

**ACTION PLAN IMPLEMENTATION STATUS UPDATE
REPORT TO THE AUDIT COMMITTEE
AS OF SEPTEMBER 30, 2012**

CFO			
<i>Audit of Acquisition Cards, Travel, Hospitality, Taxis and Conferences</i>			
APPROVAL DATE: 06-22-2012			
PROJECT RECOMMENDATIONS	ACTION PLAN	EXPECTED COMPLETION DATE	PROGRAM RESPONSE
<p>1. The Chief Financial Officer should communicate the delegation of authority requirements to reinforce responsibilities to exercise DOA and ensure evidence is maintained to demonstrate compliance with authorities.</p>	<p>To send out reminder to delegated managers regarding the requirements of the delegation of authority via e-mail and the Express.</p>	<p>June 15, 2012</p>	<p>Status: Request to close (completed)</p> <p>Update/Rationale: As of 30/09/2012:</p> <p>CARD- A note will be sent via the Express reminding RCMs of their responsibilities relating to the financial delegation of authority, this is part of RCM training as well.</p> <p>AES: Implemented. Closed.</p>
<p>2. The Chief Financial Officer should complete and communicate the policy related to the use of individual designated travel cards (American Express cards). This policy should outline the roles and responsibilities governing card issuance, monitoring and</p>	<p>The Draft Policy on Individual Designated Travel Card (AMEX) is currently being reviewed and moving towards completion. The Policy will highlight the roles and responsibilities of both cardholders, card coordinators, RCMs and the role of the CFO.</p> <p>Additionally, a mandatory training</p>	<p>July 1, 2012</p>	<p>Status: Request to close (completed)</p> <p>Update/Rationale: As of 30/09/2012:</p> <p>The Policy on Individual Designated Travel card has been finalized and approved. The Policy highlights the roles and responsibilities of both cardholders, card coordinators, RCMs and the role of the CFO.</p> <p>A mandatory training module has been finalized and</p>

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reporting, consequences for card misuse, and the requirement for training to help ensure cardholders understand the policy.	module will be created for all cardholders to complete before receiving their individual travel cards. A signed cardholder acknowledgement confirming completion of the training session will be required before cards can be issued.		approved for all card holders to complete before receiving their individual travel cards. A signed cardholder acknowledgement completing the training session is required before cards can be issued. AES: Fully implemented. Closed.
3. The Chief Financial Officer should implement more formalized monitoring framework to effectively track, follow-up and take appropriate action against all cardholders (acquisition cards, travel cards and ARI cards) who are not in compliance with the respective policy. Such a monitoring framework should be documented, risk based, and should include clear roles and responsibilities. This process should also take advantage of	<u><i>Acquisition Cards:</i></u> Effective April 1, 2012, the National Coordinator will establish a database as a Protected B file in Excel to track any/all cardholders who are flagged due to non-compliant purchases. The database will ensure that the Department is able to closely monitor cardholder activities. Details such as cardholder name, name of the RCM to whom the cardholder reports to, nature of purchase, dollar value, date of purchase, actions taken,	July 1, 2012	Status: Request to close (completed) Update/Rationale: As of 30/09/2012: Acquisition Cards: <ul style="list-style-type: none"> a) Database for Acquisition Card and AMEX card have been created and follow up is being done. b) Databases for both cards have been created and follow up is being done. c) E-mail has been sent to all regional coordinators d) Research was done regarding the use of additional software (IDEA), however sufficient reports are available from both AMEX and BMO. AES: Substantially implemented. Closed.

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<p>technology tools (e.g. IDEA, ACL, etc.) that can help identify potential problem or unauthorized charges from the entire population. The use of technology would enable a more efficient and effective monitoring program that can identify and resolve issues before they become larger, more complex problems.</p>	<p>(warning, cancellation) etc will be tracked.</p> <p>Additionally, the National Coordinator will create a database as a Protected B file in Excel (for personal use) to track all inquiries made to the regional coordinators and establish BF dates to follow up if requested clarifications are not provided (effective April 1, 2012).</p> <p>Every 6 months, Regional Coordinators will be reminded of their responsibilities to report any instances of card misuse, card cancellations and issuance of new cards to the National Coordinator, as well as reviewing card transactions monthly.</p> <p><u>Travel Cards:</u></p> <p>Effective March 1, 2012, a database as a Protected B file in Excel has been established by the National Card Coordinator to track</p>		

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	<p>misuse of Travel Cards. If a purchase is perceived as being a misuse of the card, an e-mail to the cardholder with a copy to their RCM will be sent for clarification before a card is cancelled. Regional Coordinators are asked to provide information to the National Coordinator regarding card cancellation, the reason for the cancellation, warnings given, action taken and arrangements made to re-pay the debt via payroll deductions.</p> <p>Effective April 1, 2012, the National Coordinator will run a monthly report of each cardholder to review for any transactions that require further investigation. These reports are to be sent to the Regional Coordinators highlighting the need for further investigation and follow up.</p> <p>Every 6 months, the Regional Coordinators will be reminded of</p>		

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	<p>their responsibility to report all instances of card cancellation to the National Coordinator.</p> <p>The National Coordinator will create a database as a Protected B file in Excel for personal use to track all inquiries made to the Regional Coordinators and establish BF dates for follow up in cases where clarifications were not received as requested (effective April 1, 2012).</p> <p>Use of IDEA (software) will be implemented to facilitate easier monitoring of transactions for both AMEX and Departmental Acquisition Cards.</p> <p>Additional internal controls such as the blocking of specific vendors for AMEX and Acquisition cards is currently being explored.</p>		