



001 THE FINANCIAL ADMINISTRATION MANUAL

This directive explains that the Financial Management Board of ministers sets financial policy for the Government by issuing directives. The Comptroller General organizes these directives into the Financial Administration Manual (FAM). The Comptroller General sets procedures and communicates in other ways to help public servants understand, follow, and achieve the Board's policy objectives.

1.0 POLICY STATEMENT

- 1.1 Nunavummiut benefit when the Government clearly communicates its internal policies related to financial administration, financial management, and the use of public resources in a way that helps public servants understand, follow, and achieve Government objectives.

2.0 DIRECTIVE

- 2.1 The Comptroller General shall organize and communicate all directives of the Financial Management Board (Board) and may issue supporting policy instruments to help public servants implement Board directives with diligence, consistency, efficiency, and professionalism.

3.0 EFFECTIVE DATE

- 3.1 This directive takes effect October 13, 2022.
- 3.2 This directive replaces the following instruments:
- FAM Directive 3-1: About the Manual (September 2009)

4.0 AUTHORITIES AND DELEGATIONS

- 4.1 This directive is issued under the authorities of sections 5, 11, and 12 of the [Financial Administration Act \(FAA\)](#).
- 4.2 The Board has delegated to the Comptroller General the authority to issue, amend, and rescind procedures, standards, bulletins, forms, and other policy tools related to this directive.

5.0 OBJECTIVES

- 5.1 The objective of this directive is to:
- 5.1.1 Recognize that the Board sets Government policy related to financial management, financial administration, and the use of public resources by issuing directives under the *Financial Administration Act*.

- 5.1.2 Assign to the Comptroller General the responsibility to prepare, organize, communicate, maintain, and otherwise support the interpretation and application of Board directives.
- 5.1.3 Establish the Financial Administration Manual (FAM) as the authoritative source of the Board's directives and supporting policy instruments (e.g. procedures, standards, bulletins, forms, etc.) related to financial matters within the Government.

6.0 PROVISIONS

6.1 The *Financial Administration Act*:

- 6.1.1 Establishes the Board as a committee of Executive Council ("Cabinet") with broad responsibility for the financial management and administration of Government.
- 6.1.2 Creates for the Board a duty to act on matters related to financial management and administration. Examples include accounting and budgeting policies, the control and reporting of expenditures and revenues, and others.
- 6.1.3 Authorizes the Board to issue directives to public officers other than the Speaker respecting financial matters.
- 6.1.4 Requires public officers to implement the Board's directives promptly and efficiently.
- 6.1.5 Requires each Minister other than the Speaker to follow the general direction of the Board and the Minister of Finance on matters of financial administration and management.
- 6.1.6 Requires each Minister to report on the financial affairs for which he or she is responsible, in the form that the Board or the Minister may direct.
- 6.1.7 Establishes the role of Comptroller General, and assigns duties that include:
 - 6.1.7.1 Establishing the form and content of financial records and accounting systems.
 - 6.1.7.2 Establishing and maintaining systems and procedures to ensure proper accounting, control, and authorization of public money and property.

6.2 The Comptroller General is responsible for:

- 6.2.1 Preparing, for the consideration and approval of the Board, directives to help establish and communicate Government policy on matters related to financial administration, financial management, the use of public resources and related matters.
- 6.2.2 Tracking and communicating Board-approved directives through the Financial Administration Manual (FAM), the authoritative source of such directives.
 - 6.2.2.1 The Comptroller General may organize, structure, format or publish FAM, its directives, and supporting instruments (e.g. procedures,

