

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

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
<p>2. The Director General, Community Infrastructure Branch and the Director General, Operations and Planning Support Branch should ensure that the roles and responsibilities for performance management at the senior management and board / committee level are defined and communicated, and that performance information, including Key Performance Indicators, is incorporated into ongoing performance management at both the national and regional levels.</p>	<p>a) Community Infrastructure Branch to develop a CFM Program-specific Performance Measurement Strategy (replacement for now defunct RMAF/RBAF) in conjunction with program renewal. Performance Measurement Strategy will spell out roles and responsibilities, as well as key performance indicators. Key performance indicators will also continue to be reported quarterly through the department's smart reporting process.</p>	31/12/2009	<p>Status: In Progress</p> <p>Update/Rationale: As of 30/09/2010:</p> <p>a. Completed – Performance Measurement Strategy and Risk Profile were approved by the Department's Evaluation, Performance Measurement and Review Committee in September 2009.</p> <p>b. Completed – The National Capital Management Board has been dissolved. The work of the Board has been taken over by Operations Committee. To reflect these new roles and responsibilities, new terms of reference for the Committee have been approved.</p> <p>c. Completed – OPSB developed a process with CIB to integrate new KPIs into existing regional and national reporting tools. KPIs are being reported on as they are implemented.</p>
	<p>b) Community Infrastructure Branch to work with Operations and Planning Support Branch to restructure terms of reference for the National Capital Management Board and/or other senior management committees, clarify roles and responsibilities with respect to CFM Program, and establish key performance measurement indicators for ADM-Committee level (i.e., review of quarterly reporting input, follow up on A&E action plans, DPR/RPP input, etc.).</p>	30/06/2009	
	<p>c) Operations and Planning Support Branch to communicate roles and responsibilities to Regional Offices and develop procedures to collect performance information on key performance indicators and ensure that</p>	31/03/2010	

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	the key performance indicators are incorporated into regional and national level Performance Management Agreements.		AES: Close
3. The Director General, Community Infrastructure Branch and the Director General, Operations and Planning Support Branch should develop, formalize, document and implement a risk management framework specific to the CFM Program that incorporates roles and responsibilities at the Headquarters and regional senior management and board / committee level and an appropriate level of oversight / monitoring / quality assurance role for Headquarters over regional practices.	<p>a) Community Infrastructure Branch to develop a CFM Program-specific Performance Measurement Strategy in conjunction with program renewal. The Strategy will include a risk management framework that details oversight and quality assurance functions for Headquarters and regions.</p> <p>b) Operations and Planning Support Branch to work with Regional Offices to implement risk management framework and oversight and quality assurance functions for Headquarters and regions</p>	<p>31/12/2009</p> <p>31/03/2010</p>	<p>Status: In Progress</p> <p>Update/Rationale: As of 30/09/2010:</p> <p>a. Completed – Performance Measurement Strategy and Risk Profile were approved by the Department’s Evaluation, Performance Measurement and Review Committee in September 2009.</p> <p>b. Completed – OPSB developed a process with CIB to integrate new KPIs into existing regional reporting tools.</p> <p>AES: Close</p>
4. The Director General, Community Infrastructure Branch and the Director General, Operations and Planning Support Branch should conduct a review of the methodology and process for allocating CFM Program funding from Headquarters to regions.	a) Community Infrastructure Branch to work with Chief Financial Office, Operations and Planning Support Branch and Regional Offices to explore options for enhancing the methodology and process for allocating CFM Program funding (core and non-core) from Headquarters to regions.	31/12/2010	<p>Status: Request to Close</p> <p>Update/Rationale: As of 31/03/2011:</p> <p>a) Close- While CIB continues to work with regions to improve management and oversight of funding allocations to regions, CIB does not have the authority to alter the original funding methodology put into place by INAC and TBS in the 1990s.</p>

