

Royal Canadian Mounted Police



Gendarmerie royale du Canada

G. Zaccardelli
Commissioner Le Commissaire

~~APR 02 2004~~

Mr. Rex G. Guy
National President
Federal Superannuates National Association
National Office
1052 St. Laurent Boulevard
Ottawa, Ontario
K1K 3B4

Dear Mr. Guy:

Thank you for your letter of April 2, 2004, regarding the Royal Canadian Mounted Police (RCMP) Pension Plan and the article by Andrew McIntosh which appeared in the National Post.

First, let me advise you that an audit of the Pension Account was completed by our Internal Audit and Evaluation Branch in the fall of 2003. Audit findings indicated that some charges were made to the Pension Account which should have been charged to Departmental Appropriations. These charges amounted to approximately \$4 million over two years. All of these charges have now been reversed and the Pension Account has been credited and appropriations have been properly charged for the amount. I can assure you that the Pension Account now contains only appropriate pension related expenses.

Secondly, as a result of the audit of the Pension Account, we are proceeding with internal reviews and a criminal investigation. I would also like to assure you that we are taking all the necessary steps to correct the irregularities identified in the internal audit. There has not been nor will there be any financial impact on the RCMP Pension Plan.

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Ottawa, Ontario
K1A 0R2

1200, promenade Vanier
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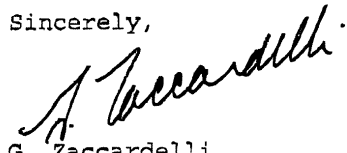
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I have informed RCMP employees in a broadcast that we are correcting the irregularities identified in the internal audit. I have also indicated that once our review of these matters is completed, the internal audit report will be made available to employees and the public.

I am enclosing a copy of the broadcast for your information.

Thank you for your vigilance on behalf of pensioners.

Sincerely,

A handwritten signature in cursive script, appearing to read "G. Zaccardelli".

G. Zaccardelli

Enclosure