



**ACTION PLAN IMPLEMENTATION STATUS UPDATE  
REPORT TO THE AUDIT COMMITTEE - AS OF MARCH 31, 2010**

REGIONAL OPERATIONS, CHIEF FINANCIAL OFFICER			
AUDIT OF CAPACITY DEVELOPMENT (200721) AEC APPROVAL DATE: 03/06/2009			
PROJECT RECOMMENDATIONS	ACTION PLAN	EXPECTED COMPLETION DATE	PROGRAM RESPONSE
			<p>risk-based program life-cycle approach. Work on the Intervention Policy is also ongoing. Development of a new approach to the implementation of the revised Intervention Policy is ongoing.</p> <p>The Policy and Strategic Direction Sector is developing several initiatives to address capacity development. A representative from the CFO Sector provided a brief update on the work.</p> <p><b>AES: Underway</b></p>
2. Establish program outcomes and associated performance measures and indicators.	Develop program outcomes, performance measures and indicators.	At time of program renewal or by March 2011, whichever comes first	<p><b>Status: In Progress/Implementation ongoing</b></p> <p><b>Update/Rationale:</b> <b>As of 30/09/2009:</b> SADM RO:</p> <p>Capacity development is a component of a large number of programs. Effective performance measurement of investments in capacity development may require a higher level performance measurement framework to be developed. RO and PSD are examining options and issues related to such a framework and will bring recommendations for senior management consideration by March 31, 2011.</p> <p><b>AES: Underway</b></p>
3. Develop performance measurement plans and supporting data collection regimes (e.g., adjust program guides, applications, and reporting templates to support data collection at the project level).	Develop performance measurement plans and data collection regimes. Gather and document baseline measures and indicators at time of renewal. Develop and implement training on	At time of program renewal or by March 2011, whichever comes first	<p><b>Status: In Progress/Implementation ongoing</b></p> <p><b>Update/Rationale:</b> <b>As of 30/09/2009:</b></p>

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	performance measurement and data collection. Adjust applications, recipient reporting as needed to gather data.		SADM RO:  Currently, performance measurement plans are part of program development. As the analysis with respect to a performance measurement framework progresses, greater detail on possible measurement plans, indicators, training, and adjustments to recipient reporting will take place. The program renewal plan of the Department will provide a schedule for any changes in performance measurement. Reducing reporting burden will be considered where possible – noting that the collection of relevant data from recipients is essential. The COF may emerge as a broad-based performance measurement framework.  <b>AES: No comment at this time</b>
4. Undertake a risk assessment with the Region's to determine that each Region's implementation approach ensures the program is delivered as approved; is compliant with the <i>Policy on Transfer Payments</i> and Program Authorities; has effective program management; and mechanisms are in place to monitor and evaluate program performance.	Consistent approaches are required across regions for implementation of national programs. INAC is currently working to ensure standardized approaches for new and renewed programs are implemented across regions in accordance with program design and that have performance measurement and risk management strategies as elements of these.	April 2010	<b>Status: Implementation ongoing</b>  <b>Update/Rationale:</b> <b>As of 30/09/2009:</b> SADM RO:  In response to the audit of Quality Management Program, SADM, RO, in collaboration with the CFO and Program ADM's, will develop a broad, risk-based, Department-wide Quality Management Framework that includes grants and contributions. This risk based approach to quality management activities will, once implemented, provide a consistent framework to monitor and evaluate program management and performance. The QMP will be developed in 2009-2010 and be implemented by June 30, 2010. As programs are renewed, they will include risk-based, quality

