AUDIT REPORT

of

THE INTERCHANGE CANADA PROGRAM

MARCH 2007

Assurance Services Directorate
Corporate Review Branch

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Executive Summary

The Interchange Canada Program (ICP) is sponsored by Treasury Board Secretariat (TBS) and administered by Public Service Commission (PSC). It promotes the exchange of employees through temporary assignments between Federal Public Service departments and agencies, and organizations in other sectors both within Canada and internationally. Canadian Heritage (PCH) Deputy Minister (DM) received authority to administer the program in its department for all groups other than the Executive Group.

The objectives of the ICP are:
- To foster a better understanding between the Federal Public Service and other sectors both within Canada and internationally, for the purposes of creating and supporting informed policy development, improved services, and to strengthen Canada's international and national relations and partnerships;
- To support the development of employees;
- To contribute to the objectives of Canadian foreign, social, and economic policy; and
- To increase the Public Service's access to and acquisition of specialized knowledge, diverse skills, expertise, technology, and best practices.

The objectives of the audit were to:
- Review and report on the management control framework and overall governance structure in place at PCH to carry out, with due diligence, the Interchange Canada Program (ICP); and
- Provide recommendations to improve the management of the program, and where appropriate enhance the program's success in meeting objectives.

This audit was conducted pursuant to the 2004-05 Audit Plan of the Assurance Services Directorate (ASD), Corporate Review Branch (CRB) that was approved by the Departmental Audit and Evaluation Committee.

The work performed included the review of relevant program documentation, interviews with Human Resources Workplace Management Branch (HRWMB) personnel and a review of all active current ICP files.

The audit conclusions are based on the assessment of findings against the pre-established criteria and reflect the work conducted between May 8, 2006 to June 22, 2006. In the audit team's opinion, sufficient work has been performed and the necessary evidence has been gathered to support the conclusions contained in this audit report.

Scope

The original scope of the audit included participants who were on ICP, on Assignment or Secondment between April 1st, 2003 and January 24, 2005. Following the preliminary

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assessment, the scope of the audit was modified to focus on ICP only and to perform additional work for participants who were on the ICP between April 1st, 2005 to May 8, 2006. The list of ICP participants was submitted to the audit team by HRWMB.

Additional work started on May 8, 2006 and was completed by June 22, 2006. The audit work performed included, in addition to the review of participants' files, the review of relevant program documentation as well as interviews with HRMWB personnel.

Key Findings

HRWMB currently has policies and procedures for the ICP in their *Administrative Procedures for Human Resources Service Requests Manual.* In addition, a checklist was designed and put in place by HRWMB and is certainly viewed as a best practice. It allows managers to understand the documentary requirements of the policy and it recommends that managers consult with their HR advisor. Should managers follow the checklist diligently, it would ensure proper compliance with ICP program requirement. However, as seen during the review of the files, even with the use of the checklist, some documentation was missing from the files reviewed.

Results of the audit indicated that when potential situations of conflict of interest are present, they are not always identified by PCH managers as such and are not properly addressed and documented. In support of the TBS policy, the Operating Guidelines, issued by Public Service Human Resources Agency of Canada (PSHRMAC), require departments to ensure that all participants complete the conflict of interest declaration forms. This would help preserve public confidence in the integrity and neutrality of management and operations. It would also support public servant in professional activities in serving the public interest.

The results of the audit indicated that payments and recovery with participating organizations do not comply with the letters of agreement signed by PCH managers and exceptions to the Policy regarding remuneration or extraordinary compensation are not always properly documented and authorized. The results of the audit also indicate that there are weaknesses in the financial information contained in ICP personnel files and the processes in place to properly document and track ICP file information according to the requirements contained in the agreements.

An efficient management accountability framework has five elements: governance, planning, policy, communication, and control that support the infrastructure and management practices to be in place. The results of the audit indicated that the management accountability framework over ICP activities could be improved in all five elements.

