

The Contribution of Sound Budgeting and Financial Management Practices in Promoting Integrity in Procurement

Overview

Wisely using public funds to achieve specific outcomes on behalf of citizens is central to a well performing public institution. A robust financial management regime, founded on ethics and values, is key to integrity in the use of public funds, including in procurement.

Transparency and therefore visibility into management and financial performance begins with the budget process and has to be reflected throughout key management processes and practices to support investment decisions, asset management, procurement, and the in the final results reflected in sound corporate reporting. The transparency and visibility essential to management of the entire management life-cycle from expenditure planning to final results are also essential to ensuring integrity in management, including in procurement.

In the Government of Canada, strengthening accountability for public expenditures has been an important part of reform efforts in the last decade. These efforts have focused on bringing the achievement of results and associated expenditures to the forefront of the parliamentary appropriations process and now, in the management of core enabling processes such as procurement. This is a fundamental change in culture and accountability and, while progress has been made, much remains to be done including implementing a new Accountability Act currently before Parliament.

The new *Federal Accountability Act* seeks to reinforce citizens' confidence in the procurement process through:

- an overarching statement of procurement principles that commits the Government to promoting fairness, openness, and transparency in bidding process;
- the inclusion of integrity provisions in contracts; and
- the creation of a dedicated Procurement Auditor to:
 - review procurement practices across government;
 - handle complaints from potential suppliers;
 - review complaints regarding contract administration;
 - manage an alternative dispute resolution process for contracts; and
 - submit an annual report to be tabled in Parliament.

As part of the Accountability Act action plan, an independent procurement expert has been engaged to review a proposed policy on managing procurement to ensure that its requirements reinforce a fair, open, and transparent procurement process. A Code of Conduct for Procurement to consolidate the existing suite of conflict-of-interest and anti-corruption policies, which would apply to both suppliers and public-service employees is being developed. As well, an Office of

Small and Medium Enterprises has been created to assist businesses in ensuring access to government opportunities and fair treatment.

However, financial and budgetary integrity in procurement is founded in long-established legislative requirements under Canada's Financial Administration Act (FAA¹). The Act requires that:

- funds be used for the purposes intended as approved by Parliament,
- monies be spent only up to an amount authorized by Parliament, with payments certified that the performance of work, the supply of goods or the rendering of services are in accordance with contracts and
- that any payments are a lawful charge, not exceeding the value of the appropriation and not exceed the overall commitments to be charged against the appropriation. (see Appendix 1 for key excerpts)

These provisions are also the basis for organizational considerations such as ensuring an appropriate segregation of duties whereby, budget, procurement, project and payment verification activities are conducted by individuals from separate functions and distinct reporting relationships²

Currently, efforts are under way to go beyond the Financial Administration Act provisions, as part of the renewal of Treasury Board policies, specifically to extend accountability from using expenditures for the "purposes intended" to outcomes to be achieved with those expenditures. This change is establishing much more structured and detailed appropriations documents and performance reporting both in departments and with Parliament. The policy at the centre of this change is the Management Reporting and Results Structure Policy (MRRS)³. It sets out a broad set of responsibilities for framing how program activities and associated results are to be presented to Parliament in the annual appropriations processes and for departmental management purposes. The transparency and visibility these changes provide into various types of expenditures and associated results are also the basis for a much stronger foundation in promoting integrity.

Specifically, the Management Reporting and Results Structure Policy requires expenditures and subsequent management reporting link specific results or outcomes to be achieved within an established program activity architecture (PAA). This includes specific results statements and associated performance measures that are the foundation for the strategic alignment of core business processes used to support various types of government expenditures, such as asset management and procurement. This makes a visible and transparent accountability link to a

¹ Financial Administration Act (R.S. 1985, c.F-11) <http://laws.justice.gc.ca/en/F-11/index.html> key excerpts may be found in Annex 1.

