer will communicate the requirement to obtain sign-off for management variance review forecasts by all cost centre managers.</p>	<p>The Office of the Chief Financial Officer will modify the management variance review call letter to instruct branches to obtain management variance review sign-offs at the cost centre level.</p>	December 31, 2014	Director, RMAD
		<p>The Office of the Chief Financial Officer will update the management</p>	December 31, 2014	Director, RMAD

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		variance review information package to include reference to the Treasury Board Secretariat guidance requiring FAA Section 34 certification of pay expenditures.		
<p><b>Recommendation 2</b></p> <p><i>It is recommended that the Chief Financial Officer review and strengthen access controls to the departmental financial system, to ensure that mutually exclusive roles cannot be assigned to a single user.</i></p>	<p>Management agrees with the recommendation.</p>			
	<p>Actions will be taken to review security roles, to ensure alignment with new business processes and system enhancements, and additional monitoring will be performed.</p>			
	<p>The Framework for Integrated Resource Management System (FIRMS) will perform a review of the security access of the users where PAAB identified access to incompatible duties and will either make adjustments to security roles or remove user access to security roles.</p>	<p>Adjusted SAP security roles and/or removal of user access to security roles.</p>	<p>March 31, 2015</p>	<p>Director, Accounting Operations and Systems Division, FOD, CFOB</p>
<p>FIRMS will perform quarterly monitoring of the FIRMS employees with access to Post-Invoice and Payment Run for production support purposes, to ensure that no transactions are</p>	<p>Quarterly monitoring to ensure that FIRMS employees with access to Post-Invoice and Payment Run have not posted any transactions.</p>	<p>March 31, 2015</p>	<p>Director, Accounting Operations and Systems Division, FOD, CFOB</p>	

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<p><b>Recommendation 3</b></p> <p><i>It is recommended that the Assistant Deputy Minister, Corporate Services Branch, under the Shared Services Partnership, conduct cyclical and ongoing monitoring activities of salary payments and report to the Financial Operations Directorate, as described in the Compensation Monitoring Framework.</i></p>	<p>Management agrees with the recommendation.</p> <p>The reason that monitoring was not conducted in FY 2013-14 was due to the fact that during the same time period, two Portfolio Audit and Accountability Bureau (PAAB) audits (PeopleSoft and Regional Operations) and a CFOB-ICD review took place. Resources were spent instead on enhancing controls and responding to the above-mentioned reviews.</p>			
	<p>The Human Resources Services Directorate will conduct quarterly monitoring and reporting, in accordance with the CSB Compensation Monitoring Framework, until such time as all compensation activities have been transferred from the Agency to Public Works and Government Services Canada's Pay Centre. As</p>	<p>Compensation Monitoring Plan for 2014-15.</p>	<p>Plan completed March 2014</p>	<p>Director General of Human Resources, Corporate Services Branch in the Shared Services Partnership</p>

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	of FY 2014-15, monitoring activities are underway and operating effectively, in accordance with the framework.	Quarterly monitoring reports against the Plan. As of August 31, 2014, Q1 reporting is complete, as per the monitoring schedule. Three reports have been submitted: <ul style="list-style-type: none"> <li>- Leave Adjustment Reason Report to PAAB regarding a PeopleSoft audit deliverable;</li> <li>- Vacation Cash-out Report; and,</li> <li>- Severance Pay Report to FOD, CFOB.</li> </ul>	Q1 August 2014 Q2 November 2014 Q3 February 2015 Q4 May 2015	
		Compensation Monitoring Plan for 2015 (for period April to October only).	March 2015	
		Quarterly monitoring reports against the Plan.	Q1 August 2015	