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Recommendations

The following recommendations address the specific areas, identified by the audit, where management framework and practices can be improved to increase effectiveness, strengthen compliance to policies, and enhance risk management and program accountability.

It is recommended that:

1.   The Director General, HRWMB put in place the following activities to ensure that ICP program objectives are achieved. This includes:

   ➢ Ensuring that managers are aware of their roles and responsibilities under this program and the mandatory requirements of the Policy and Directive on ICP (eligibility requirements, conflict of interest, time limit, security, exceptions and appropriate DM approval, authority for exception; etc)

   ➢ HRWMB monitoring the ICP process to ensure compliance with the policy and that participants' files contain the necessary documentation to support eligibility requirements and ensure that files include documentation that demonstrates the link to ICP program objectives.

   ➢ HRWMB strengthen the management accountability framework over Interchange activities in the five areas of governance, planning, policy, communication, and control that support the infrastructure and practices.

   ➢ HRWMB strengthen controls and monitor the process to ensure that all ICP letters of agreement are in accordance with the ICP Policy. This may include the consideration of a senior HR representative sign-off on letters of agreement.

2.   It is recommended that the Director General, HRWMB monitor ICP files to ensure that:
   ➢ Managers and participants identify situations of potential conflict of interest and that the appropriate declaration forms are completed.
   ➢ Proper action is taken and ICP files are well documented.

3.   The Director, Accounting Operations put in place mechanisms to ensure that financial information maintained by program managers, that is used to form the basis of payment and recovery of salaries of Interchange participants, are maintained in the ICP personnel files; that this information as well as all payments and recovery of salaries of Interchange participants comply with the letters of agreement; and, that any exceptions are properly documented and authorized.

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4.   The Director General, HRWMB put in place the following controls:
- ➢ A process to ensure that managers track leave and overtime for incoming participants to avoid additional costs and invoices from sponsoring organizations;
- ➢ That reports on leave/overtime are maintained in the ICP personnel files for incoming participants.
- ➢ A system to track all ICP files at PCH and ensure completeness of the list of program participants;
- ➢ Ensures that documentation on Interchange program performance is:
    - Relevant, reliable and complete to support program transparency and decision-making process; and
    - Collected, preserved and built under the control and custody process to support the program accountability requirements.

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1.0   Introduction

1.1   Authority for the project

This audit was conducted pursuant to the 2004-05 Audit Plan of the ASD, CRB that was approved by the Departmental Audit and Evaluation Committee.

1.2   Background

The Interchange Canada Program (ICP) is sponsored by Treasury Board Secretariat (TBS) and administered by the Public Service Commission (PSC) that promotes the exchange of employees through temporary assignments between the Federal Public Service departments and agencies, and organizations in other sectors both within Canada and internationally. PCH DM received authority to administer the program in its department for all groups other than the Executive Group. The PSC is responsible for program administration at the Executive Group and therefore this group is excluded from this audit.

The objectives of the program are:
- To foster a better understanding between the Federal Public Service and other sectors both within Canada and internationally, for the purposes of creating and supporting informed policy development, improved services, and to strengthen Canada's international and national relations and partnerships;
- To support the development of employees;
- To contribute to the objectives of Canadian foreign, social, and economic policy; and
- To increase the Public Service's access to and acquisition of specialized knowledge, diverse skills, expertise, technology, and best practices.

By taking assignments in a new sector, employees develop personally and professionally while their organizations benefit from new skills, knowledge and approaches. For the organization involved, the benefits are a vigorous infusion of new expertise, ideas and perspectives, closer working relationships between people, lasting partnerships for the future. Organizations' employees gain experience with the public policy-making process, broaden their knowledge of complex public policy issues and understand the workings of the Federal government.

Federal government employees out on assignment have the possibility to master the challenges and practices of effective business, make operational decisions and experience the impact of government policies, regulations and programs.

All participants benefit from personal and professional growth, the stimulation of testing skills and abilities in new circumstances and the knowledge and understanding that come from exploring issues from a different perspective.

