



Veterans Affairs
Canada

Anciens Combattants
Canada

AUDIT OF THE QUEBEC DISTRICT OFFICE

Final - October 2010



Canada 



*This report was prepared by the
Audit and Evaluation Division*

Acknowledgements

The audit team would like to gratefully acknowledge the people at the Quebec District Office and the Quebec Regional Office, without whom this audit would not have been possible.

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EXECUTIVE SUMMARY

As part of the ongoing monitoring and evaluation of service delivery, a cyclical audit was conducted to review the activities of the Quebec District Office (DO), the management control framework and the information used for decision making purposes. The Quebec DO was selected based on criteria set by senior management.

The objectives of the 2009-2010 audit are:

- Examine the application and implementation of new delegated authorities for Area Counsellors (ACs) (Fall 2009);
- Verify the efficiency of the delivery of the rehabilitation program and the integrity of internal controls over its adjudication;
- Verify internal controls over the award and delivery of Veterans Independence Program's (VIP) home care services to Canadian Forces (CF) Veterans;
- Assess the adequacy of the management control framework for long term care (i.e. oversight, functional direction, reporting and internal controls).

The audit focussed primarily on the implementation of the new delegation of authority at the Quebec DO and on delivery of the Rehabilitation, VIP and Long Term Care (LTC) Programs. The following table provides an overview of the Quebec DO with regard to the Rehabilitation, VIP and LTC Programs.

Table 1: Clients and Program Expenses to March 31

	Number of clients – Quebec DO	Expenses – Quebec DO from April 2009 to March 2010	Number of clients – Quebec RO	Expenses – Quebec RO from April 2009 to March 2010
Rehabilitation program	389	\$321,953	746	\$628,822
VIP	2,263	\$7,626,241	6,200	\$25,787,461
Long Term Care program	223	*	1,055	\$100,879,517**

*We were unable to get the breakdown for long-term care per district office from the statistics branch. The amount will be incorporated in the Quebec region amount of \$100,879,517 minus the amount from Ste. Anne's Hospital indicated above.

**Includes the amount of \$83,428,641 for Ste. Anne's Hospital.

Source: Statistics Branch, June 14, 2010

The audit was done in accordance with the Internal Auditing Standards of the Institute of Internal Auditors. The methodologies used include interviews with employees of the Quebec DO and Regional Office (RO), participant observation exercises, a review of financial transactions for the LTC Program to ensure that the transactions are consistent with the *Directive on Account Verification*, and a review of the decisions made by ACs under the new delegation of authority in order to determine whether these decisions were made in accordance with the decision making model developed by the Quebec

DO – a model that is based on the Decision Making Guide developed at Head Office (HO).

Overall Results and Key Findings

The audit team found that the new delegation of authority was well defined and well implemented within the Quebec DO. The employees at the DO have a good understanding of their roles and responsibilities, and have accepted the new accountabilities that senior management has delegated to them.

In terms of delivery of the Rehabilitation, VIP for CF Veterans and the LTC programs under this new delegation of authority, the audit allowed the auditors to identify certain weaknesses with regard to management control used at the Quebec DO. The weaknesses identified include the following:

- an absence of a local risk management strategy at the Quebec DO to contribute to and support the regional and national risk management strategies;
- an absence of an effective strategy to communicate changes in various policies, procedures and departmental directives to Quebec DO employees in a timely manner;
- the use of certain tools that are inadequate or non performers;
- an inefficient and unstructured use of extended case conferences;
- a lack of clarity on the role and responsibilities that the client service team managers (CSTM) and regional consultants have in terms of decision making and extended case conferences in the context of the new delegation of authority;
- the delivery of training exercises that are not suited to the specific needs of the DO;
- an insufficient availability of RO consultants to meet the daily support needs of the Quebec DO employees;
- the use of an incomplete decision making model that does not include all the relevant and important elements of the 2009 Decision Making Guide;
- insufficient quality control activities to ensure proper monitoring of decision making that is documented properly and consistently within the DO.

Recommendations:

R1 (*Essential*):

It is recommended that the District Director develop and document a local risk management strategy to properly identify, document and effectively manage the risks her office faces. This strategy should complement regional and national strategies, and ensure that senior management is aware of the risks the Quebec District Office faces.

R2a (Critical):

It is recommended that the Regional Director General, in consultation with the District Director, ensure that the questions and concerns of the employees of the Quebec District Office on policies, directives and procedures are addressed in a timely fashion.

R2b (Critical):

It is recommended that the Director General Service Delivery Management, in consultation with the Regional Director General, develop a communication strategy to ensure that changes made to departmental and governmental policies, procedures and directives are communicated clearly and in a timely fashion to the District Office staff to allow them to make informed decisions and serve clients appropriately and efficiently. This strategy could include an effective method for storing and sharing information, such as a central electronic file that could store questions and answers related to more effective delivery of our programs and services.

R3a (Critical):

It is recommended that the Regional Director General, in consultation with the District Director, re-evaluate the needs of the employees of the District Office with regard to training, tools, resources and information to ensure that the training, tools, resources and information provided to them are sufficient, adequate and adapted to their needs.

R3b (Essential):

It is recommended that the Director General Service Delivery Management, in consultation with the Regional Director General, implement a better structured process for presenting extended case conferences to ensure better and more efficient use of the extended case conferences and a better use of resources. This process should include preliminary selection - triage – of cases to present, a well-defined methodology on how to present the cases, and set rules on preparing and holding such conferences.

R3c (Critical):

It is recommended that the Regional Director General in consultation with the District Director, ensure that success indicators are clearly defined and documented in the case plan of the Client Service Delivery Network.

R4a (Essential):

It is recommended that the Director General Service Delivery Management, in consultation with the Regional Director General, redefine and clarify the extended interdisciplinary team's mandate in the context of the new delegation of authority to ensure a better understanding and more efficient use of this resource in the consultation process and in decision making within the District Office.

R4b (Essential):

It is recommended that the Director General Service Delivery Management, in consultation with the Regional Director General, redefine and clarify the roles and responsibilities of extended interdisciplinary team members with regard to case management and decision making in the context of the new delegation of authority for referral purposes and to ensure more efficient use of the resources available.

This redefinition and clarification of the roles and responsibilities should ensure better management and use of time for the specialists who will now be mandated to take part only in meetings in which their expertise/support is required.

R4c (Essential):

It is recommended that the Regional Director General in consultation with the District Director, ensure that the roles and responsibilities of the Client Service Team Manager and consultants are clear and communicated properly to the District Office staff.

R5a (Critical):

It is recommended that the District Director in consultation with the Regional Director General, review the decision making model at the District Office to ensure that it includes all of the important aspects of the 2009 Decision Making Guide.