² Treasury Board Policy on Responsibilities and Organization for Comptrollership – now being amended as part of a new policy on management control. – February, 1996. http://www.tbs-sct.gc.ca/pubs_pol/dcgpubs/TBM_142/1-2CM1E.asp

³ Treasury Board Management Reporting and Results Structure Policy, April 2005, http://www.tbs-sct.gc.ca/pubs_pol/dcgpubs/mrrsp-psgrr/siglist_e.asp

regime of performance measures, in some instance associated services standards and specific budget amounts in reporting.

While the Management Reporting and Results Structure Policy is the starting point, the alignment of management activities through which expenditures take place such as procurement is also being addressed. A new Assets and Acquired Services Policy Framework⁴, that took effect this fall, requires that procurement activities be clearly aligned with the expected results of key program activities and demonstrate how they contribute to realizing the outcomes for which monies are appropriated by Parliament to departments. The policy further requires that processes and information essential to visibility into underlying costs and processes be in place “that provide the basis for managing performance and for assigning costs to support:

- effective fact-based decision-making, budgeting and reporting consistent with the Management Resources and Results Structure (MRRS)
- re-allocation in response to changing priorities,
- risk-based oversight and monitoring and
- demonstrated compliance with legislation, regulations and policy.”

In addition to establishing the planning and budget reporting requirements, the new frameworks and associated policies recognize the importance of the enabling environment for contributing to the realization of outcomes. Specifically they also recognize that accountability and integrity in management depends on effective governance, processes, financial and non-financial management reporting and systems, management capacity and controls based audit. As well in the case of larger organizations with more complex activities such as investments or projects well developed processes, performance measurement regimes and supporting information systems also play a critical role.

The policies also reflect the importance of an integrated management model linking appropriation, budgeting, investment, procurement, asset and operations management processes. The effectiveness of an integrated model and an associated management control framework is to be validated through a robust audit processes. This is a significant departure from long established practice. It means moving from traditional transaction focused, siloed functions and governance with limited financial management and performance information used in management and decision-making and a transactional approach to audit.

Therefore as the overall policy framework is evolving departments are re-thinking their management control frameworks, examining the role of learning in areas such as financial management, procurement and internal audit⁵. Significant work is underway in areas such as governance and integrating management processes, in developing financial and performance measurement reporting and supporting systems. Also key is capacity building through training at

⁴ Assets and Acquired Services Policy, Nov , 2006. http://www.tbs-sct.gc.ca/pubs_pol/dcgpubs/aas-gasa/fmaas-cpgasa/fmaas-cpgasa_e.asp

⁵ Internal Audit Policy Suite, April 1, 2006, http://www.tbs-sct.gc.ca/pubs_pol/dcgpubs/ia-vi/siglist_e.asp

all levels of management as well as a greater reliance on professionally accredited or certified communities of practice and external recruitment.

The Government of Canada is embarked on a complex change process in terms of culture, policy, processes, practices and standards and capacity building. Considerable work lies ahead for central standard setting bodies in the government notably the Treasury Board Secretariat and Office of the Comptroller General as well as in departments and operations such as Service Canada and common service providers such as Public Works and Government Services Canada.

Foundation Framework for Treasury Board Policies

In Canada, the government uses a mix of legislation, regulation and policies to set standards for management. The new Management and Reporting and Results Structure Policy and the Assets and Acquired Services Framework, and Internal Audit Policy framed within the Treasury Board Policy Foundation Framework⁶.

The Framework sets out general purposes of Treasury Board policies specifically to:

- Establish and strengthen a consistent management approach across government;
- Manage significant risks to the operations of all departments; and
- Reflect and put into action public service values such as probity, prudence, equity and transparency.

Treasury Board policies further ensure roles, responsibilities and performance expectations are clear with performance expectations set to be balanced with the capacity (skills and resources) to deliver. They promote the use of credible, timely information in reporting and demonstrating policy compliance and good management performance and continuous improvement of public sector management. The policies also require process to be in place to oversee compliance and consequences associated with compliance and the performance achieved..

Collectively, Treasury Board's policy instruments seek to convey an integrated approach to public sector management by providing clear direction to departments on how to orient their activities toward the achievement of results, attract and retain qualified people, embed a citizen focus in the delivery of programs and services, be good stewards of public resources and assets, and assist ministers in their accountability to Parliament.