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While the Deputy Minister delegates the authority for the Interchange agreements to PCH managers, HRWMB has a monitoring and oversight role under the policy to ensure compliance. HRWMB also provides the guidelines, procedures and templates for PCH managers to use when entering into Interchange agreements.

2.0   Objectives

The objectives of the audit were to**:**

- Review and report on the management control framework and overall governance structure in place at PCH to carry out, with due diligence, the ICP; and
- Provide recommendations to improve the management of the program, and where appropriate enhance the program's success in meeting objectives.

3.0   Scope

The original scope of the audit included participants who were on ICP, on Assignment or Secondment between April 1st, 2003 and January 24, 2005. Following preliminary results, the scope of the audit was modified to focus on ICP and perform additional work for participants who were on the ICP between April 1st, 2005 to May 8, 2006. The list of participants was submitted to the audit team by HRWMB.

Additional work started on May 8, 2006 and was completed by June 22, 2006. The work performed included, in addition to the review of participants' files, the review of relevant program documentation as well as interviews with HRMWB personnel.

4.0   Approach and Methodology

The audit was conducted in accordance with the *Standards for the Professional Practice of Internal Auditing* and the standards and requirements set out in the TBS *Policy on Internal Audit*.

The audit was conducted in three phases with specific activities. They are:
- Planning:
  - Review of the current IC Policy and Operating Guidelines;
  - Review of departmental internal procedures, management directives and other related documentation in use at PCH (*Administrative Procedures for Human Resources Service Requests,* and the *PCH Instrument of Sub-delegation*);
  - Review of other policies and externally imposed regulations (TBS *Policy on Transfer Payments*, the *Public Service Staff Relations Act,* the *Financial Administration Act,* the *Manager's Handbook on Staffing and Recruitment,* and the *Values and Ethics Code for the Public Service*);
  - Development of audit criteria and audit program;

- Review ICP participants list and select all current files for 2005-06.

Files reviewed:

		Sample		
	Population	In (1)	Out (2)	Total (3)
Active ICP files 2005-06	16	12	4	16
Closed ICP files	33			
Total	49	12	4	16

(1)   PCH is the host organization
(2)   PCH is the sponsoring organization
(3)   All agreements were signed under the June 1998 Interchange Policy

- Execution:
  - Examination of all active ICP files for fiscal year 2005-06 with reference to the review program and gathering information on each of the files examined;
  - Analysis of management framework information, compilation and identification of findings.

  The fieldwork for the audit was concluded on June 22, 2006.

- Reporting.

5.0   Conclusions

The conclusions are based on the assessment of findings against the pre-established criteria and reflect the audit work conducted between May 8, 2006 and June 22, 2006. In the audit team's opinion, sufficient work has been performed and the necessary evidence has been gathered to support the conclusions contained in this report. The audit objectives included the development of criteria listed in Appendix A against which observations, assessment and conclusions were drawn.

The audit found that the management accountability framework for the ICP could be improved. Within this context, the audit concluded that in general:

- The roles and responsibilities are not clearly defined between HRWMB and Managers;
- The ICP eligibility requirements were not properly documented (10 of the 12 incoming files reviewed did not contain a description of skills and experience required, 11 of the 12 did not contain the language requirements, 8 of the 12 did not indicate group and level of the assignment);
- When potential situations of conflict of interest are present, they are not always identified as such and are not properly addressed and documented (8 of the 16 files identified potential conflict of interest situations as individuals on the Interchange were related to recipients

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of PCH; also, in 1 of the 16 files, the individual on Interchange is related to an organization that has a contract with PCH.);

- Letters of agreement were not in accordance with the ICP Policy (in 10 of the 16 files examined, they were not signed by all parties prior to the commencement of the assignment, in 3 of the 16 files, exceptions to the period of the assignment were not properly authorized);
- There are weaknesses in the financial information contained in ICP personnel files and processes in place for monitoring ICP agreements;
- Improvements should be made to participants' files, in order to provide information, as requested by the policy, regarding departmentally administered assignments.

