

**ACTION PLAN IMPLEMENTATION STATUS UPDATE
REPORT TO THE AUDIT COMMITTEE - AS OF SEPTEMBER 30, 2009**

EDUCATION AND SOCIAL DEVELOPMENT PROGRAMS AND PARTNERSHIPS- EDUCATION			
AUDIT OF THE POST-SECONDARY EDUCATION PROGRAM (200720) AEC APPROVAL DATE: 23/01/2009			
PROJECT RECOMMENDATIONS	ACTION PLAN	EXPECTED COMPLETION DATE	PROGRAM RESPONSE
1. The Director General, Education Branch should develop a process to determine actual Program spending by recipients and to incorporate this information into Program planning, results measurement, and an ongoing Program adjustment process to further the success of the Program.	Education Branch will work in collaboration with Transfer Payments and Financial Policy Directorate, and Regional Operations Sector to verify what would be required to determine actual program expenditures and surpluses.	July 2009	<p>Status: In progress</p> <p>Update/Rationale As of 30/09/2009:</p> <p>An initial assessment of financial reporting requirements has been completed, based on a scan of regional financial reporting review processes and assessment of the adequacy of information available in FNITP.</p> <p>Additionally, the Education Branch has scanned a review of all financial reporting in one region to assess current information related to actual expenditures.</p> <p>A departmental advisory committee "Policy on Transfer Payments Advisory Committee" has been established and Education Branch staff is represented on the committee.</p> <p>A detailed request on financial reporting and regional surpluses and deficits has been forwarded to Regions through Regional Operations, and a regional meeting has been set for early November to assess regional input.</p>
2. The Director General, Education Branch, in conjunction with the Transfer Payments and Financial Policy Directorate, should re-assess the funding authorities in use and the reporting needs of the Program, taking into consideration the department's obligation to account for the use of Program funds and the intended purposes of these funding authorities.	Education Branch will work in collaboration with Transfer Payments and Financial Policy Directorate, and Regional Operations Sector to assess whether the funding authorities and reporting requirements currently in place are appropriate to ensure accountability for program funds.	December 2009	<p>Status: In progress</p> <p>See above.</p> <p>A detailed request on program management, audit review and financial reporting has been forwarded to Regions through Regional Operations, and a regional meeting has been set for early November to assess regional input.</p>

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			<p>Additionally, the Education Branch is currently working jointly with the Assembly of First Nations to launch a joint expert group (November 2009) to inform the Department's efforts to respond to the Audit's recommendations, including strengthening financial reporting.</p>
<p>3. The Director General, Education Branch should undertake a review of the sufficiency and appropriateness of recipient funding requirements, in light of increasing education costs and the available information on wait-listed students, to ensure that the department is able to meet the objectives of the Program.</p>	<p>The Branch will undertake work to assess the appropriateness of current funding relative to potential funding demand considering both the recent and projected cost increases and demographic projections. At the national level, there is no easily verifiable source of information on wait-listed students.</p>	<p>December 2009</p>	<p>Status: In progress</p> <p>Update/Rationale: As of 30/09/2009:</p> <p>The Education Branch has completed an analysis of mean student support by recipient to assess current funding and demand by band. Work has also begun with the Research and Analysis Branch to refine population projections for potential PSE students to 2016. Additionally, the Education Branch is currently working jointly with the Assembly of First Nations to launch a joint expert group in November 2009, to inform the Department's efforts to respond to the Audit's recommendations, including identifying funding pressures and projected student demand.</p>
<p>4. The Director General, Education Branch should establish a process to enhance the performance measurement framework currently in place in support of the Program to improve the relevance and integrity of the performance data currently being captured by the Branch, in conjunction with CIMD; identify and capture new data that would enhance the existing performance measurement framework; and ensure that the Branch's new Performance Measurement System produces data to permit adequate and appropriate analysis evaluation and reporting.</p>	<p>The Branch's new Performance Measurement System for Education (under development as part of the Education Reform Initiative) will provide the capacity to link financial and non-financial data through INAC's Enterprise Data Warehouse (previously not possible) allowing for improved analysis, evaluation and reporting.</p> <p>The PMSE will identify and refine performance measures for all education programs (including post-secondary program); both INAC regions and First Nations will be engaged in the identification of performance measures.</p> <p>Education Branch will ensure that issues in regard to the relevance and integrity of the data currently being captured</p>	<p>September 2011</p>	<p>Status: In progress</p> <p>Update/Rationale As of 30/09/2009:</p> <p>Planning and preliminary data gathering was completed in the Summer 2009, including a review of PSE reports and commonly used indicators (e.g. Pan-Canadian Education Indicators Project). A draft Performance Measurement Framework with indicators was completed in late Summer 2009, and both a regional meeting and a meeting of the PSE Expert Group is planned to review and revise this document. Further broad-based regional First Nation discussions are planned prior to fiscal-year end.</p> <p>An initial assessment on non financial reporting requirements for Post-Secondary Education Program</p>