Management, Resources, and Results Structure Policy

The *Management, Resources and Results Structure Policy* took effect April 1st, 2005. It replaced a 1996 policy that launched efforts to improve reporting to Parliament the *Planning, Reporting, and Accountability Structure*.

⁶Foundation Framework for Treasury Board Policies, June 2006, http://www.tbs-sct.gc.ca/prp-pep/ff-cp/ff-cp_e.asp

The policy promotes the development of a common, government-wide approach to the management, and reporting of financial and non-financial performance information as a standard basis for reporting to citizens and Parliament. It requires the alignment of resources, program activities and results, to strengthen public sector management and accountability, consistent with the [Management Accountability Framework](#) while providing departments with the ability to design and manage programs to best achieve results for Canadians.

The policy changes in important ways the Financial Administration Act's provision that funds be used for the purposes intended as approved by Parliament by expanding the basis upon which that approval takes place. Specifically the policy requires that departments have a management, resources and results structure with three elements:

“I. Clearly defined and measurable Strategic Outcomes that:

(a) reflect the organization's mandate and vision linked to the government's priorities and intended results; and

(b) provide the basis for establishing horizontal linkages between departments with similar or natural groupings of strategic outcomes.

II. A Program Activity Architecture articulated at a sufficient level of materiality reflecting how resources are allocated and managed to achieve intended results and that:

(a) groups related program activities and linked logically to specific Strategic Outcomes;

(b) provides the framework for resource allocation planning and linked to specific activities at all levels and against which financial results are reported;

(c) provides the framework that links expected results and performance measures for activities at all levels and against which actual results are reported;

(d) provides the framework within which organizations' responsible for activities at each level commit to the results they intend to achieve with the resources allocated and render account inside and outside the department;

(e) establishes the structure for Estimates display, Public Accounts, and parliamentary reporting;

(f) serves as the basis for resource allocation by Parliament, the Treasury Board, and departmental management; and

(g) forms the foundation for constructing any horizontal program activity architectures involving more than one department.

III. A description of the current governance structure, which outlines the decision-making mechanisms, responsibilities, and accountabilities of the department.”

As the Management, Resources and Results Structure is the basis for the presentation of budgetary information and performance information to Parliament it is basis for Parliament’s approval of departmental appropriations. This is reflected in the policy’s requirement that the Management, Resources and Results Structure be the basis to report to Parliament through the Estimates documents (basis for Parliament to approve departmental budgets), Public Accounts (year end reporting of financial results), and other parliamentary reporting documents.

To enable effective reporting to Parliament, departments also required are to have the required information systems, performance measurement strategies, reporting, and governance structures are consistent with and support their organization's Management, Resources and Results Structure and actually manage the organization on that basis.

Based on the transparency and visibility into departmental management information the policy provides, government wide management is also required through a key tool, the Expenditure Management Information System (EMIS). The EMIS is a framework of common, government-wide business processes and information standards that will deliver integrated financial and non-financial information from a variety of sources. This information will be at a level of detail that will be required for improved reporting and transparency, budget decision-making, and management of horizontal initiatives

