

## **INTRODUCTORY NOTE**

On January 19, 2000, Human Resources Development Canada (HRDC) made public an internal audit on grants and contributions. The purpose of the audit was to assess the management and delivery of grants and contributions within HRDC, and to provide managers and staff with practical recommendations to improve project management. The projects included were selected at random.

This package provides information on 37 projects flagged by the auditors for further review. The review of all 37 files has now been completed and a summary chart of the outcomes is included below.

A companion package included basic information and project descriptions for 424 project files audited by the HRDC Internal Audit Branch as part of the audit. From the application of the review methodology during the file review, no reason was identified by the auditors to focus special attention on the 424 files.

Both packages are organized by program area, and alphabetically within each program area.

A need to clarify two points about the number of files included in the audit was identified in the compilation of this document: (a) one project file was reviewed twice; (b) two projects included in the 37 flagged for further review were added from outside the audit sample of 459 projects. These were identified from among several files looked at by the auditors in preparing the audit, but not included because they were not needed to construct a broadly representative sample.

Names of any individuals or other information that may constitute “personal information” under the Privacy Act have been removed.

March 14, 2000

**Updated as of May 17, 2000**

## **FINAL OUTCOMES OF THE REVIEW OF THE 37 FILES**

**Projects that had no adjustments as all financial documentation was available and met the terms and conditions of the agreement:**

- Autodynamic Training and Development
- Community Futures Development Corporation of the North Cariboo
- Newfoundland and Labrador Forest Training Association
- Wells Barkerville-Bowron Lake Trail Network Infrastructure Project
- Dogrib Treaty 11 Council
- Manitoba Keewatinowi Okimakanak (MKO)
- Télé-université; Université du Québec
- Volunteer Canada
- Centre for Curriculum, Transfer and Technology, Victoria, British Columbia
- École nationale d'aérotechnique
- École Polytechnique of Montréal (Lead) University of Toronto Simon Fraser University
- McGill University
- McGill University
- New Brunswick Community College – St. John
- Royal Roads University
- Lead – University of Prince Edward Island
- Centre Option Avenir
- College of North Atlantic
- Environmental Youth Alliance
- First Interactive Computer College
- Formation Papyrus Training Inc.
- Greater Fredericton Economic Development Corp.
- John Howard Society of Niagara
- Metis Nation
- Nova Scotia Community College – Burr ridge Campus
- SADC Matawinie Inc.

Updated May 17, 2000

**FINAL OUTCOMES OF THE REVIEW OF THE 37 FILES (CONT'D)**

<b>Internal HRDC accounting errors across fiscal years</b>	<b>Multi-Year Agreement with expenditures that could not be verified at this time. The on-going payments to the sponsor have been adjusted by \$83,100</b>	<b>Active Project that will have an adjustment of \$6,529.30 to claimed amounts reflected in the final claim</b>	<b>Overpayments</b>
BC First Nations Day Care	Assembly of First Nations Quebec/Labrador	First Nations Summit Assembly of First Nations – Office of the Vice-Chief B.C.	Fanshawe College \$245.63  <b>Recovered</b>
MAWIW Council Inc.			Industry-Education Council \$1,028.43  <b>Recovered</b>
Canadian Paraplegic Association			Intravision \$394.58
			Pelagics Research Council \$4,695  <b>Recovered</b>
			Videotron Telecom Ltd. \$220,000  <b>Recovered</b>
			Watrous and District Recreation Board \$5.87  <b>Recovered</b>

**Grants & Contributions  
37 Projects Selected For Further Review  
Summary Status Report  
As of May 17, 2000**

**ACTION TAKEN**

<b>1. Follow-up reviews to be scheduled</b>	<b>0</b>	<b>\$ 0</b>
<b>2. Follow-up reviews underway</b>	<b>0</b>	<b>\$ 0</b>
<b>3. File reviews resolved</b>	<b>37</b>	<b>\$33,278,577</b>
<b>Total</b>	<b>37</b>	<b>\$33,278,577</b>

**OUTCOME - Updated May 17, 2000**

	<b># of Files</b>	<b>\$ Established Overpayment</b>	<b>\$ Overpayment Received</b>
<b>Ongoing reviews</b>	<b>0</b>		
<b>Number of reviews Completed – No Overpayment</b>	<b>31</b>		
<b>Number of reviews completed – With an Overpayment</b>	<b>6</b>	<b>\$226,369.51</b>	<b>\$226,000.93</b>
<b>Number of Files sent to RCMP</b>	<b>0</b>		
<b>TOTAL</b>	<b>37</b>		

**PROGRAM:** Labour Market Programs

**NAME OF PROJECT:**

**NAME OF ORGANIZATION:** Autodynamic Training and Development

**LOCATION:** British Columbia

**PROJECT DESCRIPTION:**

To negotiate financial assistance for Employment Assistance clients and contribute to the tuition fees of clients selected for training under the “Enhanced Feepayer” category. The focus was on active Employment Insurance claimants whose claims were at the initial stages and who were able to return to work with short training interventions. Results: Of 509 clients contacted, 55 are employed and 63 have been assisted with tuition costs.

**CONTRACT VALUE:** \$157,500

**AUDIT COMMENTS:**

- Of the \$30,808 in verified claims, 22% were not supported with proper evidence.
- Sponsor claimed 100% of the rent although the organization has other activities outside Human Resources Development Canada (HRDC) projects.
- Sponsor claimed \$330 per month/per computer for maintenance.

**STATUS OF FOLLOW-UP:**

- A full financial review was completed.
- The detailed findings have been reviewed by the Grants and Contributions Task Force.

**OUTCOMES:**

- Proper documentation to support the claims has now been provided.
- The space rented was used exclusively for the two projects funded by HRDC and allocated appropriately.
- The amount of \$330 per month/per computer is for two agreements within HRDC; \$250 to reimburse the use of the computer and \$80 claimed for technical support and maintenance under the second agreement.
- Costs related to the computers were allowable in both agreements. These specific costs were negotiated between HRDC and the contractor prior to the start of the agreement.
- It has been confirmed that no overpayment to the sponsor will occur.
- **REVIEW COMPLETED - NO ISSUES REMAINING.**

**ADDRESS OF ORGANIZATION:**

2009 Ogilvie Street  
Prince George, British Columbia  
V2N 1X2

**PROGRAM:** Labour Market Programs

**NAME OF PROJECT:**

**NAME OF ORGANIZATION:** Community Futures Development Corporation of the North Cariboo

**LOCATION:** British Columbia

**PROJECT DESCRIPTION:**

The project provided business counselling, entrepreneurial training and elective training to twenty Employment Insurance eligible participants. The twenty participants were assisted in finding employment.

**CONTRACT VALUE:** \$124,377

**AUDIT COMMENTS:**

- Of \$20,399 in verified claims, 78% were not supported with proper evidence.
- Possibility that same costs are claimed among other (up to 5) Human Resources Development Canada (HRDC) projects.

**STATUS OF FOLLOW-UP:**

- A full financial review was completed.
- The detailed findings have been reviewed by the Grants and Contributions Task Force.

**OUTCOMES:**

- Receipts to support all expenditures are on file.
- It has been confirmed that the same costs were not claimed twice against other HRDC projects.
- It has been confirmed that no overpayment to the sponsor will occur.
- **REVIEW COMPLETED – NO ISSUES REMAINING.**

**ADDRESS OF ORGANIZATION:** 355 Laurent Avenue  
Quesnel, British Columbia  
V2J 2E1

**PROGRAM:** Labour Market Programs

**NAME OF PROJECT:**

**NAME OF ORGANIZATION:** Intravision

**LOCATION:** Ontario

**PROJECT DESCRIPTION:**

To provide forty Employment Insurance clients with support on business plan development and coaching/guidance in order that they successfully establish a viable, sustainable and profitable small business. The majority of support is in the form of hands-on, one-on-one training and coaching with each client. Workshop training is given for development of business plans, marketing, bookkeeping and accounting. At the conclusion of the contract, 100% of the forty participants were either employed or self-employed.

**CONTRACT VALUE:** \$110,000

**AUDIT COMMENTS:**

- Of the \$95,921 in verified claims, 39% were not supported with proper evidence.
- This line was deleted for personal information pursuant to Privacy Act.

**STATUS OF FOLLOW-UP:**

- A financial review was performed on this file on January 31, 2000.
- This line was deleted for personal information pursuant to Privacy Act.
- A full financial review was completed.
- The detailed findings have been reviewed by the Grants and Contributions Task Force.

**OUTCOMES:**

- Proper documentation to support the claims has now been provided.
- Total expenses of \$109,654.42 have been reviewed and are allowable in accordance with the contract agreement and meet the Terms and Conditions of the program.
- The final reconciliation of the file has resulted in an overpayment of \$394.58.
- An amount of \$394.58 was established as an account receivable.
- **REVIEW COMPLETED – NO ISSUES REMAINING.**

**ADDRESS OF ORGANIZATION:** R.R. #3  
Calabogie, Ontario  
K0J 1H0



**PROGRAM:** Transitional Jobs Fund

**NAME OF PROJECT:**

**NAME OF ORGANIZATION:** Canadian Paraplegic Association

**LOCATION:** Alberta

**PROJECT DESCRIPTION: (amended)**

To assist persons with disabilities to obtain work through the provision of counselling, placement, wage subsidies and job support. Another component of the project was a job development and corporate liaison initiative that helped to create new relationships with employers to pave the way for future placements of disabled persons in employment.