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	within the NPSES database are identified and resolved as required.		has been completed, based on a analysis of the National Post-Secondary Education Data system.
5. The Director General, Education Branch should undertake a comprehensive review of the allocation methodology employed for the distribution of Program funds, in conjunction with Regional Directors General, to ensure eligible students in different regions have equitable access to Program funds. This review may need to consider the ability of each region to meet Program requirements within its existing core budget.	Education Branch will work in collaboration with Regional Operations on a review of the allocation methodology employed for the distribution of Program funds to regional offices and varying methodologies employed in regions to fund recipients.	October 2010	Status: in progress Update/Rationale As of 30/09/2009: Initial scan of regional allocation methodologies has been completed. Request has been sent through Regional Operations to review information and a regional meeting is planned for early November to discuss options to improve regional allocation methodologies. Initial discussions with Finance have commenced regarding the review of the global funding allocation methodology.
6. The Director General, Education Branch should ensure that the minimum Program requirements and delivery standards (requirements) provide sufficient clarity to recipients to ensure they understand departmental expectations in operating a post-secondary education program, and to INAC personnel to ensure they are able to assess and determine, as part of Program monitoring, whether recipients are meeting Program requirements.	The Branch will review minimum Program requirements and delivery standards and provide further clarification where appropriate.	October 2009	Status: in progress Update/Rationale As of 30/09/2009: Regional meeting with Regions will take place in November to begin survey on regional practices to determine minimum program requirements and delivery standards, and inform the Education Branch in areas where further clarification is appropriate.
7. The Director General, Education Branch should establish a management control framework (a set of policies and procedures to ensure that results are achieved and Program objectives are met) specific to the Program that includes, but is not necessarily limited to: a process for regularly updating the foundations of the Program, such as the Program T&Cs, the <i>Program Policy</i> , the <i>PSE Guidelines</i> , and possibly an Operations Manual, to ensure that these documents remain relevant and sufficiently comprehensive; an annual planning process that establishes objectives and targets for the Program each year, with a view to the continuous improvement of Program results (through the measuring and assessing of	ESDPP is undertaking a sector wide compliance review to identify required elements of a common management control framework. According to the priorities identified in the review, as well as the results of the Branch's work, the Branch will determine the appropriate directions and measures specifically required to improve management control of the PSE program. The Branch will use a risk-based approach to determine the order in which these measures are implemented.	January – September 2009 Fall 2009 Beginning Fall 2009	Status: In progress Update/Rationale: Sector wide compliance review was completed and reported on in the Summer/Fall 2009. First Draft of the Education Management Control Framework has been completed. Regions are reviewing a draft which will be shared with the Audit and Assurance Services Branch.

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<p>Program performance) and the enhancement of Program efficiencies; providing guidance, direction to and oversight of regional offices through the provision of support tools, regular communications, operational guidelines, and well defined and communicated roles and responsibilities; a resource planning process that considers the level of personnel needed to administer the Program, to meet Program objectives, and to ensure sufficient Program and agreement monitoring and oversight; and a risk management process that identifies Program risks on an annual basis, provides a strategy for mitigating such risks on an ongoing basis, and ensures regular monitoring and sufficient risk based compliance auditing of recipients.</p>			
<p>8. The Director General, Education Branch should, in conjunction with Regional Directors General, ensure that the audit review process be enhanced to ensure that non-eligible Program expenses are appropriately addressed and that Program surpluses are adequately investigated, and that, if necessary, the recipient be subject to further review or auditing activities.</p>	<p>The Branch will review eligible and non-eligible Program expenses and Program surpluses and provide guidance to regions in this regard.</p>	<p>December 2009</p>	<p>Status: in progress</p> <p>Update/Rationale As of 30/09/2009:</p> <p>Through Regional Operations, a detailed request has been sent to Regions regarding their current audit review processes. Regional meeting with Regions will take place in November 2009 to discuss regional input, and to examine options to strengthen regional audit review processes.</p>
<p>9. The Director General, Education Branch, in conjunction with the Transfer Payments and Financial Policy Directorate, should re-assess the financial reporting requirements of the Program, taking into consideration the department's obligation to ensure due diligence in the monitoring of Program recipients and that funds are spent for</p>	<p>Education Branch will work in collaboration with the Transfer Payments and Financial Policy Directorate, and Regional Operations Sector to re-assess the financial reporting requirements of the Program.</p>	<p>June – November 2009</p>	<p>Status: In progress</p> <p>See 2,3,4 above.</p>

