

Year-End Government Transfer Expenditures (*Aspects of Financial Management*)

As at: July, 2012

Released: 25 August 2010

1st Follow-up: October 2011

2nd Follow-up: March 2012

Discussed by the Public Accounts Committee: 17 November 2010

Self-assessment conducted by the Office of the Comptroller General

Comments:

The implementation of revised PSAB guidance on Government Transfers is underway and will be the main initiative to address the recommendations in the report. The implementation will be completed in Fiscal year 2012/13 and will focus on policy guidance, and, operational tools and strategies, as well as financial accounting.

Outstanding Recommendations:

RECOMMENDATION AND SUMMARY OF PROGRESS	SELF-ASSESSED STATUS
<p>Recommendation 1: In keeping with good financial management practices, government not advance significant government transfers until the funds are needed by the recipient, unless the results of a cost-benefit analysis show there is a net benefit.</p> <p>Actions taken, results and/or actions planned</p> <p>Transfers and transfer programs are designed to ensure risks and opportunities are assessed to determine the appropriate schedule of payments for significant government transfers. Policy changes are being implemented across ministries. Procedural tools are being developed in collaboration with target ministries.</p>	<p>Partially implemented</p>
<p>Recommendation 2: All transfer agreements include appropriate accountability requirements and provisions to recover or re-direct any funds not spent for the intended purposes.</p> <p>Actions taken, results and/or actions planned</p> <p>Transfers and transfer programs are reviewed to ensure appropriate accountability provisions are included in transfer agreements. Active review of significant transfer programs are being undertaken by ministries, in consideration of revised policy and procedural guidance.</p>	<p>Partially implemented</p>
<p>Recommendation 3: Government ensure that government transfers are recorded consistently to provide better information for financial management and decision making.</p> <p>Actions taken, results and/or actions planned</p> <p>Transfers and transfer programs are recorded and reported consistently as government transfers. Ongoing training and guidance is provided to support ministries transition to revised PSAB guidance and will continue through the implementation year 2012/13.</p>	<p>Fully or substantially implemented</p>