- standards, bulletins, forms, etc.) in any way that helps communicate and achieve the Board's policy direction.
- 6.2.2.2 The Comptroller General may change how FAM is organized, structured, formatted or published, so long as these changes do not alter the content or meaning of the Board's policy direction.
- 6.2.2.3 The Comptroller General will ensure that approved directives are made accessible to the public electronically in a timely manner.
- 6.2.3 Issuing additional policy instruments that support the consistent interpretation and application of Board directives. Examples of supporting instruments include, but are not limited to:
- Standards – Processes, procedures, or practices that provide details about how employees are expected or required to conduct certain aspects of their duties.
 - Interpretation Bulletin: Insights, interpretations, exceptions, or additional clarifications related to a directive.
 - Forms – A document (paper or electronic) that collects information.
 - Other – Reports, checklists, guidelines, templates, glossary, or any other tool that helps public servants understand and implement Board directives.
- 6.2.3.1 The Comptroller General may issue, amend, or rescind supporting instruments without explicit Board approval.
- 6.2.3.2 The Comptroller General will update the Board when changes to supporting instruments are likely to be of interest to ministers due to their focus, scope, impact, or other characteristic.
- 6.2.3.3 The Comptroller General may identify the use of instruments as mandatory (e.g. a required form or process) or voluntary (e.g. helpful guidelines or checklists).
- 6.2.3.4 These instruments are internal tools that support FAM directives, and do not need to be made available to the public.
- 6.2.4 Reviewing the FAM, its policy directives, and supporting instruments for continued accuracy, completeness, and clarity.
- 6.2.4.1 The Comptroller General may amend approved directives to improve clarity, accuracy, and overall useability without explicit Board approval, so long as these changes do not change the content or meaning of the Board's approved policy direction (e.g. correcting spelling, improving grammar, re-ordering clauses, updating links and references, etc.)
- 6.2.5 Communicating widely to employees all material changes to the FAM, including when the Board approves a new directive or amends, replaces, or rescinds an existing directive.

- 6.2.6 Identifying opportunities to better communicate matters related to financial administration and management within the Government generally.
- 6.2.7 Ensuring that all directives considered or issued by the Board align with:
 - 6.2.7.1 The *Nunavut Act*, the *Financial Administration Act*, and other applicable statutes
 - 6.2.7.2 Public Sector Accounting Standards (PSAS), as issued by the Public Sector Accounting Board of Canada (PSAB).
- 6.3 The Deputy Head and Executive Finance Officer of each department and public agency are responsible for the following:
 - 6.3.1 Conducting financial affairs in accordance with all applicable directives and standards contained in the FAM.
 - 6.3.2 Exercising professional judgment when implementing and interpreting FAM directives.
 - 6.3.3 Establishing and reviewing internal procedures to improve compliance with directives and standards.
 - 6.3.4 Tracking compliance with FAM directives that apply to their department or public agency.
 - 6.3.5 Reviewing FAM regularly, and asking questions or seeking clarification on matters it contains.
 - 6.3.6 Recommending opportunities to improve the FAM (e.g. clarity, completeness, accuracy, etc.) to the Office of the Comptroller General.
 - 6.3.7 Ensuring that all employees and contractors are familiar with and follow all FAM directives and standards that relate to the functions they are performing, and advising them of changes in a timely manner.

7.0 APPLICATION

- 7.1 Directives issued by the Board apply generally to all public officers, government departments and public agencies as defined in s.1 of the FAA over which the Board has authority.
 - 7.1.1 For clarity, directives apply to all government departments and to public agencies listed in Schedule A (statutory bodies) and Schedule B (territorial corporations) of the FAA, but they do not apply to the Workers' Safety and Compensation Commission.
 - 7.1.2 For clarity, directives do not apply to the Speaker of the Legislative Assembly but do apply to public officers within the Office of the Legislative Assembly.
- 7.2 Not all FAM directives apply to public agencies. A public agency may depart from the directives in the FAM if:
 - 7.2.1 It has legislative authority or a statutory duty to do so;

- 7.2.2 It has been directed to do so by the Minister of Finance in accordance with s.78 of the FAA;
- 7.2.3 It has legislative authority to raise and retain its own revenue so that:
- its primary funding is not appropriated by the Legislative Assembly and
 - the public agency has adopted policies, directives, or procedures which it deems to be substantially similar to comparable FAM directives.
- 7.3 Directives are intended to apply to matters that are material.
- 7.3.1 An item, or a collection of items, is material if it is possible that its omission or misstatement would influence or change a decision. Materiality is a matter of professional judgment.
- 7.3.2 When determining the materiality of an item, consider specific legislative or regulatory requirements. A legislated reporting requirement cannot be ignored because the amount is considered immaterial. The intent and spirit of the legislation must be considered rather than a strict legal interpretation.

8.0 REFERENCES AND RESOURCES

- 8.1 Legislation and Regulations
- [Financial Administration Act](#)
 - [Nunavut Act \(Canada\)](#)
- 8.2 Related Instruments
- None
- 8.3 Other resources
- [Public Sector Accounting Board of Canada](#)
- 8.4 Enquiries
- 8.4.1 If you have questions about this directive, please contact:
- FAM@gov.nu.ca
The Office of the Comptroller General
Department of Finance
Government of Nunavut