

**ACTION PLAN IMPLEMENTATION STATUS UPDATE
REPORT TO THE AUDIT COMMITTEE - AS OF SEPTEMBER 30, 2011**

RESOLUTION AND INDIVIDUAL AFFAIRS & CFO			
AUDIT OF TRUST ACCOUNTS <i>APPROVAL DATE: 24/09/10</i>			
PROJECT RECOMMENDATIONS	ACTION PLAN	EXPECTED COMPLETION DATE	PROGRAM RESPONSE
	and documentation.		<p>- IM/IT and a Netlands redevelopment plan is currently under review</p> <p>Status: Request to Close (Completed)</p> <p>Update/Rationale: As of 30/09/2011:</p> <p>-updated SOP table for Land Management activities and related tools: new reports - New procedure: data quality review for maintaining data integrity with NetLands & IRLS (Indian Lands Registry System.) - New appendix B which summarizes tools users require to access help with NetLands Directive -Training strategy developed</p> <p>- A draft process has been completed. Waiting for regions comments. Work on a handbook for managers.</p> <p>AES: Underway</p> <p>Review of recommendations resulting from assessment of Netlands.</p>

**ACTION PLAN IMPLEMENTATION STATUS UPDATE
REPORT TO THE AUDIT COMMITTEE - AS OF SEPTEMBER 30, 2011**

RESOLUTION AND INDIVIDUAL AFFAIRS & CFO			
AUDIT OF TRUST ACCOUNTS APPROVAL DATE: 24/09/10			
PROJECT RECOMMENDATIONS	ACTION PLAN	EXPECTED COMPLETION DATE	PROGRAM RESPONSE
<p>2. The ADM, RIA, in collaboration with the Senior ADM, RO, should develop a policy, guidelines and associated processes to address long-term suspense accounts.</p>	<p>- IAB (RIA) in collaboration with Lands (LED) will develop a comprehensive strategy to address long-term lands related suspense accounts which will include the modernization of associated policies, guidelines, processes and procedures as well as to support a monitoring framework.</p>	<p>March 2011</p>	<p>Status: Request to close (completed)</p> <p>Update/Rationale: As of 31/03/2011:</p> <ul style="list-style-type: none"> - suspense accounts have been categorized and release procedures for each categories have been recommended and awaiting DG review. A number of categories (such as where lessee or band no longer exists and other historical categories) will require further analysis and review. - a chapter in the lands management manual will be drafted to include payment management - collection policies and a strategy to address the arrears will be developed. <p>Status : Request to Close (Closed)</p> <p>Update/Rationale: As of 30/09/2011:</p> <ul style="list-style-type: none"> - National NetLands Directive communicated out to regional partners - RIA recommended language for updating the Indian Moneys Manual (IMM), Part 5 Suspense Accounts provided.

**ACTION PLAN IMPLEMENTATION STATUS UPDATE
REPORT TO THE AUDIT COMMITTEE - AS OF SEPTEMBER 30, 2011**

RESOLUTION AND INDIVIDUAL AFFAIRS & CFO			
AUDIT OF TRUST ACCOUNTS APPROVAL DATE: 24/09/10			
PROJECT RECOMMENDATIONS	ACTION PLAN	EXPECTED COMPLETION DATE	PROGRAM RESPONSE
			<p>AES: Underway</p> <ul style="list-style-type: none"> - Collection Policy is under development. - Lands Management Manual is being reviewed. - Indian Moneys Manual is being updated.
<p>3. The CFO should formally communicate with all regional offices to highlight INAC's cash deposit requirements as outlined in the FMM. This requires that regional offices deposit all cash receipts totalling \$500 on a daily basis. There may be opportunities for Program Officers within the regional offices to educate remitters on the documentation requirements to support a cash receipt.</p>	<p>- CAMM (CFO) in collaboration with Lands (LED) to integrate the Receipt and Deposit of Public Money Policy into the Indian Moneys Manual and the Lands Management Manual. An appropriate procedure will be created to ensure the immediate clearing of suspense accounts which are created to accommodate the lag time between activation and registration of land instruments.</p>	<p>March 2011</p>	<p>Status : Request to Close (Completed)</p> <p>Update/Rationale: As of 31/03/2011:</p> <ul style="list-style-type: none"> -National NetLands Directive communicated out to regional partners. -RIA recommended language for updating the Indian Moneys Manual (IMM), Part 5 Suspense Accounts provided. -User Guide updated. <p>Status : Request to Close (Completed)</p> <p>Update/Rationale: As of 30/09/2011:</p> <ul style="list-style-type: none"> - CFO and LED to integrate the <i>Receipt and Deposit of Public Money Policy</i> once finalized (by the end of 3rd quarter) into the <i>Indian</i>