R5b (Critical):

It is recommended that the District Director review the methodology used by the ACs to log decisions and document the decision making process in the Client Service Delivery Network system to ensure that decisions are fully documented in a consistent manner.

R6 (Critical):

It is recommended that the Director General Service Delivery Management in consultation with the Director General Program Management and the Regional Director General, develop a more solid and better structured quality control system to ensure regular and proper supervision of compliance and of the production of reports on the quality of the decisions made and the services offered at the Quebec District Office.

Opinion of the Chief Audit Executive

The Audit and Evaluation Division (AED) concludes with a high level of assurance that, overall, the new delegation of authority has been clearly defined and established within the Quebec DO. Staff members at the DO have a good understanding of their roles and responsibilities, and accept the new accountabilities that senior management has delegated to them.

However, the Chief Audit Executive (CAE) believes that some improvements are required to ensure successful and more efficient management and delivery of the services under the Rehabilitation, VIP and LTC programs in the framework of the new delegation of authority in the Quebec DO. In particular, the Quebec DO has to make improvements to the management and control framework and to certain internal processes, including risk management, communication, definition of roles and responsibilities in the context of the new delegated authorities, training and support provided to employees, quality control and compliance.

The CAE believes that these improvements are needed in order to ensure that the residual risks surrounding the management and delivery of the services and programs under review regarding the new delegation of authority within the Quebec DO are reduced to an acceptable level.

Assurance Statement

In the professional judgment of the CAE, sufficient and appropriate audit procedures have been conducted and evidence has been gathered to support the accuracy of the opinion provided in this report. This opinion is based on a comparison of the situation at the time of the audit and the pre-established audit criteria that was set with management. The opinion is only applicable to the entity, process and system examined. 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. The evidence has been gathered to provide senior management with sufficient proof for the opinion derived from the internal audit.

Original signed by

October 20, 2010

Orlanda Drebit
Chief Audit Executive

Date

1.0 Context

Veterans Affairs Canada (VAC) has 60 points of service or responsibility centres that oversee the delivery of a wide range of services and programs to the Department's clients. Under the ongoing monitoring and evaluation of service delivery, a cyclical audit was done to review the activities of the districts, the management control framework and the information used for decision making purposes. The location of the audit was determined by criteria set by senior management. The Quebec District Office (DO) was the responsibility centre chosen for 2009-2010.

This audit supports the annual opinion of VAC's Chief Audit Executive (CAE) on the risk management, control and governance processes at the Department. It allows for a review of the contributions, processes and results of the various control systems.

2.0 Objectives of the Audit

The mandate of this audit was given to us by VAC senior management under the 2009 Internal Audit (IA) Plan. It is part of a broader mandate of the Department's senior management to ensure the effectiveness of internal controls and the quality and effectiveness of managing and delivering programs in the district offices and other VAC centres of responsibility.

The objectives of the 2009-2010 audit are:

- Examine the application and implementation of new delegated authorities for Area Counsellors (ACs) (Fall 2009);
- Verify the efficiency of the delivery of the rehabilitation program and the integrity of internal controls over its adjudication;
- Verify internal controls over the award and delivery of Veterans Independence Program's home care services to Canadian Forces (CF) Veterans;
- Assess the adequacy of the management control framework for long term care (i.e. oversight, functional direction, reporting and internal controls).

3.0 Scope

The scope of the audit was limited to the implementation of the new delegation of authority in the Quebec DO and on delivery of the Rehabilitation, Veterans Independence Program (VIP) and Long Term Care (LTC) programs in that context. The scope of the audit corresponded to budgetary resources (1350 hours). The audit planning began in January 2010 with the analysis completed in June 2010.

A sample of the transactions for long term care from the Free Balance system was analysed for the period from April 2009 to January 2010. The auditors also analysed a sample of the decisions made by ACs under the new delegation of authority for the Rehabilitation Program for the period from December 2009 to February 2010.

Visits and interviews were held at Head Office (HO), at the Regional Office (RO) in Montreal, and at the Quebec DO.

4.0 Methodology

This audit was conducted in accordance with the Institute of Internal Auditors' (IIA) *Standards for the Professional Practice of Internal Auditing*, as required under Treasury Board Policy on Internal Audit, with the exception that the external assessment prescribed by Standard 1312 for the purpose of the quality assurance and improvement program has not been completed (This external assessment of the internal audit function at VAC has been scheduled for 2010-2011). Audit procedures consisted of a preliminary survey, namely, discussions with departmental officials to gather information on the Rehabilitation, LTC and VIP home care programs. Additionally, the audit team reviewed reports and working documents from previous audits.

The audit team reviewed the management control framework and held interviews with the employees responsible for the management and delivery of programs at the Quebec DO and RO. Interviews were held with program staff and financial staff at HO and at the RO in order to get an understanding of the internal controls.

The auditors also observed and analysed the internal controls and processes for managing and delivering the Rehabilitation, VIP and LTC programs.

A sample of 60 financial transactions related to LTC was randomly selected from the Free Balance system – the Department's financial system – to determine whether the financial transactions related to long term care were consistent with the Treasury Board Secretariat's *Directive on Account Verification*. The sample, representing 10% (60/616) of the total population, was randomly selected based on a confidence interval of 90% and a margin of error of 10%.

The auditors also reviewed all of the decisions made by the ACs under the new delegation of authority that were either refused or made on an exceptional basis between the months of December and February 2010 (16 decisions in total). In addition to these 16 decisions, 49 positive decisions from a total 175 were randomly selected based on a confidence interval of 90% and a margin of error of 10%. The main objective of this test was to determine whether the AC's decisions were made in accordance with the decision making model developed by the Quebec DO.

5.0 Assurance Statement

In the professional judgment of the CAE, sufficient and appropriate audit procedures have been conducted and evidence has been gathered to support the accuracy of the opinion provided in this report. This opinion is based on a comparison of the situation at the time of the audit and the pre-established audit criteria that was set with management. The opinion is only applicable to the entity, process and system examined. 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 IIA. The evidence has been gathered to provide senior management with sufficient proof for the opinion derived from the IA.

6.0 Quebec DO

Veterans Affairs has 60 service locations or responsibility centres, including regional and district offices, that provide a wide range of services and programs to VAC clients. District Offices provide direct client service for VAC programs. Regional offices provide functional direction and oversight for district offices.

The Quebec DO has its main office located at Saint-Foy, with three Client Service Teams (CST). One CST is also located at the Valcartier Garrison and a small team in a service point at 3 Wing Bagotville. A CST consists of approximately 14 employees, including health care professionals and provides an interdisciplinary perspective to decision making in the DO.