The project has been an outstanding success, exceeding the employment placement targets. Through a partnership involving the Canadian Paraplegic (CPA), Human Resources Development Canada (HRDC) and community-based organizations of disabled persons throughout the province, over 200 disabled persons were placed in jobs over a period of two years.

The project was budgeted to place 160 people in jobs over two years. CPA placed 209 people over the two years. Job retention was 74% (84 clients) at the end of the first year and 66% (73 clients) at the end of the second year.

To ensure that jobs created by the project are readily and easily verifiable, the project file includes lists of clients identified by name and Social Insurance Number, as well as, their jobs, wages and the employers with whom they were placed.

**CONTRACT VALUE:** \$1,142,135

**AUDIT COMMENTS:**

- Sponsors received a payment of \$256,729 over their incurred expenses at the end of the project. HRDC indicated that this amount is an advance, pending the current negotiation of a new project under the Canadian Jobs Fund program.

**STATUS OF FOLLOW-UP:**

- A Memorandum of Understanding was signed on November 30, 1999, to extend the contract to March 31, 2000.
- The detailed findings have been reviewed by the Grants and Contributions Task Force

**OUTCOMES:**

## **FILE REVIEW COMPLETED**

- The contract ended on March 31, 1999. A new contract should have been entered into rather than signing a Memorandum of Understanding.
- Proper documentation to support the claims has now been provided.
- The sponsor met the agreement objectives by finding employment for 43 persons with disabilities.
- The proper internal HRDC accounting procedures are being carried out to record the expenditure of funds in the appropriate fiscal year.
- It has been confirmed that no overpayment to the sponsor will occur.
- **REVIEW COMPLETED – NO ISSUES REMAINING.**

**ADDRESS OF ORGANIZATION:**

Suite 305  
11010 - 101<sup>st</sup> Street  
Edmonton, Alberta  
T5H 2T1

**PROGRAM:** Transitional Jobs Fund

**NAME OF PROJECT:**

**NAME OF ORGANIZATION:** Newfoundland and Labrador Forest Training Association

**LOCATION:** Newfoundland

**PROJECT DESCRIPTION:**

In conjunction with the provincial government and industry, this project assists in the stabilization of the logging and sawmill industry in this Province. Wood supply is so scarce that wood is imported from Prince Edward Island to feed the mill in Stephenville. Human Resources Development Canada (HRDC) sponsored 169 projects throughout Newfoundland and Labrador providing employment to 1,933 workers in silviculture and 143 workers in sawmilling as well as other value added industries over a three-year period. Workers have been active in the reforestation of 9,622 hectares throughout rural and remote areas in Newfoundland and Labrador.

**CONTRACT VALUE:** \$11,507,500

**AUDIT COMMENTS:**

- Organization does not maintain proper records. No monitoring done by HRDC.

**STATUS OF FOLLOW-UP:**

- On-site review took place on February 3, 2000.
- The detailed findings have been reviewed by the Grants & Contributions Task Force.

**OUTCOMES:**

- Appropriate financial and administrative sponsor records have been confirmed by joint HRDC finance/program team and private sector audit.
- Evidence of HRDC monitoring, including financial review over the period of the contract, is now confirmed.
- It has been confirmed that no overpayment to the sponsor will occur.
- **REVIEW COMPLETED – NO ISSUES REMAINING.**

**ADDRESS OF ORGANIZATION:** 2 Herald Avenue  
Corner Brook, Newfoundland  
A2H 6J8

**PROGRAM:** Transitional Jobs Fund

**NAME OF PROJECT:**

**NAME OF ORGANIZATION:** Pelagics Research Council

**LOCATION:** Nova Scotia

**PROJECT DESCRIPTION:**

Undertake research and scientific surveys on two levels in order to improve the available information on the magnitude and nature of fish stocks in order to support the establishment of increased allowable catches and to improve stock management. Both results to enable growth in catches with resulting increases in employment for harvesters and processors. To date, the project has achieved these results. Final results will be reported upon completion.

**CONTRACT VALUE:** \$1,208,719

**AUDIT COMMENTS:**

- Of the \$610,627 in verified claims, 18% were not supported with proper evidence.

**STATUS OF FOLLOW-UP:**

- Consulting and Audit Services Canada has been on-site and completed a review the week of January 31, 2000.
- A full financial review was performed.
- The detailed findings have been reviewed by the Grants and Contributions Task Force.

**OUTCOMES:**

- Proper documentation to support the claims has now been provided.
- Total expenses of \$898,777 have been reviewed and are allowable in accordance with the contract agreement and meet the Terms and Conditions of the program.
- The final reconciliation of the file has resulted in an overpayment of \$4,695.
- An amount of \$4,695 was established as an account receivable.
- **A CHEQUE IN THE AMOUNT OF \$4,695 WAS RECEIVED FROM THE SPONSOR TO REIMBURSE THE OVERPAYMENT.**
- **REVIEW COMPLETED – NO ISSUES REMAINING.**

**ADDRESS OF ORGANIZATION:** 41 Armitage Road  
Newport, Hants County, Nova Scotia  
B0N 2A0

**PROGRAM:** Transitional Jobs Fund

**NAME OF PROJECT:**

**NAME OF ORGANIZATION:** Videotron Telecom Ltd.

**LOCATION:** Québec

**PROJECT DESCRIPTION:**

To enable growth in the Montreal area with the introduction of a new telephone and data transfer service. Five hundred new permanent jobs to be created.

**CONTRACT VALUE:** \$2,500,000

**AUDIT COMMENTS:**

- The agreement allows the sponsor to claim \$5,000 for each long-term sustainable job created. Employment contracts signed by the sponsor's new employees clearly show that most new positions are temporary, often only for summer. Total salary paid to some participants is less than the \$5,000 contribution.
- Balance of \$580,000 not claimed during the life of the agreement was sent to sponsor at the termination of the Project.

**STATUS OF FOLLOW-UP:**

- A project team comprising a financial officer and program officer contacted the sponsor on February 2, 2000, to obtain financial statements and an employee list.
- The on-site review is scheduled for the week of February 7, 2000.
- A financial review and a review of jobs were completed.
- The detailed findings have been reviewed by the Grants and Contributions Task Force.

**OUTCOMES:**

- The project review indicated that the majority of the employment contracts signed were for new permanent positions. None of the jobs reviewed resulted in salary expenses of less than \$5000.
- The original agreement period was July 4, 1997 until March 31, 1999. A review by HRDC and Videotron of the agreement in January 1999 determined that 389 jobs had been created. In order to allow more time for the company to create the remaining 111 jobs, the contract was extended until August 31, 1999. The balance of \$580,000 was paid to the sponsor in March 1999 in order to cover the extension of the agreement period until

## **FILE REVIEW COMPLETED**

August 1999. The final review of this project by HRDC indicated that 67 jobs had been created during this extension period. In accordance with their contract, Videotron reimbursed HRDC \$220,000 (\$5,000 per job) for the 44 jobs not created.

- **REVIEW COMPLETED – NO ISSUES REMAINING.**

**ADDRESS OF ORGANIZATION:** 2155, boul. Pie IX  
Montréal, Québec  
H1V 2E4

**PROGRAM:** Transitional Jobs Fund

**NAME OF PROJECT:**

**NAME OF ORGANIZATION:** Wells Barkerville-Bowron Lake Trail Network  
Infrastructure Project

**LOCATION:** British Columbia

**PROJECT DESCRIPTION:**

Assist in development of the trails network and the marketing of development as a major, year-round eco-tourist attraction. Completion of trail's infrastructure, connections forming loop trails, and ensuring that the network offers a variety of trails suitable for all levels of hiking. Installation of consistent sights and safety features. Work contracted was completed. The trail network is extensive and regular maintenance is being completed. Indirect job growth in the service and tourism industry can be attributed to the improved trails network.

**CONTRACT VALUE:** \$200,000

**AUDIT COMMENTS:**

- Proper accounting procedures not followed.
- Of the \$47,475 in verified claims, 11% is either not eligible, as per the agreement, or not supported with proper evidence.

**STATUS OF FOLLOW-UP:**

- The financial review has been completed.
- This review determined that the amount of \$5,222.25 is not currently eligible.
- The Sponsor will attempt to provide further documentation to support this amount.
- An on-site review was scheduled for February 9, 2000, to complete the final verification.
- The date of the review was rescheduled to February 3, 2000.
- The detailed findings have been reviewed by the Grants and Contributions Task Force.

**OUTCOMES:**

- Sponsor record keeping was not up-to-date and took considerable time to organize.
- Proper documentation to support the claim has now been provided.
- The amount of \$5,222.25 is supported by receipts and approved in accordance with contract agreement.
- It has been confirmed that no overpayment to the sponsor will occur.
- **REVIEW COMPLETED – NO ISSUES REMAINING.**

**ADDRESS OF ORGANIZATION:** 4269 Sunders Road  
Wells, British Columbia



**PROGRAM:** Social Development Programs

**NAME OF PROJECT:** First Nations Inuit Childcare Initiative (FNICCI)

**NAME OF ORGANIZATION:** Assembly of First Nations Québec/Labrador (AFNQL)

**LOCATION:** Québec

**PROJECT DESCRIPTION:**

The AFNQL acts as a sponsor for the First Nations Inuit Childcare representing the First Nations of Québec. The project involves the implementation of new services where none exist and enhancement of services through community training and culturally relevant programming.

The objectives are to oversee the quality of childcare services offered, plan comprehensive and flexible community childcare services that are accessible, accountable and affordable. Assist in meeting the training needs identified in the childcare field and develop accountability measures for all levels of participation; family, community and region.

