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Audit of the Management of Community Accommodations for Offenders

Internal Audit Sector

September 21, 2015

Canada

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Executive Summary

What We Examined

The Audit of the Management of Community Accommodations was conducted as part of Correctional Service of Canada's (CSC) Internal Audit Sector's 2014-17 Risk-Based Audit Plan (RBAP).

The objectives of this audit were to provide assurance that:

- the management framework in place supports the management of community accommodations for offenders; and
- there were controls in place to ensure that CSC has appropriate accommodations available and that offender population needs are being met.

The audit was national in scope and included site visits to five districts and National Headquarters (NHQ).

The audit examined whether controls were in place to ensure that placement occurred in places where offender needs were best met and that bed availability in the community was tracked to know what was available for when an offender was released. The audit also looked at whether guidance was provided and controls were in place when negotiating per diem rates and that these rates were monitored when implemented to ensure that CSC's controls over financial payments worked as intended.

Why it's Important

CSC is responsible for the care, custody and supervision of offenders. CSC aims to deliver the most relevant, appropriate and effective correctional interventions to address the risks and needs of the offender population while in custody or under community supervision to contribute to successful reintegration into the community while ensuring public safety. In the preparation of offenders for release, CSC staff work with inmates and partners to establish viable plans to prepare them for successful reintegration into the community. This includes pre-release case preparation, developing release plans, presenting cases to the Parole Board of Canada (PBC), and developing community strategies to ensure the safe release of inmates into the community.¹

CSC's organizational priorities for 2015-16 include the "safe management of eligible offenders during their transition from the institution to the community, while on supervision," "[the] safety and security of members of the public, victims, staff, and offenders in our institutions and in the community" and "productive relationships with diverse partners, stakeholders, victims' groups, and others involved in public safety."² To achieve the final priority, it calls for strong levels of

¹ RPP 2015-2016

² RPP 2015-2016

coordination and collaboration among CSC partners, stakeholders and Canadians.³ In order to meet all these priorities, and based on the work of the CSC Review Panel report *A Roadmap to Strengthening Public Safety*, CSC implemented the *Transformation Agenda* designed to address a number of recommendations, including strengthening community corrections. Through the *Transformation Agenda*, CSC sought to improve how it supervises offenders serving sentences in the community. For example, programs and services such as mental health were enhanced, a Community Corrections Strategy, which focused on responding to the needs of Aboriginal offenders, women offenders and offenders with mental health issues, was developed, resources for community corrections were increased, additional measures to protect staff safety were to be implemented and CSC was to foster positive relationships with community partners to support safe communities.⁴ These actions were to ensure that the organization continues to deliver strong public safety results for Canadians.⁵

What We Found

With respect to the first objective on appropriateness of the management framework, we found that certain aspects of the management framework were in place to support the management of community accommodations for offenders. A policy framework exists; controls are in place and are working as intended to ensure that services paid by CSC are rendered; and high risk funding has been provided to help Community Residential Facilities (CRFs) accommodate the changed offender profile.

Overall, the governance framework requires improvement in order to better support management of community accommodation. We noted a number of areas that require further consideration by management to ensure that the risks to the organization are better managed:

- A new Commissioner's Directive (CD) and accompanying guideline on Community Correctional Centres (CCC) standards have been finalized and were promulgated July 2015. This CD and guideline should be assessed to determine if the updated CCC CD (714) and CDs from the 566 security series respectively address the areas requiring clarification such as medication management and searches;
- CSC staff responsible to negotiate with community partners need to have a strong understanding of the per diem calculation to ensure CSC receives its best value for money;
- The current national system used to report bed utilization information in the community does not always accurately reflect the current situation as there are delays in the reporting of CBRF data; and
- NHQ should finalize and implement performance indicators for the community to place CSC in a position to better monitor and report, nationally, overall program performance and therefore better understand where attention may be needed.

³ RPP 2015-2016

⁴ <http://www.csc-scc.gc.ca/about-us/006-0009-eng.shtml>

⁵ RPP 2015-2016

For the second objective on Accommodation Controls, we found aspects of controls for accommodation that support efficient and effective offender placement. Due to many factors, CSC cannot always ensure that offenders are placed in the community accommodation that would best suit their needs. However, CSC attempts, as best as possible, to accommodate offenders to ensure they are placed in the right type of bed, in the right location at the right time.

It was noted that bed utilization rates vary by region and is dependent on bed prioritization, CRF admission criteria and ebbs and flows in the offender population being released into the community. Community partners felt that CSC employees do a good job working with the CRFs to uphold population and occupancy levels to ensure viability. It is important for CSC to have the tools necessary to accurately forecast and manage its community population in order to be able to place offenders in the right type of bed, in the right location at the right time.

Recommendations have been issued in the report to address the root cause of our observations.

The key Office of Primary Interest (OPI) for this audit is the Assistant Commissioner, Correctional Operations and Programs.

Management Response

Management agrees with the audit findings and recommendations as presented in the audit report. Management has prepared a detailed Management Action Plan to address the issues raised in the audit and associated recommendations. The management Action plan is scheduled for full implementation by March 31, 2016 subject to availability of funds related to recommendation 1.

Acronyms & Abbreviations

ADD - Associate District Director

ASRSQ - Association des Services de Réhabilitation Sociale du Québec

CAT - Community Assessment Team

CBRF - Community-Based Residential Facilities

CCC - Community Correctional Centres

CCRA - Corrections and Conditional Release Act

CD - Commissioner's Directive

CIB – Correctional Intervention Board

CPORF - Community Parole Officer Resource Formula

CRF - Community Residential Facilities

CSC - Correctional Service Canada

DPR – Departmental Performance Report

FAA - Financial Administration Act

FTE - Full-Time Equivalent

FY - Fiscal Year

LTSO - Long-Term Supervision Orders

NCAOP - National Capital Accommodation and Operations Plan

NHQ – National Headquarters

OAG - Office of the Auditor General

OCI - Office of the Correctional Investigator

OPI – Office of Primary Interest

PAA - Program Alignment Architecture

Acronyms & Abbreviations Cont.

PBC - Parole Board of Canada

PWGSC - Public Works and Government Services Canada

RBAP - Risk-Based Audit Plan

RHQ – Regional Headquarters

RPP - Report on Plans and Priorities

SR – Statutory Release

TB - Treasury Board

1.0 Introduction

1.1 Background

Correctional Service Canada (CSC) is responsible for the care, custody and supervision of offenders. CSC aims to deliver the most relevant, appropriate and effective correctional interventions to address the risks and needs of the offender population while in custody or under community supervision to contribute to successful reintegration into the community while ensuring public safety. In the preparation of offenders for release, CSC staff work with inmates and partners to establish viable plans to prepare them for successful reintegration into the community. This includes pre-release case preparation, developing release plans, presenting cases to the Parole Board of Canada (PBC), and developing community strategies to ensure the safe release of inmates into the community.⁶

CSC's organizational priorities for 2015-16 include the "safe management of eligible offenders during their transition from the institution to the community, while on supervision," "[the] safety and security of members of the public, victims, staff, and offenders in our institutions and in the community" and "productive relationships with diverse partners, stakeholders, victims' groups, and others involved in public safety."⁷ To achieve the final priority, it calls for strong levels of coordination and collaboration among CSC partners, stakeholders and Canadians.⁸ In order to meet all these priorities, and based on the work of the CSC Review Panel report *A Roadmap to Strengthening Public Safety*, CSC implemented the *Transformation Agenda* designed to address a number of recommendations, including strengthening community corrections. Through the *Transformation Agenda*, CSC sought to improve how it supervises offenders serving sentences in the community. For example, programs and services such as mental health were enhanced, a Community Corrections Strategy, which focused on responding to the needs of Aboriginal offenders, women offenders and offenders with mental health issues, was developed, resources for community corrections were increased, additional measures to protect staff safety were to be implemented and CSC was to foster positive relationships with community partners to support safe communities.⁹ These actions were to ensure that the organization continues to deliver strong public safety results for Canadians.¹⁰