The findings and recommendations that follow, address specific areas identified by the audit, where management framework and practices can be improved to increase effectiveness; strengthen compliance to policies; and enhance risk management and program accountability.

6.0   Observations and Recommendations

6.1   Program Objectives and Roles and Responsibilities (Criteria 1 & 3)

PCH HRWMB currently has policies and procedures for the ICP in their *Administrative Procedures for Human Resources Service Requests Manual*. It contains a brief description of the program, specifies the required documents for each participant's file, recommends that the manager consult with the HR advisor to discuss all elements to be considered before preparing the agreement and refers managers to the PSHRMAC website for any additional information.

A checklist has been developed by HRWMB, and used during the period under audit. However, all files examined were missing documentation to support the checklist specifically regarding the participant's eligibility, description of skills, results expected, professional development plan, language requirements, conflict of interest situations, monitoring of leave and progress and re-entry planning for outgoing participants.

The roles and responsibilities are not clearly defined between HRWMB and Managers for the ICP, mainly because the program has been used as a staffing option to the disadvantage of the program's objectives which are to support the acquisition and/or transfer of expertise through temporary assignments so as to assist participating organizations in achieving their business and human resources objectives and foster the professional development of participants. The issue is also recognized by central agencies and should be addressed with the new policy and directive on ICP.

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The checklist that was designed and put in place by HRWMB is certainly viewed as a best practice. It allows managers to understand the documentary requirements of the policy and it recommends that managers consult with their HR advisor. Should managers follow the checklist diligently, it would ensure proper compliance with ICP program requirement. However, as seen during the review of the files, even with the use of the checklist, some documentation was missing from the files reviewed.

Without a monitoring role by HRWMB, instances of non-compliance go undetected and the Department does not leverage learning opportunities to improve how delegated managers exercise their authority.

6.2   Application of Program Eligibility, Guidelines and Processes (Criteria 2, 4 & 5)

6.2.1   Program Eligibility

A detailed review of participants' files determined that there was a lack of documentation to support the eligibility of organizations and participants in all of the files included in our detailed file review. In the 12 files reviewed for incoming participants, 10 files did not contain a description of the skills and experience required for the assignment, 11 files did not contain the language requirements of the assignment, 8 files had no indication of the group and level of the assignment and 12 files had no indication of interviews conducted. One file indicated that the language requirements were not met but there was no indication of any measures taken to rectify the situation. One incoming participant has been in the ICP since April 2002 and does not have the proper authority for the extension, which exceeds the maximum time limit. Furthermore, in one instance, an incoming participant's assignment should have been classified as an EX-01 and should have been referred to PSC for approval. In the four files reviewed for outgoing participants, 3 of them did not contain a description of the skills and experience required for the assignment. All files, for outgoing participant, did not contain professional development plans and had no evidence of re-entry planning.

Results of the audit indicate that the ICP eligibility requirements such as skills and experience required for the assignment, language requirements for the assignment, link between the program's objectives and participants career development were not properly documented.

Without proper documentation of eligibility requirements in participants' files, instances of non-compliance are less easily detectable and it is more difficult to assess whether program objectives are being achieved.

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6.2.2 Letters of Agreement

Letters of agreement examined were properly authorized, specified the position of the assignment, addressed security issues, and specified the compensation formula. However, in 10 of the 16 files examined, they were not signed by all parties prior to the commencement of the assignment, in 3 of the 16 files, exceptions to the period of the assignment were not properly authorized. In instances where there was a potential conflict of interest situation identified, it was not always properly addressed in the letters of agreement. Only in one instance was it properly addressed in the letter of agreement. In all 12 of the incoming files examined, letters of agreement did not address post-employment issues.

The results of the audit indicated that letters of agreements signed by managers were not in accordance with the ICP Policy. Currently, there is no sign-off or approval required by HRWMB on Interchange agreements.