The AFNQL co-ordinated this initiative with the First Nations of Québec and Labrador by enhancing childcare services to 18 operating centres and opening 9 new centres.

A total of 849 childcare spaces were supported, 373 new spaces were created and the quality of another 476 spaces was enhanced.

**CONTRACT VALUE:** \$2,893,378

**AUDIT COMMENTS:**

- Sponsor is redistributing contributions to approximately 23 different groups, which must submit audited financial statements. Sponsor claimed reimbursement for some groups that did not incur any expenses as per their audited financial statements.

**STATUS OF FOLLOW-UP**

- National Headquarters program office has completed a review of the file.
- The sponsor was advised that an on-site review would be conducted.
- A review team led by the Internal Audit Bureau along with a program officer has been formed.
- The review team arranged an on-site review that started February 3, 2000.
- A full financial review was completed.
- The detailed findings have been reviewed by the Grants and Contributions Task Force.

**OUTCOMES:**

- The amount of \$2,810,708 was reviewed and certified to be allowable under the contribution agreement and the terms and conditions of the program.
- This sponsor has multi-year contracts with HRDC and is advanced funds to assist them with cash flow outlays. The way the system is designed there is a regular cycle of advance payments and reconciliation. At the time of the first review the sponsor had received advance funds that exceeded expenses to date. This is normal occurrence under advance type arrangements.
- Our second review examined the contract position as of March 1998. The review verified that supporting documentation (such as invoices, receipts, and audited financial statements from third parties, etc.) was on hand in the amount of \$2, 810,708.
- A further amount of \$83,100 could not be currently verified as audited financial statement from third parties had not yet been received by the sponsor. This is being followed up by the sponsor.
- In order to ensure that no overpayment would occur with this sponsor we have taken the following action: Because the sponsor has multi-year contracts with HRDC we have adjusted the \$83,100 from the ongoing payments of these contracts. Should the sponsor provide the required third party audited financial statements these expenses will be re-examined. In either case there will be no overpayment owing from the sponsor.
- The proper internal Human Resources Development Canada (HRDC) accounting procedures are being carried out to record the expenditure of funds in the appropriate fiscal year.
- It has been confirmed that no overpayment to the sponsor will occur.
- **REVIEW COMPLETED - NO ISSUES REMAINING.**

**ADDRESS OF ORGANIZATION:**

115, rue du Loup  
Wendake, Québec  
G0A 4V0

**PROGRAM:** Social Development Programs

**NAME OF PROJECT:** First Nations Inuit Childcare Initiative (FNICCI)

**NAME OF ORGANIZATION:** B.C. First Nations Day-care Program

**LOCATION:** British Columbia

**PROJECT DESCRIPTION:**

Between 1996-1997 and 1998-1999, the British Columbia (B.C.) First Nations Day-care Committee was responsible for implementing the First Nations Inuit Childcare Initiative in B.C. The organization is involved with equitable funding distribution for the creation and enhancement of childcare spaces, First Nations standards and authority in childcare, acting as a resource centre/clearing house and community consultation.

B.C. Aboriginal Childcare Society (B.C.-ACCS) co-ordinated a First Nations province wide implementation of the First Nations Inuit Childcare Program. There were 703 new spaces created in First Nations communities in 56 childcare facilities and 9 family day homes.

B.C.-ACCS examined the First Nations childcare "standards" and authorities; established a resource centre and clearinghouse with over 400 titles available; conducted consultations in 80 communities; and conducted research and development activities, all aimed at developing and implementing a First Nations appropriate childcare program heavily involving parents and guardians in the development and delivery decision making process.

The B.C.-ACCS also co-ordinated their activities with the province and actively participated in the quarterly meetings of the Provincial Childcare Council. Audits, by an independent third party are on file, as well as, regular financial and activity reports.

**CONTRACT VALUE:** \$5,428,000

**AUDIT COMMENTS:**

- Sponsor could not produce proper supporting evidence for expenses.
- Sponsor accounting records do not match claimed expenses.

**STATUS OF FOLLOW-UP:**

- National Headquarters program office has completed a review.
- Sponsor was advised that an on-site visit would be conducted.
- A review team led by the Internal Audit Bureau and a program officer was formed.
- Review team arranged for an on-site review on February 10 and 11, 2000.

## **FILE REVIEW COMPLETED**

- A full financial review was completed.
- The detailed findings have been reviewed by the Grants and Contributions Task Force.

### **OUTCOMES:**

- The amount of \$5,428,000 was reviewed and certified to be allowable under the contribution agreement and the terms and conditions of the program.
- The proper internal HRDC accounting procedures are being carried out to record the expenditure of funds in the appropriate fiscal year.
- It has been confirmed that no overpayment to the sponsor will occur.
- **REVIEW COMPLETED – NO ISSUES REMAINING.**

### **ADDRESS OF ORGANIZATION:**

Suite 209  
1999 Marine Drive  
North Vancouver, British Columbia  
V7P 3J3

**PROGRAM:** Social Development Programs

**NAME OF PROJECT:** First Nations Inuit Childcare Initiative (FNICCI)

**NAME OF ORGANIZATION:** Dogrib Treaty 11 Council

**LOCATION:** Northwest Territories

**PROJECT DESCRIPTION:**

The Dogrib Community Services Board co-ordinates early childhood programs throughout the Dogrib region in the Northwest Territories. A co-ordinator for early childhood programs in the region is responsible for working with each community providing information and services and provides Aurora College courses to adults in communities who wish to enroll.

The programs include both pre-schools and day-care centres in the communities of Rae Edzo, Wha Ti, Snare Lake and Gameti. As well, 5 courses are offered which lead to an Early Childhood Education (ECE) Certificate. The pre-school programs offer activities such as Dogrib language and culture, stories, writing and illustrating, songs, language, art, healthy snacks, good dental, physical and mental health activities, and cooking opportunities. The day-care centres offer snack and lunch programs, outdoor and gym play, songs, stories, good dental, physical and mental health activities and cooking opportunities. This initiative supported 155 day-care spaces.

The Rae Edzo Pre-school provided 2.5 hour daily sessions to 40 children focusing on social, emotional, intellectual and physical development. Aurora College ECE program had 9 students of which 6 completed their training. Additional weekend workshops focusing on specific "certifications" e.g. WHMIS and First Aid were held.

At Rae Lakes, 10 children attended Community childcare where ECE students were offered internships. At Snare Lake, 5 students participated in the Aurora College courses in ECE and at Wha Ti, 6 students completed part one of their ECE and 7 others are continuing their ECE.

**CONTRACT VALUE:** \$242,600

**AUDIT COMMENTS:**

- Sponsor claimed \$71,874 in salary for 9 months while agreement specifies a ceiling of \$40,000.
- A \$5,000 donation was claimed but not eligible as per agreement.

**STATUS OF FOLLOW-UP:**

- National Headquarters program office has completed a review of the file.
- The sponsor was advised that an on-site review would be conducted.

## **FILE REVIEW COMPLETED**

- A review team led by the Internal Audit Bureau along with a program officer was formed.
- The review team arranged the on-site review to start on February 7, 2000.
- A full financial review was completed.
- The detailed findings have been reviewed by the Grants and Contributions Task Force.

### **OUTCOMES:**

- The \$71,874 in salary expenses is for a 12 month period rather than a 9 month period. Documentation to support the full amount of these expenses was reviewed and found to be eligible under the agreement.
- The agreement contains two cost categories for salary expenses for a total combined ceiling of \$126,000.
- The \$5,000 recorded as a donation was a payment for activities related to children in the community. Documentation to support this claim was reviewed and found to be eligible.
- It has been confirmed that no overpayment to the sponsor will occur.
- **REVIEW COMPLETED – NO ISSUES REMAINING.**

### **ADDRESS OF ORGANIZATION:**

P.O. Box 24  
Rae-Edzo, Alberta  
X0E 0Y0

**PROGRAM:** Social Development Programs

**NAME OF PROJECT:** First Nations Quality Childcare: A National Study

**NAME OF ORGANIZATION:** First Nations Summit (Mar-Apr/98)  
Assembly of First Nations – Office of the Vice-Chief B.C.  
(98-99/99-00)

**LOCATION:** British Columbia

**PROJECT DESCRIPTION:**

A study that is designed to define and examine First Nations “quality” childcare with an emphasis on the role of provincial/territorial legislation and policies in the delivery of childcare services. The study will provide First Nations with descriptions of indicators and components of high quality First Nations childcare services, along with options and considerations for either current policy change and/or for assuming authority over childcare services.

More specifically, the study is expected to be sensitive to First Nations communities, families and children involved in the design and delivery of childcare services. Communities will be at varying stages of development ranging from no delivery of service, to those either in the planning stages of delivery or currently delivering services. The primary goal of the study is to provide First Nations communities with: a) implementation models for the development of First Nations quality childcare programs; and, b) options for First Nations jurisdiction in childcare.

- Final report will be disseminated to aboriginal and non-aboriginal communities across Canada.
- Implementation models and indicators for the development of First Nations quality childcare programs.
- Over 200 First Nations members have indicated strong interest in implementation.

