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## Audit of the Katimavik Program

Office of the Chief Audit and Evaluation Executive  
Audit and Assurance Services Directorate

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# Executive Summary

## Introduction

The Katimavik Program is a national youth service learning and training program, managed by the Youth Participation Directorate in the Citizen Participation Branch of the Department of Canadian Heritage.

Historically, the Katimavik Program has provided approximately 1,100 young Canadians ages 17 to 21 with opportunities to discover their country and create ties with communities and with other Canadians.

Within the Department, the Management Team of the Katimavik Program provides funding to a sole recipient, Katimavik-OPCAN Corporation, a non-profit organization based in Montreal who administers the Program on behalf of the Department.

The Department's budget for the Katimavik Program was \$12,017,000 for the period from September 2007 to March 2008 and \$20,600,000 per year for fiscal years 2008-2009 and 2009-2010. Under the Citizen Participation Branch, there is one Full Time Employee (FTE) dedicated to the administration of the file with the help of the Branch's Management Team.

The authority for this audit is derived from the Multi-Year Risk-Based Audit Plan 2010-2011 to 2012-2013 which was recommended by the Departmental Audit Committee and approved by the Deputy Minister in March 2010. The audit scope covered the period from September 1, 2007 to March 31, 2010. The objectives of this audit were to provide PCH senior management with assurance that:

- The objectives of the Katimavik Program are aligned with those of the Department, and the Program is managed in accordance with the Treasury Board Policies and Procedures, as well as the Financial Administration Act;
- The risks related to the delivery of the Program are identified and well managed; and,
- The Management Team of the Katimavik Program has implemented appropriate controls in order to effectively manage the Contribution Agreement with Katimavik-OPCAN.

## Key Findings

Throughout the audit fieldwork, the Audit Team observed several examples of how controls are properly designed and being applied effectively by the Management Team of the Katimavik Program. This resulted in several positive findings, of which the more noteworthy accomplishments are listed below:

- Correspondence with Katimavik-OPCAN:

- Through documentation review, the Audit Team has observed a frequent, accurate and comprehensive communication between the Management Team of the Katimavik Program and Katimavik-OPCAN. This communication is performed through:
  - frequent, timely, and accurate feedback on the reports provided;
  - offered training and presentation on budget management, following the 2006 Recipient Compliance Audit recommendations;
  - frequent teleconferences at all levels (Program Officer, Manager and Director General) with Katimavik-OPCAN; and
  - phone calls and emails on everyday activities.
- Furthermore, following a teleconference with Katimavik-OPCAN, the Audit Team has observed a strong appreciation of the Management Team of the Katimavik Program by Katimavik-OPCAN.
- Performance Measurement Strategy (PMS):
  - According to the audit findings, the integrated *Results-Based Management and Accountability Framework and Risk-Based Audit Framework* (RMAF-RBAF) was approved in 2006. This document included performance indicators in the section *Program Ongoing Performance Measurement Strategy*. A *Performance Measurement Strategy* (PMS) was developed in 2009 with better indicators and a higher and more detailed frequency of data collection.
  - The PMS represents a strength for the Katimavik Program, given the high number of indicators provided, as well as their outcomes and results.
  - Overall the PMS document is complete, including a data source section, a frequency of data collection portion as well as clearly identifying the responsibility for collection of the information.

