

**ACTION PLAN IMPLEMENTATION STATUS UPDATE  
REPORT TO THE AUDIT COMMITTEE - AS OF MARCH 31, 2011**

<b>REGIONAL OPERATIONS, CHIEF FINANCIAL OFFICER</b>			
<b>AUDIT OF CAPACITY DEVELOPMENT (200721) AEC APPROVAL DATE: 03/06/2009</b>			
PROJECT RECOMMENDATIONS	ACTION PLAN	EXPECTED COMPLETION DATE	PROGRAM RESPONSE
<p>1. Appoint a strategic lead for Capacity Development and implement a Departmental approach to Capacity Development.</p>	<p>Excellence in Capacity Development is key to INAC achieving its mandate and strategic goals, given increased obligations and opportunities coupled with limited resources. An ADM level lead is needed to direct strategic approach to coordinated, effective Capacity Development program development.</p> <p>As seen in the successful INAC implementation of <i>Gender-Based Analysis</i>, infrastructure and dedicated resources are needed to effectively support program design and implementation.</p> <p>INAC will leverage internal expertise and resources with improved coordination and collaboration to the end that Capacity Development isn't just viewed as individual programs but a lens used to judge the impact and success of all INAC activities in the same way programs will be reviewed for their Economic Development impact.</p> <p>For example: FN Land Management may fund a process to get to a land code and ideally a ratification of the code but the "success" of the process is in the <b>development of leadership, community awareness and technical abilities</b> that will allow the community to truly be self sufficient in land management.</p>	<p>July 2009</p>           <p>April 2010</p>	<p><b>Status: In Progress</b></p> <p><b>Update/Rationale: As of 30/09/2010:</b></p> <p>Work is underway on the following improvements to capacity development: a horizontal departmental performance measurement strategy is being developed with representation from all sectors that have capacity development programming; a revised coordinated governance structure and approach to capacity development is being developed; and opportunities are being identified and pursued to reduce the administrative and reporting burden on communities and internally.</p> <p><b>AES: Fully implemented. The recommendation has been closed.</b></p>
<p>2. Establish program outcomes and associated performance measures and indicators.</p>	<p>Develop program outcomes, performance measures and indicators.</p>	<p>At time of program renewal or by March</p>	<p><b>Status: In Progress</b></p>

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		2011, which ever comes first	<p><b>Update/Rationale:</b> <b>As of 31/03/2011:</b></p> <p>Program outcomes and performance measurement indicators have been completed for the proposed new authority.</p> <p><b>AES:</b> Fully implemented. The recommendation has been closed.</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).	<p>Develop performance measurement plans and data collection regimes.</p> <p>Gather and document baseline measures and indicators at time of renewal.</p> <p>Develop and implement training on performance measurement and data collection.</p> <p>Adjust applications, recipient reporting as needed to gather data.</p>	At time of program renewal or by March 2011, which ever comes first	<p><b>Status: In Progress</b></p> <p><b>Update/Rationale:</b> <b>As of 31/03/2011:</b></p> <p>A performance measurement strategy has been developed. As one of the next steps of the program implementation a data collection strategy will be developed.</p> <p><b>AES:</b> Implementation on-going. The recommendation will be closed once a data collection regime has been developed and fully implemented, and applications and recipient reports have been addressed.</p>
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	Consistent approaches are required across regions for implementation of national programs. INAC is currently working to ensure standardized approaches for new and	April 2010	<p><b>Status: In Progress</b></p> <p><b>Update/Rationale:</b></p>

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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.	renewed programs are implemented across regions in accordance with program design and that have performance measurement and risk management strategies as elements of these.		<p><b>As of 31/03/2011:</b></p> <p>An initial risk assessment has been completed for the proposed new authority and this work has been done in consultation with the Regional offices. Risk management strategies will be incorporated in the design of the program.</p> <p><b>AES:</b> Substantially implemented. The recommendation will be closed once risk assessment has been finalized and risk management strategies have been implemented.</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</b></p> <p><b>Update/Rationale:</b> <b>As of 31/03/2011:</b></p> <p>A monitoring regime for Regional implementation of the program will be developed as the proposed new authority is developed and implemented.</p> <p><b>AES:</b> Implementation on-going. The recommendation will be close once the monitoring regime for regional implementation has been developed and implemented.</p>
6. Align agreement templates and associated source documents (e.g., proposals and work plan templates) with	Adjust/develop compliant templates including new funding approaches (fixed, flexible,	At time of program renewal or by March 2011, which ever	<p><b>Status: In Progress</b></p> <p><b>Update/Rationale:</b></p>

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<p>requirements of the <i>Directive on Transfer Payments</i> and with Program T&amp;Cs.</p>	<p>block).</p> <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>comes first</p>	<p><b>As of 31/03/2011:</b></p> <p>A policy document is being prepared for the proposed new authority and will address alignment of agreements, and the Terms and Conditions.</p> <p><b>AES:</b> Implementation on-going. The recommendation will be closed upon approval of the Treasury Board Submission and subsequent development and implementation of training, compliance and proposal templates, and quality assurance reviews.</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 consistency and appropriate segregation of duties. The QMP will be developed by December 31, 2009 and implemented by June 30, 2010.</p>	<p>June 30, 2010</p>	<p><b>Status: In Progress</b></p> <p><b>Update/Rationale:</b> <b>As of 31/03/2011:</b></p> <p>A risk based approach for monitoring recipients and for compliance with funding agreements is being developed for the proposed new authority.</p> <p><b>AES:</b> Implementation on-going. The recommendation will be closed once the risk-based monitoring approach has been developed and implemented.</p>