**CONTRACT VALUE:** \$535,398

**AUDIT COMMENTS:**

- Of the \$192,610 in verified claims, \$10,445 is not eligible according to Terms and Conditions of the agreement and \$82,328 is not supported with proper evidence.
- Same expenses are often claimed twice and jewels were claimed under office furniture.
- This line was deleted due to personal information pursuant to Privacy Act.
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**STATUS OF FOLLOW-UP:**

- An on-site visit was done between January 16 and 23, 2000, in collaboration with Price Waterhouse and the Internal Audit Bureau.
- Draft findings were prepared on February 4, 2000, and were reviewed by the Grants and Contributions Task Force.
- The report of their findings was completed on February 14, 2000 and submitted to the program authority on February 16.
- The report was reviewed by the program authority and the Grants and Contributions Task Force.
- An additional on-site visit was conducted March 9<sup>th</sup>.
- A full financial review was completed.
- The detailed findings have been reviewed by the Grants and Contributions Task Force.

**OUTCOMES:**

- Proper documentation to support the claims has now been provided.
- There were no expenses claimed twice.
- The initial Internal Audit Bureau onsite review identified an amount of \$1,324.00 for Jewels charged to Office Expenses. Further examination has identified that this amount was for the purchase of 14 silver cast clam shell pendants and 3 silver cast bolo ties. These items were distributed to 17 participants as cultural tokens of appreciation. There is no provision in the HRDC program Terms and Conditions that takes into consideration the customary practice by First Nations people of providing offerings of appreciation in lieu of payment to volunteer advisors. The sponsor has instructed Adshaw Management that these are ineligible expenses.
- Review by AFN and HRDC has identified ineligible expenses in the amount of \$6,529.30. These will be adjusted in the final claim for the agreement.
- It has been confirmed that no overpayment to the sponsor will occur.
- **REVIEW COMPLETED – NO ISSUES REMAINING**

**ADDRESS OF ORGANIZATION:**

205 - 675 West Hastings Street  
Vancouver, British Columbia  
V6B 1N2



**PROGRAM:** Social Development Programs

**NAME OF PROJECT:** First Nations Inuit Childcare Initiative (FNICCI)

**NAME OF ORGANIZATION:** Manitoba Keewatinowi Okimakanak (MKO)

**LOCATION:** Manitoba

**PROJECT DESCRIPTION:**

The organization distributes funding received from Human Resources Development Canada (HRDC) to 26 First Nations within the MKO region to deliver childcare services within these communities. The goal is to ensure that a minimum of 552 day-care spaces are created and maintained.

The MKO facilitates a process through a technical working group to establish a First Nations Child day-care policy and program framework; develops and maintains a standard inventory system of services available in the region, including community profiles; establishes linkages within communities including Child and Family Services Agencies, volunteers fundraising events and other resources; and, develops a fair and equitable allocation to the region. The University of Victoria and Awasis Agency continue to implement a three-year Early Childhood Education Diploma Program in 18 MKO First Nations communities.

In 1997-1998:

- 344 spaces were created.
- 20 day-care co-ordinators were hired.
- 16 community based childcare committees were established.
- A three-year Early Childhood Education Program was implemented in 18 communities with 183 First Nations members enrolled.

By 1998-1999:

- 622 spaces were created.
- 111 students are continuing their Early Childhood Education Program. This program has been extended to August 2000, to allow individuals to complete their training.

**CONTRACT VALUE:** \$4,312,000

**AUDIT COMMENTS:**

- No documentary evidence as to whether and how the contributions have been spent by third parties.
- Timing of payments to third parties does not correspond to claims submitted by sponsor.
- Christmas Bonus of \$1,000 was given and an amount of \$4,054 claimed as expenses were not eligible

## **FILE REVIEW COMPLETED**

### **STATUS OF FOLLOW-UP:**

- National Headquarters program office has completed a review of the file.
- The sponsor was advised that an on-site review would be conducted.
- A review team led by the Internal Audit Bureau along with a program officer was formed.
- The review team arranged an on-site review to start February 7, 2000.
- A full financial review was completed.
- The detailed findings have been reviewed by the Grants and Contributions Task Force.

### **OUTCOMES:**

- After review, there is evidence for each of the third party claims to MKO for each quarter of the year.
- The amount of \$1,000 paid as a bonus and the amount of \$4,054 claimed were paid with MKO funds, not HRDC contribution funds.
- It has been confirmed that no overpayment to the sponsor will occur.
- **REVIEW COMPLETED – NO ISSUES REMAINING.**

**ADDRESS OF ORGANIZATION:** 200 - 701 Thompson Drive  
Thompson, Manitoba  
R8N 2A3

**PROGRAM:** Social Development Programs

**NAME OF PROJECT:** First Nations Inuit Childcare Initiative (FNICCI)

**NAME OF ORGANIZATION:** MAWIW Council Incorporated

**LOCATION:** New Brunswick

**PROJECT DESCRIPTION:**

Construction and operation of three day-care centres in the Burnt Church, Big Cove and Tobique communities. Accomplishments include the formation of a joint working group, training co-ordination and delivery of two-year programs in each community, transfer of credits to university level for students completing training, and creating linkages to other programs and agencies.

The training program has been developed and certified as a series of professional workshops and in-service training for each community, including a “Lab Day-care (model day-care practicum),” workshops, and short-term/long-term training. The training classes are offered fully in the Micmac language and in English, as required.

**CONTRACT VALUE:** \$489,000

**AUDIT COMMENTS:**

- Of the \$47,612 in verified claims, 62% were not supported with proper evidence.

**STATUS OF FOLLOW-UP:**

- National Headquarters program office has completed a review of the file.
- The sponsor was advised that an on-site review would be conducted.
- A review team led by the Internal Audit Bureau along with a program officer was formed.
- The review team arranged an on-site review starting February 9, 2000.
- A full financial review was completed.
- The detailed findings have been reviewed by the Grants and Contributions Task Force.

**OUTCOMES:**

- Proper documentation to support the claims has now been provided for an amount of \$242,800.
- The amount of \$242,800 of expenses have been reviewed and are allowable in accordance with the contract agreement and meet the Terms and Conditions of the program.

## **FILE REVIEW COMPLETED**

- The proper internal HRDC accounting procedures are being carried out to record the expenditure of funds in the appropriate fiscal year.
- It has been confirmed that no overpayment to the sponsor will occur.
- **REVIEW COMPLETED – NO ISSUES REMAINING.**

**ADDRESS OF ORGANIZATION:**

318 Maple Street  
Fredericton, New Brunswick  
E3B 5N6

**PROGRAM:** Social Development Programs

**NAME OF PROJECT:** Garde en milieu familiale: développement d'un vidéo et manuels accompagnateurs d'apprentissage d'un module aménagement matériel de l'environnement; animation en milieu de vie.

**NAME OF ORGANIZATION:** Télé-université; Université du Québec

**LOCATION:** Québec

**PROJECT DESCRIPTION:**

To develop a training module which teaches participants how to design physical environments and good atmosphere. The module also includes child development. Fifteen hours of correspondence training is offered. Training material includes videotapes, manuals and access to instructor by telephone.

- Develop educational material for a non-accredited training course for use as continuous education, describing an educational approach for children in a family day-care environment.
- A 60-minute videotape is included with the training material.
- Printing of 2000 copies of the training manuals.
- Nine series of training exercises on promotion and communication of pamphlets.
- Place advertisements in specialised magazines and newspapers.
- Télé-université will provide continuous pedagogic support.

It is planned to integrate two other modules. The project will be available across Canada. The distribution is planned for a decade.

**CONTRACT VALUE:** \$205,680

**AUDIT COMMENTS:**

- None of the \$55,830 in verified claims was supported with proper evidence.

**STATUS OF FOLLOW-UP:**

- National Headquarters program office has reviewed the file in context with the comments and observations made by the Internal Audit Bureau.
- The Sponsor was advised that an on-site review would be conducted.
- A review team led by the Internal Audit Bureau along with a program officer was formed.
- The review team arranged the on-site review to start on February 10, 2000.
- A full financial review was completed.
- The detailed findings have been reviewed by the Grants and Contributions Task Force.

## **FILE REVIEW COMPLETED**

### **OUTCOMES:**

- Proper documentation to support the claims has now been provided.
- All expenses have been reviewed and are allowable in accordance with the contract agreement and meet the Terms and Conditions of the program.
- It has been confirmed that no overpayment to the sponsor will occur.
- **REVIEW COMPLETED – NO ISSUES REMAINING.**

### **ADDRESS OF ORGANIZATION:**

2600 boul Laurier  
Tour de la Cité, 7ième étage  
Sainte-Foy, Québec  
G1V 4V9

**PROGRAM:** Social Development Programs

**NAME OF PROJECT:** Volunteer Opportunities Exchange (VOE)

**NAME OF ORGANIZATION:** Volunteer Canada

**LOCATION:** Ontario

**PROJECT DESCRIPTION:**

Volunteer Canada to conduct, design, develop, implement and administer the Volunteer Opportunity Exchange (VOE), which will provide a national Internet-based interactive database that will match skills of Canadian volunteers with the skills voluntary agencies need. The VOE will be developed using the architecture of the Human Resources Development Canada Electronic Labour Exchange (ELE). It will reduce the time and cost of recruiting volunteers, increase the number and diversity of volunteers and encourage "virtual volunteering" via electronic mail and other Internet applications. The VOE will become self-sustaining through corporate sponsorship and in-kind services.

The VOE was launched during National Volunteer Week, April 1999. Since its launch, the site has been refined as a result of information sessions held across Canada. As of February 2000, 533 agencies and 3,116 volunteers have registered on the system. There have been 5,721 matches for volunteers and 2,778 matches for agencies made. A partnership with Manulife Financial has been finalized and efforts to secure corporate sponsorship are on going to ensure the VOE becomes self-sufficient. Volunteer Canada has worked closely with its local centres as well as other interested agencies to train them in using the VOE.