## Recommendations

The Audit Team also identified areas where management practices and processes could be improved, with recommendations being provided as summarized below:

1. The Director General, Citizen Participation Branch should work with Katimavik-OPCAN to ensure:
  - that the objectives and the accountability of Katimavik-OPCAN's various programs are clearly defined and communicated; and
  - that there is a separation and clear understanding between programs funded by PCH and programs funded by other sources.
2. The Director General, Citizen Participation Branch should ensure that Recipient Compliance Audit and financial audits are performed:
  - to provide assurance that the money paid to Katimavik-OPCAN is used according to the prescribed purposes as mentioned in the Contribution Agreement; and

- to ensure that there is a segregation of funds and expenses between the various programs managed by Katimavik-OPCAN.
3. The Director General, Citizen Participation Branch should undertake more field site visits in participating communities, based on due diligence and risk assessment, to ensure that activities meet the Katimavik Program objectives.
  4. The Director General, Citizen Participation Branch should ensure that:
    - the payments made to Katimavik-OPCAN are in accordance with the clauses of the Contribution Agreement or the Amendments; and
    - documentation and justifications regarding the management of the Contribution Agreement or Amendments be kept in PCH's Katimavik-OPCAN file.
  5. The Director General, Citizen Participation Branch should continue to evaluate and implement appropriate means for improving response times in the application and approval process of the Contribution Agreement, and should also continue promoting the use of a multi-year Contribution Agreement.

## **Statement of Assurance**

In my professional judgment as Chief Audit and Evaluation Executive, sufficient and appropriate audit procedures have been conducted and evidence gathered to support the accuracy of the opinion provided and contained in this report. The opinion is based on a comparison of the conditions, as they existed at the time, against pre-established audit criteria that were agreed to with management. The opinion is applicable only to the entity examined and within the scope described herein. The evidence was gathered in compliance with Treasury Board policy, directives, and standards on internal audit and the procedures used meet the professional standards of the Institute of Internal Auditors. Sufficient evidence was gathered to provide senior management with the proof of the opinion derived from the internal audit.

## **Audit Opinion**

The objectives of the Katimavik Program are aligned with those of the Department, and the Program is generally managed in accordance with the Treasury Board Policies and Procedures. Some improvements are required for the management of risks related to the Program and also for the controls in place in order to effectively manage the Contribution Agreement with Katimavik-OPCAN.

Further to my review of management controls, risk management frameworks and overall governance structure to ensure practices are adequate, in my opinion, the Katimavik Program has an adequate governance structure, and presents moderate issues requiring management focus in the areas of risk management and controls.

Original signed by:

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**Richard Willan**

Chief Audit and Evaluation Executive  
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# **1. Introduction and Context**

## **1.1 Authority for the Project**

The authority for this audit is derived from the Multi-Year Risk-Based Audit Plan 2010-2011 to 2012-2013 which was recommended by the Departmental Audit Committee and approved by the Deputy Minister in March 2010.

## **1.2 Background**

The Katimavik Program is a national youth service learning and training program, managed by the Youth Participation Directorate in the Citizen Participation Branch of the Department of Canadian Heritage. The Program was transferred from the Department of Human Resources Development Canada to the Department of Canadian Heritage in 1997.

Historically, the Katimavik Program has provided approximately 1,100 young Canadians ages 17 to 21 with opportunities to discover their country and create ties with communities and with other Canadians.

The objectives of the Katimavik Program are to contribute significantly to the personal, social and professional development of the participants; to promote social engagement and community service; and to offer a diverse experience, fostering a better understanding of the Canadian reality.

The current Katimavik Program is based on the concept of participants learning through volunteer work. The youth participants undergo one of two programs, either the 9-month classic or the 6-month thematic, to help organizations carry out community projects in different regions across the country. Mixed groups of 11 young people from across Canada, approximately half of whom are women, and about one third of whom are Francophone, live together in French-speaking and English-speaking communities.

Within the Department, the Management Team of the Katimavik Program provides funding to a sole recipient, Katimavik-OPCAN Corporation, a non-profit organization based in Montreal who administers the Program on behalf of the Department.

The Department's budget for the Katimavik Program was \$12,017,000 for the period from September 2007 to March 2008 and \$20,600,000 per year for fiscal years 2008-2009 and 2009-2010.