The primary goal of community correctional operations is the effective reintegration of offenders into the community with due regard to public safety and community correctional activities. This goal continues to be relevant and aligns with both Canadian governmental and CSC departmental priorities.¹¹

⁶ RPP 2015-2016

⁷ RPP 2015-2016

⁸ RPP 2015-2016

⁹ <http://www.csc-scc.gc.ca/about-us/006-0009-eng.shtml>

¹⁰ RPP 2015-2016

¹¹ <http://www.csc-scc.gc.ca/publications/005007-2013-eng.shtml>

CSC's role in contributing to a safe and secure Canada is reflected in the organization's single Strategic Outcome "the custody, correctional interventions, and supervision of offenders in communities and institutions, contribute to public safety." Three broad programs (components of the Program Alignment Architecture (PAA)) are aligned to support this Strategic Outcome: Custody, Correctional Interventions, and Community Supervision.¹² According to the 2013-14 Departmental Performance Report (DPR), CSC's actual spending (authorities used) in 2013-14 was \$2.75 Billion.

The Community Supervision Program is material to CSC as it ensures eligible offenders are safely reintegrated into communities through the provision of housing and health services, where required, as well as staff supervision for the duration of the offender's sentence. The expected results for this program are offenders who are reintegrated into the community as law-abiding citizens while maintaining a level of supervision, which contributes to public safety.¹³ The chart below details the Community Supervision Program's planned spending, total authorities and actual spending between 2011-12 and 2013-14.

Community Supervision Program Financial Resources (\$ Millions)

Year	Planned Spending	Total Authorities (Available for use)	Actual Spending (Authorities used)	Difference (Actual – Available)
2011-12	153.5	164.5	112.4	(52.1)
2012-13	130.0	179.3	117.6	(61.7)
2013-14	134.6	143.3	124.2	(19.1)

Source: CSC Departmental Performance Reports – 2011-12, 2012-13, 2013-14

As shown in the table above, the Community Supervision Program accounted for 4.5 percent of CSC's actual authorities used in 2013-14 which is an increase from the previous three years (2010-11: 4.3 percent, 2011-12: 4.2 percent and 2012-13: 4.4 percent).

The Community Supervision Program consists of three sub-programs: (3.1) Community Management and Security, (3.2) Community-Based Residential Facilities (CBRFs) and (3.3) Community Health Services.¹⁴ The CBRF program contributes to public safety by providing a structured and supportive environment during the gradual reintegration process. The program provides accommodation for offenders on parole, Statutory Release (SR), Temporary Absence and Long Term Supervision Orders (LTSO).¹⁵ Key activities include ensuring that community supervision, offender contact, interventions and monitoring of conditions of release address the need areas associated with the offender's risk to re-offend and those necessary to encourage safe

¹² DPR 2012-13

¹³ DPR 2013-14

¹⁴ DPR 2013-14

* For a definition please refer to the Glossary at the end of this report.

¹⁵ <http://www.csc-scc.gc.ca/publications/005007-2603-eng.shtml#s2.3.2>

reintegration.¹⁶ Residential services are considered to be an essential component of CSC's supervision framework and are of paramount importance in enhancing the safety of Canadian communities. As further detailed below, CSC contracts with numerous non-governmental organizations to provide Community-Based Residential Facilities services, support and monitoring to offenders on release.¹⁷ According to the 2013-14 DPR, actual spending for the sub-program CBRF was \$98 Million;¹⁸ which accounts for 79 percent of CSC's Community Supervision program.

Gradual and structured release of offenders is the safest method to contribute to public safety. CBRFs are a critical component in public safety as they provide just that; a gradual and structured release of offenders. CBRFs include both Community Residential Facilities (CRFs), managed by community agencies, and Community Correctional Centres (CCCs). CCCs are CSC operated community-based residential facilities that provide a structured living environment with 24-hour supervision, programs, and interventions for the purpose of safely reintegrating the offender into the community.¹⁹ While CCCs are classified as minimum security institutions, due to their role in accommodating offenders on conditional release or on a LTSO, they are not required to conform to all minimum security standards.²⁰ There are 15 CCCs across Canada.²¹

Contracted CBRFs are facilities owned by non-governmental agencies who sign contracts with CSC to provide special accommodation for, counselling and programming to and supervision of offenders. The contract for each facility sets out detailed requirements regarding levels of control and assistance to be provided to offenders. CSC has contracts with approximately 200²² CBRFs across Canada.

CBRFs are used to assist in rehabilitation by providing housing for those offenders released on Unescorted Temporary Absences, Work Release and Day Parole in addition to offenders on Full Parole, SR and LTSOs where the PBC has imposed a special condition for residency.

All offenders released on Day Parole, and those who have a residency condition imposed by the PBC require an available bed space within a CBRF before being released.²³ These facilities support public safety by acting as a bridge between incarceration and the community and actively engaging offenders in their correctional plan to assist them with reintegration into the community.

The tables below depict the daily number of available beds across the country for each type of facility.

¹⁶ <http://www.csc-scc.gc.ca/publications/005007-4500-2013-2014-eng.shtml#s2.3.2>

¹⁷ DPR 2013-14

¹⁸ DPR 2013-14

¹⁹ CD 714, paragraph 14

²⁰ CD 706, paragraph 32

²¹ <http://www.csc-scc.gc.ca/001/001-0001-eng.shtml#CBRF>

²² <http://www.csc-scc.gc.ca/publications/005007-3008-eng.shtml>

²³ <http://www.csc-scc.gc.ca/publications/005007-2013-eng.shtml>

Community Correctional Centres:

Region	Name of CCC	Location	Rated Capacity (as of June 2015)
Atlantic	Parrtown	Saint John, NB	26
	Carlton	Halifax, NS	18
	Carlton Centre Annex	Halifax, NS	18
	Newfoundland & Labrador	St. John's, NL	22
Quebec	Hochelaga	Montréal, QC	28
	Ogilvy	Montréal, QC	26
	Sherbrooke	Montréal, QC	30
	Martineau	Montréal, QC	34 (30 Men +4 Women)
	Marcel Caron	Québec, QC	32
	Lafrièrre	Ste-Jérôme, QC	27
Ontario	Keele	Toronto, ON	40
	Henry Traill	Kingston, ON	40
Prairies	Oskana	Regina, SK	30
	Osborne	Winnipeg, MB	40
Pacific	Chilliwack	Chilliwack, BC	31
NATIONAL TOTAL			442 ²⁴

Source: Corporate Reporting System Correctional Service Canada Institutions and Community Correctional Centres – Rated Capacity, June 2, 2015.

²⁴ <http://www.csc-scc.gc.ca/publications/005007-3008-eng.shtml>

Community-Based Residential Facilities:

Maximum Daily Number of Beds Available by Facility Type							
Region / District	CRF	Treatment Centres	Private Home Placements	Hostels	Supervised Apartments	Others	Total
Atlantic	183	2	4	2	10		201
Quebec	449	19		10	37		515
Ontario	566	40	1	26	12	14	659
Prairies	430	15	3			6	454
Pacific	441	55	14	70		12	592
National Total	2,069	131	22	108	59	32	2,421

Source: CBRF Bed Utilization data – March 2015 – not validated by Districts (Unaudited).

