

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

EDUCATION AND SOCIAL DEVELOPMENT PROGRAMS AND PARTNERSHIPS – COMMUNITY INFRASTRUCTURE			
AUDIT OF CAPITAL FACILITIES AND MAINTENANCE (200719) AEC APPROVAL DATE: 04/12/2008			
PROJECT RECOMMENDATIONS	ACTION PLAN	EXPECTED COMPLETION DATE	PROGRAM RESPONSE
			AES: No comment at this time
5. The Director General, Community Infrastructure Branch and the Director General, Operations and Planning Support Branch should ensure that updated and comprehensive national guidelines for the management of the CFM Program are developed and disseminated to program management in the regions.	<p>a) Community Infrastructure Branch to develop/update high level flowchart, indicating various activities undertaken by the department and the purpose of each activity. Will cover generic processes (major capital, minor capital, etc.) and theme-specific processes (water major capital, school major capital, etc.)</p> <p>b) Operations and Planning Support Branch to work with regions to implement work done in a).</p> <p>c) Community Infrastructure Branch to develop/update 2nd tier guidelines that will detail roles and responsibilities, the management control framework for the CFM Program, and authorities to approve funding expenditures. Flowcharts in 5.1.1 will also be expanded to additional themes including roads and bridges major capital and electrification major capital.</p>	<p style="text-align: center;">30/06/2009</p> <p style="text-align: center;">30/09/2009</p> <p style="text-align: center;">30/09/2009</p>	<p>Status: Pending Implementation</p> <p>Update/Rationale: As of 31/03/2010:</p> <p>a. Ongoing – A Procedures Manual is being developed to provide comprehensive national guidelines for the management of the CFM Program. A number of procedures have been completed as chapters and have been implemented in the regions. Specifically, procedures for capital planning through First Nations Infrastructure Investment Plans, Major Capital projects, and the Circuit Rider Training Program have been drafted and implemented. The development of further procedures (such as minor capital) is ongoing. Additionally, a logic model for the CFM Program was developed in the Performance Measurement Strategy to assist program guidance by providing clear program linkages between key program activities and ultimate program outcomes.</p> <p>b. Ongoing – OPSB is working with CIB to implement procedures as they are developed.</p> <p>c. Completed – A Management Control Framework has been developed for the CFM Program to</p>

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	<p>d) Operations and Planning Support Branch to work with regions to implement work done in 5.1.3.</p> <p>e) Community Infrastructure Branch to compile/consolidate national standards for engineering and/or construction standards, templates, financial coding, detailed audit and compliance regimes, checklists for business processes, etc. Regional variations may be introduced to account for different regional factors. Identified gaps in information will be filled with new procedures/processes development as required.</p> <p>f) Operations and Planning Support Branch to work with regions to implement work done in 5.1.5.</p>	<p>30/09/2009</p> <p>31/12/2009</p> <p>31/12/2009</p>	<p>improve program management. Detailed program procedures for capital planning have been developed and implemented.</p> <p>d. Ongoing – OPSB is implementing procedures as they are developed.</p> <p>e. Ongoing – CIB has collected relevant documents being used by regions to manage the CFM Program. A process of conference calls with regions was undertaken to discuss best practices. This review has helped create procedures for capital planning through First Nations Infrastructure Investment Plans, Major Capital projects, and the Circuit Rider Training Program. Input from regions will continue in the development of further procedures. For example, a working group on minor capital will be established to develop national procedures for minor capital in Q1 2010.</p> <p>f. Ongoing - OPSB is working with regional offices to implement procedures as they are developed.</p> <p>AES: Past expected completion dates.</p>
<p>6 a) The Director General, Community Infrastructure Branch should develop and communicate</p>	<p>a) Community Infrastructure Branch to draft/update comprehensive national guidelines for the categorization of</p>	<p>30/06/2009</p>	<p>Status: Completed</p> <p>Update/Rationale:</p>