Letters of agreement are binding legal contracts between the host organization and the sponsoring organization. Once signed, they provide the support for payments made to individuals. Without the appropriate monitoring of compliance with the ICP policy prior to signature, there is no opportunity to correct errors or omissions.

6.2.3 Management Accountability Framework

The detailed file review determined that required documents were not on file to support:

- program eligibility of organizations and participants;
- assignment description (skills and experience required, group and level);
- exceptions to the time limit of the assignment;
- exceptions to the compensation formula;
- potential conflict of interest situations; and
- Post-Employment and Security issues.

An efficient management accountability framework has five elements: governance, planning, policy, communication, and control that support the infrastructure and practices to be in place.

- Governance corresponds to a process of exercising authority and establishing a defined structure and administration in order to support the achievement of desired results;
- Planning is the process that identifies the current and future needs and is integrated into the overall strategies and business plans;

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- Policy and directive ensure program transparency and support decisions.
- Efficient communication ensures the integrity, transparency of information used for decision-making process; and
- Control means on-going monitoring of information, assessment of actual performance in relation to planned results, correction of deviations and the reporting of results. Quality and timely information is available, monitoring is an on-going process, and performance deficiencies are corrected in a timely fashion and are in compliance with PSHRMAC reporting requirements.

The results of the audit indicate that the management accountability framework over ICP activities could be improved in all five elements.

A strengthened management accountability framework for the ICP is fundamental in providing the Deputy with assurance that the delegations are being properly exercised and the HRWMB is able to carry out their oversight role.

In addition, a strengthened management accountability framework for ICP will assist in preparing PCH to implement the new policy. The new policy is expected to delegate to Deputy Heads, the authority to approve all IC assignments up to and including the EX-05 level.

Recommendation

1. The Director General, HRWMB put in place the following activities to ensure that ICP program objectives are achieved. This includes:

    ➢ Ensuring that managers are aware of their roles and responsibilities under this program and the mandatory requirements of the Policy and Directive on ICP (eligibility requirements, conflict of interest, time limit, security, exceptions and appropriate DM approval, authority for exception; etc)

    ➢ HRWMB monitoring the ICP process to ensure compliance with the policy and that participants' files contain the necessary documentation to support eligibility requirements and ensure that files include documentation that demonstrates the link to ICP program objectives.

    ➢ HRWMB strengthen the management accountability framework over Interchange activities in the five areas of governance, planning, policy, communication, and control that support the infrastructure and practices.

➢ HRWMB strengthen controls and monitor the process to ensure that all ICP letters of agreement are in accordance with the ICP Policy. This may include the consideration of a senior HR representative sign-off on letters of agreement.

Management Response

Agree with recommendations.

HRWMB will communicate to managers the result of the audit and will define more clearly the roles and responsibilities of each within the program. HRWMB's role relates essentially to communication with sector management wanting to use the ICP, the provision of advice, and control of HR related documentation. Also, we will provide them with the instrument of delegation for approval authority.

Target date: May 4, 2007

The updated ICP checklist is currently being provided to all managers planning to use the program. The checklist indicates the requirements and has an Internet link to the Policy and Directives. Managers must sign the checklist indicating they have met all requirements. The responsible HR Advisors will raise any remaining non-compliance issues with HR management for appropriate action. HRWMB will sign off on the verification of the completeness of the file and assignments should commence only after an agreement is signed by all parties.

HRWMB is not a party to the agreement and therefore will not sign letters of agreement.

Target date: Already in place. The HR signature block on the agreement will be removed.

The HRWMB Monitoring and Compliance Section has just been created and is now developing its own framework. ICP is one of the HR programs and activities that will need to be monitored, once risk assessment has been completed and priorities have been established. The Section will monitor ICP process to ensure compliance with the Policy and with the file documentation requirements (as indicated on the checklist).

Target date: The monitoring framework should be completed by October 2007 and Interchange Canada will be recommended for early monitoring. Resources permitting, monitoring should begin in January 2008.

