

Part: **Financial Management and Administration**  
 Section: **Treasury Board's Risk Management Policies**  
 Subsection: **Financial Systems**  
 Policy: **Implementing Financial Systems**

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## Implementing Financial Systems

**Objective** *The objective is to outline ministries' and the Provincial Comptroller's responsibilities regarding financial systems.*

**Authority** *The Financial Administration Act, 1993, clauses 5(a), 5(c), and 5(e), subsection 10(2), and sections 22 and 28*

**Applicability** This policy applies to the General Revenue Fund (GRF), and special purpose funds and trust money that are administered by ministries. See [Appendix C Public Money](#).

- Treasury Board Policy**
- .01 Ministries are responsible to design, develop, implement and operate their financial systems.
  - .02 Ministries are to ensure their financial systems contain adequate internal controls, and conform to legislation, government policy and sound financial management practice.
- Provincial Comptroller Directives**
- .03 *The Financial Administration Act, 1993* charges the Provincial Comptroller with oversight responsibilities for the receipt, recording and proper disposition of public money, the control of disbursements from the GRF and ensuring compliance with Treasury Board orders and directives.
  - .04 The Provincial Comptroller accomplishes these responsibilities, in part, through system reviews, audits and other work undertaken by the Provincial Comptroller's Office (PCO).
  - .05 The Provincial Comptroller has delegated the authority for reviewing new financial systems and major changes to financial systems to the Assistant Provincial Comptroller.
  - .06 Ministries are to advise the PCO of any planned development of new financial systems or major changes to existing systems.
  - .07 Ministries are to provide the PCO with information on the financial system to allow the PCO an adequate opportunity to raise concerns prior to the commencement of system development.
  - .08 The PCO employs a risk based approach, and may conduct an initial risk assessment to determine the nature and extent of

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PCO's review of the financial system.

- .09 Ministries should consult their internal audit staff early in the financial system development process. This will assist ministries in ensuring their financial systems contain adequate internal controls, and that they conform to legislation, government policy and sound financial management practice.
- .10 The chart below summarizes the responsibilities of ministry officials in the design, development and implementation of new financial systems.

Stage	Ministry Responsibilities
<b>Initiation</b>	<ul style="list-style-type: none"> <li>defines problem</li> <li>defines project objectives</li> <li>defines alternative solutions and selects best alternative</li> <li>obtains funding approval</li> <li>establishes project management structure</li> <li>notifies the PCO of forthcoming system development</li> </ul>
<b>System Design</b>	<ul style="list-style-type: none"> <li>translates user needs into system requirements</li> <li>identifies major manual and automated internal controls</li> <li>tenders system development in accordance with procurement policies</li> </ul>
<b>System Development</b>	<ul style="list-style-type: none"> <li>develops and documents system according to design</li> <li>monitors to ensure project objectives are being met</li> </ul>
<b>System Testing</b>	<ul style="list-style-type: none"> <li>conducts sufficient testing to ensure system functions as intended</li> </ul>
<b>Data Conversion</b>	<ul style="list-style-type: none"> <li>ensures data is not lost or altered in the process of converting to a new system</li> </ul>
<b>System Implementation</b>	<ul style="list-style-type: none"> <li>ensures control issues are addressed prior to implementation</li> <li>ensures system conforms to legislation, government policy and sound financial management practice</li> <li>assesses how the system meets the project objectives</li> </ul>

**References**

- [4000 Financial Systems](#)
- [4005 Acquisition of Financial Systems](#)
- [4010 Development of Financial Systems](#)
- [4020 System Processing Controls](#)
- [4025 System Security](#)
- [4130 Internal Audit Guideline](#)