Expenditures for Rehabilitation, LTC, and VIP at the Quebec DO and regional levels are outlined in the table below. As of March 31, 2010, 52% of the Quebec Region's rehabilitation clients were in the Quebec District office, along with 37% of the LTC clients and 21% of the VIP clients.

Table 1: Clients and Program Expenses as of March 31, 2010

	Number of clients – Quebec DO	Quebec DO Expenses – from April 2009 to March 2010	Number of clients – Quebec Region	Quebec Region Expenses – from April 2009 to March 2010
Rehabilitation program	389	\$321,953	746	\$628,822
VIP	2,263	\$7,626,241	6,200	\$25,787,461
LTC program	223	*	1,055	\$100,879,517**

* Breakdown for LTC by District Office was not available from the Statistics Unit. The amount is rolled into the Quebec Region amount of \$100,879,517 less the amount for Ste Anne's Hospital noted below.

** Includes \$83,428,641 for Ste Anne's Hospital

Source: Statistics Branch, June 14, 2010

7.0 Key Findings, Recommendations and Responses from the Branch

This section presents the key findings and recommendations derived from this audit. It is important to note that in order to make the results and recommendations specific to the Quebec DO, they are presented under the themes examined rather than under the traditional form of by objective.

The scale below was used to formulate the CAE opinion.

Scale	Description
Satisfactory	<ul style="list-style-type: none">• Internal controls in place reduce residual risk to an acceptable level.• The resources of the organization audited are managed with due regard for efficiency and economy.• Weaknesses identified during the audit were not significant.
Generally Acceptable	<ul style="list-style-type: none">• Internal controls are in place to reduce the residual risk to an acceptable level.• The resources of the organization audited are managed with due regard for efficiency and economy.• The weaknesses identified in the report taken individually or together are not significant or compensating mechanisms are in place. No critical observations are raised in the report.
Improvements Required	<ul style="list-style-type: none">• Internal controls in place do not bring residual risk below an acceptable level.• In some respects, the resources of the organization are managed without due care and sufficient regard for efficiency and effectiveness.• There are significant weaknesses identified in the report, which could compromise sound management or compromise control objectives.
Unsatisfactory	<ul style="list-style-type: none">• Internal controls are ineffective or altogether absent. The controls do not reduce the residual risk to an acceptable level.• In most respects, the resources of the unit are managed without due care and sufficient regard for efficiency and effectiveness.• There were major or critical weaknesses identified, for which there are no compensatory mechanisms, and which can seriously compromise sound management and control objectives.

Importance of the Recommendations

To help the auditors evaluate the importance of the recommendations, the terms and definitions below were used to describe the observations found in this report.

Risk Rankings for Audit Recommendations	
Critical	Relates to one or more significant weaknesses for which no adequate compensating controls exist. The weakness results in a high level of risk.
Essential	Relates to one or more significant weaknesses for which no adequate compensating controls exist. The weakness results in a moderate level of risk.
Important	Relates to one or more significant weaknesses for which some compensating controls exist. The weakness results in a low level of risk.

7.1 Opinion of the Chief Audit Executive

The AED concludes with a high level of assurance that, overall, the new delegation of authority have been clearly defined and established within the Quebec DO. Staff members at the DO have a clear understanding of their roles and responsibilities, and accept the new accountabilities that senior management has delegated to them.

However, the CAE believes that some improvements are needed to ensure successful and more efficient management and delivery of the services under the Rehabilitation, VIP and LTC programs in the framework of the new delegation of authority in the Quebec DO. In particular, the Quebec DO has to make improvements to the management and control framework and to certain internal processes, including risk management, communication, definition of roles and responsibilities in the context of the new delegated authorities, training and support provided to employees, quality control and compliance.

The CAE believes that these improvements are needed in order to ensure that the residual risks surrounding the management and delivery of the services and programs under review regarding the new delegation of authority within the Quebec DO are reduced to an acceptable level.

7.2 New Delegation of Authority

In fall 2009, as part of a pilot project to review the decision making and case management processes in the Department, the Quebec DO was mandated to do field testing of a new delegation of authority for ACs. The purpose of this new delegation of authority was to give more discretionary and decision making power to ACs to allow them to make decisions and respond more quickly and effectively to the needs of clients participating in the Rehabilitation Program.

The Quebec DO chose to use its mandate as a pilot site to evaluate and review the ACs' workload and to redistribute some of their duties to other DO employees. Since September 2009, the ACs at the Quebec DO have been responsible for approving, with the exception of requests for prescription drugs, all of the services and benefits for medical and psycho-social rehabilitation and all vocational rehabilitation plans under \$20,000. Client Service Agents (CSAs) are responsible for reviewing initial requests, approving most aspects of the VIP (grounds-keeping, housekeeping, window washing), and administering transition interviews with members of the CF making the transition from military to civilian life. District nursing officers (DNO) are responsible for administering and managing the Long Term Care program at the DO, and for determining the entitlement and assessment for an attendance allowance award.

7.2.1 Implementation of the New Delegation of Authority

The new delegation of authority at the Quebec DO was implemented gradually. A three-phase process was used. In the first phase, which ran between April and September 2009, policies, internal processes and tasks of client service team members were reviewed.

During the second phase, which ran between June and September 2009, the DO implemented all of the preparations for launching the delegation to ACs, CSAs and DNOs. To that end, new processes were created and tested, training was provided to the various stakeholders, new clerks were hired to provide clerical help to the client service teams, and a clinical consultant was hired to help ACs with case management and preparing rehabilitation plans for clients of the Rehabilitation program.

During the third and final phase, which ran from September to December 2009, the Quebec DO implemented the new delegations and tested the new work allocation / new case management model. During this final phase, a number of meetings and training exercises were organized by officials at the Quebec DO to ensure that the DO employees properly understood and applied their new responsibilities and new authority. Some exercises to review the workload or quality assurance in terms of decision making by ACs were also conducted by Client Service Team Managers (CSTM).

7.2.2 Opinion of the Auditors on the Implementation of the New Delegation of Authority at the Quebec District Office

The re-evaluation of the responsibilities of Quebec DO employees, the implementation of a case management model based on the intensity of the cases and the implementation of a delegation of authority at the Quebec DO seem to have had the desired effects. The interviews with the Quebec DO employees and the observation of the processes revealed that the majority of the employees are well aware of their new responsibilities and are satisfied with the new discretionary and decision making authority that has been given to them. According to DO employees, and to the ACs in particular, this new authority allows them to be more independent and to respond to client needs more quickly and effectively.

Knowing that good management practice requires the implementation of a new departmental decision making strategy to be well defined, documented and understood to ensure its proper application, the auditors are of the opinion that, except for the flaws found in the decision making process and the control management framework that will be discussed further, the implementation of the pilot project into the new delegation of authority was a success for the Quebec DO. Not only is this new delegation of authority well defined and documented in Quebec DO manuals, it is also well understood and accepted by the DO staff. The auditors support the opinion of the DO employees, the ACs in particular, that this new delegation of authority allows DO employees to be more independent, thorough and effective in decision making and in serving departmental clients and responding to their needs.