These amounts were allocated between Operating and Maintenance expenses and the Contribution Agreement as presented in the table below:

Dollars	Fiscal Year		
	September 2007 to March 2008	April 2008 to March 2009	April 2009 to March 2010
<b>Contributions</b>	11,536,000	19,776,000	19,776,000
<b>Operating &amp; Maintenance</b>	481,000	824,000	824,000
<b>Total amount</b>	\$12,017,000	\$20,600,000	\$20,600,000

Under the Citizen Participation Branch, there is one Full Time Employee (FTE) dedicated to the administration of the file with the help of the Branch's Management Team.

## 2. Objective(s)

The audit is intended to provide PCH senior management with assurance that:

- The objectives of the Katimavik Program are aligned with those of the Department, and the Program is managed in accordance with the Treasury Board Policies and Procedures, as well as the Financial Administration Act;
- The risks related to the delivery of the Program are identified and well managed; and,
- The Management Team of the Katimavik Program has implemented appropriate controls in order to effectively manage the Contribution Agreement with Katimavik-OPCAN.

The audit objectives and the examination of activities are linked to the Management Accountability Framework elements, as contained in Appendix A.

## 3. Scope

The audit scope covered the period from September 1, 2007 to March 31, 2010. The audit was carried out at the Department of Canadian Heritage in the National Capital Region between May and July 2010.

The audit examined the Contribution Agreements, the Amendments, the Operation and Maintenance Expenditures and monitoring controls (site visits reports and financial controls).

## 4. Approach and Methodology

All audit work was conducted in accordance with the Treasury Board Secretariat's *Internal Auditing Standards for the Government of Canada*, and *Policy on Internal Audit* and the *Standards of the Institute of Internal auditors*.

The principal audit techniques used included:

- Interviews with the Program's personnel to examine processes, procedures and practices;
- a review of the Contribution Agreement and Amendments;
- a review of documentation (*Results-Based Management and Accountability Framework and the Risk-Based Audit Framework*, Business Plan, Treasury Board Submission);
- a review of the Katimavik Program documentation, guidelines and procedures, Terms and Conditions, policy and legislation relevant to the program; and
- an examination of the Operation and Maintenance expenditures through site visits.
- teleconference with Katimavik-OPCAN.

Sufficient and appropriate audit procedures have been conducted and evidence gathered to support the audit conclusion provided and contained in this report.

## 5. Observations, Recommendations and Management Response

### 5.1 Risk Management

#### ***5.1.1 Clarification and documentation regarding Katimavik-OPCAN's Programs***

The Audit Team noted that there was no documentation explaining and clarifying the accountability and the management of resources and funds for a new program implemented by Katimavik-OPCAN following a request from the Department of Canadian Heritage that Katimavik-OPCAN diversify the sources of funding for the Katimavik Program.

#### **Analysis**

Following a request from the Department of Canadian Heritage that Katimavik-OPCAN diversify the sources of funding for the Katimavik Program, Katimavik-OPCAN has

developed Eco-Internship a new environmental and sustainable development internship program, which is funded by another source and is managed by Katimavik-OPCAN. The objective of Eco-Internship is to contribute to participants' knowledge of environmental issues through learning components focused on biodiversity, water management, climate change, energy efficiency, agriculture and urban development.

Based on interviews held with the Management Team of the Katimavik Program and the review of shared emails between Management Teams of the Katimavik Program and Katimavik-OPCAN, the Audit Team acknowledges the fact that Eco-Internship and Katimavik Program managed by Katimavik-OPCAN are two distinct programs managed by the same Management Team within Katimavik-OPCAN, targeting different age groups. However, there is no documentation specifying the segregation of expenses such as salaries, travel, operating cost and programming.

Furthermore, based on a memo on the Eco-Internship webpage that is accessible through Katimavik-OPCAN's website, the Audit Team has observed a lack of clarification between the Katimavik Program managed by Katimavik-OPCAN and Eco-Internship, specifically pertaining to responsibilities and accountability of each program.