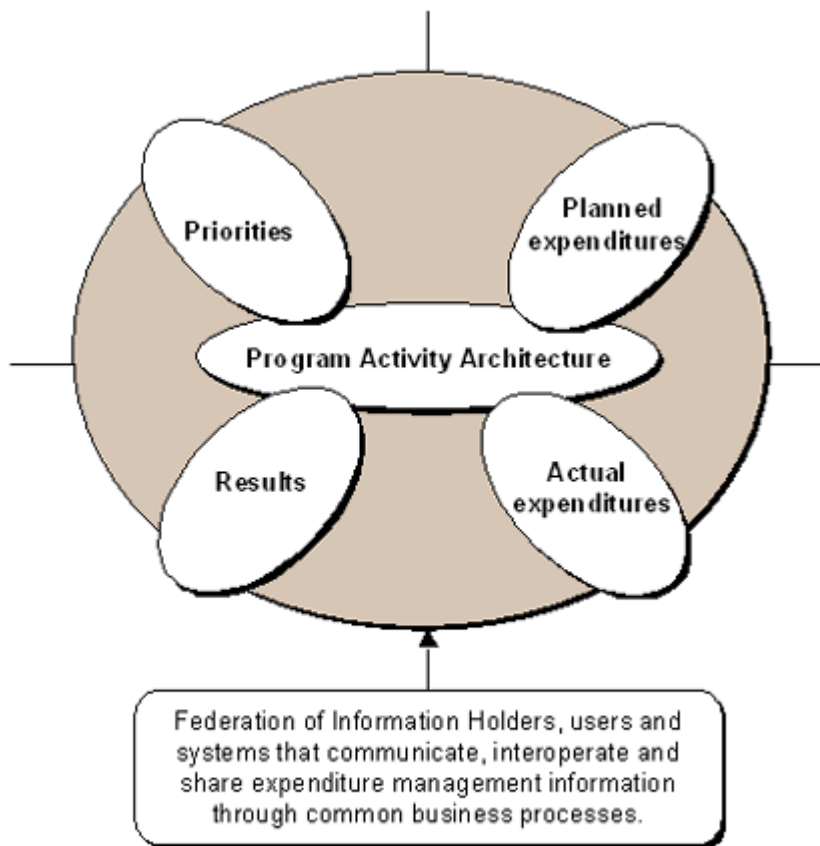


Figure 1: EMIS High Level Framework

The Expenditure Management Information System is intended to provide transparency and visibility into departmental activities and integrates financial and non-financial information covering the wide range of government program activities (including departmental activities, and cross-government horizontal activities) to support alignment in decision-making associated with priorities, planned and actual expenditures and results as demonstrated in Figure 1.

The EMIS is the basis for:

- building government-wide capacity to exchange and integrate information on priorities, planned and actual spending, and results.
- providing necessary information systems and analytical tools to support TBS' role as a Budget Office and Management Board.
- improving the reporting government expenditures and results to Canadians and Parliament.

Building on the direction of the Management Resources and Results Structure Policy, overall policy direction in key areas such as asset management and procurement deepen and further transparency and visibility into expenditures managed through these core business processes.

Policy Framework for the Management of Assets and Acquired Services

This framework took effect November 1st, 2006. It along with its associated policy instruments set the direction for the management of assets and acquired services to ensure these activities provides value for money and demonstrates sound stewardship in program delivery activities.

Assets include a very broad range of resources ranging from land, buildings and major IT systems to furniture and equipment. Acquired services can be very simple, such as temporary help, or highly complex service delivery arrangements.

The policy requires that decisions with respect to the management of assets and acquired services (including how they are procured):

- are consistent with government priorities and departmental mandates, enable program outcomes, address critical risks, and comply with legislation, regulations and policies;
- demonstrate public service values and ethics, rigorously assess health and safety, actively promote environmental stewardship, contribute to broader government objectives and ensure access, service quality, privacy, and security;
- encourage innovation by considering the full range of options available to best meet program needs;
- are informed by financial and non-financial performance measures and results; and
- are fair, transparent and accessible to serve Parliament's appropriation and oversight role and the Treasury Board's management role.

It further requires that value for money and sound stewardship in the management of assets and acquired services are achieved through:

- strategic and integrated decision-making and management processes at a government-wide, horizontal, portfolio, departmental and program levels to optimize the use of assets and services;
- a risk-based and complexity-based approach to processes, systems, capacity, resourcing, oversight and reporting to promote the attainment of program outcomes;
- a life cycle management approach reflecting direct and indirect costs of assets and services, to ensure affordability, cost effectiveness and performance;
- consideration of asset performance and utilization in retention and disposal decisions made in support of program delivery;
- delegation of authority based on need, capacity and on an effective regime of accountabilities and responsibilities;
- efficient and effective business processes; and
- management systems, processes and information that provide the basis for managing performance and for assigning costs to support:
 - effective fact-based decision-making, budgeting and reporting consistent with the Management Resources and Results Structure (MRRS)
 - re-allocation in response to changing priorities,
 - risk-based oversight and monitoring and
 - demonstrated compliance with legislation, regulations and policy.