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			<p>management principles. Regions will apply quality management regimes that are required under program terms and conditions and management control frameworks. Appropriate segregation of duties will be employed consistently across regions.</p> <p><b>Recommend that expected completion be amended to align with QMP delivery dates and Audit action plan of QMP and IP: June 30, 2010.</b></p> <p>CFO: Agreed.</p> <p><b>AES: Underway</b></p>
5. Establish a monitoring regime of Regional implementation of programs to confirm that key national elements of the program, including performance measurement, have in fact, been implemented as approved.	The Senior ADM, Regional Operations, in collaboration with the CFO and Program ADM's, will develop and operationalize a Department-wide Quality Management Program for Grants and Contributions. The QMP will be designed to address the specific issues regarding roles and responsibilities of key stakeholders and the promotion of a risk-based approach to compliance reviews. Guidance will be developed regarding acceptable staffing/organizational models for compliance reviews with a view to promoting consistency and appropriate segregation of duties. The QMP will be developed by December 31, 2009 and implemented by June 30, 2010.	June 30, 2010	<p><b>Status: In Progress/Implementation ongoing</b></p> <p><b>Update/Rationale: As of 30/09/2009:</b></p> <p>SADM RO: This recommendation and action plan should be included with number 4 above.</p> <p><b>AES: Underway</b></p>
6. Align agreement templates and associated source documents (e.g., proposals and work plan templates) with requirements of the <i>Directive on Transfer Payments</i> and with Program T&Cs.	Adjust/develop compliant templates including new funding approaches (fixed, flexible, block).	At time of program renewal or by March 2011, which ever comes first	<p><b>Status: Implementation ongoing</b></p> <p><b>Update/Rationale: As of 30/09/2009:</b></p> <p>SADM RO:</p>

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	<p>Develop and implement training on use of new funding approaches</p> <p>Refer to TB approval documents in annual review of Program specific T&amp;C</p> <p>Adjust proposal /workplan templates to require monthly cash flow forecast by applicants to determine advance requirements</p> <p>Implementation of Quality Assurance reviews (compliance of funding agreements)</p>		<p>Under the broad direction of the PTP ADM Steering Committee, all program ADMs will adjust program-related templates to be consistent with the Policy on Transfer Payments as they are renewed/renovated. Currently, the CFO is maintaining the Departmental list of grants and contributions programs including priorities for renewal and for significant renovation. New funding approaches, cash-flow forecasting requirements and training will be provided as required. Guidance documents will be provided as needed in the context of PTP implementation. With respect to program ts &amp; cs, the department has posted on its website the 3-year plan which identifies the department's plans for the creation of new programs, the continuation, amendment or termination of existing programs and evaluations or reviews <a href="http://www.ainc-inac.gc.ca/ai/arp/trp/index-eng.asp">http://www.ainc-inac.gc.ca/ai/arp/trp/index-eng.asp</a>.</p> <p>CFO: Agreed.</p> <p><b>AES: Underway</b></p>
<p>7. Develop and implement a risk-based approach for monitoring recipients and/or projects for compliance with the funding agreement and the Program T&amp;Cs.</p>	<p>The Senior ADM, Regional Operations, in collaboration with the CFO and Program ADM's, will develop and operationalize a Department-wide Quality Management Program for Grants and Contributions. The QMP will be designed to address the specific issues regarding roles and responsibilities of key stakeholders and the promotion of a risk-based approach to compliance reviews. Guidance will be developed regarding acceptable staffing/organizational models for compliance reviews with a view to promoting</p>	<p>June 30, 2010</p>	<p><b>Status: Implementation in progress</b></p> <p><b>Update/Rationale: As of 30/09/2009:</b></p> <p>SADM RO:</p> <p>The response to this recommendation is closely aligned with numbers 4 and 5 above. Compliance improvements are a focus of Quality Management Program, also under development.</p>

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	consistency and appropriate segregation of duties. The QMP will be developed by December 31, 2009 and implemented by June 30, 2010.		Activities under PTP Implementation project will further address risk-based approaches to entering into and monitoring agreements with recipients. Renewing programs to better meet recipient need is part of the challenge faced by each program renewal. In the context of devolved programming managed by recipients, effective relationships will be essential to agreement development, accountability, control, monitoring and reporting regimes.  CFO: Agreed.  <b>AES: Underway</b>