Although the two programs (Katimavik and Eco-Internship) are managed by the same Management Team within Katimavik-OPCAN, there is no evidence to demonstrate that Eco-Internship is completely financed by other sources and not by the Department of Canadian Heritage funding resulting in unclear segregation of funds.

### **Risk Assessment**

The use of common resources by the two programs (such as utilities, management team, rent, etc.) could lead to loss of funds and/or refunds of inappropriate expenses by the Program. In addition, inappropriate information on Katimavik-OPCAN's website could result in the public holding the Department responsible for a program that is not under its accountability.

### **Recommendations**

1. The Director General, Citizen Participation Branch should work with Katimavik-OPCAN to ensure:
  - that the objectives and the accountability of Katimavik-OPCAN's various programs are clearly defined and communicated; and
  - that there is a separation and clear understanding between programs funded by the Department of Canadian Heritage and programs funded by other sources.

### **Management Response**

**ACCEPTED**

2. The Director General, Citizen Participation Branch should ensure that Recipient Compliance Audit and financial audits are performed:
  - to provide assurance that the money paid to Katimavik-OPCAN is used according to the prescribed purposes as mentioned in the Contribution Agreement; and
  - to ensure that there is a segregation of funds and expenses between the various programs managed by Katimavik-OPCAN.

#### **Management Response**

**ACCEPTED**

## **5.2 Stewardship and Risk Management**

### **5.2.1 Field Site Visits**

The Audit Team found that there was no field site visits in communities or regions where the activities of the Katimavik Program take place.

#### **Analysis**

Further to the review of the site visit reports and the documentation found in the Katimavik-OPCAN's file to support the monitoring of the progress against the Contribution Agreement, the Audit Team found that the Management Team of the Katimavik Program has conducted a sufficient amount of visits to Headquarters, although these visits were specifically focused on the financial (Salaries, travel expenses) and programming aspects.

In addition, the Audit Team reviewed the documentation for the seven site visits that were conducted during the scope of the audit, all of which were performed at Katimavik-OPCAN's Headquarters located in Montreal, Quebec. No field site visits were performed in the regions or communities where the program activities took place. Also, no risk assessment was performed to determine the regions or communities where site visits should occur.

#### **Risk Assessment**

The program activities are held in many communities. Therefore, the lack of field site visits to the participating communities presents a risk in ensuring that Katimavik-OPCAN complies with the Terms and Conditions of the Contribution Agreement, and that the unfolding of activities occurs as planned, meeting the Katimavik Program objectives. This could result in insufficient monitoring of the program and may be perceived as a lack of due diligence.

## **Recommendation**

3. The Director General, Citizen Participation Branch should undertake more field site visits in participating communities, based on due diligence and risk assessment, to ensure that activities meet the Katimavik Program objectives.

## **Management Response**

**ACCEPTED**

## **5.3 Stewardship**

### ***5.3.1 Payments and Management of PCH's Katimavik-OPCAN file***

The Audit Team found that there was a lack of documentation, proper justification and approval to support a decision to deviate from one of the two Amendments to the Contribution Agreement.

#### **Analysis**

During the review of the payments, the Audit Team found that the Management Team of the Katimavik Program deviated from the payment schedule outlined in one of the Amendment to the Contribution Agreement. The holdback payment for the Amendment 2 was reduced to about 10% of the last payment (August 2009) instead of 10% of the 2009-10 portion of the Amendment (April 2009 to August 2009). The only supporting documentation provided to the Audit Team to justify this reduction was an email sent to Katimavik-OPCAN from the former Program financial advisor; and that email was only sent at the end of the concerned period (July 27, 2009). There was no formal amendment supporting the changes to the payment schedule.

During the review of the Katimavik-OPCAN Contribution Agreement file, the Audit Team found that there were several reports missing from the paper file that had to be printed from emails. The Audit Team found that only 4 of the 13 reports reviewed had a received stamp on the report indicating when the reports were received by the Management Team of the Katimavik Program. Also, the Audit Team noted that one of the formal applications for funding was not found by the Management Team of the Katimavik Program. They were however, able to provide the Audit Team with a memo from Katimavik-OPCAN indicating that they wished to receive funding for that period.