It requires that Deputy Heads be accountable for implementing an effective management framework, including departmental procedures, processes and systems, that demonstrate how the department is managing based on the principles identified above. It also requires that the management of assets and acquired services is effectively integrated with program, expenditure, financial and human resources related considerations to promote value for money.

Assets and acquired services management practices and controls are to be monitored and actions taken when control failures are identified that are fact-based, get to root causes and respect due process when dealing with issues of personal conduct.

This Framework is linked to and informed by other key frameworks and associated policies such as the [Foundation Framework for Treasury Board Policies](#), the Integrated Risk Management Framework and the Financial Management Policy Framework.

Information gathered through policy monitoring and reporting, as well as through the review of audits conducted by departments or the Office of the Auditor General, is used to assess a department's management performance by Treasury Board Secretariat. These assessments may be used to inform discussions between the Secretary of the Treasury Board and Deputy heads on

the Management Accountability Framework (MAF). Deputy Heads are responsible for ensuring that the findings of MAF assessments and issues identified through monitoring are examined, reviewed and effectively acted upon.

Departmental performance is the basis for increased delegations and or their limitation or removal by Treasury Board Ministers. Delegations for asset and acquired services related management activities are informed by a department's demonstration of management capacity relative to this framework and associated policies, directives and standards.

Since information gathered through policy monitoring and reporting, as well as through the review of audits conducted by departments or the Office of the Auditor General, is used to assess a department's management performance, a new internal audit policy that took effect in April 1, 2006 is a significant component in validating and testing the processes, information and compliance at the centre of both financial and non financial performance and integrity in procurement.

Policy on Internal Audit

This policy took effect on April 1, 2006. It seeks to strengthen public sector accountability, risk management, resource stewardship and good governance by reorganizing and bolstering internal audit on a government-wide basis. A strong, credible internal audit regime allows for confidence by citizens and government, contributes to effective risk management, sound resource stewardship and good governance, and is a key underpinning of governance within departments and agencies.

The key role as set out in the policy is the role of chief audit executives providing annual holistic opinions to deputy heads and audit committees on the effectiveness and adequacy of risk management, control, and governance processes in departments and reporting on individual risk-based audits. It also requires that the Deputy heads of all departments have effective procedures to ensure systematic review of control and accountability processes in their departments and ensure audit committee receives all of the information and documentation needed or requested to fulfill its responsibilities, subject to applicable legislation.

The audits are transparent to citizens and elected officials be accessible and posted on departmental web sites in a timely manner. Periodic briefing of Ministers on significant items arising from the work of internal audit and the audit committee including associated management action plans and their timelines for implementation are also required.

To ensure central agency oversight, departments must provide the [Office of the Comptroller General](#) area of the Treasury Board Secretariat with full access to departmental records, databases, workplaces and employees, and obtain information from departmental employees and contractors as part of the and management representations to support the planning, conduct, and reporting of audits.

The Comptroller General of Canada as part of its Treasury Board Secretariat central agency role is to report annually to Treasury Board ministers on:

- Significant issues of risk, control or management arising from internal auditing across government; and
- The overall state of risk management, control, and governance processes across government.

Implications for Departments and Current Efforts at Service Canada

What is Service Canada?

Service Canada is an initiative launched by the Government of Canada in September of 2005 to provide benefits, services and information to Canadians across the country, by telephone, over the Internet, by mail, or in person at Service Canada Centers and through partnering with established service delivery providers. As the primary service delivery organization it:

- Serves 32 million Canadians per year
- Administers over \$70 billion in payments
- Employs over 22,000 staff
- Has 320 offices across the country
- Handles 14 million Web visits per year
- Answers over 50 million calls per year
-

Service delivery activities include payments to individuals such as pension and employment insurance benefits, settlements to aboriginal Canadians, passport applications, boating licences (pleasure craft) as well as a broad range of information of interest to citizens⁷.

