

Royal Canadian Mounted Police
Commissioner



Gendarmerie royale du Canada
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APR 22 2020

Mr. Dean Allison, M.P.
Chair
Standing Committee on Public Accounts
House of Commons
Ottawa, Ontario
K1A 0A6

Dear Mr. Allison:

Thank you for your correspondence of March 17, 2020, regarding the activities of the Royal Canadian Mounted Police (RCMP) related to *Report 2, Disposing of Government Surplus Goods and Equipment*, of the 2018 Spring Reports of the Auditor General of Canada. Since the update that was provided to the Committee in June 2019, the RCMP has made further progress, notably with Recommendations 1 and 3.

Regarding Recommendation 1, pertaining to the revised asset life-cycle process, the RCMP has implemented additional governance since the last update to provide oversight on asset decisions and completed its disposal guidance document. Effective fiscal year 2020–2021, investments meeting the criteria of the Treasury Board *Policy on the Planning and Management of Investments* go through a revised governance process. The revised process considers the complete life cycle of assets and the departmental impact in terms of meeting operational capabilities and subsequent financial commitment. This process facilitates and encourages decisions that consider procurement, as well as the transfer and re-use of assets.

Effective September 30, 2019, disposal of assets must be carried out in accordance with the disposal guidance document disseminated in July 2019. The new process was communicated via an internal bulletin to RCMP employees with delegated financial signing authority for procurement and disposal of materiel assets, as well as key stakeholders. The use of existing Government of Canada platforms was also assessed and deemed to be the most cost-effective tool to achieve the intended result. As such, the new disposal guidance promotes the internal re-use and transfer of assets by directing individuals to use GCSurplus and GCTransfer.

Since the communication of the disposal document, feedback has been received and incorporated. The document will continue to be improved to reflect additional disposal topics and the updated Treasury Board *Directive on Materiel Management*, once approved. Although originally anticipated for June 2020, the ongoing COVID-19 pandemic means it is not known when the updated Directive will be provided by the Treasury Board Secretariat.

The RCMP has also made progress on Recommendation 3, pertaining to revised policies for keeping sufficient documentation to justify disposal methods. Specifically, the RCMP completed an internal risk assessment on April 15, 2019, in order to prioritize the implementation of a modernized approval process. Consultation is ongoing with internal stakeholders to develop a proof of concept. In the meantime, due to technical constraints, the RCMP will continue to use the existing paper-based form, incorporating disposal considerations.

One of these technical constraints is the result of the RCMP's Business Enterprise solution, currently SAP, which will be undergoing a major upgrade once SAP reaches the point where no other changes can be performed. The RCMP's advancement has been further exacerbated by COVID-19 and the resulting shift in priorities to focus on procurement of personal protective equipment. The anticipated completion date is fall 2021.

I hope the above provides the clarification you were seeking. Should you have any additional questions regarding this subject, please feel free to contact Ms. Nathalie Guilbault, Director, Materiel and Moveable Assets Programs, by email at nathalie.guilbault@rcmp-grc.gc.ca or by telephone at 613-843-6971.

Kindest regards,



Brenda Lucki
Commissioner

c.c.: Ms. Angela Crandall
Clerk
Standing Committee on Public Accounts