CRFs provide structured living environments with 24-hour supervision as well as support, monitoring and accommodation to offenders on release. These facilities may have an enhanced programming component for residents that can include life skills, substance abuse, employment counselling and/or crisis counselling, and accommodate offenders on every type of conditional release and other legislated release (including those conditionally released with imposed residency conditions and offenders subject to LTSOs).

With regards to CRF's, the national funding framework of per diem rates was established for facilities for up to 40 beds and is based on typical costs for houses of each size. These per diem rates were established taking into consideration the elements involved in providing residential services and include, but are not limited to, personnel costs, training costs and operating costs, including insurance, food, and maintenance. For CSC to be able to negotiate with CRFs for the purchase of high quality residential services, it is important to review the demands and expectations of facilities to ensure an understanding of the real and actual costs involved. The CBRFs must in turn meet a set of defined minimum requirements as outlined in the statement of work. Statements of work have been developed to ensure high quality of services, to provide a fair distribution of the resources to the regions, to ensure that real and actual costs of service are acknowledged and to provide a consistent approach to contract negotiations. Any additional services to be provided must be agreed upon by the CRF, the Project Authority and the Contracting Authority, and must be specifically outlined in an appendix to the statement of work.

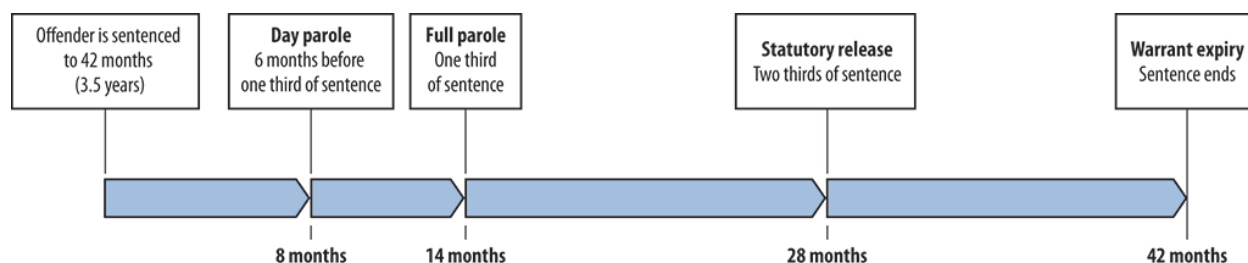
1.2 Legislative and Policy Framework

CSC is legislatively mandated through the *Corrections and Conditional Release Act* (CCRA) to provide correctional interventions to offenders in order to rehabilitate and reintegrate them into the community.

CSC's obligation and purpose is to carry out sentences imposed by courts through the safe and humane custody and supervision of offenders as well as assisting the rehabilitation of offenders

and their reintegration into the community as law-abiding citizens through the provision of programs in penitentiaries and in the community.²⁵

The PBC decides whether parole will be granted to an offender and sets the conditions of that release. The chart below depicts how offenders are eligible for release before the end of their sentence**. There are various types of release as well as various possible timing during a sentence for release.



** Chart is shown for a sentence of 3.5 years, the average sentence length for male offenders admitted into federal custody in the 2013–14 fiscal year (FY). Chart does not include offenders serving life sentences.

Source: 2015 Spring Reports of the Auditor General of Canada Report 6—Preparing Male Offenders for Release—Correctional Service Canada. Exhibit 6.1 – Offenders are eligible for release before the end of their sentence.

Under Section 119 of the *CCRA*, offenders are allowed to apply for Day Parole*. Day Parole is the authority granted to an offender by the PBC or a provincial parole board to be at large during the offender's sentence in order to prepare the offender for Full Parole or SR. Day Parole requires the offender to return to a penitentiary, CBRF, provincial correctional facility or other location each night or at other specified intervals.

Full Parole* is a type of conditional release under Section 120 of the *CCRA* that allows the offender to serve the remainder of his/her sentence under supervision in the community without the need to return to a CBRF or equivalent for the night.

Offenders on SR are those who either did not apply for release on parole or who were denied discretionary release. Section 127 of the *CCRA* informs that an offender sentenced, committed or transferred to a penitentiary is entitled to be released on the date determined in accordance with this section and to remain at large until the expiration of the sentence according to law. This type of release still enables offenders to gradually reintegrate society before their warrant expiry date with the full benefit of supervision and opportunity to pursue their correctional plan objectives in the community.

Commissioner's Directive (CD) 714 – *Community Correctional Centre Standards* establishes the requirements for the safe operation of CCCs.²⁶ The CD specifies roles and responsibilities for

²⁵ Corrections and Conditional Release Act, Section 3

²⁶ CD714, paragraph 1

the District Director, intake procedures for offenders into the CCC and rules such as for access to medication and storage of personal effects.

1.3 CSC Organization

CSC manages eight Community Corrections Districts (Atlantic, Quebec East/West, Montreal-Metropolitan, Central Ontario, Greater Ontario and Nunavut, Alberta and Northwest Territories, Manitoba/Saskatchewan/Northwest Ontario and Pacific), 32 Area Parole Offices, and 92 Parole and sub-Parole Offices.²⁷ As previously mentioned, CSC also operates 15 CCCs and maintains contracts with approximately 200 CBRFs.²⁸

National Headquarters (NHQ)

The Community Reintegration Branch falls under the responsibility of the Correctional Operations and Programs Sector. It works closely with other NHQ sectors, branches and divisions, such as the Women Offender Sector, the Health Services Sector, the Aboriginal Initiatives Directorate and the Offender Programs and Reintegration Branch as well as with CSC regions.

At the time of the audit, the Community Reintegration Branch was responsible for promoting and facilitating the development of national policies, strategies, initiatives and procedures in support of the safe reintegration of offenders into the community.

Regional Headquarters (RHQ) and District Offices

District Directors are responsible for the management of community corrections within their District.²⁹ They report to the Regional Deputy Commissioners through the Assistant Deputy Commissioners, Correctional Operations.³⁰

Each District is led by a District Director, and is supported by a number of professionals who perform key functions including finance, human resources, and administration. Area Directors lead Area Parole Offices, and are supported by Parole Officer Supervisors, Parole Officers, Program Delivery Officers, Office Administrators, Case Management Assistants and Program Clerks. Area Parole Offices may also have access to one or all of the following: Psychologist, Community Employment Counselor, Aboriginal Community Development Officer, Aboriginal Community Liaison Officer, Community Corrections Liaison Officer, Clinical Social Worker, Mental Health Nurse, Citizens' Advisory Committee members and Volunteers.³¹

²⁷ <http://infonet/Sectors/COPS/Community/AboutTheBranch/crbranch.htm?lang=en>

²⁸ <http://www.csc-scc.gc.ca/publications/005007-3008-eng.shtml>

²⁹ Policy Bulletin 448 (2014-04-03)

³⁰ <http://infonet/Sectors/COPS/Community/AboutTheBranch/crbranch.htm?lang=en>

³¹ <http://www.csc-scc.gc.ca/publications/005007-3008-eng.shtml>

1.4 Risk Assessment

This audit was identified as an audit priority and an area of risk to CSC in the Risk-Based Audit Plan (RBAP) 2014-17. At the start of the audit, a risk assessment was completed based on interviews with the Office of Primary Interest (OPI); members of CSC senior management; a review of meeting minutes related to community accommodations for offenders; and a review of legislation, CSC policies, past audit reports, previous risk identification and fraud risk assessment work, where the risks were audited, and other documentation related to financial controls was conducted. The results of these past audits informed the audit team on whether controls were working as intended. Overall, the assessment identified that the main risks to CSC related to the Service potentially not providing housing and services to targeted offender groups such as women, Aboriginals, elderly and mental health clients and that CSC might not have the capacity to house/supervise high risk offenders. Additionally, there was a risk that CSC could be paying too much for services rendered or that CSC may not be monitoring CRF contracts to ensure that the per diem rate charged remained reasonable and accurate based on the services provided.