7.3 Risk Management

The Treasury Board Secretariat (TBS) *Policy on Risk Management* stipulates that effective risk management practices ensure the continuity of government operations. Because risks are present in all government operations, proper management of a departmental activity such as the delivery of VAC services and programs in a district office like the one in Quebec City is contingent upon the adoption of an effective and documented risk management strategy, which includes the assessment and identification of risks pertaining to the activity, and the development of proper risk mitigation strategies.

According to Treasury Board directives, an integrated risk management strategy is a continuous, proactive, and systematic process to manage and communicate risk from an organization-wide perspective. It is about making strategic decisions that contribute to the achievement of an organization's overall corporate objectives.

A review of relevant documents and consultations with Quebec DO management and staff showed that, despite the fact that a regional risk analysis was done in 2007, the Quebec DO does not have a local risk management strategy for delivery of the Department's services and programs. Considering that the Quebec DO has its own risks due to the unique nature of the clientele it serves – the majority of the clients are

part of the Rehabilitation Program (75%) – and that the DO's manner of serving and its capacity to serve clients is unique, the Director of the Quebec DO should set up a local risk management strategy to properly identify and document the key risks facing the DO. Compensatory measures should be identified and documented to ensure risks are mitigated.

The auditors are of the opinion that not having a local risk management strategy at the Quebec DO for the delivery of departmental programs and services can put the DO in a situation of not being able to deliver the Department's programs and services effectively and adequately or to respond to client needs within a reasonable time frame – roughly 120 clients who were on a waiting list to be assessed or assigned an AC is a good example¹. The audit team also finds that not having a local risk management strategy to contribute to and support regional and national risk management strategies might result in the Department not being aware of certain major risks it is facing, thereby not being able to effectively and properly manage those risks and make the best strategic decisions to contribute to the achievement of the organization's overall corporate objectives.

R1 (Essential):

It is recommended that the District Director develop and document a local risk management strategy to properly identify, document and effectively manage the risks her office faces. This strategy should complement regional and national strategies, and ensure that senior management is aware of the risks the Quebec District Office faces.

Management Response

Management agrees that developing and documenting a local risk management strategy specific to client service delivery is required. However, we believe that this risk management strategy must be developed based on the regional and national strategies. Management also agrees that this report must be based on Treasury Board risk management principles.

¹ Even though the waiting list indicates there are challenges in terms of the Quebec DO's ability to effectively deliver services and respond to client needs in a reasonable timeframe, the audit team perceives this as a good management tool implemented by the Quebec DO to better manage the workload of ACs and to try to minimize the impact on the DO clientele. Nevertheless, to be more effective, it is important that this process be documented in the local risk management strategy. It is also important that the DO inform clients where they are on the list and what the waiting time might be before they are served. This practice would allow the Quebec DO to better manage the risks that waiting times might have on the clientele.

Management Action Plan

Corrective action to be taken	OPI (Office of Primary Interest)	Target date
1.1 Index the existing regional and national risk management strategies	HO/Region /QC DO	October 2010
1.2 Develop an approach to risk management	HO /Region /QC DO	December 2010
1.3 Examine, evaluate and document the risks facing the Quebec DO	Quebec DO	March 2011
1.4 Document and produce a progress report	Quebec DO	May 2011
1.5 Present the progress report to the Regional Director General (RDG) (make requested changes thereafter)	Quebec DO	June 2011
1.6 Communicate the risk management strategy to employees	Quebec DO	September 2011

7.4 Policies, procedures and directives

In order to ensure the successful delivery of quality services and rigorous, professional decision making regarding programs and services, the Department must have clear policies, procedures and directives that are properly communicated and understood clearly by all employees. In addition, in order to maintain the efficiency and quality of the services provided, the Department must also ensure that any changes to the policies, procedures and directives are communicated to all stakeholders in a timely manner.

Interviews with managers and employees at the Quebec DO revealed that certain elements of the policies, procedures and directives surrounding the delivery of the Rehabilitation, VIP and LTC programs are unclear and / or open to interpretation. More specifically, respondents indicated that:

1. The directives on the definition of a good rehabilitation plan are not clear;
2. The process regarding disengaging clients and non-performing clients in terms of vocational rehabilitation is very complicated and unclear. For them, it is difficult to manage and disengage clients who do not actively engage in their rehabilitation plan;
3. The responsibilities of the DO concerning the delivery of the VIP program for widows and the rules for admission to this part of the program are unclear;
4. The question of eligibility to the Long Term Care program (the rules) is very complicated, unclear and open to interpretation. The eligibility criteria are too strict and it is difficult to determine under which criterion a client should be admitted to the program (i.e. best gateway).

Interviews with employees at the Quebec DO also revealed that changes to policies, procedures and guidelines are not always clearly communicated in a timely fashion to the front line staff at the DO. In fact, several employees at the DO mentioned that, while major changes are communicated at the appropriate time, minor changes to policies, procedures and guidelines are often communicated to the DO staff several weeks after the fact or are not communicated at all. Some employees indicated that the new clientele – who are very comfortable using the Internet and familiar with the VAC website – are often more informed of changes made to policies than the staff themselves.

In that sense, considering that the DO staff must use certain elements of the policies, procedures and directives that are unclear to them to make decisions and provide services, there is a greater risk of errors in terms of decision making which could lead to considerable variations in terms of the quality of service provided to our clients.

Furthermore, failing to inform DO staff of all changes made to the policies, procedures and directives in a timely fashion increases the risk that services provided to clients will not reflect current policy direction and that decisions made regarding the various programs will be invalid and / or outdated.

R2a (Critical)

It is recommended that the Regional Director General, in consultation with the District Director, ensure that the questions and concerns of the employees of the Quebec District Office on policies, directives and procedures are addressed in a timely fashion.

R2b (Critical)

It is recommended that the Director General Service Delivery Management, (SDM) in consultation with the Regional Director General, develop a communication strategy to ensure that changes made to departmental and governmental policies, procedures and directives are communicated clearly and in a timely fashion to the District Office staff to allow them to make informed decisions and serve clients appropriately and efficiently. This strategy could include an effective method for storing and sharing information, such as a central electronic file that could store questions and answers related to more effective delivery of our programs and services.

