Monitoring and Payment Function and Quality Assurance Review Process – Recommendations and Action Plans (July 23, 2004)

Activity	Based on Recommendations	Action Plan	Responsible for Action
Risk Assessment: Auditing and Monitoring requirements.	Implement specific, formal audit policies and procedures for auditing contribution Agreements in accordance with RBAFs	For each program and sub-program, define specific standards relating to the amount and nature of monitoring, auditing and claims verification required. The standards should be based on the corporate risk profile and program RBAFs as determined by A&E and the need for efficiency. Revisit the risk assessment forms for each program to ensure they are useful and necessary to use for each claim, and that the risk elements and scores accurately predict the level of risk associated with each project.	Programs and Operations
		Finalize and communicate updated audit policy	A&E
		Identify system requirements	KPMG report recommending
		Sampling standards	policy - to be approved by Exec
		Update risk assessment checklist	Estimated Completion Date: November 2004
and processes.	Define standards for monitoring and claims verification activities for core WD programs.	Review current processes to ensure that they are efficient and serve the interests of the department with respect to client service, support to other departments, and risk management. Review the necessity and appropriateness of all forms used by M & P.	Programs and M&P
	Clarify the intent and process for involving M & P in the review of draft contribution agreements	 Revise and standardize these forms as appropriate. Monitoring activities should be driven by a monitoring plan prepared at the beginning of each project based on the nature and risk of the project. 	

	Develop operating standards and performance measures for M & P.	 Monitoring activities must be documented to provide a record in the event of client disagreements or staff turnover, and to formally assess the effectiveness of such activities. 	
	Address the recommendations from the Audit of the Community Futures Program (Grant	Review current regional practices to involve M & P in the review of contribution agreements (e.g. buddy system, project review committees.)	
	Thornton 2003) and consider their applicability to all types of service delivery partners.	Incorporate the review process formally into the procedures for both project and M & P officers.	
		 Consideration should be given to: Rely on external auditors to provide assurance that service delivery partners are complying with the terms and conditions as is required. Standardizing performance reporting from service delivery partners, and verifying the accuracy and reasonableness of information submitted. 	
		Identify regional best practices and identify potential process weaknesses.	Estimated Completion Date: December 2004
		Develop metrics, standards and measures to manage the performance of M & P,	
Documented Procedures - developed as review evolves. Intranet site populated with forms and procedures	Develop and maintain standard policies and procedures for M & P across all regions.	Distribute policies and procedures along with supporting forms and tools using a central intranet site to ensure that they are current & consistent across all regions. Policies and procedures must reflect central agency regulations and	Programs & IMT Estimated Completion Date: March 2005
Headquarters Role	Review the structure of M & P, staffing levels and mix	guidelines. Dedicate a headquarters resource to the M & P function. ➤ At a minimum, the central role should be responsible for:	Programs

and identify and address training requirements for M & P. Define and implement a central coordinating role for the M & P function. Implement a quality assurance review process and conduct periodic internal audits of M & P	 Reviewing and redesigning as necessary the processes used by M & P Development of consistent policies and procedures, forms and practices are used across all regions Assist in defining the required position competencies for M & P function Determining and addressing the training requirements of M & P Review the organization structure of M & P, its required staffing levels and its resource mix following the development of an appropriate mandate and policy framework for the department and an associated redesign and standardization of M & P processes. Determine training requirements for M & P function with Regional agreement on best practices and 	Status: COmplated Programs and M&P in Regions
	Design and implement a formal quality assurance review process to ensure consistent application of policies and procedures throughout the regions. Request periodic internal audits of the M & P function to test compliance with regulations and policies, and to verify the effectiveness of controls.	Estimated Completion Date: December 2004