2.0 Objectives and Scope

2.1 Audit Objectives

The objectives of this audit were to provide assurance that:

- the management framework in place supported the management of community accommodations for offenders; and
- there were controls in place to ensure that CSC had appropriate accommodations available and that offender population needs were being met.

Specific criteria are included in *Annex A*.

2.2 Audit Scope

The Audit of the Management of Community Accommodations for Offenders was national in scope and included site visits to five districts and NHQ. The audit included the review of current goods and service contracts.

The audit examined CSC directives and frameworks surrounding community accommodation to ensure that they were consistent with relevant acts and legislation. The audit also looked at whether controls were in place when negotiating per diem rates and that these rates were monitored when implemented to ensure that CSC's controls over financial payments worked as intended. Moreover, the audit also assessed how CSC measured performance within the community, what information was collected and reported upon relating to community accommodations, along with community staffs' roles and responsibilities.

Finally, the audit assessed whether controls were in place to ensure that placement occurred in locations where offenders' needs were best met and that bed availability in the community was tracked to know what accommodation was available when offenders were released.

For the purpose of this report, CRFs will be used to refer only to residential facilities and will not include the whole breath of contracted community options (i.e. hostels, treatment centres, private home placements, supervised apartments, etc.).

The audit excluded contracting requirements such as signature cards and Section 32 and 34 approvals, as these areas were covered in a previous audit. The audit did not include community staff safety protocols, staffing complements or the PBC decision making process. The audit primarily focused on the events occurring within the community itself and not inside the institutions. As a result, information sharing conferences occurring within these federal institutions (for example, pre-release planning and institutional case conferences) were not included in the scope of the audit. Any review of institutional case management files and file preparation before release was also excluded as these processes were subjected to previous internal and external audits.

3.0 Audit Findings and Recommendations

3.1 Management Framework

The first objective for this audit was to assess the extent to which a management framework was in place to support management of community accommodations for offenders.

The management framework for management of community accommodations for offenders was examined from five perspectives: CSC's policy framework; roles and responsibilities; monitoring; performance; and reporting.

Annex A provides audit criteria.

The following sections highlight areas where management attention is required.

3.1.1 Policy Framework

We expected to find a policy framework in place to support the community accommodation of offenders.

With noted exception, the following areas audited met the audit expectations for this criterion:

- The Commissioner's Directive 714 - *Community Correctional Centre Standards* was consistent with both the *Corrections and Conditional Release Act* and the *Corrections and Conditional Release Regulations* (CCRR); and
- CRFs found the statement of work appendix provided within contracts clear and comprehensive and use them extensively to complete their work.

The one area within the CD where staff feel clarification would be helpful is presented below.

CSC staff believe that Commissioner's Directive 714 could be clarified specific to medication management, the definition of a Community Correctional Centre and searches.

CD 714 is in place to define processes relating to the management of offenders in Community Correctional Centres. When CSC staff were interviewed and asked if any clarification was required in the policy, staff felt that clarification was required specifically on the administration management and storage of medication, the definition of a CCC, and searches, specifically regarding targeted and reasonable grounds for searches. CDs will apply to CRFs only if they are specifically noted in the statements of work. As such, the CRFs also suggested a need for clarification in the areas of medication administration and storage management and searches. The audit team has noted that this broadly held perception of the need for clarification might be due to the fact that some staff view their role as broader than what the policy requires. When the audit team brought these policy concerns to NHQ, we were informed that the definition of a CCC is directly from the CCRA, meaning that it is law and can only be changed via legal amendments. Additionally, revised versions of CD 714, with accompanying guidelines, and the

CD 566 series, respectively addressing the safe storage and access to medication in CCCs and clarifying searches, have been finalized and will reinforce these areas of concern; however, at the time of the audit, the CDs and guidelines had yet to be promulgated. CD 714 was promulgated in July 2015.

3.1.2 Roles and Responsibilities

We expected to find that CSC had defined roles and responsibilities for management and staff involved in the management of community accommodations.

The following area audited met the audit expectations for this criterion:

- The majority of staff felt that their roles and responsibilities were clearly defined.

However, the issues raised below warrant further consideration by management.

The person responsible to negotiate CRF contracts varies by region.

As a general management principle, CSC strives to conduct contracting activities in a manner that demonstrates due diligence and is compliant with relevant legislation and policies. CSC staff that have delegated authority to carry out and/or are involved in contracting management must complete the appropriate CSC mandatory training, according to the applicable directives. Moreover, as additional safeguards to achieve due diligence and effective stewardship of public funds, CSC has created Contract Review Boards as a review mechanism. The Contract Review Boards are required to consider requests for contracts and are responsible for approving them.

The Project Authority is responsible for ensuring adherence to CSC practices for all contracts within its delegated authority. It is its individual responsibility to ensure that contract requirements are clearly defined; criteria for selection, supplier proposals and final evaluation results are documented; and that completed work is evaluated.³² After approval by the Project Authority, requests for new contracts and amendment to existing contracts are processed through the community contracting staff. All requests will be approved through the Community Corrections Contract Review Board, and when necessary, through the Regional Auxiliary Contract Review Board and the Regional Contract Review Board.

According to the Correctional Operations and Programs Guidelines for Community Residential Facility Contract Management, the Regional Deputy Commissioner will assign a representative to liaise with NHQ, Community Reintegration Operations on all aspects regarding the contracting and monitoring of CRFs. Contract negotiations are to be conducted by this representative and/or the contract authority/manager in cooperation with the regional comptroller or their designate. Different regions have assigned various positions to negotiate CRF contracts. For example, the Atlantic region has designated the Associate District Director with the Chief of Finance to negotiate contracts with the CRFs; Quebec will use the Regional Resources

³² <http://www.csc-scc.gc.ca/publications/005007-2529-eng.shtml>

Coordinator; Ontario and Prairies have designated the Area Director; and in the Pacific region, the Area Director will discuss the contract with the CRF but the District Director will approve the contract. However, the project authority (CSC employee responsible for managing the contract) remains the Area Director in all regions. At the CRFs across the five regions, the Executive Director is the person primarily responsible for contract negotiation with CSC.

It was difficult to identify best practices as every process identified had its own advantages and disadvantages. For example, most staff seemed comfortable with their region's current arrangement; however, a clear understanding of the negotiation process is of the utmost importance to ensure that CSC obtains its best value for money during negotiations with its community partners. The audit team was informed that the guidelines for negotiations were currently under review.

Some acting Area Directors were not certain of their project authority role.