Management Response

Management agrees with this recommendation and agrees that sharing information on policies and procedures in a timely fashion and developing a communication strategy (Questions / Answers) at the regional level are crucial to effective customer service. Management agrees that such a strategy should be developed in partnership with the Regional Director Client Service (RDCS), the communication section and both District Offices in order to ensure compliance in the sharing of information. Furthermore, all

policies and directives are issued at the national level and unnecessary duplication must be avoided. Computer systems should be used as much as possible.

Management Action Plan

Corrective action to be taken	OPI (Office of Primary Interest)	Target date
2.1 The purpose of the new (national) Single Point of Contact process that is currently being developed is to ensure that any changes made to government and departmental policies, procedures, and guidelines are communicated clearly and in a timely fashion.	SDM (HO)	September 2010
2.2 Log all government and departmental policies, procedures, and guidelines in WIKI. Develop a communication strategy on WIKI.	SDM (HO)	March 2011
2.3 Further to points 1 and 2, determine whether a two-way communication strategy is needed in order to ensure that any changes made to government and departmental policies, procedures, and guidelines are communicated clearly and in a timely fashion.	SDM (HO) RDG RDCS/Comms/DO	May 2011
2.4 Present the communication strategy for policies and procedures to employees (put in place).	RDCS/Comms/DO	June 2011
2.5 Review the communication strategy and its effectiveness as needed.	RDCS/Comms/DO	September 2011

7.5 Tools

The TBS's core management controls (PPL-4) regarding personnel stipulates that the organization must provide its employees with the training, tools, resources and information they need to fulfill their responsibilities.

An analysis of the processes and the documentation received from employees at the Quebec DO and consultants at the Montreal RO revealed that certain tools and resources provided to employees at the DO to deliver services and the Rehabilitation, VIP and LTC programs are useful tools that help staff at the Quebec DO fulfill their responsibilities.

However, interviews with staff at the Quebec DO also revealed certain gaps in terms of the content and quality of training, resources and information provided to them. Indeed, 86% of the CSTMs and ACs interviewed indicated that consultants (functional) in mental health, rehabilitation and in terms of standards and training at the RO are not always available to meet their needs on a daily basis regarding the interpretation of the departmental policies, procedures and guidelines, decision making for the Rehabilitation program, creating a good rehabilitation plan, and so on. Furthermore, 75% of the staff

interviewed indicated that the training they received on programs, especially training on case management, on the rehabilitation program, on eligibility for the LTC program, linguistic training, and training regarding clients with mental health concerns were insufficient, incomplete, or not adapted to their needs.

During the participant observation exercise, the audit team also noted that:

- The Federal Health Claims Processing System (FHPCS) does not allow CSAs to quickly view the letters used for the VIP program. It takes about 50 seconds to preview a letter.
- The form letters in French in the FHPCS are inadequate, poorly translated and outdated. It takes CSAs approximately eight to ten minutes to correct the mistakes and make the letters usable.
- The organization and conducting of extended case conferences lacks oversight and structure.

A file review revealed the following significant needs:

- A need to educate CSAs on how to correctly fill out a Payment Authorization Voucher (DVA 58) for payment requisitions for long term care costs. A file review revealed that in 27% of cases (16/60), the beneficiary section of the form DVA 58 had been filled out incorrectly – wrong beneficiary – by the CSA. In that sense, although no payment errors were uncovered during the file review, the auditors believe that this problem increases the risk of payment errors if financial officers from the finance office in Montreal are unable to correct the inaccurate information before proceeding with payments.
- A need to update the new case plan in order to ensure that the success indicators are well defined and documented in the Client Service Delivery Network (CSDN) system. Without clearly defined and well documented success indicators, ACs have no reference point to gauge whether clients are making any progress and can be disengaged.

It is important to consider that in order to properly deliver the department's programs and services, staff at the Quebec DO need to be properly supported – useful and effective tools, consultants who are available to answer their questions, up-to-date information on policies and programs, and adequate training – adequate training that is adapted to their needs. The Department is responsible for providing adequate oversight and support in terms of training, tools, available resources and up-to-date information in order to allow staff at the DO to successfully fulfil their responsibilities, and deliver programs and services successfully and effectively.

Accordingly, the audit team believes that the aforementioned gaps in the area of oversight and support provided to staff at the DO could have a direct impact on the DO staff's ability to properly fulfil their responsibilities and effectively deliver the Department's programs and services to our clients.

R3a (Critical):

It is recommended that the Regional Director General, in consultation with the District Director, re-evaluate the needs of the employees of the District Office with regard to training, tools, resources and information to ensure that the training, tools, resources and information provided to them are sufficient, adequate and adapted to their needs.

Management Response

Regarding the recommendation 3a, management recognizes that training methods need to be evaluated and updated. They should be evaluated in partnership with supervisors at the regional and national offices. An approach that is better adapted to and more in line with adult education principles would be preferred. The action plan should be considered in connection with recommendation 2. Management agrees that the risk level is "critical".

Service Delivery Management (SDM) is committed to provide a national learning plan to provide support to delivery of programs and services to clients and also to establish standards for training and determine needs. This will include case management and encompass regional components for the training.

Management Action Plan

Corrective action to be taken	OPI (Office of Primary Interest)	Target date
3.1.1 Evaluate training methodologies and update them as needed. They should be evaluated in partnership with supervisors at the regional and national offices. An approach that is better adapted to and more in line with adult education principles would be preferred.	HO / RDCS / DO	September to December 2010
3.1.2 Develop an adapted training plan / test the plan at pilot sites.	HO / RDCS / DO	December 2010 to May 2011
3.1.3 Present the strategy at Regional Operations Team (ROT) meeting.	DO	June 2011
3.1.4 Communicate the annual training plan to employees.	RDCS / DO	Annually
3.1.5 Develop a national learning strategy and determine the resources required to implement and support that strategy.	HO	November 2010
3.1.6 Analyze learning needs.	HO	February 2011
3.1.7 Implement a national training strategy.	HO	April 2011

R3b (Essential):

It is recommended that the Director General Service Delivery Management, in consultation with the Regional Director General, implement a better structured process for presenting extended case conferences to ensure better and more efficient use of the extended case conferences and a better use of resources. This process should include preliminary selection - triage – of cases to present, a well-defined methodology on how to present the cases, and set rules on preparing and holding such conferences.

Management Response

Regarding the recommendation 3b, management recognizes that there have been many developments in the implementation of extended case conferences and that a coordination strategy for extended case conferences has been put in place, but that there is room for improvement to develop even more effective and efficient extended case conferences and that an approach that both parties (RDCS/DO) can agree on needs to be finalized. Management feels that the risk level is “essential”.