#### **Risk Assessment**

By deviating from one clause in the Amendment to the Contribution Agreement and by not keeping on file supporting documentation before issuing a payment, there is a risk of non-compliance to the Contribution Agreement. This could result in erroneous payments

to Katimavik-OPCAN and inappropriate decision-making on the management and the disbursement of funds.

#### **Recommendation**

4. The Director General, Citizen Participation Branch should ensure that:
  - the payments made to Katimavik-OPCAN are in accordance with the clauses of the Contribution Agreement or the Amendments; and
  - documentation and justifications regarding the management of the Contribution Agreement or Amendments be kept in PCH's Katimavik-OPCAN file.

#### **Management Response**

**ACCEPTED**

## **5.4 Stewardship and Accountability**

### ***5.4.1 Annual renewal of the Contribution Agreement***

The Audit Team found that since the Management Team of the Katimavik Program had to seek annual extensions and Amendments to the Contribution Agreement, there were delays in the approval of the Amendments; also, the annual renewal doesn't allow Katimavik-OPCAN to find other sources of funding.

#### **Analysis**

From 2007 to 2010, the Katimavik Program's Terms and Conditions, and the Contribution Agreement renewal occurred on an annual basis. However, in the Fall 2009, an announcement was launched for a multi-year funding for the fiscal years 2011/12 and 2012/13. The Management Team of the Katimavik Program is seeking authority for a multi-year funding.

During the review of the Katimavik-OPCAN Contribution Agreement file, the Audit Team noted that since the Katimavik Program was renewed annually, all the Amendments within the scope of the audit, were signed after the start date of the period covered by the Amendment (September 1<sup>st</sup>). Hence, no payment was made in September for any of the 3 Amendments to the Contribution Agreement. Therefore Katimavik-OPCAN cash flow needs become hard to manage and cause difficulties in monitoring the allocation of funds.

Following the interview with the Management Team of the Katimavik Program, the Audit Team was informed that an annual agreement creates a challenge for Katimavik-OPCAN to obtain funding from other sources. Therefore, a multi-year agreement with

Katimavik-OPCAN would demonstrate support from the Government and would assist Katimavik-OPCAN in its efforts to diversify its sources of funding. Furthermore, through this interview the Audit Team was also informed of the difficulties for Management Teams of the Katimavik Program and Katimavik-OPCAN to conduct long term planning when financing is only confirmed on a short term basis.

### **Risk Assessment**

The lack of appropriate and timely approval of Contribution Agreements (including Amendments) prior to the start date could impact Katimavik-OPCAN's ability to manage the program and incur expenses. This situation could result in the inability of Katimavik-OPCAN to deliver the program and achieve departmental objectives. Also an annual renewal of the Contribution Agreement doesn't allow Katimavik-OPCAN to diversify its sources of funding.

### **Recommendation**

5. The Director General, Citizen Participation Branch should continue to evaluate and implement appropriate means for improving response times in the application and approval process of the Contribution Agreement, and should also continue promoting the use of a multi-year Contribution Agreement.

### **Management Response**

**ACCEPTED**



## Appendix A – Audit Criteria

The conclusions reached for each of the audit criteria used in the audit were developed according to the following definitions.