It was noted during site visits that staff turnover within CSC was high in some districts. This turnover has led to an increase in the number of staff acting in various community positions, including the Area Director position. As mentioned above, the Area Director position in some districts is the person responsible for CRF contract negotiation. However, as section 3.1.3 notes, many area directors were uncertain how the initial per diems for CRFs under their responsibility were established. As well, as the person acting is not a permanent appointment, there is an increased risk that these acting Area Directors may not fully understand their financial role and may have more difficulty making appropriate financial decisions. Therefore, it is of great importance that CSC's contract framework continues to provide strong oversight and guidance while reviewing these contracts to ensure that CSC adheres to legislation and policy and achieves the best value for money including ensuring a clear understanding of the basis of per diems.

The new Community Parole Officer ratio (one to 13) in CCCs has created a shift in responsibilities, resulting in a change in the level of service.

On April 1, 2014, CSC increased the ratio of Parole Officers to offenders in CCCs from one to eight (1:8) to one to 13 (1:13). At the same time, policy requirements related to frequency of contact was streamlined and reduced for offenders residing in CBRFs, depending on their level of intervention. It should also be indicated that the Parole Officer has the ability to meet with the offender more often than the required level of intervention if necessary.³³ As well, the level of intervention can also be decreased following a case conference with the Parole Officer and Parole Officer Supervisor/ CCC Manager. This case conference is required to be documented in a Case Work Record.³⁴ In addition, in parallel to the review of the ratio, CSC was undertaking an initiative to streamline case management in the CCCs. This resulted in each CCC seeing their staff complement reduced by at least one staff member, often a Parole Officer. As well, staff numbers further reduced within the CCCs as the number of assigned positions for support staff

³³ CD 715-1, paragraph 28

³⁴ CD 715-1, paragraph 29

within the CCCs is proportionate to the number of Parole Officer positions onsite (one Case Management Assistant for every four Parole Officers).

As a result of the new CCC resource indicators, CCCs gained a reintegration worker position as nine full-time equivalents (FTEs) were allocated across the 15 CCCs. NHQ distributed these FTEs based on bed usage, capacity and strategic considerations, such as site isolation, and varying levels of Commissionaire coverage and community concerns. This meant that CCC support staff were being shared amongst multiple locations. This also meant that sites were funded for partial support staff positions (i.e. 0.30 FTE to 0.75 FTE). However, regions were often deciding to top up these partially funded positions to a full-time equivalent position (1.0). As well, NHQ increased funding to the regions, allowing for two Commissionaires on evenings, nights, weekends and statutory holidays and single coverage on weekdays. This resulted in additional, around-the-clock, CCC security coverage.

The recent tightening of the funding framework has resulted in a reduction of resource management flexibility. When regions decide to allocate resources to fully fund partially funded positions, it means resources for other services are impacted or reduced. As well, this ratio change has increased the number of offenders on a CCC Parole Officer's caseload. Further, a reduced number of staff onsite also impacts an offender's ability to have meaningful interactions with their Parole Officer and access to the community. This is viewed by staff as especially true for the low functioning offenders or those offenders with a condition requiring them to be accompanied into the community, as staff are now focused on completing other job duties. The change in ratio may also create challenges to caseload management when CCCs are faced with prolonged staff leave.

That said, it should be noted that even with reduced funding and increased staff workloads, FY 2014-15 Midyear Results show that the percentage of successful residency supervision periods (no revocations, sensational incidents, charges or convictions) for CBRFs (both CRFs and CCCs) have surpassed both anticipated result ranges and projected year-end results. This shows that, even with increased pressures, staff continue to not only meet goals but surpass CSC expected results.

Regions dedicate resources from within to create positions to help manage the population.

Population pressures, changing offender dynamics, the increasing need for specialized services beds and the increased offender residency conditions have created challenges in accommodating offenders into the community. As depicted in the chart below, while Day Parole has remained somewhat stable, Full Parole and Full Parole with Residency have decreased since 2010 in the community. The most significant changes to the community offender population occurred in the residency population; it increased by 28.7% for Statutory Release with Residency and by 24.3% for Long-Term Supervision Orders with Residency populations between 2011 and 2014. However, according to CSC forecasts, this upward residency trend has somewhat levelled off for 2014 and is expected to remain stable until 2018. Even with the slight increase in the number of beds in the community over that same period, the increase in the community offender population on SR and LTSO with a residency has meant that fewer beds have been available for Day Parole and Full Parole with Residency offenders.

2010-2014 Community Offender Population

Release/Year	2010-11	2011-12	2012-13	2013-14	Variance (2010-11 & 2013-14)
Day Parole	1,096	1,246	1,224	1,211	10.5%
Full Parole	3,641	3,356	3,117	3,193	-12.3%
Full Parole - Residency	116	56	40	46	-60.3%
Statutory Release	2,066	1,989	2,100	2,198	6.4%
SR – Residency	644	806	842	829	28.7%
LTSO	128	149	140	166	29.7%
LTSO – Residency	148	163	202	184	24.3%
Total	7,839	7,765	7,665	7,827	-0.002

Source: Community Accommodation Services. Executive Committee – December 2013. Community Offender Population.

To help alleviate these pressures, some regions have assigned a designated staff member to coordinate bed placements and track bed openings for upcoming releases. However, regional implementation of this role has varied. For example, one region has a full-time (1.0) bed space coordinator position responsible for bed space coordination for the entire region while other regions use a partial Parole Officer or Parole Officer Supervisor resource to monitor releases and bed space in addition to their current responsibilities. With the current fiscal restraints, these regions have reassigned funding from other sources to support these positions. For these regions, this has meant a juggling of community resources with staff dividing their attention between bed tracking and other responsibilities and workload.

3.1.3 Monitoring

We expected to find that monitoring was taking place to ensure that the contracts negotiated with community partners aligned with the national framework and that amounts paid reflected the services rendered.

The following areas audited met the audit expectations for this criterion:

- There are controls in place to ensure that services paid are rendered and they are working as intended; and
- All District and Area Directors interviewed felt that CSC was receiving good value for services from its contracts with community partners.

The following areas presented in this section did not fully meet the audit expectations for this criterion.

Correctional Operations and Programs Guidelines for Contract Management requires CSC to be fluid; however, the budget freeze has prevented this from occurring.

Prior to 2002-03, there was no national consistency in the way CRFs were funded. CSC shifted from block funding in the 1980s to a per diem formula in the 1990s, paying only for beds used. The per diem formula was developed in the Quebec Region in the late 1980s following a study conducted by an accounting firm. When a number of issues with funding levels were raised in the early 2000s, an internal task force was convened to examine CRF funding and as a result the per diem formula (CRF Funding Framework) was reviewed and adopted at the national level. Regional disparities were reviewed and combined into a revised formula and a national framework was approved by CSC's senior executives. While not meant to be prescriptive, the goal of the national framework was to ensure consistency and standardization in the way CRFs were funded across the country. The framework was last reviewed in 2008 and is based on the following elements: personnel (staffing and salary levels), other personnel costs (contributions to benefit/health plans, group insurance, pension plans, employment insurance premiums, etc.) and fixed costs. These reviews resulted in per diems determined for CRFs with 10 beds or less to a CRF with 40 beds or more. There may be facilities which merit per diem rates higher or lower than those recommended by the national framework due to variations in actual costs. Such variation may be as a result of market conditions and/or cost of living conditions which can vary significantly from one area to another or the actual bed complement of the CRF. Such variations in budget requirements were to be identified, substantiated and addressed in the negotiation process. The contract guidelines, along with the statement of work, provide a consistent approach for funding CRFs that address the real and actual costs of providing high quality residential services to offenders in the community while addressing sustainability.