**CONTRACT VALUE:** \$250,500

**AUDIT COMMENTS:**

- Of the \$58,065 in verified claims, 17% were not supported with proper evidence.
- Difference between incurred expenses and total contract value claimed as administration expense for managing the project.

**STATUS OF FOLLOW-UP:**

- National Headquarters program office reviewed the file in context with comments and observations made by the Internal Audit Bureau.
- The sponsor was contacted on January 31, 2000, to advise that a review would be conducted on February 9 and 10, 2000.
- The on-site financial review has been conducted.
- The detailed findings have been reviewed by the Grants and Contributions Task Force.

## **FILE REVIEW COMPLETED**

### **OUTCOMES:**

- Proper documentation to support the claims has now been provided.
- Administration expenses have been reviewed and are in accordance with the contract agreement.
- It has been confirmed that no overpayment to the sponsor will occur.
- **REVIEW COMPLETED – NO ISSUES REMAINING.**

### **ADDRESS OF ORGANIZATION:**

1 Nicholas Street  
Ottawa, Ontario  
K1N 7B7



## FILE REVIEW COMPLETED

**PROGRAM:** Learning and Literacy Programs

**NAME OF PROJECT:** Comparative Analysis of Educational Computer Communications Software

**NAME OF ORGANIZATION:** Centre for Curriculum, Transfer and Technology, Victoria, British Columbia

**LOCATION:** British Columbia

### PROJECT DESCRIPTION:

To develop a web site tool for educators to do a comparative analysis of communications software products that would aid them in developing new instructional methods. A template was produced for an evaluation framework to assess and select best products. A final report was submitted including case studies. A web site and list server was produced.

**CONTRACT VALUE:** \$60,500

### AUDIT COMMENTS:

- Of \$47,000 in verified claims, 20% were not supported with proper evidence.

### STATUS OF FOLLOW-UP:

- The agreement has been studied with respect to the requirements placed on the sponsor.
- Consultation with Legal Services is complete.
- A review team led by Internal Audit Bureau along with a program officer was formed.
- The review team arranged the on-site review to start on February 4, 2000.
- A full financial review was completed.
- The detailed findings have been reviewed by the Grants and Contributions Task Force.

### OUTCOMES:

- Proper documentation to support the claims has now been provided.
- All expenses have been reviewed and are allowable in accordance with the contract agreement and the Terms and Conditions of the program.
- It has been confirmed that no overpayment to the sponsor will occur.
- **REVIEW COMPLETED – NO ISSUES REMAINING.**

**ADDRESS OF ORGANIZATION:** 1483 Douglas Street,  
5<sup>th</sup> Floor  
Victoria, British Columbia  
V8W 3K4

**PROGRAM:** Learning and Literacy Programs

**NAME OF PROJECT:** Coopération Canada – Communauté-européenne en formation aérotechnique

**NAME OF ORGANIZATION:** École nationale d'aérotechnique

**LOCATION:** Québec

**PROJECT DESCRIPTION:**

A partnership between four Canadian post-secondary institutions and four European institutions (in Belgium and France) to develop a pre-university, internationally standardized curriculum in aero-technology, and to provide fully articulated, transatlantic exchange opportunities for students.

Over a period of three years, a minimum of twenty-eight Canadian students will have an opportunity for European study abroad. Forty-nine European students will study in Canada.

A final report will be available upon completion of this project.

The Canada-EU (European Union) Program for Co-operation in Higher Education and Training is a co-operative initiative among the governments of Canada and the fifteen member countries of the EU supporting innovative projects undertaken by partnerships of universities, colleges and technical institutions.

**CONTRACT VALUE:** \$160,000

**AUDIT COMMENTS:**

- Of \$30,000 in verified claims, 68% were not supported with proper evidence.

**STATUS OF FOLLOW-UP:**

- The sponsor was advised that an on-site review would be conducted.
- A financial review was conducted to reconcile the financial claims with the payments.
- A review team led by the Internal Audit Bureau along with a program officer was formed.
- The review team arranged the on-site review starting February 8, 2000.
- A full financial review was completed.
- Total expenses have been reviewed against the supporting documentation, only \$1,657 required more documentation, which was to be provided shortly by the sponsor.
- The detailed findings have been reviewed by the Grants and Contributions Task Force.

## **FILE REVIEW COMPLETED**

### **OUTCOMES:**

- Proper documentation to support the claims has now been provided, including the amount of \$1657.
- All expenses have been reviewed and are allowable in accordance with the contract agreement and meet the Terms and Conditions of the program.
- It has been confirmed that no overpayment to the sponsor will occur.
- **REVIEW COMPLETED – NO ISSUES REMAINING.**

### **ADDRESS OF ORGANIZATION:**

555 Place de la Savane  
St-Hubert, Québec  
J3Y 5K2

**PROGRAM:** Learning and Literacy Programs

**NAME OF PROJECT:** Management of Technology in a Global Environment for a Sustainable Development

**NAME OF ORGANIZATION:** École Polytechnique of Montréal (Lead)  
University of Toronto  
Simon Fraser University

**LOCATION:** Québec

**PROJECT DESCRIPTION:**

A partnership between fourteen organizations (seven in Canada and seven in Europe) to enhance training of students in leading edge technology management while providing an international perspective on issues of shared interest.

Partners develop a Double Degree system based on an existing model in Europe where students benefit from instruction in two different academic institutions and receive two degrees, one from each institution.

The project enables 60 Canadian students to undertake studies or work internships within their current academic program in a participating European institution for up to four months. An equivalent 60 European students will be given the opportunity to study in Canada through European Union funding.

A final report will be available upon completion of the project.

**CONTRACT VALUE:** \$160,000

**AUDIT COMMENTS:**

- Audit team was unable to reconcile any of the claims submitted to Human Resources Development Canada (HRDC).
- Strong possibility that ineligible costs have been claimed.

**STATUS OF FOLLOW-UP:**

- The sponsor was advised that an on-site review would be conducted.
- A financial review was conducted to reconcile the financial claims with the payments.
- A review team led by the Internal Audit Bureau along with a program officer was formed.
- The review team arranged the on-site review for the week of February 7, 2000.
- A full financial review was completed.
- The detailed findings have been reviewed by the Grants and Contributions Task Force.

## FILE REVIEW COMPLETED

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- **OUTCOMES:**
  - All claims were reviewed and reconciled with the payments issued by HRDC.
  - All expenses have been reviewed and are allowable in accordance with the contract agreement and meet the Terms and Conditions of the program.
  - It has been confirmed that no overpayment to the sponsor will occur.
  - **REVIEW COMPLETED – NO ISSUES REMAINING.**

**ADDRESS OF ORGANIZATION:** C.P. 6079, Succ.  
Centre-Ville  
Montréal, Québec  
H3C 3A7

**Updated May 17, 2000**

**PROGRAM:** Learning and Literacy Programs

**NAME OF PROJECT:** Community Leadership Development Program

**NAME OF ORGANIZATION:** Industry-Education Council

**LOCATION:** Ontario

**PROJECT DESCRIPTION:**

To support the development of a national network of qualified practitioners that will assume leadership roles in their communities and offer effective training and assistance to others. This would be accomplished through training the trainers. The project resulted in the development and field testing of a comprehensive one-day partnership training course, development and field testing of an Instructors and Participants Course Guides, development and field testing of an internet site that includes course materials.

**CONTRACT VALUE:** \$15,000

**AUDIT COMMENTS:**

- Of \$14,992 in verified claims, 69% were not supported with evidence.
- Claims are generally based as per projected cash flow.

**STATUS OF FOLLOW-UP:**

- The sponsor was advised that an on-site review would be conducted.
- A review team led by the Internal Audit Bureau along with a program officer has been formed.
- The review team has arranged the on-site review to start on February 7, 2000.
- A full financial review was completed.
- The detailed findings have been reviewed by the Grants and Contributions Task Force.

**OUTCOMES:**

- Proper documentation to support the claims has now been provided
- The final reconciliation of the files has resulted in an overpayment of \$1,028.43
- An overpayment of \$1,028.43 is established as an account receivable.
- **A CHEQUE IN THE AMOUNT OF \$1,028.43 WAS RECEIVED FROM THE SPONSOR TO REIMBURSE THE OVERPAYMENT.**
- **REVIEW COMPLETED – NO ISSUES REMAINING.**

**Updated May 17, 2000**

**ADDRESS OF ORGANIZATION:**

4 Hughson Street South  
Suite 701  
Hamilton, Ontario  
L8N 3Z1

**PROGRAM:** Learning and Literacy Programs

**NAME OF PROJECT:** The Use of ECTS to Enhance EU-Canada Mobility for Science Students

**NAME OF ORGANIZATION:** McGill University

**LOCATION:** Québec

**PROJECT DESCRIPTION:**

A partnership between thirty academic institutions (eight Canadian and twenty-two European) to develop joint academic programming and curriculum in chemistry for both mobile and “non-mobile” post-secondary students. A secondary objective is to examine European best practices in post-secondary credit recognition in order to further Canadian institutional advances in this area. Resultant credit recognition tools will be prepared to facilitate academic placement opportunities for a one-year of study abroad.

Over the three years of the project, it is expected that 56 Canadian students will study abroad and an equal number of European students will study in Canada. A final report will be available upon completion of the project.