Numerical Categorization	Conclusion on Audit Criteria	Definition of Conclusion
1	Well Controlled	<ul style="list-style-type: none"> <li>• well managed, no material weaknesses noted; and</li> <li>• effective.</li> </ul>
2	Controlled	<ul style="list-style-type: none"> <li>• well managed, but minor improvements are needed; and</li> <li>• effective.</li> </ul>
3	Moderate Issues	<p>Has moderate issues requiring management focus (at least one of the following two criteria need to be met):</p> <ul style="list-style-type: none"> <li>• control weaknesses, but exposure is limited because likelihood of risk occurring is not high;</li> <li>• control weaknesses, but exposure is limited because impact of the risk is not high.</li> </ul>
4	Significant Improvements Required	<p>Requires significant improvements (at least one of the following three criteria need to be met):</p> <ul style="list-style-type: none"> <li>• financial adjustments material to line item or area or to the department; or</li> <li>• control deficiencies represent serious exposure; or</li> <li>• major deficiencies in overall control structure.</li> </ul> <p>Note: Every audit criteria that is categorized as a “4” must be immediately disclosed to the CAEE and the subjects matter’s Director General or higher level for corrective action.</p>

The following are the audit criteria and examples of key evidence and/or observations noted which were analyzed and against which conclusions were drawn. In cases where significant improvements (4) and/or moderate issues (3) were observed, these were reported in the audit report, and the exposure risk is noted in the table below.

Criteria #	Audit Criteria	Conclusion on Audit Criteria	Examples of Key Evidence / Observation
<p><b>Audit objective:</b> The objectives of the Katimavik Program are aligned with those of the Department, and the Program is managed in accordance with the Treasury Board Policies and Procedures, as well as the Financial Administration Act.</p>			
<p><b>MAF element: Governance</b></p>			
1	Key documents properly articulate the linkages between the Program and departmental objectives and priorities.	1	Based on the review of the Business plan and the RMAF/RBAF, the linkage between the Program and the Departmental objectives and priorities is properly articulated.
2	The Program activities and objectives can be properly measured. Performance indicators exist and support the achievement of the Program's objectives.	1	Based on the review of documents and interviews, the Audit Team concluded that the performance indicators are in place and they support the achievement of the program objectives.
3	As per Treasury Board Secretariat request, the Management Team of the Katimavik Program has ensured that Katimavik-OPCAN has revitalized or redesigned its activities and documentation exists to support those changes, and still meets the objectives of the program.	1	During the review of documentation and interviews, the Audit Team found that Katimavik-OPCAN did revitalize their programming by creating a new 24 week thematic programming session.

4	The procedures, roles, responsibilities and accountability are defined and communicated to the staff.	2	Overall the procedures, roles and responsibilities are well defined and understood by the staff. However, since there are no end dates to the delegation of authority forms, the accountability is not properly defined.
<b>MAF element: Stewardship</b>			
5	The visits are clearly linked to the organizational objectives, are supported by relevant and approved documentation (section 32, 34), and respect the Treasury Board policies on Travel and Hospitality	3	The Audit Team found that the Site visits were well documented; however they were only at Katimavik-OPCAN's Headquarters. Furthermore two of the fifteen Travel Claims did not have a Travel Authorization Number.
<b>Audit objective:</b> Risks related to the delivery of the Program are identified and well managed.			
<b>MAF element: Risk Management and Citizen-focused Service</b>			
6	Risks related to the achievement of Katimavik Program's (PCH) objectives are identified.	1	The Audit Team found that risks related to the achievement of the program were identified in the RMAF/RBAF. They were also understood and known by the program staff.
7	A mechanism exists to identify, assess, prioritize, mitigate, monitor and report on risks relevant to the Program.	2	The Audit Team found that the mitigation strategies in place were sufficient to assess, prioritize, mitigate, monitor and report on the risks. However, the site visits should include sites other than to Headquarters.