Management Reform and Service Canada

Management reform in the Government of Canada is driving a significant change agenda in departments. Service Canada is engaged in management reform at two levels. First, Service Canada is a significant reform initiative aimed at improving service delivery to Canadians. Service Canada is restructuring the government's approach to external service delivery model to provide integrated seamless, citizen-centred services through the channel of their choice.

Service Canada is also implementing management reforms at a second level, specifically a broad range of internal management reforms. With the exception of human resource management reforms, the primary focus of internal service reform at Service Canada is centred on the work of the Chief Financial Officer Branch. This transformation work reflects both a new role for financial officers in departments based on standards being developed by the Office of the Comptroller General at Treasury Board Secretariat and significant changes in the management of core functions such as project management, asset management and procurement.

Given the size and scale of Service Canada and its operations, the transformation work is focused on becoming a process based organization. Specifically, work is underway to establish an end-to-end cycle of core processes from appropriations, to budgeting and forecasting, investment, procurement and asset management. Building a modern regime at Service Canada also entails the establishment of key centres of excellence for costing and management reporting. (see figure 2).

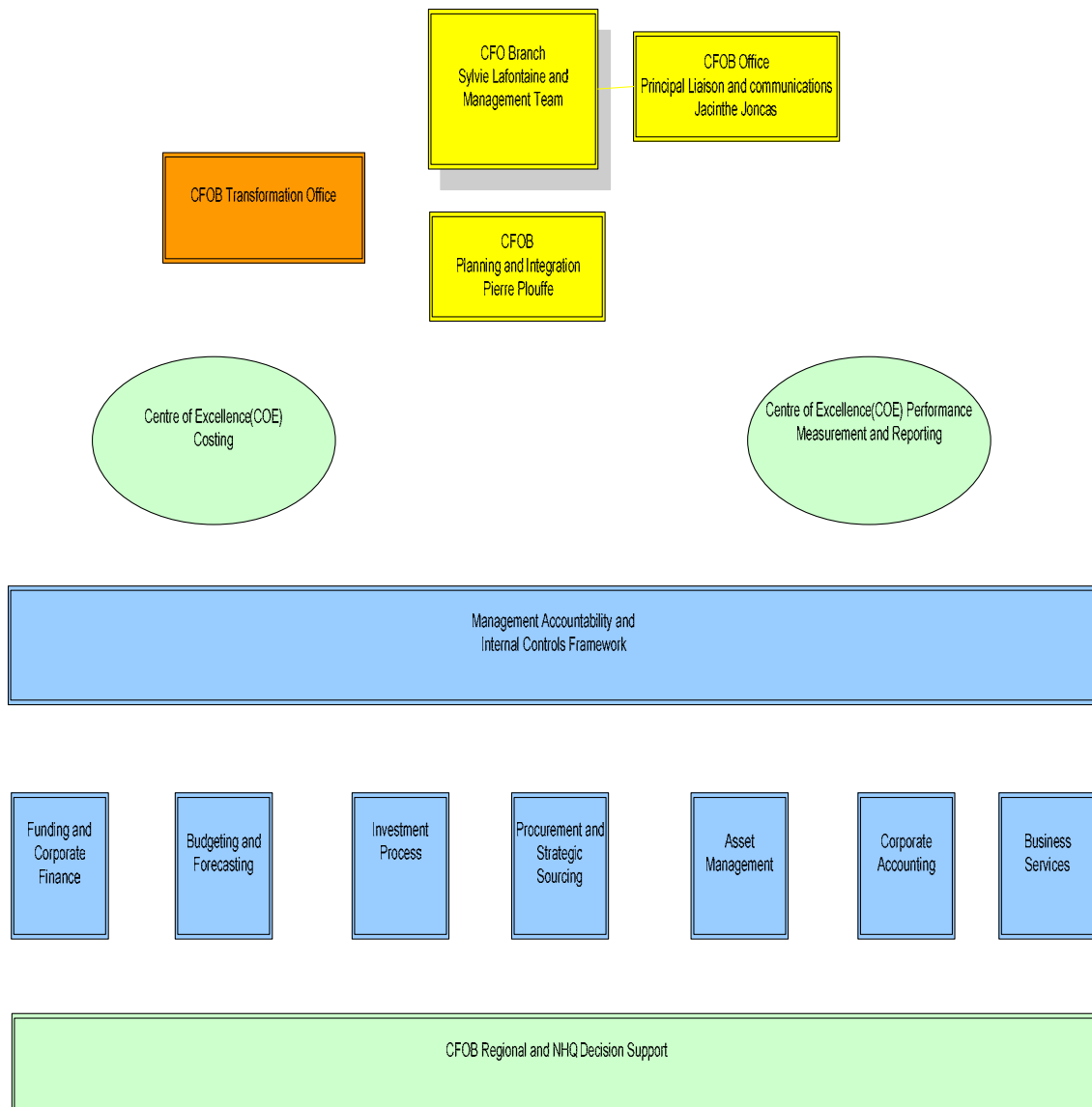
⁷ <http://www.servicecanada.gc.ca/en/home.html>