The Canada-EU (European Union) Program for Co-operation in Higher Education and Training is a co-operative initiative among governments of Canada and the fifteen member countries of the EU supporting innovative projects undertaken by partnerships of universities, colleges and technical institutions.

**CONTRACT VALUE:** \$160,000

**AUDIT COMMENTS:**

- Most of the \$59,689 claimed was not supported with proper evidence.
- Sponsors submitted a \$60,000 proposal but received \$160,000.
- After verification, sponsor indicated that only \$30,061 should have been claimed.

**STATUS OF FOLLOW-UP:**

- The sponsor was advised that an on-site review would be conducted.
- A review team led by the Internal Audit Bureau along with a program officer has been formed.
- The review team has arranged an on-site review to start February 10, 2000.
- A full financial review was completed.



## **FILE REVIEW COMPLETED**

- The detailed findings have been reviewed by the Grants and Contributions Task Force.

### **OUTCOMES:**

- Proper documentation to support the claims has now been provided.
- All expenses have been reviewed and are allowable in accordance with the contract agreement and meet the terms and conditions of the program.
- The second review identified that the sponsor had submitted a revised proposal in the amount of \$159, 530 on February 25, 1997. Based upon the assessed potential for project expansion, the revised budget was approved and a contribution agreement was signed by HRDC on April 15, 1997. The revised proposal was not in the official project file at the time of the first review. It was located on the project officer's working file.
- The second review determined that proper documentation to support the claimed amounts was on hand at the sponsor's site.
- It has been confirmed that no overpayment to the sponsor will occur.
- **REVIEW COMPLETED – NO ISSUES REMAINING.**

### **ADDRESS OF ORGANIZATION:**

Office of International Research  
3550 University Street  
Montréal, Québec  
H3A 2A7

**PROGRAM:** Learning and Literacy Programs

**NAME OF PROJECT:** Evaluating the Effectiveness of New Communication Technologies as Mediums of Instruction for Multi-site Workplace-Based Training in Remote Northern Communities

**NAME OF ORGANIZATION:** McGill University

**LOCATION:** Québec

**PROJECT DESCRIPTION:**

To assess the effectiveness of a combination of computer-assisted video conferencing, electronic mail and the World Wide-Web as mediums of instruction for the professional development of teachers in Nunavut. Inuit teachers will be able to upgrade their skills while remaining in their home communities and at work. A final report has been completed. A multimedia distance education course has been developed and delivered to Inuit teachers. The impacts of the course have been assessed and recommendations have been made for future technology assisted distance education initiatives to professionals working in the North.

**CONTRACT VALUE:** \$30,500

**AUDIT COMMENTS:**

- Of \$27,462 in verified claims, 31% were either not eligible as per the agreement or not supported with proper evidence.

**STATUS OF FOLLOW-UP:**

- The agreement was studied with respect to the requirements placed on the sponsor.
- Consultation with Legal Services is completed.
- The sponsor was advised that an on-site visit would be conducted.
- A review team led by the Internal Audit Bureau along with a program officer was formed.
- The review team arranged the on-site review to start on February 7, 2000.
- A full financial review was completed.
- Total expenses have been reviewed against the supporting documentation. An amount of \$1,006 required more documentation.
- The detailed findings have been reviewed by the Grants and Contributions Task Force.

## **FILE REVIEW COMPLETED**

### **OUTCOMES:**

- Proper documentation to support the claims has now been provided, including the amount of \$1,006.
- All expenses have been reviewed and are allowable in accordance with the contract agreement and meet the Terms and Conditions of the program.
- It has been confirmed that no overpayment to the sponsor will occur.
- **REVIEW COMPLETED – NO ISSUES REMAINING.**

### **ADDRESS OF ORGANIZATION:**

3700 McTavish Street  
Room 328  
Montréal, Québec  
H3A 1Y2

**FILE REVIEW COMPLETED**

**PROGRAM:** Learning and Literacy Programs

**NAME OF PROJECT:** Assessing the Acceptance and Use of Technology in the Delivery of Compressed Learning to Women in Rural Communities

**NAME OF ORGANIZATION:** New Brunswick Community College – St. John

**LOCATION:** New Brunswick

**PROJECT DESCRIPTION:**

To identify the impact of learning technologies in the lives of women distance education learners who live in rural communities.

**CONTRACT VALUE:** \$34,168

**AUDIT COMMENTS:**

- No supporting evidence available for the full value of the claim reviewed.

**STATUS OF FOLLOW-UP:**

- The agreement was studied with respect to the requirements placed on the sponsor.
- Legal Services were consulted.
- The sponsor was advised that an on-site review will be conducted.
- A review team led by the Internal Audit Bureau along with a program officer was formed.
- The review team arranged the on-site review to start on February 11, 2000.
- A full financial review was completed.
- The detailed findings have been reviewed by the Grants and Contributions Task Force.

**OUTCOMES:**

- Proper documentation to support the claims has now been provided.
- All expenses have been reviewed and are allowable in accordance with the contract agreement and meet the Terms and Conditions of the program.
- It has been confirmed that no overpayment to the sponsor will occur.
- **REVIEW COMPLETED – NO ISSUES REMAINING.**

**ADDRESS OF ORGANIZATION:** P.O. Box 2270  
Saint John, New Brunswick  
E2L 3V1

**PROGRAM:** Learning and Literacy Programs

**NAME OF PROJECT:** Community Service Learning at a Distance in the Community

**NAME OF ORGANIZATION:** Royal Roads University

**LOCATION:** British Columbia

**PROJECT DESCRIPTION:**

To design, develop and pilot a learning model that makes use of interactive technologies to deliver a community service learning program to students across Canada. Upon completion of the project, a final report was produced outlining a model that tested the use of Internet technology to deliver graduate level training to students and organizations in their home communities.

**CONTRACT VALUE:** \$126,623

**AUDIT COMMENTS:**

- No proper evidence found for the last \$20,000 claimed.
- Sponsor told auditors he was told to claim the remaining balance of the forecasted budget.
- Human Resources Development Canada officials deny this version.

**STATUS OF FOLLOW-UP:**

- The agreement was studied with respect to the requirements placed on the sponsor.
- Consultation with Legal Services is concluded.
- A financial review was conducted to reconcile the financial claims with the payments.
- A review team led by the Internal Audit Bureau along with a program officer was formed.
- The review team arranged an on-site review to start on February 7, 2000.
- A full financial review was completed.
- The detailed findings have been reviewed by the Grants and Contributions Task Force.

**OUTCOMES:**

- Proper documentation to support the claims has now been provided including the expenses for the final claim of \$20,000.
- Clarification was obtained that the sponsor was requested to submit a final claim of expenses incurred, not requested to claim the remaining balance of the forecasted budget as reported by the first review.

## **FILE REVIEW COMPLETED**

- The on-site review just completed verified that the sponsor spent \$126,623., all of which was allowable in accordance with the contract and the terms and conditions of the program.
- This is the exact amount that HRDC paid out to the sponsor, therefore there is no overpayment.
- **REVIEW COMPLETED – NO ISSUES REMAINING.**

**ADDRESS OF ORGANIZATION:**           2005 Sooke Road  
Victoria, British Columbia  
V9B 1W2

**PROGRAM:** Learning and Literacy Programs

**NAME OF PROJECT:** Promoting Entrepreneurship and Enterprise Education in Teacher Education Programs through a Canada –EU Partnership

**NAME OF ORGANIZATION:** Lead – University of Prince Edward Island  
Partners - Memorial University of Newfoundland  
- Mount Allison University

**LOCATION:** Prince Edward Island

**PROJECT DESCRIPTION:**

To provide opportunities for Canadian student teachers-in-training to undertake work placements in schools, business and industry in four European centres of higher education. The focus is on a transatlantic exchange of innovative teacher and learning methodologies in the field of enterprise education in public school systems in Canada and Europe.

Canadian students participated in exchanges with European higher education institutions and several hundred ‘non-mobile’ students from the three partner institutions in Atlantic Canada benefited from the international academic activity of this initiative.

The Canada-EU (European Union) Program for Co-operation in Higher Education and Training was a co-operative initiative among the governments of Canada and the fifteen member countries of the EU supporting innovative projects undertaken by partnerships with universities, colleges and technical institutions.

**CONTRACT VALUE:** \$160,000

**AUDIT COMMENTS:**

- Audit team was unable to reconcile any of the claims submitted to Human Resources Development Canada.
- Strong possibility that ineligible costs have been claimed.

**STATUS OF FOLLOW-UP:**

- A full financial review has been completed.
- A review team led by the Internal Audit Bureau along with a program officer was formed.
- The detailed findings have been reviewed by the Grants and Contributions Task Force.

## **FILE REVIEW COMPLETED**

### **OUTCOMES:**

- Proper documentation to support the claims has now been provided.
- All costs claimed have been approved in accordance with the contract agreement.
- It has been confirmed that no overpayment to the sponsor will occur.
- **REVIEW COMPLETED - NO ISSUES REMAINING.**

### **ADDRESS OF ORGANIZATION:**

550 University Avenue  
Charlottetown, Prince Edward Island  
C1A 4P3



**PROGRAM:** Youth Employment Initiatives

**NAME OF PROJECT:**

**NAME OF ORGANIZATION:** Centre Option Avenir

**LOCATION:** Québec

**PROJECT DESCRIPTION: (amended)**

The purpose of the project was to give 10 young unemployed theatre graduates some work experience in theatre in France and Switzerland in order to support their professional development and meet the needs of the Canadian market, which was growing international links. The 10 participants found employment following their internship.

