

**Management Action Plan
Core Control Audit of the Status of Women Canada**

Status of Women Canada Opinion of the Audit Report:

SWC has closely reviewed the findings and the recommendations resulting from this audit and believes that the exercise has been valuable in identifying gaps in SWC's documentation practices and processes. Immediate action has been undertaken within each of the areas subject to recommendations.

Audit Entity Sign Off on the Management Action Plan

Suzanne Clément
Coordinator / Head of Agency
Status of Women Canada

September 21, 2011

Recommendations	Priority	Response and Planned Actions	Responsibilities <i>(position title responsible for the action)</i>	Timelines
<p>1. The SWC should ensure that individuals with delegated authority receive and retain proof of completion of mandatory training offered by the Canada School of Public Service prior to exercising their delegated financial authorities.</p>	<p>High</p>	<p>Response: SWC has always recognized the need for individuals with delegated authority to successfully complete the required training prior to exercising delegated authorities and retain proof of completion of mandatory training, including individuals acting in a position with delegated authority for a period of four months or longer.</p> <p>The situation at hand occurred because of misinformation where it was believed that the individual's training was sufficient for the acting position.</p> <p>Planned Actions: Long standing procedures at SWC have been in place to ensure that employees appointed on an indeterminate basis or acting over four months in a management position undertake the required training by the Canada School of the Public Service. Human Resources officials advise the employee upon appointment of the training required in order to obtain the signing authorities. The employee is advised that they</p>	<p><i>Director, Corporate Services</i></p>	<p>Completed</p>

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		<p>must take the training within six months of the appointment date. Proof of successful completion of the training is placed on the employee's learning file.</p> <p>The Chief, Human Resources monitors compliance on a semi-annual basis.</p> <p>The trigger for this recommendation stems from one individual not having completed mandatory training for an acting appointment exceeding four months. The individual had previously completed financial delegation training for their substantive position and had been working in finance for many years. This was initially believed as sufficient by the CSPS. Further discussions have led to a change in position and the individual will be taking the training in September.</p>		Completed
2. The SWC should ensure that expenditure initiation and individual commitments are approved, prior to expenses being incurred, by an individual with the delegated authority to do so.	High	<p>Response: SWC recognizes the need to ensure that expenditure initiation and individual commitments must be approved by an individual with the delegated authority prior to expenses being incurred.</p>	<i>Director, Corporate Services</i>	

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		<p>Planned Actions: The Finance directorate will provide each delegated manager with their respective delegation chart with detailed explanations, accompanying notes and roles and responsibilities.</p> <p>Annual training will be provided to all employees of the Finance directorate, mainly focussing on the verification processes in place in order to ensure that all documentation is retained on file. The senior financial analyst will complete a random verification of signatures and delegation authorities prior to requesting the approval of account verification (Section 33 FAA).</p> <p>The Compensation Unit will ensure that a personnel action request or a letter of offer is on file prior to processing a pay action.</p>		<p>October 2011</p> <p>September 2011 (Senior Financial Analyst will begin random verification); December 2011 (develop training material); January 2012 (delivery of training)</p> <p>Completed</p>

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		<p>SWC will develop three “Financial Procedures Manuals” (for delegated managers, their administrative assistants and for Finance staff) which will include such things as:</p> <ul style="list-style-type: none"> • Roles and Responsibilities; • Delegation instrument of each delegated manager and accompanying explanations; • Section 32 and 34 <i>FAA</i> requirements and expectations (such as timing and documentation required); • Requirements in the areas of hospitality, travel, accountable advances and acquisition cards, payment requisitioning and cheque control; • Link to relevant Treasury Board policies/directives; • Possible exceptions and relevant procedures to follow; • Applicable consequences in the event of non-compliance; and • A checklist for each for use with every transaction. 		September 2012 (manual completed and approved)

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		Annual training on the Financial Procedures Manuals will be developed and provided to delegated managers and their supporting employees. Ad-hoc training will also be given to new employees when required.		March 2012
3. The SWC should ensure that account verification is performed by someone with the delegated authority to do so and on a timely basis.	High	<p>Response: SWC recognizes the need to ensure that account verification is performed by someone with the delegated authority and on a timely basis.</p> <p>Planned Actions: Please refer to ‘Planned Actions for Recommendation 2’.</p>	<i>Director, Corporate Services</i>	Refer to timelines under Recommendation 2
4. The SWC should ensure that the payment and settlement of accounts are carried out on a timely basis.	High	<p>Response: SWC recognizes the need to ensure that payment and settlement of accounts are carried out on a timely basis.</p> <p>Planned Actions: The Finance Directorate has implemented an additional tracking system to ensure the timely processing of invoices.</p>	<i>Director, Corporate Services</i>	September 2011

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		Please refer to 'Financial Procedures Manual' and associated 'Training' under Recommendation 2.		Refer to timelines under Recommendation 2
5. SWC should ensure that credit limits are authorized, and that documentation is kept on file to support decisions made.	Medium	<p>Response: SWC recognizes the need to ensure that attribution of an acquisition card is recommended by the responsibility centre manager as well as authorization of or amendment to a credit limit. SWC also recognizes that decisions made should be documented and kept on file.</p> <p>Planned Actions: The audit revealed that authorizations approved prior to 2008 were not on file. Procedures were implemented and all authorizations since 2008 have been kept on file.</p> <p>The Finance Directorate will ask Responsibility Centre Managers to validate in writing existing arrangements to ensure the completeness of every file.</p> <p>Please refer to 'Financial Procedures Manual'</p>	<i>Director, Corporate Services</i>	<p>October 2011</p> <p>Refer to timelines</p>