Management Action Plan

Corrective action to be taken	OPI (Office of Primary Interest)	Target date
3.2.1 Develop a more structured process for presenting cases at extended case conferences. Identify a framework for the selection and presentation of cases with a clearly defined methodology. Clearly identify the role and responsibilities of specialists/consultants at extended case conferences. Complete the process underway / continue the discussions begun with the DOs, working group with staff.	RDCS / DO	June 2011 Annual October 2010
3.2.2 Present the strategy at the ROT meeting.	RDCS / DO	December 2010
3.2.3 Communicate to employees the new presentation framework for extended case conferences (put in place).	RDCS / DO	January 2011

R3c (Critical):

It is recommended that the Regional Director General in consultation with the District Director, ensure that success indicators are clearly defined and documented in the case plan of the Client Service Delivery Network.

Management Response

Regarding recommendation 3c, management does not completely agree with the recommendation because at the sampling stage, the staff had not yet fully integrated the new case plan tool. The transfer of data from the old plan to the new plan had not yet been completed at the time of the audit. We believe that as employees use it more, and with best practices and regular quality assurance checks, the success indicators will be clearly defined and documented in the case plan tool. Management feels that the risk level is "important".

Management Action Plan

Corrective action to be taken	OPI (Office of Primary Interest)	Target date
3.3.1 Prepare a quality assurance process to check whether success indicators are clearly indicated in the case plan.	RDCS / DO	October 2010
3.3.2 Present the strategy at the ROT meeting.	RDCS / DO	December 2010
3.3.3 Present the process to employees.	RDCS / DO	January 2011

7.6 Authority, responsibilities and accountability

7.6.1 Definition, communication and understanding authority, responsibilities and accountability

The TBS Core Management Control (AC-1) stipulates that authority, responsibility and accountability must be clear, properly communicated and understood by employees. In that sense, the TBS requires that:

- Responsibilities and performance expectations are formally defined and clearly communicated (job descriptions and/or performance agreements);
- Employees' duties and control responsibilities are clearly defined;
- Authority is formally delegated and delegated authority is aligned with individuals' responsibilities.

A review of the job descriptions of employees directly or indirectly involved in managing and delivering VAC programs at the Quebec DO, manuals at the Quebec DO concerning the new delegation of authority (CSA, AC & DNO) and specimen signature cards revealed that, overall, the authority, responsibilities and accountability of employees at the DO are generally clearly defined, well documented and properly communicated. A review of the Delegated Authorities Manual also demonstrated that the Minister has formally delegated the financial authority to the employees of the Quebec DO in accordance with the new delegation of authority.

However, in interviews with Quebec DO staff and through participant observation in a meeting with the expanded interdisciplinary team, the audit team noted that the authority, responsibilities and accountability of consultants at the Quebec DO and RO (clinical consultant, regional mental health officer, regional rehabilitation officer and regional standards and training officer), CSTMs and the interdisciplinary team are not clear and are not communicated well to staff at the DO.

The lack of a clear definition of the roles and responsibilities of the various stakeholders involved in managing and delivering the department's programs and the failure to properly communicate them to all staff at the DO can have a serious effect on the quality of management of our programs and on the quality of the service provided to Veterans. Also, the absence of a clear definition of the roles and responsibilities of the expanded interdisciplinary team, in terms of case management and decision making, increases the risk that the team will be used inappropriately within the DO and that inadequate services will be provided to VAC clients.

R4a (Essential):

It is recommended that the Director General Service Delivery Management, in consultation with the Regional Director General, redefine and clarify the extended interdisciplinary team's mandate in the context of the new delegation of authority to ensure a better understanding and more efficient use of this resource in the consultation process and in decision making within the District Office.

R4b (Essential):

It is recommended that the Director General Service Delivery Management, in consultation with the Regional Director General, redefine and clarify the roles and responsibilities of extended interdisciplinary team members with regard to case management and decision making in the context of the new delegation of authority for referral purposes and to ensure more efficient use of the resources available.

This redefinition and clarification of the roles and responsibilities should ensure better management and use of time for the specialists who will now be mandated to take part only in meetings in which their expertise/support is required.

R4c (Essential):

It is recommended that the Regional Director General in consultation with the District Director, ensure that the roles and responsibilities of the CSTM and consultants are clear and communicated properly to the District Office staff.

Management Response

Management agrees with this recommendation. However, this recommendation requires involvement by national, regional and local authorities and must be considered in connection with recommendation 3. Decision making and referrals must be standardized based on national guidelines. Documents such as the Veterans Program Policy Manuals (VPPM) must also be reviewed and must reflect the referral cues that correspond to the new delegation. Since the Quebec DO is no longer a pilot site, we now need to make sure we follow national directives.

Management Action Plan

Corrective action to be taken	OPI (Office of Primary Interest)	Target date
4.1 On a national level, ensure that VPPM directives, documents and procedures are updated to reflect the referral cues that correspond to the new delegation.	HO / Region / DO	September 2010
4.1.1 Communicate information to employees regarding referral cues that correspond to the new delegation.	HO / RDCS/ DO	March 2011
4.2 On a national level, clarify the roles and responsibilities of the expanded interdisciplinary team members (consultants/CSTM) to ensure better understanding and more effective use of this resource within the District Office. Also clarify the decision making process by completing the meetings that have already begun between the RDCS and DOs on that matter. This point must be completed in conjunction with 3.2.1.	HO / Region (RDCS)/DO	October 2010
4.2.1 Present the results at the ROT meeting.	Region (RDCS)/DO	November 2010
4.2.2 Communicate information to employees regarding the roles / responsibilities of the expanded interdisciplinary team members.	Region (RDCS)/DO	February 2011

7.6.2 Quebec District Office staff's recognition and formal acceptance of their accountability, their new responsibilities and delegation of authority

The Treasury Board's Core Management Control (AC-2) regarding accountability requires that employees formally acknowledge their understanding and acceptance of their accountability. In that sense, the TBS requires that:

- A system is in place to formally acknowledge understanding and acceptance of accountabilities;
- Supervisory personnel meet periodically with employees to review job performance and make suggestions for improvement.

In that regard, staff at the Quebec DO did not have to formally accept the new delegation of authority and accountability because it was already part of their job descriptions and because specimen signature cards in the finance section already reflected, prior to September 2009, the level of financial delegation required.

The auditors also noted that consultations between CSTMs and employees took place periodically before, during and after the introduction of the new delegation of authority in order to ensure that the newly delegated authority of CSAs, ACs and DNOs are properly understood, accepted and applied within the DO. In that sense, most of the staff

indicated that these meetings were very useful, and that the suggestions and changes made following the meetings helped them improve their performance in managing and delivering the Department's services.

7.6.3 Definition, documentation, understanding and application of new delegation of authority

The Treasury Board's Core Management Control (AC-3) regarding accountability requires that functional authorities must be duly defined, conferred, understood and exercised by the individuals responsible for applying them.