**CONTRACT VALUE:** \$148,840

**AUDIT COMMENTS:**

- Of the \$50,574 in verified claims, \$28,574 is claimed for the salary of two persons during the first three weeks of the project.

**STATUS OF FOLLOW-UP:**

- A project team comprising a financial officer and program officer contacted the sponsor and an on-site review is scheduled for February 10, 2000.
- A full financial review was completed.
- The detailed findings have been reviewed by the Grants and Contributions Task Force.

**OUTCOMES:**

- Proper documentation to support the claims has now been provided.
- All expenses have been reviewed and meet the Terms and Conditions of the program.
- The amount of \$28,574 claimed for salary was for 7 employees covering the period between March 09 to March 31, 1998.
- It has been confirmed that no overpayment to the sponsor will occur.
- **REVIEW COMPLETED – NO ISSUES REMAINING.**

**ADDRESS OF ORGANIZATION:** 3000 Ave Boullé  
Saint - Hyacinthe, Québec  
J2S 1H9

**PROGRAM:** Youth Employment Initiatives

**NAME OF PROJECT:**

**NAME OF ORGANIZATION:** College of North Atlantic

**LOCATION:** Newfoundland

**PROJECT DESCRIPTION:**

The College of North Atlantic, in partnership with Memorial University, Newfoundland, to undertake jointly, the development of a regional proposal for the Youth-International internship program administrated by Human Resources Development Canada (HRDC). Staff developed a proposal for the 1998-1999 fiscal year and progressively forged a partnership between the community college and the university to co-ordinate efforts for international opportunities.

**CONTRACT VALUE:** \$18,000

**AUDIT COMMENTS:**

- None of the \$9,000 in verified claims was eligible as per Terms and Conditions of the agreement.

**STATUS OF FOLLOW-UP:**

- A financial Post Audit Officer scheduled an on-site review to start February 1, 2000, to reconcile the claimed expenses.
- A full financial review has been completed.
- The detailed findings have been reviewed by the Grants and Contributions Task Force.

**OUTCOMES:**

- HRDC staff did not complete a formal written amendment to extend the contract period.
- However, the extension was recorded in the automated contract control system.
- Proper documentation to support the claims has now been provided.
- It has been confirmed that no overpayment to the sponsor will occur.
- **REVIEW COMPLETED – NO ISSUES REMAINING.**

**ADDRESS OF ORGANIZATION:** 532 Massachusetts Drive  
P.O. Box 5400  
Stephenville, Newfoundland  
A2N 2Z6

**PROGRAM:** Youth Employment Initiatives

**NAME OF PROJECT:**

**NAME OF ORGANIZATION:** Environmental Youth Alliance

**LOCATION:** British Columbia

**PROJECT DESCRIPTION:**

To provide ten Canadian youth practical experience in the analysis and data collection of watershed systems. The project provided international work experience in Canada and Mexico.

**CONTRACT VALUE:** \$4,690

**AUDIT COMMENTS:**

- Most of the expenses reviewed are incurred before the beginning of the agreement for purposes other than the objective of the agreement.

**STATUS OF FOLLOW-UP:**

- Based on the Internal Audit Bureau comments, the sponsor undertook a review of the costs claimed and submitted a final claim, which adjusted for the non-eligible costs previously claimed.
- A full financial review was performed on the final claim and was confirmed to meet the criteria for reimbursement.
- The detailed findings have been reviewed by the Grants and Contributions Task Force.

**OUTCOMES:**

- All invoices corresponding to the period of the agreement are on file and have been verified.
- All costs claimed have been approved in accordance with the contract agreement.
- It has been confirmed that no overpayment to the sponsor will occur.
- **REVIEW COMPLETED – NO ISSUES REMAINING.**

**ADDRESS OF ORGANIZATION:** Suite 503  
119 West Pender Street  
Vancouver, British Columbia  
V6B 1S5

**Updated May 17, 2000**

**PROGRAM:** Youth Employment Initiatives

**NAME OF PROJECT:**

**NAME OF ORGANIZATION:** Fanshawe College

**LOCATION:** Ontario

**PROJECT DESCRIPTION:**

The Partners in Promoting Summer Employment project with the James N. Allan campus of Fanshawe College sought to promote partnerships between the Human Resources Centre of Canada for Students (HRCC-S), the province and local businesses in the hiring of student employees. The project employed a Student Employment Promotions officer who encouraged employers to access the services offered by the HRCC-S through outreach activities, focus groups, telemarketing activities, advertising, visiting employers, and direct mail campaigns. The project is to increase the number of employers utilizing HRCC-S services and to increase the number of employment opportunities available to area youth during the summer. HRCC-S final reports indicate that the number of job vacancies posted at the office increased 26% from 683 in 1997 to 821 in 1998. The office also experienced an increase in the percentage of vacancies filled by students from 88 percent in 1997 to 95 percent in 1998.

**CONTRACT VALUE:** \$19,800

**AUDIT COMMENTS:**

- Of the \$19,800 in verified claims, 29% were not supported with proper evidence.
- All GST expenses were claimed while Canada Customs and Revenue Agency (CCRA) can also refund them.

**STATUS OF FOLLOW-UP:**

- A full financial review was performed.
- The GST expenses have been followed up with CCRA to ensure no duplication.
- The detailed findings have been reviewed by the Grants and Contributions Task Force.

**OUTCOMES:**

- Proper documentation to support the claims has now been provided.
- GST expenses were reviewed with CCRA and an amount of \$245.63 was duplicated.
- An overpayment of \$245.63 is established as an account receivable.

**Updated May 17, 2000**

- **A CHEQUE IN THE AMOUNT OF \$245.63 WAS RECEIVED FROM THE SPONSOR TO REIMBURSE THE OVERPAYMENT.**
- **REVIEW COMPLETED – NO ISSUES REMAINING.**

**ADDRESS OF ORGANIZATION:** 634 Ireland Road  
Simcoe, Ontario  
N3Y 4K8

**PROGRAM:** Youth Employment Initiatives

**NAME OF PROJECT:**

**NAME OF ORGANIZATION:** First Interactive Computer College

**LOCATION:** Ontario

**PROJECT DESCRIPTION:**

To help young people develop the life-skills and work experience they need to get a job or continue learning. The project helped five youth to learn technology and communications skills and, in-turn, promote the York community Extra-net to community partners. The five participants successfully completed the program and, based on performance, the project sponsor hired three of the participants as full-time employees.

**CONTRACT VALUE:** \$63,569

**AUDIT COMMENTS:**

- Of the \$12,045 in verified claims, 21% were not supported with evidence.

**STATUS OF FOLLOW-UP:**

- Detailed receipts were obtained to support a portion of the non-verified claims.
- On-site review was performed on February 2 and 3, 2000.
- The detailed findings have been reviewed by the Grants & Contributions Task Force.

**OUTCOMES:**

- Proper documentation to support all of the claims has now been provided.
- All expenses claimed have been approved in accordance with contract agreement.
- It has been confirmed that no overpayment to the sponsor will occur.
- **REVIEW COMPLETED – NO ISSUES REMAINING.**

**ADDRESS OF ORGANIZATION:** 129 Church Street South  
Richmond Hill, Ontario  
L4C 1W4

**PROGRAM:** Youth Employment Initiatives

**NAME OF PROJECT:**

**NAME OF ORGANIZATION:** Formation Papyrus Training Inc.

**LOCATION:** New Brunswick

**PROJECT DESCRIPTION:**

To encourage New Brunswick companies to export their goods and services while maximizing the synergy between participants, co-ordinators and employers. Participants were able to develop marketable skills and achieve interdependence by identifying strengths and weaknesses that were enhanced through internationally focused experiential learning. The project facilitated the entry of eight youth into the labour force by working with companies that export their goods/services on an international scale.

**CONTRACT VALUE:** \$120,000

**AUDIT COMMENTS:**

- Of the \$77,846 in verified claims, 51% were not supported with proper evidence.
- Full salary was to pay participants claimed by the sponsor, however employers also pay a percentage of the participants salary

**STATUS OF FOLLOW-UP:**

- Further on-site audit work was performed between December 21 to 23, 1999, by the Internal Audit Bureau.
- 100% of the receipts were audited.
- The detailed findings have been reviewed by the Grants and Contributions Task Force.

**OUTCOMES:**

- The proper documentation to support the claims is now provided.
- The salary issue is resolved.
- Weaknesses were found in the administration process within Human Resources Development Canada.
- It has been confirmed that no overpayment to the sponsor will occur.
- **REVIEW COMPLETED – NO ISSUES REMAINING.**

**ADDRESS OF ORGANIZATION:** P.O. Box 422

**FILE REVIEW COMPLETED**

Campbellton, New Brunswick  
E3N 3G7



**PROGRAM:** Youth Employment Initiatives

**NAME OF PROJECT:**

**NAME OF ORGANIZATION:** Greater Fredericton Economic Development Corp.

**LOCATION:** New Brunswick

**PROJECT DESCRIPTION:**

Increase the self-employment opportunities for twenty unemployed or under-employed youth. Seventeen of the twenty participants completed activities which included orientation to self-employment, attending business skills seminars, mentoring by established business people and developing a business plan. Upon completion, two youth started their own business. The project and its youthful participants were subject of a supplement in the local daily newspaper as a means of promoting self-employment.

**CONTRACT VALUE:** \$246,800

**AUDIT COMMENTS:**

- Of the \$47,475 in verified claims, 10% is either not eligible as per the agreement or not supported with proper evidence.