In 2013-14, direction was provided nationally to freeze the per diem rates with a zero percent annual increase. This direction was maintained for both 2014-15 and 2015-16. When the per diem framework was built originally, it was intended that actual costs of services would be considered in the periodic negotiation between CSC and CRFs. This was to include cost of living increases as well. Prior to the per diem freeze, CRFs were receiving annual increases based on consumer price indexing.

The chart presented below depicts the annual average cost per offender in the community.

Category/Year	2011-12	2012-2013	2013-2014
Incarcerated Average	\$117,788	\$112,197	\$115,310
CCC	\$70,751	\$72,333	\$65,032
Parole (Supervision & CBRF beds)	\$33,104	\$31,534	\$32,635
Average Annual Costs per Offender in the Community	\$35,101	\$33,799	\$34,432

Source: Corrections and Conditional Release Statistical Overview (2013-14 COMO)

It costs substantially less to maintain an offender in the community than to keep that individual incarcerated (\$34,432 per year versus \$115,310 per year). However, costs are increasing annually for both the community and institutions.

CRFs visited stated that with the frozen per diem, there are no longer any negotiations between the CRFs and CSC, as the rates offered are firm. While understanding of CSC's financial situation, the CRFs expressed frustration over this arrangement as their costs and expenses continue to rise without recognition from CSC, although as discussed below, the introduction of funding for High Risk Residential Interventions has helped sustainability. To account for the additional costs, some CRFs were trying to secure contracts and grants with various provincial governments to help lessen the burden. Without increased financial support, some CRFs questioned their long-term sustainability. Further, the audit team was informed by some CRF Executive Directors that they are pursuing alternative clients such as mental health services, allowing them to act as a treatment centre to help clients battle addictions. They are also looking at operating as transition housing to allow gradual reintegration (continuum of care) into the community to attract municipal and provincial at-risk populations for additional resourcing reducing their dependency on CSC but also reducing bed availability to CSC offenders.

High Risk Funding has been provided to help the CRFs address the changing offender profile.

After a number of security incidents in CRFs in 2009, CSC, with the collaboration of the Regional Halfway House Associations, decided to perform a funding review to address safety and sustainability issues. This resulted in additional resources approved by the Treasury Board (TB) via the 2011-12 National Capital Accommodation and Operations Plan (NCAOP) to support community-based accommodation providers in the management of high risk offenders. For CRFs to receive this funding, the requirement was that all funds were to address safety and security concerns posed by these offenders. However, it was understood that actual needs may differ from one facility to another depending on individual characteristics and the clientele served. Additionally, facilities accepting a higher risk clientele were expected to advise CSC of their actual requirements.

During the previous fiscal years, CRFs were asked to submit to the district level a business case to request high risk funding. As well, CRFs were asked by CSC to justify, often monthly, how spending on security and safety met the parameters identified within the high risk funding guidelines. The additional funding has allowed CRFs to implement improved security features such as cameras and training to accommodate and supervise high risk offenders that previously would not have been admitted to the CRF. Many CRFs stated that the high risk funding has also really helped sustainability in the face of the per diem freeze.

Many CSC and CRF staff responsible for contract negotiation were uncertain on how the per diem rate was calculated.

Last updated in 2008, the national framework grid of average per diem rates is a reference point based on typical costs for houses of different sizes. The national grid of per diem rates is not a

schedule of prescriptive rates; rather the grid provides an average per diem rate for basic services provided by a CRF, taking into consideration the elements involved in providing residential services (i.e. personnel costs, training costs, insurance, food, maintenance, etc.).

Prior to the per diem freeze, interviewees stated that when negotiating contracts, the Funding Framework was used as a guideline and the CRF's financial statements and breakeven points were analyzed to guide the setting of the new per diem rate. CRFs were receiving annual increases to the base per diem rate based on consumer price indexing as well. However, over time, as the person that initially negotiated the base per diem rate retired or left CSC, the knowledge of how the base per diem was originally calculated for particular CRFs was lost and not transferred to new employees. Although exceptions existed, many CSC staff and CRF Executive Directors did not know how the per diem amount was calculated or what was included in the calculation to arrive at the current implemented per diem rate for the CRFs under their responsibility.

Good Practice

The audit team noted that in the Quebec region, an arms-length Regional Resources Coordinator is used to negotiate contracts for all CRFs within the region. Contract negotiations are part of a tripartite agreement between CSC, Sécurité Publique du Québec and the Association des Services de Réhabilitation Sociale du Québec (ASRSQ). The Regional Resources Coordinator negotiates the per diem based on the Funding Framework and adjusts accordingly for each CRF. CRF Executive Directors felt that the negotiation model in place is transparent and removes any inconsistencies across the region since the framework is used for all CRFs creating a standardization of services and a transparent process.

Since the freeze of the current per diem rate, the need to review or negotiate the per diem rate annually has essentially been removed. However, the per diem rate currently being paid may be either too high or too low and may not accurately reflect the current financial environment of the CRF.

All CRF staff interviewed feel that the Public Works and Government Services Canada contract requirements put additional pressures on their resources.

Public Works and Government Services Canada (PWGSC) procures goods and services on behalf of departments and agencies at the best value for Canadians.³⁵ The department is responsible to ensure that the individuals providing goods and services meet minimum security standards before entering into a contract with them. This means that the approximately 200³⁶ community contracts with CSC are to comply with PWGSC requirements and clauses including staff security clearances.

³⁵ <http://www.tpsgc-pwgsc.gc.ca/app-acq/index-eng.html>

³⁶ <http://www.csc-scc.gc.ca/publications/005007-3008-eng.shtml>

All staff from CRFs visited felt that the PWGSC requirements for information technology and security were intensive and lengthy, especially since CRF staff are not accustomed to Federal government bureaucracy and often required assistance in the completion of the PWGSC forms. Further, CRF staff expressed frustration that the recruitment process has become increasingly complicated and lengthy due to the security clearance process. While understanding that the personnel security screening clearances are paramount to community and staff protection, the perception of Federal red tape is creating frustrations within the community as the CRFs do not always have the resources available to deal with it. Combining this frustration with the removal of negotiations due to the per diem freeze results in CRF staff feeling they are becoming more of a contractor as opposed to a partner.

Funding changes to the community have impacted operations and services in CCCs.

As noted previously, as of April 1, 2014, CCCs are funded on a ratio of one Parole Officer for every 13 offenders. During the same period, a number of policy streamlining initiatives have been implemented, including changes to the level of intervention/ frequency of contact. Since the frequency of contact decreased for specific cases, this meant an increase in the number of offenders that could be assigned to a caseload. However, as the risk posed by these offenders did not change, some Parole Officers felt that to manage the offender's community risk appropriately they needed to continue seeing these offenders more frequently than the new frequency of contact required. This caused staff to feel stressed and overworked.

As part of the streamlining of case management in the CCCs, the CCCs lost at least one staff member, often a Parole Officer. However, CSCs compensated this loss by adding nine FTEs allocated across the 15 CCCs, and increased funding for Commissionaires. As support staff were being shared among multiple locations, the CCCs received funding for partial FTEs and the region rerouted resources to try to make it a whole (1.0 FTE) position. Regions were consistently shuffling resources based on priorities and initiatives. At some CCCs, staff told the audit team that, the recent year budget reductions had removed budget flexibility to cover basic daily expenses (i.e. soap, toilet paper and fixing of broken appliances). CCC staff stated that they struggled to meet operational requirements due to reduced resources and prioritizing financial needs.

3.1.3.2 Monitoring Performance

The audit team expected to find that CSC measured CBRF performance from a correctional perspective.

CSC has limited tools available to measure community performance relating to CBRFs.

