



Audit of Western Diversification Program Management Response and Action Plan November 17, 2009

Recommendation	Action Plan	Responsibility	Expected Completion Date
1. The Executive Committee should review its two delivery models and determine whether or not to standardize regional delivery structures across the department.	Agree. The department will review and assess the two primary organizational models and make a recommendation to Executive Committee for decision.	Led by the Executive Director, Finance and Corporate Management working with the Regional Assistant Deputy Ministers	March, 2010
2. The Department should assess the risk associated with the current practice of having a high frequency of start dates occurring before signature of the agreements, and take action to reduce such risks by addressing the cause of the issue.	Agree. Although the Department is compliant with the new 2008 Policy on Transfer Payments the department will re-examine the internal start date policy. This review will also consider the need to maintain WD's focus on service to clients. Note that the October 2008 Policy on Transfer Payments, and the Directive are silent on this matter.	Led by the Executive Director, Policy, Planning & Performance Measurement working with the Regional Assistant Deputy Ministers	March 2010
3. The Department should develop minimum documentation and communication standards for rejected applications.	Agree. The Department will reinforce the importance of adherence to processes and use of tools that have been established for documenting rejections of proposals. A bi-annual report will be developed for Directors General Operations to track rejections and facilitate consistent treatment of clients/ proposals.	Executive Director, Policy, Planning & Performance Measurement	March 2010



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4. Corporate Finance needs to verify that PAYE balances are being set up in accordance the Financial Administration Act and departmental procedures.	Agree. Corporate Finance will enhance its review of the administration of PAYE and perform verification procedures to ensure departmental procedures are being followed and that PAYE balances are being set up in accordance with the Financial Administration Act.	Led by Executive Director, Finance & Corporate Management working with Regional Assistant Deputy Ministers	March 2010
5. Corporate Finance should consider enhancing its financial training for project officers and managers and its active monitoring of project files for key compliance attributes.	Agree. The Policy, Planning and Performance Measurement branch is developing monitoring and payments training which will include monitoring of key compliance attributes. Corporate Finance is currently conducting a review of internal controls with the assistance of an external accounting firm. This will highlight strengths and weaknesses and will form the basis for a monitoring plan.	Executive Director, Policy, Planning and Performance Measurement Executive Director, Finance & Corporate Management	June 2010
6. The Department should review its 2004 Recipient Audit Policy in view of the new Policy on Transfer Payments and the Independent Blue Ribbon Panel report.	Agree. The department will review it's audit policy to ensure it complies with the new Policy on Transfer Payments and responds to the intent of the recommendations made by the Blue Ribbon Panel on grants & contributions. The latter will form part of the department's web of rules action plan.	Led by the Executive Director, Policy, Planning & Performance Measurement working with the Director General, Audit & Evaluation and Disclosure	March 2010



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7. The Department should reassess the memorandum of understanding with Audit Services Canada to ensure fair value for money is achieved and timely service is rendered.	Agree. The department will reassess the memorandum of understanding with Audit Services Canada to ensure fair value and timely service.	Executive Director, Policy, Planning & Performance Measurement	March 2010
8. The Executive Director Policy, Planning and Performance Measurement needs to assess whether the WDP performance monitoring framework is adequate to report on results against expected program objectives.	Agree. The WDP performance measurement framework will be reviewed, including consideration of program reporting requirements. The WDP terms and conditions approved July 2009 state program objectives that are fully aligned with the current Program Activity Architecture.	Executive Director, Policy, Planning & Performance Measurement	March 2010
9. The Department needs to review all of its users' business needs to see if they are currently being met by Project Gateway. Specifically, the Department should take the necessary steps to increase functionality so that project officers do not need to create and rely upon supplementary systems (e.g., spreadsheets).	Agree. The Policy, Planning & Performance Measurement branch and IMT are developing a Project Gateway business plan to guide the completion of Project Gateway. The business plan will take into account user business needs as identified through the Business Process & Systems Development committee and the Monitoring and Payments committee. Corporate Finance has launched a "Report Revitalization" initiative to update the technology and to provide better quality reporting	Led by Executive Director, Policy, Planning & Performance Measurement and Executive Director, Finance and Corporate Management working with Regional Directors General, Operations	March 2010