The Public Service Human Resources Management Agency (PSHRMAC) has developed (with their Legal services) the template which we provide to departmental managers for their mandatory use. The template includes all legal requirements of the agreement.

Target date: We already use this template.

6.3   Conflict of Interest (Criterion 4)

The review of all active Interchange files for fiscal year 2005-06 has revealed that nine of the sponsoring or host organizations were receiving funding (contribution) from PCH and one host organization had a contract for services with PCH. Even though some organizations have been identified as recipients of grants and contributions in the participant's file, the appropriate forms required to address the potential conflict of interest situations were not on file. Only one file properly addressed the issue in the letter of agreement.

Results of the audit indicate that when potential situations of conflict of interest are present, they are not always identified as such and are not properly addressed and documented.

Without proper identification and documentation when potential situations of conflict of interest exist, it is difficult to determine if the necessary provisions to prevent the conflict of interest from arising are considered and addressed, or if possible impact of proceeding with the assignment are considered.

Recommendation

2.   It is recommended that the Director General, HRWMB monitor ICP files to ensure that:
> ➢ Managers and participants identify situations of potential conflict of interest and that appropriate declaration forms are completed.
> ➢ Proper action is taken and ICP files are well documented.

Management Response

Agree with recommendations.

We have taken measures to inform managers at the outset, that they must review the possible conflict of interest with the individual and consult with HR Labour Relations before entering into any ICP agreement.

Target date: Already in place. This is part of the Checklist.

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We will be requesting a written confirmation that managers have consulted with HR Labour Relations and taken measures, as appropriate. A copy of this confirmation will be placed in the ICP file. Any additional documents pertaining to conflict of interest are kept in a confidential file within Labour Relations. This information would not be in the participant's ICP file. Target date: May 4, 2007

6.4 Payments and Recovery (Criteria 6 & 7)

In 4 of the 12 files reviewed, the proof of salary for incoming participants were not on file and in 6 cases when this information was on file, they were not in accordance with the letters of agreement or the report on participants. In one case, the audit identified an overpayment by PCH to the sponsoring organizations for incoming participants. In 8 of the 16 files reviewed, the auditors were unable to determine whether the salaries were within the salary level of assignments being filled since groups and levels for each assignment were not defined. Additionally, of the files reviewed that contained salary information, the audit noted that there were two exceptions to the compensation formula in these files. These exceptions were not supported or properly documented and only one exception had been properly authorized.

The results of the audit indicate that payments and recovery do not comply with the letters of agreement. Exceptions to the Policy regarding remuneration or extraordinary compensation are not always properly documented and authorized.

The audit results also indicate that there are weaknesses in the financial information contained in human resources files and the processes in place to properly record and track ICP file information according to the information contained in the agreements.

It is important that proper financial information be on file in order to support the payments and that any exceptions be properly approved. Finance relies on section 34 authorizations by managers to certify section 33 under the Financial Administration Act. If this information is not provided in the files, then there is no evidence to support payment to individuals.

Recommendation

3.   The Director, Accounting Operations put in place mechanisms to ensure that financial information maintained by program managers, that is used to form the basis of payment and recovery of salaries of Interchange participants, are maintained in the ICP personnel files; that this information as well as all payments and recovery of salaries of Interchange participants comply with the letters of agreement; and, that any exceptions are properly documented and authorized.

Management Response

Agree, this is a financial responsibility and that it should reside with the Director, Accounting Operations.

Accounting Operations, in the Financial Management Branch, will ensure that complete ICP finance files are maintained and on hand prior to issuing a payment or initiating a recovery.
Managers will also be reminded of their obligation to document all decisions, ensure proper approval mechanisms and provide copies to the Financial Management Branch.

6.5   Program Performance and Monitoring (Criteria 7 & 8)

For all outgoing participants, even though there were no reports on file to support annual leave or overtime, the review of PeopleSoft reports and invoices sent to host organizations allowed us to determine that annual leave and overtime has been treated and accounted for appropriately. We were unable to determine whether the leave/overtime reports were sent to managers for confirmation and approval. For all incoming participants, there were no reports on leave/overtime on file.