Performance information allows management to plan, project, analyze and monitor progress. Tracking the right performance information or indicators allows annual comparison and stronger decision making based on lessons learned. However, the data must be accurate to ensure comparability and reliability.

CSC staff indicated they use Performance Direct* as a means to obtain information on performance in the community. However, this information is currently limited. Although community information is available from other data sources, staff expressed concerns with the quality of the information in these other databases. CSC has identified the need for better information and recognized that any data collected related to community accommodation, expenditures and specialized accommodation services could be enhanced. Furthermore, the community information that is available in Performance Direct is limited to what is tracked and reported as part of the DPR. NHQ informed the audit team that they are aware of these concerns and are currently developing a community specific module within Performance Direct. This will allow the community to measure successes, complete performance reviews and set targets. Although District Directors conveyed satisfaction with the level of performance information available to them at this time in Performance Direct, this new module will allow management the additional ability to access more accurate information to complete day-to-day operations and support decision making.

3.1.4 Reporting

We expected to find that CSC collected and reported information on bed utilization and financials to assist with the management of community accommodations for offenders.

The following areas audited met the audit expectations for this criterion:

- CSC staff from both the District Offices and Area Parole Offices stated that the information received from NHQ was sufficient; and
- CSC staff have access to automated tools and reports that help in the decision making process but are limited to what is tracked and reported as part of the Departmental Performance Report.

The following areas did not fully meet the audit expectations for this criterion.

The system in place to report on bed utilization was time consuming and inefficient but generally accurate.

According to the CCRA, upon conditional release, offenders are accommodated into community locations that provide appropriate support, interventions and services.

Currently, there is no real-time system in place that accurately tracks bed utilization at the national level in a timely fashion. The existing mechanism, which captures only bed utilization and expenditures, rely on monthly input by Regions/ Districts. As this monthly input is based on invoicing, the input of the information is delayed. In some cases, data entry errors are found and corrected as soon as the data is confirmed.

That said, with respect to financial forecasting, while the current mechanism is rather time consuming and not ideal, the resulting financial forecast has proven to be relatively accurate in previous years as the forecasts have been within five-percent when comparing projected and actual expenditures as reported through CBRF bed utilization.

The system in place to forecast bed availability is onerous and generally does not reflect real-time information.

The community is a rapidly changing environment due to events such as offender suspensions and last minute residency conditions decisions. As a result, CSC's community population is in a constant state of fluctuation. As mentioned previously, NHQ bed utilization information lacks forecasting ability and is not timely as the information relies on monthly data based on regional invoicing which may require confirmation for accuracy. In an attempt to better forecast bed openings, the regions implemented manual weekly reporting systems where CBRFs and CCCs report to area parole or districts, their bed utilization rates. These forecasts and bed data are not provided to NHQ.

Districts have attempted to make their data as up-to-date as possible. For example, Central Ontario created a "live" bed tracking spreadsheet that could be accessed district-wide and updated as beds became available; but the results continued to be unreliable due to human input and system errors. Without reliable bed opening forecasts, the Service may not be able to accommodate offenders in facilities that best meet their needs. In addition, when an offender is set to be released into the community, finding a bed can be quite difficult, especially if timeframes are short. These short timeframes for offender placement can also strain the partnership between CSC and the CRF as these quick turnarounds create an additional burden of work on the residency houses.

As previously mentioned, all regions have some sort of method to track bed openings; however, the audit team was told by the various staff responsible for tracking bed openings per region that when a release was imminent, the telephone still remains the main tool to ensure that bed space is still available. Since resources in the community have been reduced, not having reliable bed utilization data and having staff call the CRFs at the last minute may not be the most efficient usage of resources.

To address data quality issues and forecasting ability, NHQ is in the process of developing an Offender Accommodation Management System. This system is intended to expand the accuracy and usefulness of data collected and improve upon monitoring of both bed utilization and population management.

Conclusion

With respect to the objective on appropriateness of the management framework, we found that certain aspects of the management framework were in place to support the management of community accommodations for offenders. A policy framework exists; controls are in place and are working as intended to ensure that services paid by CSC are rendered; and high risk funding has been provided to help CRFs accommodate the changed offender profile.

Overall, the governance framework requires improvement in order to better support management of community accommodation. We noted a number of areas that require further consideration by management to ensure that the risks to the organization are better managed:

- A new Commissioner's Directive (CD) and accompanying guideline on Community Correctional Centres (CCC) standards have been finalized and were promulgated July 2015. This CD and guideline should be assessed to determine if the updated CCC CD (714) and CDs from the 566 security series respectively address the areas requiring clarification such as medication management and searches;
- CSC staff responsible to negotiate with community partners need to have a strong understanding of the per diem calculation to ensure CSC receives its best value for money;
- The current national system used to report bed utilization information in the community does not always accurately reflect the current situation as there are delays in the reporting of CBRF data; and
- NHQ should finalize and implement performance indicators for the community to place CSC in a position to better monitor and report, nationally, overall program performance and therefore better understand where attention may be needed.

Recommendation 1

The Correctional Operations and Programs Sector should streamline the tracking and monitoring of bed capacity and utilization. It should also improve the tracking and monitoring of offender-specific data to assist with:

- (A) planning offender releases; and
- (B) understanding the types of beds needed and the locations that need to be secured to meet future population needs.

Management Response

We agree with this recommendation. Subject to the availability of funds, the ACCOP will:

- Engage internal stakeholders.
- Determine the scope and cost of implementing an automated solution for the tracking and monitoring of bed capacity and utilization; specifically the Offender Accommodation Management (OAM) capabilities.
- Develop and deploy the OAM capabilities as specified in the previous item appropriately trained on the OAM capabilities.
- Ensure staff members are appropriately trained on the OAM capabilities.

Recommendation 2

The Correctional Operations and Programs Sector, in collaboration with Assistant Commissioner, Corporate Services, should review the funding framework and associated contracting guidelines to ensure that the amounts being paid are appropriate, reasonable and reflect the services to be provided by the CBRFs.

Management Response

We agree with this recommendation. By March 2016, the ACCOP will:

- Consult with Districts and other NHQ stakeholders on the development of the funding framework and the CRF guidelines.
- Consult with TBS to confirm that the Advance Contract Award Notice (ACAN) procurement methodology is supported.
- Post the Letter of Interest (LOI) on Buy and Sell Government Electronic Tenders System to advise potential suppliers of opportunities.
- Engage suppliers
- Review and revision/update of negotiation framework

3.2 Accommodation Controls

The second objective for this audit was to assess whether CSC had controls in place to ensure that appropriate accommodations were available and that offender population needs were being met.

Annex A provides all audit criteria.

The objective was examined from two perspectives: offender needs and community accommodation capacity.

3.2.1 Offender Needs

We expected to find that CSC had mechanisms in place to ensure that offender needs were taken into consideration when community placement was determined.

The following areas audited met the audit expectations for this criterion:

- As per the statement of work, all CRFs visited had documented admission and selection criteria;
- All CRF managers interviewed stated that CSC respected their admission criteria;
- All districts visited had a process in place to discuss offender needs, support and motivation prior to community placement;
- Some CRFs conducted in-reach services to institutions to understand offender's needs prior to release into the community;
- CBRFs offered, or provided access to, specialized services and programming; and
- Offender community placement was reassessed after initial placement to ensure accommodation continued to be appropriate.

CSC cannot always ensure that an offender is placed in the community accommodation that best suits his or her needs.