8	Continuous monitoring is conducted to ensure that Katimavik-OPCAN complies with program Terms and Conditions and their Contribution Agreement. The documentation gathered for monitoring is reviewed, documented, risk-based and understood by staff. Contributing to monitoring process, Katimavik-OPCAN has regular communication with the Management Team of the Katimavik Program and receives relevant feedback.	3	Based on the information gathered during the audit, the Audit Team found that no information/documentation was provided concerning the accountability and the effect on the budget, the expenses and the allocation of funding, of the shared resources with the Eco-Internship program. Furthermore, since all site visits were conducted at Katimavik-OPCAN's Headquarters in Montreal, they didn't have sufficient monitoring activities to ensure that Katimavik-OPCAN complied with the Terms and Conditions of the Contribution Agreement.
<p><b>Audit objective:</b> The Management Team of the Katimavik Program has implemented appropriate controls in order to effectively manage the delivery of the Contribution Agreement with Katimavik-OPCAN.</p>			
<p><b>MAF element:</b> <i>Stewardship</i></p>			
9	The Contribution Agreement and amendments are reviewed and approved in a timely manner and receive appropriate levels of approval. They are signed prior to the start of the period covered by the agreement.	3	The Audit Team found that because the Katimavik Program was renewed on an Annual basis, the Contribution Agreement and the Amendments were not approved prior to the start date of the project. However, the Contribution Agreement and the Amendments were approved in accordance with the service delivery standards established by the Management Team of the Katimavik Program. Also, the Audit Team found that there was a mistake in one of the three minister letters sent to Katimavik-OPCAN. In the letter, it was mentioned that the funding was coming from the Exchanges Canada Program instead of the Katimavik Program.

<b>10</b>	The Contribution Agreement is in accordance with the Program Terms and Conditions, departmental template, and regulations (Financial Administration Act, TB directive, etc).	1	The Audit Team found that the Contribution Agreement and Amendments were in accordance with the Program Terms and Conditions, departmental template and regulations.
<b>11</b>	Payments made to Katimavik-OPCAN are in accordance with the Contribution Agreement and the Treasury Board Transfer Payment Policy.	3	The Audit Team found that there was a lack of documentation and proper justification and approval for the deviation from the Amendment 2 to the Contribution Agreement. Also, there was no manual reconciliation between SAP and GCIMS for mismatched amounts.
<b>12</b>	Where inappropriate payments have been detected, corrective actions are promptly taken.	1	The Audit Team found that there were not inappropriate payments made during the scope of the audit and that there were established procedures in case inappropriate payments were made.
<b>13</b>	Information from the Katimavik-OPCAN (regarding financial results and performance) are in accordance with the Contribution Agreement. This information is reliable, useful, prepared in a timely manner and meets the needs of the Program.	2	The Audit Team found that although all the reports were submitted on time and contained the appropriate information, they were not all kept on file and did not all have a date stamp indicating when the reports were received. Also the Audit Team found that one of the three Formal Application Forms was not kept in the file.

<b>MAF element: <i>Accountability</i></b>			
<b>14</b>	Management of the Program confirm that sufficient funds are available in the budget and the funds are committed before the beginning of Katimavik-OPCAN's programming period.	<b>3</b>	The Audit Team found that because the Katimavik Program was renewed on an annual basis, the Contribution Agreement wasn't signed prior to the start date of the project and this situation doesn't facilitate Katimavik-OPCAN efforts to diversify its sources of funding. Furthermore, because the period covered in the Contribution Agreement (that is Katimavik-OPCAN's programming period) fell in two PCH fiscal years, the Recipient's Cash Flow needs become hard to manage causing difficulties in monitoring the allocation of funds to Katimavik-OPCAN.
<b>MAF element: <i>People</i></b>			
<b>15</b>	Tools and training are available, appropriate and sufficient to enable Program officer and manager to deliver the Program.	<b>1</b>	The Audit Team found that the Tools and Training Plan were available, appropriate and sufficient to enable the Program officer and the Manager to deliver the Program.

## **Appendix B – Definitions**

**Katimavik Program:** refers to the Program as an activity or a project.

**Management Team of the Katimavik Program:** refers to the Management Team of the Program within the Department of Canadian Heritage

**Katimavik-OPCAN:** refers to the recipient Katimavik-OPCAN.