**STATUS OF FOLLOW-UP:**

- An on-site financial review was conducted on February 2 and 3, 2000, to review supporting documentation for each claim submitted.
- The detailed findings have been reviewed by the Grants and Contributions Task Force.

**OUTCOMES:**

- Proper documentation to support the claims has now been provided.
- It has been confirmed that no overpayment to the sponsor will occur.
- **REVIEW COMPLETED – NO ISSUES REMAINING.**

**ADDRESS OF ORGANIZATION:** 570 Queen St.  
Fredericton, New Brunswick  
E3B 6Z6

**PROGRAM:** Youth Employment Initiatives

**NAME OF PROJECT:**

**NAME OF ORGANIZATION:** John Howard Society of Niagara

**LOCATION:** Ontario

**PROJECT DESCRIPTION:**

Under the Business Drive for Jobs – Partners in Promoting Summer Employment, three part-time students facilitated the early start up of the Human Resource Centre for Students. The students developed marketable project management skills and succeeded in the operational start up as agreed.

**CONTRACT VALUE:** \$10,000

**AUDIT COMMENTS:**

- Of the \$10,000 in verified claims, 14% were either not eligible as per the agreement or not supported with proper evidence.

**STATUS OF FOLLOW-UP:**

- A financial review was performed on the file January 28, 2000, and a final report prepared.
- The detailed findings have been reviewed by the Grants & Contributions Task Force.

**OUTCOMES:**

- This organization has two separate agreements with Human Resources Development Canada (HRDC).
- All expenses have been reviewed and are allowable under the two agreements.
- However, the HRDC project officer advised the sponsor to record some expenses to the wrong agreement.
- Therefore, it is necessary that the financial records of these two files be amended to reflect the proper accounting of expenses between the two agreements.
- It has been confirmed that no overpayment to the sponsor will occur.
- **REVIEW COMPLETED – NO ISSUES REMAINING.**

**ADDRESS OF ORGANIZATION:** 4 1/2 Clark Street  
St. Catherines, Ontario  
L2R 5G2

**PROGRAM:** Youth Employment Initiatives

**NAME OF PROJECT:**

**NAME OF ORGANIZATION:** Metis Nation

**LOCATION:** Northwest Territories

**PROJECT DESCRIPTION:**

Twenty participants from a number of communities were originally recruited as participants of the project by nomination from their home community. A Steering Committee was established in Fort Smith to oversee the project.

The first phase of the project had the contracted participants begin a six-week intensive off-the-job and field experience program in environmental projects in Fort Smith. This included exposure to science and technology delivered by professionals in environmental fields, traditional knowledge delivered by elders, and sustainable economic development. Each participant was matched with a professional appropriate to the program as a mentor.

The second phase focused on employment orientation with two weeks of on-the-job experience with corporate/industrial partners. Participants had an opportunity to experience state of the art environmental projects, to get a real life sense of working in the field, and to survey potential employers as to what they require as entry level skills.

In the third phase of the project, the participants returned to a community to work with employment partners on an actual environmental project.

At the end of the project, the actual number of participants was twenty-eight. Six returned to school, nine found full-time work, eleven found part-time work, and two dropped out.

**CONTRACT VALUE:** \$200,000

**AUDIT COMMENTS:**

- Of the \$200,000 verified claims, 19% is not supported with evidence.

**STATUS OF FOLLOW-UP:**

- A letter was sent to the sponsor on December 6, 1999, to seek clarification.
- A meeting with the sponsor was held on January 31, 2000.
- An on-site review was scheduled to take place starting February 8, 2000.
- A full financial review was completed.
- The detailed findings have been reviewed by the Grants and Contributions Task Force.

## **FILE REVIEW COMPLETED**

### **OUTCOMES:**

- Proper documentation to support the claims has now been provided.
- All expenses have been reviewed and are allowable in accordance with the contract agreement and meet the terms and conditions of the program.
- It has been confirmed that no overpayment to the sponsor will occur.
- **REVIEW COMPLETED – NO ISSUES REMAINING.**

### **ADDRESS OF ORGANIZATION:**

5125, 50<sup>th</sup> Street  
Yellowknife, Northwest Territories

**PROGRAM:** Youth Employment Initiatives

**NAME OF PROJECT:**

**NAME OF ORGANIZATION:** Nova Scotia Community College – Burrige Campus

**LOCATION:** Nova Scotia

**PROJECT DESCRIPTION:**

Unemployed youth to produce Community Profiles for Yarmouth and Shelburne Counties that will be used as a marketing tool for attracting new business to the area. The community profiles are produced in CD-ROM Database and print format that will allow for easy maintenance. Skills are provided in the following areas: labour market information and trends, understanding the new economy, job preparation and resumé writing. Students have the opportunity to do research and learn about their community, compile information, writing and editing skills, and significant knowledge is gained in terms of technology.

The CD-ROM was produced and provided to South West Shore Development Authority to be used to assist employers seeking to set up businesses in the area. One participant has since been hired by the Nova Scotia Community College - Burrige Campus.

Another participant had taken the Internet Systems Management and Support Course at Burrige Campus and his skills were applied to this project. Also, the participant learned a program called Macro Media Director and is now teaching an evening course at Burrige called Photo Shop. He is also working with the South West Regional School Board doing computer trouble-shooting.

**CONTRACT VALUE:** \$79,800

**AUDIT COMMENTS:**

- Of the audited \$37,461 in verified claims, 15% is not supported with evidence.

**STATUS OF FOLLOW-UP:**

- Consulting and Audit Services Canada has been on-site and completed a review the week of January 31, 2000.
- A full financial review was completed.
- The detailed findings have been reviewed by the Grants and Contributions Task Force.

## **FILE REVIEW COMPLETED**

### **OUTCOMES:**

- Proper documentation to support the claims has now been provided.
- All expenses have been reviewed and are allowable in accordance with the contract agreement and the Terms and Conditions of the program.
- It has been confirmed that no overpayment to the sponsor will occur.
- **REVIEW COMPLETED – NO ISSUES REMAINING.**

### **ADDRESS OF ORGANIZATION:**

372 Pleasant Street  
Yarmouth, Nova Scotia  
B5A 2L2

**PROGRAM:** Youth Employment Initiatives

**NAME OF PROJECT:**

**NAME OF ORGANIZATION:** SADC Matawinie Inc.

**LOCATION:** Québec

**PROJECT DESCRIPTION:**

To develop skills in animation and tourism sector for ten young people in a region where this industry is predominant and to provide experience on several Australian communities. Ten participants registered, four found a job in a tourism sector, three returned to school, two found jobs in other sectors and only one left the course.

**CONTRACT VALUE:** \$150,000

**AUDIT COMMENTS:**

- Of the \$93,081 in verified claims, 37% were not eligible as per the Terms and Conditions of the agreement and 16% were not supported with proper documentation.
- In some cases, the sponsor had claimed based on Australian dollars, so the sponsor over claimed 15 cents for each Canadian dollar.

**STATUS OF FOLLOW-UP:**

- A project team comprising a financial officer and program officer contacted the sponsor on February 1, 2000, and an on-site review is scheduled for February 10, 2000.
- A full financial review was completed.
- The detailed findings have been reviewed by the Grants and Contributions Task Force.

**OUTCOMES:**

- Proper documentation to support the claims has now been provided
- Total expenses of \$132,566 have been reviewed and are allowable in accordance with the contract agreement and meet the Terms and Conditions of the program.
- After this review it has been confirmed that SADC Matawinie converted the Australian dollar invoices into Canadian equivalent dollars, as required, when making their claims for reimbursement.
- It has been confirmed that no overpayment to the sponsor will occur.
- **REVIEW COMPLETED – NO ISSUES REMAINING.**

**ADDRESS OF ORGANIZATION:** 1080 route 343

**FILE REVIEW COMPLETED**

Saint-Alphonse-Rodriguez, Québec  
J0K 1W0



**Updated May 17, 2000**

**PROGRAM:** Youth Employment Initiatives

**NAME OF PROJECT:**

**NAME OF ORGANIZATION:** Watrous and District Recreation Board

**LOCATION:** Saskatchewan

**PROJECT DESCRIPTION:**

The project was to allow the town of Watrous the ability to hire a student to manage its' Student Employment Centre. During the summer of 1997, the Centre served as a vital link between employers and students in the community. The Centre promoted summer employment by completing on-site visits to all employers in Watrous and developed an effective resumé-writing presentation for local high school students. The Centre also provided job information and posting services for employers and job search assistance for other students. The majority of students registered with the Centre found summer employment. The student, in managing the Centre, gained valuable work experience and skills.

**CONTRACT VALUE:** \$3,500

**AUDIT COMMENTS:**

- File missing various pieces of required documentation.

**STATUS OF FOLLOW-UP:**

- Regional review team assembled and review has been completed.
- The detailed findings have been reviewed by the Grants & Contributions Task Force.

**OUTCOMES:**

- All the documentation is now on file.
- The Terms and Conditions of the program were met.
- The regional guidelines for the program were adhered to.
- The objectives of the project versus results were achieved.
- The final reconciliation of the file has resulted in an overpayment of \$5.87.
- An amount of \$5.87 is established as an account receivable.
- **A CHEQUE IN THE AMOUNT OF \$5.87 WAS RECEIVED FROM THE SPONSOR TO REIMBURSE THE OVERPAYMENT.**
- **REVIEW COMPLETED – NO ISSUES REMAINING.**

**Updated May 17, 2000**

**ADDRESS OF ORGANIZATION:**

404 Main Street  
Watrous, Saskatchewan