**ACTION PLAN IMPLEMENTATION STATUS UPDATE
REPORT TO THE AUDIT COMMITTEE - AS OF SEPTEMBER 30, 2011**

RESOLUTION AND INDIVIDUAL AFFAIRS & CFO			
AUDIT OF TRUST ACCOUNTS <i>APPROVAL DATE: 24/09/10</i>			
PROJECT RECOMMENDATIONS	ACTION PLAN	EXPECTED COMPLETION DATE	PROGRAM RESPONSE
			<p><i>Moneys Manual and the Lands Management Manual. An appropriate procedure will be created to ensure the clearing of suspense accounts which are created to accommodate the lag time between activation and registration of land instruments.</i></p> <p>AES: Underway</p> <p>Indian Moneys and Lands Management Manuals are under review</p>
<p>4. The ADM, RIA, in conjunction with the CFO, should strengthen due diligence to ensure Indian Moneys are approved in accordance with the relevant BCR and the Indian Act.</p> <p style="padding-left: 40px;">If reliance is to be placed on the “Statement of Receipts and Disposal of Indian Moneys” submitted as part of the audited financial statements, they should be audited.</p>	<p>- Following consultations with DLSU regarding the reporting requirements for the expenditure of Indian moneys, the Indian Moneys, Estates and Treaty Annuities Directorate will oversee rigorous due diligence prior to the release of Indian Moneys. In addition, for future requests a First Nation will be required to provide assurance that any previously released amounts were properly expended according to the approved BCR.</p>	September 2011	<p>Status : Underway</p> <p>Update/Rationale: As of 30/09/2011:</p> <ul style="list-style-type: none"> -Phase 1 Policy and process review and update complete. - IMETA policy compliance report developed and implemented. -Expenditure risk assessment tools developed. -Regional consultation on new requirements. -Phase 2 moneys management modernization Implementation Framework developed and underway. <p>Status : Underway</p>

**ACTION PLAN IMPLEMENTATION STATUS UPDATE
REPORT TO THE AUDIT COMMITTEE - AS OF SEPTEMBER 30, 2011**

RESOLUTION AND INDIVIDUAL AFFAIRS & CFO			
AUDIT OF TRUST ACCOUNTS <i>APPROVAL DATE: 24/09/10</i>			
PROJECT RECOMMENDATIONS	ACTION PLAN	EXPECTED COMPLETION DATE	PROGRAM RESPONSE
			<p>Update/Rationale: As of 30/09/2011:</p> <ul style="list-style-type: none"> - In consultation with CFO and regions, RIA has developed a mandatory expenditure release electronic process within the Trust Funds Management System. Whereas, previously paper checklists could be ignored, by requiring completion of the electronic checklist before Indian moneys may be released we can ensure national compliance with specific requirements for release. - Procedures have been updated to include review of former BCRs and the management of the funds as part of the upfront due diligence review process. <p>AES: Underway</p> <p>Pending the launch of this mandatory expenditure electronic checklist.</p>
5. The ADM, RIA should establish tools and communicate detailed guidance to regions on the level of support required to accompany requests for access to Indian Moneys	- In collaboration with the CFO the policies, procedures, manuals, training modules and quality assurance processes to ensure national consistency will be reviewed	September 2011	<p>Status : Underway</p> <p>Update/Rationale: As of 30/09/2011:</p>