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	<p>b) Community Infrastructure Branch to work with Chief Financial Office, Operations and Planning Support Branch and Regional Offices to take results from 4.1.1 and apply to each of the asset classes (i.e., water, schools, housing). The current engineering assessment for water will also provide information for this exercise.</p>	31/12/2011	<p>OPSB has developed a tracking tool to monitor trends in minor capital and operations and maintenance spending to support senior management decision-making and oversight. Tracking should be in place by Summer 2011.</p> <p>The Management Control Framework and Budget Management Regime have established the methodology and allocation process for non-core (major-capital).</p> <p>b) Close- While CIB continues to work with regions to improve management and oversight of funding allocations to regions, CIB does not have the authority to alter the original funding methodology put into place by INAC and TBS in the 1990s.</p> <p>AES: Close – Fully Implemented</p>
<p>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</p>	<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</p>	30/06/2009	<p>Status: Request to Close</p> <p>Update/Rationale: As of 31/03/2011:</p> <p>a) Completed- CIB has developed a Protocol for INAC-Funded Infrastructure which encompasses all guidelines and procedures related to the CFMP. CIB will continue to work with regions to maintain and</p>

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management in the regions.	<p>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>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</p>	<p>30/09/2009</p> <p>30/09/2009</p> <p>30/09/2009</p> <p>31/12/2009</p>	<p>update this document as required.</p> <p>b) Completed- CIB will continue to work with regions to implement new procedures as they are developed</p> <p>c) Completed- A Management Control Framework has been developed for the CFM Program to improve program management. Detailed program procedures for capital planning have been developed and implemented.</p> <p>d) Completed- Management Control Framework has been implemented in the regions.</p> <p>e) Completed- National Standards will be included in new funding agreements. It is also already required to have information included in all major capital projects briefs.</p>

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	<p>development as required.</p> <p>f) Operations and Planning Support Branch to work with regions to implement work done in 5.1.5.</p>	31/12/2009	<p>f) Completed- OPSB CIB will continue to work with the regions to implement procedures as the are developed.</p> <p>AES: Close – Fully Implemented</p>
<p>6 a) The Director General, Community Infrastructure Branch should develop and communicate guidelines for the categorization of projects to be managed as major capital projects.</p>	<p>a) Community Infrastructure Branch to draft/update comprehensive national guidelines for the categorization of 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>30/06/2009</p> <p>30/09/2009</p>	<p>Status: Completed</p> <p>Update/Rationale: 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>

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			AES: Close
<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>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 undertaken major capital projects according to established guidelines.</p> <p>A Project Brief Review committee has also been established to examine major capital projects as presented to HQ. The committee reviews and makes recommendations on the proposed Project Brief to Directors General in preparation for consideration by Operations Committee.</p> <p>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>

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			AES: Close
7 a) The Director General, Community Infrastructure Branch should ensure that national comprehensive guidelines for management of the CFM Program (as recommended in item #5.1) include major capital project file documentation requirements to address key risk areas.	<p>a) Community Infrastructure Branch to draft/update comprehensive national guidelines for major capital project file documentation requirements to address key risk areas.</p> <p>b) Operations and Planning Support Branch to implement in regions comprehensive national guidelines for the management of the CFM Program that include major capital project file documentation requirements, which address key risk areas.</p>	<p>30/09/2009</p> <p>30/09/2009</p>	<p>Status: Completed</p> <p>Update/Rationale: As of 31/03/2010:</p> <p>7a. Completed – CFM Management Control Framework has been developed and approved by Operations Committee. A Major Capital document checklist has been drafted and included as an appendix to the Management Control Framework.</p> <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</p>

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			<p>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>
<p>8 a) The Director General, Community Infrastructure Branch should develop guidelines outlining minimum requirements or expectations, including monitoring, for the management and oversight of minor capital and operations & maintenance.</p>	<p>a) Community Infrastructure Branch to draft/update guidelines detailing minimum requirements for the 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>30/09/2009</p> <p>31/03/2010</p>	<p>Status: Pending Implementation</p> <p>Update/Rationale: As of 31/03/2011:</p> <p>a) Ongoing – CIB is working with regions to establish minimum standards for minor capital and operations and maintenance funding in the regions. Standards should be in place by March 2012.</p> <p>The Management Control Framework and Budget Management Regime have established the methodology and allocation process for non-core (major capital).</p> <p>AES: Close – No Longer Relevant Refer to Audit of On-Reserve Infrastructure February, 2011</p>
<p>8 b) The Director General, Operations</p>	<p>Operations and Planning Support Branch</p>	<p>31/03/2010</p>	<p>Status: Pending Implementation</p>

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			February, 2011