

**Management Action Plan  
Core Control Audit of the Parole Board of Canada**

**The Parole Board of Canada (PBC)'s Opinion of the Audit Report:**

The Parole Board of Canada has reviewed the findings and recommendations and as far as the scope of this audit is concerned, these accurately reflect the state of control over financial management, contracting, travel & hospitality and human resources.

Audit Entity Sign Off on the Management Action Plan	
<b>Harvey Cenaiko</b> Chairperson <b>Parole Board of Canada</b>	_____ Signature
	_____ Date

Recommendations	Priority	Planned Actions <i>Actions should be Specific, Measureable, Achievable, and Realistic</i>	Responsibilities <i>(position title responsible for the action)</i>	Timelines <i>(actual planned dates of implementation)</i>
<p>1. The PBC should ensure that all managers who have been delegated financial signing authorities have completed the requisite financial management training.</p>	<p><b>HIGH</b></p>	<p>PBC will address this recommendations along three lines, first to review the employees who currently have delegated authority, secondly to address managers who are receiving their authority for the first time, or where there is a change to their authority, and thirdly, to track the requirement for revalidation.</p> <p>PBC will review all existing financial delegations (indeterminate incumbents, and acting appointments greater than 4 months) and identify any where required training has not been completed, or where the on-line assessment has expired. In these cases, the employee and his/her manager will be informed and appropriate plans put in place to address the deficiency. This will include documenting the requirement in the employee's learning plan.</p> <p>PBC will increase efforts to ensure that new managers or managers with changed delegation of authority have the requisite training as part of the preparation of the specimen signature card. The means by which this will be achieved are yet to be considered, but may include attaching confirmation of training to the delegation card, and requiring the signature of the Chief, Financial Operations prior to the signature card taking effect.</p> <p>PBC will review existing processes to track recurring validation requirements, and will modify processes to address weaknesses. Other small organizations will be contacted to learn about best practices. Particular attention will be paid to follow-up once it is determined that a revalidation requirement exists, and may include establishment of allowable timeframes by which the revalidation must take place. Follow-up will take place regularly to ensure the revalidation has been completed, and where this does not occur, the delegated authority may be withdrawn.</p>	<p>CFO</p>	<p>Review of existing delegations – December 2012</p> <p>Ensuring new managers have requisite training – November 2012</p> <p>Process to track recurring requirements – March 2013</p>

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		This will be done with the support of Corporate Services.		
2. The PBC should ensure that a signed acknowledgement of acquisition card responsibilities (including acquisition card restrictions and modifications to acquisition card limits) and a signed application form for the acquisition card is retained on file.	<b>HIGH</b>	<p>PBC will formally designate acquisition card coordinators as the Chief, Financial Operations at National Office and the Financial Officer in each region. Each of the Coordinators will be informed of their responsibilities as they relate to acquisition cards in an e-mail from the CFO.</p> <p>PBC's process for issuing acquisition cards will be strengthened to specifically require the employee applying for the card and his/her supervisor sign the application form and that the RC number appears on the application. The card coordinator will review and approve the application prior to submitting it to the acquisition card company. The documents will be kept on file by the appropriate acquisition card coordinator.</p> <p>Upon receipt of the acquisition card, the card coordinator will meet with the card holder and explain the responsibilities as a card holder, and obtain signed acknowledgement of these responsibilities.</p> <p>Processes will be confirmed annually as part of the training of regional Financial Officers and Corporate Services staff and national office Administrative Assistants, and will be evaluated annually as part of the regional monitoring and new limited remote monitoring (see</p>	CFO	<p>Designation of acquisition card coordinators - November 2012</p> <p>Process change – November 2012</p> <p>Communication and training – January 2013</p>

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		recommendation 6, below).		
<p>3. The PBC should develop business processes and retain documentation on file to ensure that:</p> <ul style="list-style-type: none"> <li>• Bid selection method and evaluation criteria are clearly outlined in the bid solicitation document for competitive contracts before the request for proposal is issued;</li> <li>• The evaluation of proposals and contractor selection are conducted in accordance with the pre-established criteria as stated in the request for proposal and in an open, fair and transparent manner;</li> <li>• The bid evaluation is documented on file, along with an evaluation report;</li> <li>• Contract evaluations are signed by a minimum of two</li> </ul>	<b>HIGH</b>	<p>PBC will prepare a package for managers and staff which will outline the requirements for contracting, templates to be used and a checklist to serve as a quick guide when considering procurement. The contents of the package will be posted on the PBC intranet, and will be the focus of a Finance “Bulletin”</p> <p>Training will be provided to all who are involved in the procurement process as follows:</p> <ul style="list-style-type: none"> <li>• Regional training takes place on an annual basis, and is supplemented by conference calls throughout the year.</li> <li>• Training of national office administrative assistants will be conducted annually. As new assistants begin work, they will be briefed on requirements.</li> <li>• One-on-one briefings will be held with national office managers.</li> </ul> <p>PBC has a checklist which is used for service contracts. This will be modified to cover off bid selection method, evaluation criteria, and the evaluation of proposals and evaluation report elements of competitive solicitations. The checklist is prepared by the Procurement Contracting Advisor in national office (financial officer in regions) and is signed by</p>	CFO	<p>Preparation of package – January 2013</p> <p>Training – March 2013</p> <p>Checklist – October 2012</p>

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<p>clearly identified evaluators;</p> <ul style="list-style-type: none"> <li>• A copy of the signed, written contract is retained on file; and that</li> <li>• Contracts and amendments are issued before the goods and services are received.</li> <li>• Security requirements are assessed and respected for professional service contracts.</li> </ul>		the CFO (Manager, Corporate Services in the regions).		
4. The PBC should ensure that performance pay is administered properly, including ensuring that objectives are determined before the start of the performance period.	<b>HIGH</b>	As part of the existing Performance Management Program, all employees subject to performance pay will be required to have objectives in place, signed by the employee and his/her supervisor and dated, at the beginning of the fiscal period, and this will serve as the basis for the performance pay decision made by the Chairperson and the senior executive team.	Director, Corporate Services	Objectives for 2012-13 have been established. Will be in place prior to beginning of the year in 2013-14.
5. The PBC should ensure that proper departure procedures are followed and are documented.	<b>MEDIUM</b>	PBC will review the existing employee departure form, and will develop a revised process, including revisions to the form as required. Once finalized, the new process will be communicated to staff via a Corporate Services Communiqué. The departing employee's supervisor will have responsibility for completion of the form, and for sending it to Human Resources for inclusion in the employee's file.	Director, Corporate Services	April 2013
6. The PBC should ensure that the expense is approved prior to the event.	<b>LOW</b>	PBC will clarify and confirm policy requirements for approval of expenditures prior to their being incurred both verbally to national office managers and regional corporate services staff, and through a formal Finance "bulletin" which will be posted on the PBC intranet.	CFO	Verbal clarification – October 2012  Preparation of Finance Bulletin

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		<p>PBC national office Finance conducts regional monitoring on a cyclical basis. This will continue, and progress on all audit recommendations and action plans will be evaluated at this time. As only one region is monitored in a year, PBC will commence a limited remote monitoring function. The plan for the remote monitoring will be prepared, with advice from external experts on sampling techniques and methodology. The first call for sample transaction documentation from the regions will take place in June, 2013, and the remote monitoring will take place every 6 months (June and December), with all regions submitting required documentation. Weakness or errors will be identified and recommendations made on a timely basis. The results of the remote monitoring will be tabulated, and will be considered in planning on-site monitoring visits.</p>		<p>– December 2012</p> <p>Remote monitoring function – June 2013</p>