The capacity to link financial and non-financial performance information as required by the Management Reporting and Results Structure Policy is very heavily dependent on these Centres of Excellence. The quality of these Centres of Excellence depend significantly on the quality of information from the core functions and processes, such as procurement.

Figure 2

Chief Financial Officer Branch (CFOB) Transformation Framework

This Framework is being validated with key stakeholders



The key outcomes that are driving the design of Service Canada's new model are value for money, sound stewardship and service excellence. These outcomes are the basis for measuring the cost, quality and timeliness of the key processes as well as the transactions managed through the processes. Through greater standardization from process based management and its associated well defined repeatable steps, ongoing financial and non-financial performance measurement and clearly identified responsibilities and accountabilities, greater visibility and transparency is created essential to integrity including in procurement.

In specific terms, transactions, activities and costs that deviate in a material way from standard for the organization become visible sooner through ongoing attention to management performance information as required in the MRSS policy and key areas such as budgeting, investment, project management and procurement.

More particularly in procurement with greater attention to buying patterns, costs and market place information, there is a much stronger basis for the early identification of risks. This attention to key information is important to the underlying planning information that is the foundation for annual departmental budget information that is to be presented in a department's program activity architecture.

In figure 3 on page 14, the key elements of a process based procurement organization and its linkages to key financial management processes, functions and activities are highlighted. The procurement organization being created at Service Canada includes a series of core activities essential to effectively planning and managing procurement. This includes developing a segmented business model based on the complexity, risk and volumes associated with various types procurement. Key supporting activities include the creation of management intelligence with respect to market places, pricing, supplier offerings and performance track record and innovations in practice.

This management intelligence is necessary for designing the delivery of procurement transactions within well designed processes and performance measurement regime demonstrating how they contribute to value for money (direct and indirect costs), sound stewardship (compliance) and service excellence (timeliness and quality) and ultimately its alignment with the program activities specific program activities support. This management model provides a stronger ability to monitor better adherence to standard processes as well as the costs for various goods and services. Outcomes based management also becomes a critical enabler of assessing the validity and strength of the requirements of tendering processes.

Procurement therefore is now being to operate within an ever increasing level of transparency from a financial, compliance and performance perspective. And, as the Centres of Excellence mature, ongoing oversight by a series of independent operations is broaden thereby strengthening the foundation for not only better planning and management decision-making but also integrity.

And while Service Canada is establishing its new business model for its Chief Financial Officer Branch, supporting enabling functions are also being developed. For example, Service Canada is implementing the new internal audit policy and has created key governance mechanisms, most

notably its independent audit committee chaired and staffed by members from outside government.

At the heart of all these management activities is transparent, visible sound financial management clearly linked to the performance measurement, reporting and supporting systems. These are essential to management integrity including procurement and drive a sounder basis for accountability and are at the foundation of challenging work underway at Service Canada.

PUBLIC
DISBURSEMENTS

Payments out of
C.R.F.

26. Subject to the *Constitution Acts, 1867 to 1982*, no payments shall be made out of the Consolidated Revenue Fund without the authority of Parliament.

R.S., c. F-10, s. 19.