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<p>guidelines for the categorization of projects to be managed as major capital projects.</p>	<p>projects to be managed as major capital projects.</p> <p>b) Operations and Planning Support Branch to implement in regions comprehensive national guidelines for the categorization of projects to be managed as major capital projects.</p>	<p align="center">30/09/2009</p>	<p>As of 31/03/2010:</p> <p>6. a) Ongoing – A Management Control Framework and procedures for Major Capital projects have been developed and implemented. The definition of Major Capital is being aligned with risk, as per the new Transfer Payment Policy (to be aligned with item 1.a.)</p> <p>b. Ongoing – The Management Control Framework has been implemented in cooperation with OPSB. Work is ongoing to align program risk for Major Capital projects with the General Assessment tool to measure recipient risk currently being developed and tested in regions by Regional Operations Branch and with program risk tools being developed by INAC's Audit and Evaluation Sector.</p> <p>AES: Close</p>
<p>6 b) The Director General, Operations and Planning Support Branch should establish processes for the ongoing monitoring of regional practices by Headquarters.</p>	<p>Operations and Planning Support Branch to establish processes for the ongoing monitoring of major capital regional practices (i.e., file review, project approval process) by Headquarters, including communication interface between Operations and Planning Support Branch and Community Infrastructure Branch.</p>	<p align="center">30/09/2009</p>	<p>Status: Completed</p> <p>Update/Rationale: As of 31/03/2010:</p> <p>6. b) Completed - CFM Program Management Control Framework establishes processes for ongoing monitoring of regional practices by HQ. HQ is responsible for conducting annual major capital project file reviews to ensure that regions have</p>

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	that include major capital project file documentation requirements, which address key risk areas.		<p>b. Completed – OPSB has implemented the CFM Management Control Framework in the regions and has conducted file reviews in regions of high risk projects, including a sample of CEAP projects and of all major capital projects valued over \$10 million.</p> <p>AES: Close</p>
7 b) The Director General, Operations and Planning Support Branch should establish processes for the ongoing monitoring of regional practices by Headquarters to assess compliance with the guidelines.	Operations and Planning Support Branch to establish processes for the ongoing monitoring of regional practices by Headquarters to assess compliance with guidelines as they relate the major capital project file documentation.	31/12/2009	<p>Status: Completed</p> <p>Update/Rationale: As of 31/03/2010:</p> <p>7. b) Completed – OPSB also annually reviews a sample of all major capital projects completed during the previous year according to procedures outlined in the Management Control Framework. File reviews focus on how well the region met the guidelines for file requirements for a specific project. Where file reviews reveal deficiencies, HQ will recommend remedial action to improve compliance with guidelines.</p> <p>AES: Close</p>
8 a) The Director General, Community Infrastructure Branch should develop guidelines outlining	a) Community Infrastructure Branch to draft/update guidelines detailing minimum requirements for the	31/09/2009	<p>Status: Pending Implementation</p> <p>Update/Rationale:</p>

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<p>minimum requirements or expectations, including monitoring, for the management and oversight of minor capital and operations & maintenance.</p>	<p>management of oversight of minor capital and operations & maintenance.</p> <p>b) Operations and Planning Support Branch to implement in regions guidelines detailing minimum requirements for the management of oversight of minor capital and operations & maintenance.</p>	<p>31/03/2010</p>	<p>As of 31/03/2010:</p> <p>8. a) a. Ongoing - Preliminary recommendations for establishing guidelines for minor capital have been drafted based on reviews of documents and practices provided by regions. A minor capital working group is being established in cooperation with OPSB and regions to develop strengthened procedures for managing minor capital funding. Work is ongoing to develop procedures for Operations and Maintenance funding. Regional Operations and Maintenance compliance activities for fiscal year 2010-2011 are being analysed to inform the development of national procedures for Operations and Maintenance compliance and management.</p> <p>AES: No comment at this time.</p>
<p>8 b) The Director General, Operations and Planning Support Branch should work closely with the Chief Financial Officer to establish processes for the ongoing monitoring of regional practices by Headquarters to assess compliance with the guidelines.</p>	<p>Operations and Planning Support Branch to work with Chief Financial Office to establish processes for the ongoing monitoring of regional practices by Headquarters to assess compliance with the minor capital and operations & maintenance guidelines.</p>	<p>31/03/2010</p>	<p>Status: On completion of above (a)</p> <p>Update/Rationale: As of 31/03/2010:</p> <p>b. OPSB will implement guidelines detailing requirements for management and oversight of minor capital and operations and maintenance.</p> <p>AES: No comment at this time</p>