As previously mentioned, consultation with staff at the Quebec DO and a review of the Quebec DO manuals regarding the new delegation of authority (CSA, AC & DNO) revealed that, overall, the new delegation is clearly defined, well documented and properly understood at the DO.

However, interviews with the Quebec DO staff and the results of the review of a sampling of decisions made under the new delegation reveals that, despite the new writing format for decisions that was introduced in the fall of 2009, decisions are not always being made and documented in a consistent, complete fashion within the CSDN system or elsewhere, and this does not always allow for a clear audit trail.

In that sense, the audit team is aware of the efforts made by supervisors at the Quebec DO in closely monitoring decision making within the DO and the improvements that have been made in that area since the new delegation of authority was introduced. However, there is room for improvement in that regard.

The audit team believes that the methodology and model used to make, document and communicate decisions should be reviewed in order to ensure that they take into consideration all relevant and important elements of the 2009 Decision Making Guide. More specifically, the following elements from the Decision Making Guide must be integrated into the decision-making model used:

- The decision must be clearly rendered and communicated in writing in a letter to the client. Some 24% of clients in the sample had not been informed in writing. Clients must have the decision in writing in order to have the right to appeal.
- The reasons for the decision must be clearly identified and communicated in the letter to the client. The letters reviewed randomly did not communicate the details of the decision.

ACs record information on the decisions they have made under the new delegation of authority in a spreadsheet. The information captured is not detailed enough to ensure that the decision can easily be found in the CSDN. The auditors recommend adding a decision number, the date the decision was made, and more details regarding the nature of and / or reasons for the decision – individuals or group consulted and their advice – in the spreadsheet that contains all of the decisions made under the new

delegation within the Rehabilitation program. This may ensure more effective documentation and management of decisions within the Quebec DO.

The audit team believes that failing to use a standard, complete methodology for registering decisions taken and ensuring that it is uniformly documented could lead to significant variations in the management and delivery of services offered to clients.

R5a (Critical):

It is recommended that the District Director in consultation with the Director General, Service Delivery Management, review the decision making model at the District Office to ensure that it includes all of the important aspects of the 2009 Decision Making Guide.

R5b (Critical):

It is recommended that the District Director review the methodology used by the ACs to log decisions and document the decision making process in the Client Service Delivery Network system to ensure that decisions are fully documented in a consistent manner.

Management Response

Management agrees with this recommendation. In the pilot project for the decision making process, the DO produced a working paper based on the 2009 decision making process to standardize decisions made by case managers. The next steps involve obtaining guidelines from HO on how to make our pilot project decision-making process mirror that of the 2009 decision making process. The methodology used to document decisions was also part of the pilot project at the Quebec DO and part of performance monitoring and quality assurance. We recommend continuing verifications using performance monitoring and quality assurance practices.

Management Action Plan

Corrective action to be taken	OPI (Office of Primary Interest)	Target date
5.1 Obtain guidelines from HO on the decision-making process / guide.	HO	October 2010
5.2 Include these recommendations in the performance monitoring and quality assurance audits in partnership with HO.	HO / RDCS / DO	November 2010
5.3 Provide national information on the decision making process to all employees.	HO / RDCS / DO	December 2010

7.7 Performance management and quality assurance checks

In order to ensure quality and fairness in the decision making process within the Quebec DO and to ensure adequate service delivery, the department must have a structured, well-defined performance management and quality assurance system. The TBS Core Management Control (RP-3) regarding results and performance also stipulates that departments must have a performance management system in place to monitor the performance of their employees and their programs based on expected results.

A review of the files, observing the internal processes and interviews with managers at the Quebec DO and the Regional Client Services Directorate revealed that the monitoring and performance management system in place at the Quebec DO is effective and useful, but it is not providing sufficient monitoring and quality assurance in terms of the decisions made by the various stakeholders – AC, CSA and DNO – for the various programs under review.

In that sense, interviews with various stakeholders and observing internal processes revealed that quality assurance and control exercises conducted every quarter by CSTMs – review and study of 15 to 20 files and / or decisions every quarter, or 60 to 80 files and / or decisions a year – are very useful and effective for assessing the existing internal process and bringing in new procedures and tools – Guidelines for Rehabilitation Program Decision Making – that are better adapted to the needs of employees at the DO.

However, given that a review of the files revealed certain weaknesses regarding the methodology used to make, document and communicate decisions concerning the various programs under review and particularly concerning the Rehabilitation program – lack of details and consistency – the auditors believe that quality assurance activities need to be enhanced and better structured at the Quebec DO in order to ensure that the

decisions made by the various stakeholders in the context of various programs are adequate, justified, well documented and more consistent.

R6 (Critical):

It is recommended that the Director General Service Delivery Management in consultation with the Director General Program Management and the Regional Director General, develop a more solid and better structured quality control system to ensure regular and proper supervision of compliance and of the production of reports on the quality of the decisions made and the services offered at the Quebec DO.

Management Response

Management agrees with this recommendation and suggests that it should be taken on by the regional office (RDCS) in order to improve the quality assurance and control system and to ensure adequate, regular monitoring of the compliance and production of reports on the quality of decisions made and services offered at the Quebec District Office.

Management Action Plan

Corrective action to be taken	OPI (Office of Primary Interest)	Target date
6.1 Develop a national strategy to ensure the quality and fairness of decision making at district offices and to ensure adequate service delivery.	HO / RDCS / DO	March 2011
6.2 Develop an integrated tool based on the national strategy to ensure quality control and assurance in order to ensure successful monitoring and conformity.	HO / RDCS / DO	May 2011
6.3 Present the tool at the ROT meeting.	RDCS / DO	September 2011
6.4 Communicate the information to employees.	RDCS / DO	October 2011

7.8 Quality and effectiveness of internal controls

An effective system of internal control is an integral part of an organization's ability to manage risks and achieve its objectives concerning operational efficiency, creating reliable reports and compliance.

A review of internal processes revealed that, apart from the aforementioned weaknesses concerning decision making, performance management and related quality control and assurance, the internal controls used for the delivery of the Rehabilitation,

VIP and Long Term Care programs are generally adequate and effective, and help ensure adequate, efficient delivery of services to Veterans.

In that sense, a review of internal processes and interviews with CSAs and the medical officer at the District Office revealed that the Quebec DO has adequate, effective controls in place to ensure that only those clients who have demonstrable needs are granted services and / or home care in the context of the VIP program. The audit team conducted some analyses and noted that all requests for services through the VIP program – grounds-keeping, washing windows, housecleaning and home care – from CF Veterans are reviewed by the DO medical officer before they are formally approved by CSAs. The medical officer is responsible for linking the requests / service needs / care of Veterans to their pensioned medical condition or the disability for which they are entitled to a disability award and recommending their approval to CSAs. It is only on this condition that CF clients can receive services through the VIP program.