Estimates

27. All estimates of expenditures submitted to Parliament shall be in respect of payments during the fiscal year to which the estimates relate and expenditures that will be incurred during that fiscal year.

R.S., 1985, c. F-11, s. 27; 1991, c. 24, s. 11.

Control of
Commitments

32. (1) No contract or other arrangement providing for a payment shall be entered into with respect to any program for which there is an appropriation by Parliament or an item included in estimates then before the House of Commons to which the payment will be charged unless there is a sufficient unencumbered balance available out of the appropriation or item to discharge any debt that, under the contract or other arrangement, will be incurred during the fiscal year in which the contract or other arrangement is entered into.

Record of
commitments

(2) The deputy head or other person charged with the administration of a program for which there is an appropriation by Parliament or an item included in estimates then before the House of Commons shall, as the Treasury Board may prescribe, establish procedures and maintain records respecting the control of financial commitments chargeable to each appropriation or item.

R.S., 1985, c. F-11, s. 32; 1999, c. 31, s. 107(F).

Requisitions

33. (1) No charge shall be made against an appropriation except on the requisition of the appropriate Minister of the department for which the appropriation was made or of a person authorized in writing by that Minister.

Form

(2) Every requisition for a payment out of the Consolidated Revenue Fund shall be in such form, accompanied by such documents and certified in such manner as the Treasury Board may prescribe by regulation.

When requisition not to be made

(3) No requisition shall be made pursuant to subsection (1) for a payment that

(a) would not be a lawful charge against the appropriation;

(b) would result in an expenditure in excess of the appropriation;
or

(c) would reduce the balance available in the appropriation so that it would not be sufficient to meet the commitments charged against it.

Reference to Treasury Board

(4) The appropriate Minister may transmit to the Treasury Board any requisition with respect to which that Minister desires the direction of the Board, and the Board may order that payment be made or refused.

R.S., c. F-10, s. 26.

Payment for work, goods or services

34. (1) No payment shall be made in respect of any part of the federal public administration unless, in addition to any other voucher or certificate that is required, the deputy of the appropriate Minister, or another person authorized by that Minister, certifies

(a) in the case of a payment for the performance of work, the supply of goods or the rendering of services,

(i) that the work has been performed, the goods supplied or the service rendered, as the case may be, and that the price charged is according to the contract, or if not specified by the contract, is reasonable,

(ii) where, pursuant to the contract, a payment is to be made before the completion of the work, delivery of the goods or rendering of the service, as the case may be, that the payment is according to the contract, or

(iii) where, in accordance with the policies and procedures prescribed under subsection (2), payment is to be made in advance of verification, that the claim for payment is reasonable;
or

(b) in the case of any other payment, that the payee is eligible for or entitled to the payment.

Policies and procedures

(2) The Treasury Board may prescribe policies and procedures to be followed to give effect to the certification and verification required under subsection (1).

R.S., 1985, c. F-11, s. 34; 1991, c. 24, s. 13; 2003, c. 22, s. 224(E).

Definition of
“instruction for
payment”

35. (1) In this section and section 36, “instruction for payment” means an instrument or other instruction for the payment of money, but does not include a requisition under section 33.

Form of payments
out of C.R.F.

(2) Every payment out of the Consolidated Revenue Fund shall be made under the direction and control of the Receiver General by the issuance of an instruction for payment, in such form and authenticated in such manner as the Treasury Board may direct.

Claim for
settlement

(3) An amount set out in an instruction for payment issued under subsection (2), less any amount charged back as a result of a reconciliation pursuant to section 36, may be paid out of the Consolidated Revenue Fund where

(a) a claim for settlement of the amount is made by a member of the Canadian Payments Association or by a person authorized by the Receiver General to make a claim for settlement; and

(b) the claim is made in the prescribed manner and is accompanied by the prescribed evidence.

Prescription of
manner of claim

(4) The Receiver General may prescribe the manner of making a claim for settlement and the evidence that must accompany the claim.

R.S., 1985, c. F-11, s. 35; 1991, c. 24, s. 14; 1999, c. 31, s. 108(F).