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		and associated 'Training' under Recommendation 2.		under Recommendation 2
<p>6. SWC should develop business processes, including checklists, and keep documentation to ensure that:</p> <ul style="list-style-type: none"> • The statement of work is defined prior to the contract being awarded; • There is documented justification for non-competitive procurement contracts; • Non-competitive contract files contain evidence of best value analysis; • Intellectual property rights are 	High	<p>Response: SWC recognizes that every sole-source contracting file requires a defined statement of work prior to the award of the contract, a justification for the use of a non-competitive process, and a best-value analysis.</p> <p>Issues identified within this portion of the recommendation were in relation to low-dollar value contracts (less than \$5,000). Based on the realities of ever-increasing workloads and limited resources, Senior management does not require a justification and best-value analysis as it is not deemed to be an effective use of resources.</p> <p>SWC recognizes that a clause addressing intellectual property issues, including the ownership of intellectual property, must be included in contracts subject to intellectual property rights. SWC recognizes that contracts must be issued</p>	<i>Director, Corporate Services</i>	

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<p>addressed;</p> <ul style="list-style-type: none"> • Contracts are issued before goods or services are received; • Contract amendments are properly justified and substantiated; and • Contract amendments are issued before the contract expiry date. 		<p>prior to the receipt of goods and services. SWC also recognizes that amendments must be justified in writing, kept in the contracting file and issued prior to the expiry date of the contract.</p> <p>Planned Actions: The Finance directorate will ensure that all sole-source contracts include a defined statement of work, justification and best-value analysis prior to processing. A standardized justification and best value analysis will be added to every low-dollar value (less than \$5K) purchases.</p> <p>The standard contracting form will be used for all contracts which are subject to intellectual property rights, regardless of the dollar value of the contract. This form includes a clause that addresses the Government of Canada's intellectual property rights.</p> <p>The Director, Corporate Services, will in the short term review all new contracts to ensure that the correct form is being used and will train the finance staff to review all forms used in the future.</p>		<p>Completed</p> <p>October 2011</p> <p>Completed</p>

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		<p>In conjunction with the previously created Service Contract Checklist, SWC will develop a “Contracting Procedures Manual” which will include the following:</p> <ul style="list-style-type: none"> • Roles and responsibilities (including <i>FAA</i> requirements); • SWC’s contracting limits; • Contracting selection process (such as the methods available and the mandatory vehicles versus the optional vehicles); • Treasury Board Secretariat’s <i>Contracting Policy</i>; • Checklist requirements for every type of contracts (covering namely the Statement of Work, the justification, and best value analysis); • Delegation authority (expenditure initiation limits and timing requirements); and • Amendment rules (timing and justification). <p>Annual training on the Contracting Procedures</p>		<p>December 2012 (Developed and approved)</p> <p>March 2012</p>

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		Manual will be developed and provided to delegated managers and their support staff. Ad-hoc training will also be given to new employees when required.		
7. The SWC should ensure that post-authorized travel requests are justified and documented on file.	High	<p>Response: SWC recognizes that government travel needs to be authorized in advance in writing. In special circumstances, travel may be post authorized by the manager, conditional to a written justification documented to the traveler's file.</p> <p>Planned Actions: The Finance directorate will ensure that post-authorized travel advance requests and/or travel claims contain a justification.</p> <p>Please refer to 'Financial Procedures Manual' and associated 'Training' under Recommendation 2.</p>	<i>Director, Corporate Services</i>	<p>September 2011</p> <p>Refer to timelines under Recommendation 2</p>
8. The SWC should develop business processes and keep documentation to ensure that accommodations respect the	High	<p>Response: SWC recognizes that government hotel directories shall serve as a guide for the cost, location and selection of accommodation and</p>	<i>Director, Corporate Services</i>	

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appropriate government limits or justification is documented on file for the use of above-the-limit suppliers.		<p>when the directories are not used, a written justification is required.</p> <p>Planned Actions: The Finance directorate will ensure that a justification is attached to travel advance requests and/or travel claims in instances where a traveller did not use the pre-approved government suppliers list for accommodations.</p> <p>Please refer to ‘Financial Procedures Manual’ and associated ‘Training’ under Recommendation 2.</p>		<p>September 2011</p> <p>Refer to timelines under Recommendation 2</p>
9. The SWC should take the necessary steps to ensure that all leave requests are pre-authorized in writing.	Low	<p>Response: SWC recognizes that all leave requests, with the exception of sick leave due to unexpected illness, should be pre-authorized in writing.</p> <p>Planned Actions: The Compensation Advisor will monitor leave forms for compliance and will seek justification as required.</p>	<i>Director, Corporate Services</i>	Completed

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<p>10. The SWC should ensure that departure procedures are followed.</p>	<p>Low</p>	<p>Response: SWC recognizes that all departing employees must submit a signed departure report to certify that all money owing to the Crown, or any other material, is accounted for before the employee leaves the organization.</p> <p>Planned Actions: The Compensation Advisor will only process the final pay for departing employees once they have been advised in writing by the Finance directorate that the completed departure form has been received.</p> <p>The Chief Financial Officer, along with the Human Resources section, will develop departure procedures for management and employees, explaining the current departure form, the required signatures and the consequences for not completing the form prior to departure.</p>	<p><i>Director, Corporate Services</i></p>	<p>Completed</p> <p>March 2012</p>