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the intended purposes.			
10. The Director General, Education Branch should conduct a thorough review of eligible Program expenses and, to the extent that it is determined that the eligible expenses in the Program T&Cs are deficient, update the Program T&Cs, <i>Program Policy</i> and the <i>PSE Guidelines</i> to include those expenses deemed appropriate.	The Branch will review eligible and non-eligible Program expenses and provide guidance to regions in this regard.	December 2009	<p>Status: In progress</p> <p>Update/Rationale As of 30/09/2009:</p> <p>Meeting with Regions will take place in November 2009 to review current eligible and non eligible expenses. Follow-up work will be completed by fiscal year end.</p>
11. The Director General, Education Branch should establish, in conjunction with Regional Directors General, a process for conducting appropriate recipient monitoring and compliance auditing (financial and non-financial, on a risk based approach) to ensure that recipients are adhering to Program (including ISSP) and funding agreement T&Cs. Consideration should also be given to resources and capabilities within the regional offices to conduct monitoring and complete compliance audits.	<p>Education and Social Development Programs and Partnerships (ESDPP) is undertaking a sector wide compliance review to identify required elements of a common management control framework.</p> <p>According to the priorities identified in the review, as well as the results of the Branch's work, the Branch will determine the appropriate directions and measures specifically required to improve management control of the PSE program.</p> <p>The Branch will use a risk-based approach to determine the order in which these measures are implemented.</p>	<p>January – September 2009</p> <p>December 2009</p>	<p>Status: In progress</p> <p>Update/Rationale:</p> <p>Established an Education and Social Development Programs and Partnerships Working Group to identify compliance activities</p> <p>Discussions will now proceed on risk assessment and a meeting with ARDGs is planned for November 2009.</p>
12. The Director General, Education Branch should, in conjunction with Regional Directors General, establish a process to be employed in the regions to ensure that the projects funded through the ISSP component of the Program adequately support all aspects and objectives of the Program.	<p>The Branch and Regional Operations are currently compiling information on ISSP projects.</p> <p>Following the results of this work, the Branch will develop next steps to ensure that the ISSP component adequately supports all aspects and objectives of the PSE Program.</p>	<p>January – September 2009</p> <p>December 2009</p>	<p>Status: In progress</p> <p>Update/Rationale As of 30/09/2009:</p> <p>Inventory of approved ISSP projects for 08-09 completed.</p> <p>As a next step, work has also begun with regions on compiling information on the various management processes and reporting in place for ISSP. Upon</p>

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			completion of this work a process that ensures all components of the Program are supported will be developed.
13. The Director General, Education Branch should, in conjunction with Regional Directors General, ensure that regional offices adhere to the Program T&Cs, <i>PSE Guidelines</i> , and <i>Recipient Reporting Guide</i> in regard to obtaining, reviewing, and evaluating ISSP proposals, and obtaining of annual ISSP reports from recipients.	<p>The Branch and Regional Operations are currently compiling information on ISSP projects.</p> <p>Based on the results of this work, the Branch will work with Regional Operations to determine appropriate measures related to the Program T&Cs, PSE Guidelines, and Recipient Reporting Guide.</p>	<p>January – September 2009</p> <p>December 2009</p>	<p>Status: In progress</p> <p>Update/Rationale As of 30/09/2009:</p> <p>See above.</p>
14. The Director General, Education Branch should, in conjunction with Regional Directors General, ensure that ISSP recipients provide adequate financial reporting in support of ISSP funds received and expenses incurred, and that these reports be sufficiently reviewed by regional office personnel to ensure that the expenditures are eligible.	<p>The Branch and Regional Operations are currently compiling information on ISSP projects.</p> <p>Based on the results of this work, the Branch will work with regions to ensure ISSP recipients are informed about eligible expenses and that they provide adequate financial reporting on these expenses.</p>	<p>Winter 2010</p>	<p>Status: In progress</p> <p>Update/Rationale As of 30/09/2009:</p> <p>See above</p>