Even though letters of agreement stated the cycle of reports on performance evaluation for each participant, there was no evidence on file to support performance evaluations.

The list of all current and terminated ICP participants was provided by HRWMB. Two of the files that were part of the 2005 audit were not on that list.

The results of the audit indicated that improvements should be made to participants' files, in order to provide information, as requested by the policy, regarding departmentally administered assignments. As shown with the results of the file review, 12 of the 16 files did not have essential information such as reliability checks and security clearance; none of the files had written declaration on conflict of interest; 11 of the 12 incoming files did not have the language requirements and 9 of the 12 files did not contain participants' test results; no reports on performance evaluations were contained in files; none of the files contained evidence of ongoing communication between the participant and the sponsoring organization; in all 12 of the incoming files, there were no reports on leave taken; and, in 11 of the 12 incoming files, no information on approved overtime was available in participants' files.

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Without appropriate reports in the files regarding leave taken and overtime charged, it is difficult to ensure that leave and overtime charges are appropriately authorized and recorded.

Recommendation

4.   The Director General, HRWMB put in place the following controls:
   ➢ A process to ensure that managers track leave and overtime for incoming participants to avoid additional costs and invoices from sponsoring organizations;
   ➢ That reports on leave/overtime are maintained in the ICP personnel files for incoming participants.
   ➢ A system to track all ICP files at PCH and ensure completeness of the list of program participants;
   ➢ Ensures that documentation on Interchange program performance is:
      -   Relevant, reliable and complete to support program transparency and decision-making process; and
      -   Collected, preserved and built under the control and custody process to support the program accountability requirements.

Management Response

Partially agree.

Managers will be reminded of their responsibility to obtain information surrounding leave administration from the sponsoring organization, as well as to advise the sponsoring organization of any leave/overtime by providing them with regular absence/overtime reports. This requirement will also be added to the checklist as a reminder. As any leave/overtime becomes part of the interchange arrangements, managers will be responsible to maintain leave/overtime information within their internal files as well as provide copies to Finance to include within the ICP finance files.

Target date: May 4, 2007

HRWMB has a system in place to identify all Interchange Canada participants through the Human Resources Management Information System (PeopleSoft). HRWMB will monitor files and report back to managers on completeness, relevancy and reliability of information in their ICP personnel files, while Finance will monitor files and report back to managers on completeness, relevancy and reliability of information in their ICP finance files.

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Target date: Already in place for HRWM

Appendix A – Audit Criteria

CRITERIA		Definition (*) Current Policy
Criterion 1	PCH HR Manual has policies and procedures for ICP, which reflect TBS' IC Policy and PSC's Operating Guidelines.	CME
Criterion 2	Program eligibility criteria for applicants are applied in a fair and consistent manner.	CNM
Criterion 3	Roles and Responsibilities are clearly defined and effectively communicated	CME
Criterion 4	Guidelines and processes are in place to ensure that: • Program eligibility requirements are met • Appropriate authority is obtained • Assignment is specified • Conflict of Interest, Post-Employment and Security comply with the guidelines • Participant Salary and Benefits are specified and comply with guidelines.	CNM
Criterion 5	Letters of agreement: • Are properly authorized • Clearly define the assignment • Address Conflict of Interest, Post-Employment and Security issues to ensure compliance with guidelines • Specify participant Salary and Benefits.	CME
Criterion 6	Payment and recovery comply with the letter of agreement and any exceptions to the Policy regarding remuneration or extraordinary compensation are properly documented and authorized.	CNM
Criterion 7	Financial and non-financial information systems and processes are in place to record, track and report on program performance	CME
Criterion 8	Monitoring activities are carried out regarding departmentally administered assignments to assess compliance to the Interchange Policy.	CME

* CM – Criterion Met, CNM – Criterion Not Met, CME – Criterion Met with Exception

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