**ACTION PLAN IMPLEMENTATION STATUS UPDATE
REPORT TO THE AUDIT COMMITTEE - AS OF SEPTEMBER 30, 2011**

RESOLUTION AND INDIVIDUAL AFFAIRS & CFO			
AUDIT OF TRUST ACCOUNTS <i>APPROVAL DATE: 24/09/10</i>			
PROJECT RECOMMENDATIONS	ACTION PLAN	EXPECTED COMPLETION DATE	PROGRAM RESPONSE
(band and individual) and on the level of analysis required by the Program Officers prior to the recommendation, approval and release of trust account moneys.	for adequacy.		<p>-draft interim Directive and Phase 2 Implementation Framework developed to be communicated out to RDGs via ROS and Indian Moneys managers first week of April 2011.</p> <p>Status: Underway</p> <p>Update/Rationale: As of 30/09/2011:</p> <p>- A draft revised version of the Manual for the Administration of Band Moneys (MABM) reflecting the audit recommendation to strengthen due diligence at the outset and national consistency in implementation is currently under review. Regional training needs will be assessed and training modules developed following completion and publication and distribution of the MABM.</p> <p>AES: Underway</p> <p>MABM is still under review.</p>
6. The ADM, RIA, in conjunction with the ADM, LED, should develop	- IAB (RIA) in collaboration with Lands (LED) to assess the current	March 2011	Status: Request to Close (Completed)

**ACTION PLAN IMPLEMENTATION STATUS UPDATE
REPORT TO THE AUDIT COMMITTEE - AS OF SEPTEMBER 30, 2011**

RESOLUTION AND INDIVIDUAL AFFAIRS & CFO			
AUDIT OF TRUST ACCOUNTS APPROVAL DATE: 24/09/10			
PROJECT RECOMMENDATIONS	ACTION PLAN	EXPECTED COMPLETION DATE	PROGRAM RESPONSE
<p>a mechanism within existing system capabilities that would allow Program Officers to set up expectations of future cash receipts once an instrument is executed. Once established, the mechanism could notify Program Officers when the receipt of Indian Moneys is expected, which in turn, would trigger a follow-up action if the receipt does not arrive within an acceptable period of time. Depending on the nature of this tracking mechanism, resource requirements to support it should be evaluated.</p>	<p>Netlands software and deploy patches improving the reporting functionality of the current system as well as the revenue tracking and notification functions. These fixes will be deployed in 2010 along with a directive making the use of the system mandatory for all revenue generating instruments. A complete system rebuild will include full integration with the Lands Registry and Trust Fund Management system. This will be contingent on funding.</p>		<p>Update /Rationale As of 31/03/2011:</p> <ul style="list-style-type: none"> - Patches deployed improving the reporting functionality of the current system. - National NetLands Directive developed and communicated out to regional partners. - System rebuild for integration with TFMS is pending available resources. <p>AES: Based on rationale provided, the recommendation has been closed.</p>
<p>7. The CFO should update the FMM to reflect the expectations of segregation of duties over cash receipts within Finance at the regional office. More specifically, in circumstances where resource limitations only allow for one Finance resource to handle cash receipts, the monthly cash reconciliation should be performed by a separate Finance representative</p>	<p>- CAMM (CFO) will update the Financial Management Manual (Policy on Receipt and Deposit of Public Money) to better reflect the expectations of segregation of duties over cash receipts within Finance at the regional offices.</p>	<p>March 2011</p>	<p>Status : Underway</p> <p>Update/Rationale: As of 30/09/2011:</p> <ul style="list-style-type: none"> -A draft policy has been completed and sent for comments to the Regional Manager of Accounting Operation (REGMAO). A final draft is planned to be completed by the end of April.

**ACTION PLAN IMPLEMENTATION STATUS UPDATE
REPORT TO THE AUDIT COMMITTEE - AS OF SEPTEMBER 30, 2011**

RESOLUTION AND INDIVIDUAL AFFAIRS & CFO			
AUDIT OF TRUST ACCOUNTS APPROVAL DATE: 24/09/10			
PROJECT RECOMMENDATIONS	ACTION PLAN	EXPECTED COMPLETION DATE	PROGRAM RESPONSE
and should be reconciled back to the cash blotter prepared by the mail room.			<p>Status : Underway</p> <p>Update/Rationale: As of 30/09/2011:</p> <ul style="list-style-type: none"> - Recommendation 7 will be addressed as soon as the <i>Receipt and Deposit of Public Money Policy</i> is implemented. - Segregation duties will be reviewed to provide specific guidance at the working level through classification of roles and responsibilities linked with identified positions. - Consideration will be given to conduct reconciliation in advance of the approved policy. <p>AES: Underway</p> <p>Pending review of Segregation and Implementation of Receipt and Deposit of Public Money Policy.</p>