Upon reviewing the internal processes, interviewing the CSAs and DNOs at the Quebec DO, and reviewing a sampling of Long Term Care clients' files, the auditors also noted that the DO has adequate, effective monitoring in place to ensure that the clients who receive long term care in the community are receiving adequate care and services to properly meet their needs.

In that regard, the auditors noted that:

- Clients' needs and eligibility are rigorously evaluated by CSAs and DNOs before any decisions regarding placement in an institution are made and executed;
- Client evaluations are well documented and their needs are reviewed at least once a year;
- The quality and contents of evaluation reports on clients' conditions prepared by contract nurses (facts, clinical judgement, etc.) are reviewed by DNOs;
- Follow-up / visits / evaluation of clients and residences or institutions providing LTC to Veterans are conducted by DNOs every 3, 6 or 12 months to check on clients' health status and ensure that clients are receiving adequate care for which VAC is paying (quality assurance to ensure the quality of services);
- Invoicing of clients and / or institutions is done in accordance with government policies and regulations;
- Certification of services received by CSAs / DNOs (section 34) and payment of fees for long term care by the Senior Regional Officer regarding account verification at Ste. Anne's Hospital (Section 33) are done adequately and in accordance with the Directive on Account Verification. In fact, the Quebec DO has operational directives (client services) in place that give a detailed description of the role of CSAs and the Quebec Regional Finance Division – operational processes – regarding the payment of housing costs in long term care / community residences for VAC clients.

The only weakness observed in the current processes and area in which improvements are needed was the absence of account verification procedures in order to verify that:

- Invoices received by CSAs have not yet been processed and paid by VAC;
- Health benefits, medical supplies, etc. purchased by Veterans through the FHCPS when they are admitted to the LTC program have not yet been paid through the LTC program as set out in the funding agreement reached between HO and the establishment providing the care and services (double payment).

This second weakness / non-compliance has already been identified in the Internal Audit of Residential Care, Queen Elizabeth II Health Sciences Centre, Camp Hill Veterans Memorial Building (CHVMB), Halifax (Nova Scotia) and a management action plan has been created to address this problem. In fact, the Finance Division is currently developing guidelines and tools for conducting operational cost reviews to be undertaken by the Region. This will provide reasonable assurance that VAC is not paying for equipment through both the annual CHVMB VAC Approved Budget and FHCPS.

7.9 Conclusion

This concludes the observation section of the report. For the CAE's overall opinion, please refer to section 7.1 of this report.

8.0 Distribution

Deputy Minister
Chief of Staff to the Minister
Departmental Audit Committee Members
Senior Assistant Deputy Minister, Policy, Programs and Partnerships Branch
Assistant Deputy Minister, Services Delivery and Commemoration Branch
Assistant Deputy Minister, Corporate Services Branch
Regional Director General, Quebec Region
Director General, Service Delivery Management
Director General, Program Management
Director, Quebec District Office
Director General, Communications Division
Director General, Departmental Secretariat and Policy Coordination
General Counsel, Legal Service Unit
Executive Advisors to the Deputy Minister
Director, Briefing, Coordination and Liaison
Director General, Finance Division
Director General, Policy and Programs Division
Office of the Comptroller General (internal audit registrar)
Office of the Auditor General

Appendix A

Objective	Draft Criteria
<p>1. Examine the application and implementation of new delegated authorities for ACs (Fall 2009)</p> <p>2. Verify the efficiency of the delivery of the rehabilitation program and the integrity of internal controls over its adjudication</p>	<p>Management has a documented approach with respect to risk management (RM-1);</p> <p>Management identifies the risks that may preclude the achievement of its objectives (RM-2);</p> <p>The rehabilitation program policies, objectives, procedures and guidelines are clearly defined and well understood by staff;</p> <p>The organization has processes and practices to ensure change initiatives are properly implemented (LICM -2);</p> <p>There is appropriate segregation of duties (ST-13);</p> <p>Authority, responsibility and accountability are clear and communicated (AC-1);</p> <p>Employees formally acknowledge their understanding and acceptance of their accountability (AC-2);</p> <p>The new delegated authority for AC is well defined, understood and applied adequately and effectively in the Quebec DO;</p> <p>Management has identified appropriate performance measures linked to planned results (RP-2); and</p> <p>The organization provides employees with the necessary training, tools, resources and information to support the discharge of their responsibilities (PPL-4)</p>
<p>3. Verify internal controls over the award and delivery of Veterans Independence Program's home care services to CF Veterans</p>	<p>Management has a documented approach with respect to risk management (RM-1);</p> <p>Management identifies the risks that may preclude the achievement of its objectives (RM-2);</p> <p>There are clear and adequate policies, guidelines and procedures around the award and delivery of home care services to CF Veterans;</p> <p>The organization has processes and practices to ensure change initiatives are properly implemented (LICM -2);</p> <p>Roles and responsibilities of staff involved in the management, award and delivery of home care services to CF Veterans are clearly defined and well understood;</p>

Objective	Draft Criteria
	<p>Adequate and effective controls are in place to insure that only eligible CF Veterans with demonstrable needs get access to home care services through VAC;</p> <p>Decision making is clearly documented and done in compliance with VAC's policies and regulations;</p> <p>Transactions are coded and recorded accurately and in a timely manner to support accurate and timely information processing (ST-10);</p> <p>The organization provides employees with the necessary training, tools, resources and information to support the discharge of their responsibilities (PPL-4);</p> <p>The organization has in place a system for the performance evaluation of employees. (PPL-5); and</p> <p>Management monitors actual performance against planned results and adjusts course as needed. (RP-3).</p>
<p>4. Assess the adequacy of the management control framework for long term care (i.e. oversight, functional direction, reporting and internal controls)</p>	<p>Management has a documented approach with respect to risk management (RM-1);</p> <p>Management identifies the risks that may preclude the achievement of its objectives (RM-2);</p> <p>Effective oversight bodies are established (G-1);</p> <p>The oversight body (or bodies) has a clearly communicated mandate that includes roles with respect to governance, risk management and control (G-2);</p> <p>Authority, responsibility and accountability are clear and communicated (AC-1);</p> <p>Adequate and effective controls are in place to insure that only eligible Veterans with demonstrable needs get access to LTC services through VAC;</p> <p>Decision making, clients' needs assessment and choice of LTC institution is clearly documented;</p> <p>The organization provides employees with the necessary training, tools, resources and information to support the discharge of their responsibilities (PPL-4);</p> <p>Compliance with applicable program and financial management laws, policies and authorities is monitored regularly; and</p> <p>Transactions are coded and recorded accurately and in a timely manner to support accurate and timely information processing (ST-10).</p>