CSC continues to manage a more diverse and challenging offender population than ever before. As of June 2013, the current offender population profile was as follows:

- eleven percent of men and six percent of women offenders were classified as maximum security on admission;
- one in six (1:6) men and one in seven (1:7) women offenders had known affiliations with gangs and/or organized crime;
- some 13 percent of men and 24 percent of women offenders in custody were identified with very serious mental health problems;

- an over-representation of Aboriginal offenders – 20 percent of the institutional population was of Aboriginal ancestry, while the general Aboriginal population represented 2.7 percent of the adult Canadian adult population;³⁷
- the over-representation was even more pronounced in terms of Aboriginal women incarceration rates: as of April 2010, Aboriginal women accounted for 32.6% of the total female offender population³⁸; and
- there was more than 50 percent of new male offender admissions and 64 percent of new women offender admissions who were serving sentences of less than three years.³⁹

Source: Profile of a Canadian Offender (2013-06-21).

CSC strives to place offenders in community accommodations that provide the right type of bed, in the right location at the right time. This means that accommodations need to offer the possibility to respond to the diverse need and risks of the offender population (the right type of bed). It also means that, as much as possible, offenders be provided with appropriate accommodation options in their home community and/or preferred release destination (the right location), and accommodation should be available at or close to time of granted release (right time). Due to increases in specialized populations, funding pressures, residency conditions and specific admission criteria these principles cannot always be met.

All contracted CRFs have their own admission criteria that allows them to deny an admission. The audit team noted that many CRFs will refuse sex offenders. CRF house managers explained that CRFs located near schools, day cares or playgrounds will exclude sex offenders due to the increased level of risk to the surrounding environment. As well, some CRFs have agreements with their neighbourhood restricting the number of sex offenders admitted. These agreements are strictly followed as CRFs do not wish to jeopardize their relationship with the community and risk losing community support. This exclusion criteria makes finding appropriate accommodations for sex offenders challenging.

All offenders released on Day Parole, and those who have a residency condition imposed by the PBC, need to have been assigned bed space within a CBRF before being released.⁴⁰ CSC staff interviewed stated that imposed residency conditions from the PBC have increased. This is supported by the information discussed in section 3.1.2 of this report. Between 2011 and 2014, the community offender residency population increased by 28.7% for SR with Residency and by 24.3% for LTSOs with Residency. The release of an offender into the community can be further complicated by the fact that residency conditions are imposed on the offender at the last minute. This situation often makes it difficult for the Community Parole Officer to find a residence for the offender within his or her local area. The combination of the last minute residency conditions with the conditions requiring bed placement priority within the districts can make the placement process difficult. This gets further complicated if the released offender is an aging offender with

³⁷ <http://www.csc-scc.gc.ca/publications/005007-3004-eng.shtml>

³⁸ <http://www.publicsafety.gc.ca/cnt/rsrscs/pblctns/mrgnlzd/index-eng.aspx>

³⁹ <http://www.csc-scc.gc.ca/publications/005007-3004-eng.shtml>

⁴⁰ <http://www.csc-scc.gc.ca/publications/005007-2013-eng.shtml>

mobility issues or if the offender has mental health needs that must be met in the community as further discussed below.

Districts will monitor and report weekly gang information such as the offender's current gang status. Some CRFs will not accept gang members or gang incompatibilities as staff and community safety are the house's main priority. That said, CRFs are accepting an increased number of high risk offenders via the high risk funding initiative.

CSC has a segment of its population who are aging offenders. Not all CRFs are equipped to accommodate offenders with mobility issues. For example, many houses visited had an older infrastructure and did not have hallways large enough to accommodate wheelchairs. Although some CRFs had a few first floor accommodations set aside for mobility-challenged offenders, these rooms are often reserved or already occupied by long-term offenders. Some CRFs stated that they wished to renovate and modify their infrastructure to keep up with the increasing age demographic; however, the per diem freeze and limited funding available for construction grants has made renovations nearly impossible. Some districts have started to produce forecasts on the release of aging offenders into the community. These forecasts should help CSC better understand which actions are required to ensure community accommodations will be able to meet these needs of its aging population.

<i>Good Practice</i>
The audit team noted that the Pacific region has completed a projections and analysis for aging (50 plus year old) offenders in the community, which included population forecasts and suggestions to enhance bed space requirements.

CSC is also seeing an increase in the number of offenders with serious mental health issues. Staff at both the CRFs and the CCCs stated that they were not always equipped to admit offenders with serious mental health needs. Staff interviewed stated that managing mental health offenders on their caseload is taxing and requires assistance from specialized professionals. From a population management perspective, it is often difficult to mix clienteles. Those with serious mental health concerns may be more vulnerable in a mixed population. CCCs do not have a right of refusal. Each offender placement to one facility or the other will be based on a number of considerations including, but are not limited to, needs, location, programming, staff safety concerns and gang/incompatibles. CRFs can deny offenders admission with serious mental health if they feel that they cannot properly manage the offender's needs or risks. CCCs, in the end, admit the individual, thus creating a challenging environment for CSC to manage the offender.

As we will further discuss under criterion 3.2.2 Community Accommodation Capacity, CRFs in urban centres or CRFs offering specialized services are frequently at capacity. For example, in some districts, housing specific to Aboriginal spiritual and cultural interventions exists; however, with approximately 50% of Aboriginal offenders in both Ontario and Pacific regions having a residency condition, Aboriginal-centric beds in these districts are frequently fully utilized. If an Aboriginal offender cannot be placed in an Aboriginal-centric environment then CSC has to expand extra effort and commitment to try to leverage other community resources and

representatives such as Community Elders, Aboriginal Community Liaison Officers and Aboriginal Community Development Officers to help meet the needs and cultural involvement of these offenders.

Furthermore, there are a limited number of beds available across the country in CCCs. This number further decreased when the CCC in Hamilton closed on December 31, 2014. In addition, the changed offender profile in the community population has resulted in longer average stays for offenders within the CCCs. This shift towards longer periods of stay has created bed shortages. This results in population management challenges for the CSC staff responsible for bed space coordination in the regions who must find a bed for the offender. This is especially challenging in the Central Ontario district, as the CCCs have been operating at capacity for a number of years. A similar concern was discussed in the Office of the Correctional Investigator's (OCI) 2014 *Investigation of Federal Community Correctional Centres* (for further information about previous reports please refer to section 6.2 of this report and the Discussion and Findings section of the OCI report).

Due to the many challenges facing CSC in today's correctional environment, offenders may not always be placed in the community location that best suits the principle of "best type of bed." However, the audit team has noted that CSC staff go to great lengths to try to accommodate an offender in the right type of bed, in the right location at the right time as best as possible.

For example, if all facilities in a district deny admission to an offender, CSC will redirect the case to other areas in the region to investigate further options. If an offender is denied admission due to risk factors, admission criteria or bed availability, CSC staff will try to negotiate with the CRF staff through the Parole Officer, Parole Officer Supervisor and/or the Area Director and ask the house to reconsider their decision. The introduction of high risk funding has provided assistance in this regard. Further, similar to institutions, offenders at CCCs and CRFs are evaluated and monitored in relation to their correctional plan, supervision strategy and in keeping with the protection of society.⁴¹ If the offender's initial assessed risk has lowered and the offender has shown signs of stabilization, then the offender can and often will cascade security levels to a CRF from the CCC. Additionally, CSC will liaise with community partners in an attempt to ensure that specialized programming is received even if the offender is not located full time at the specialized house or facility. Reintegration potential is increased if offenders complete programming.

Given that CSC contributes to public safety by placing offenders in facilities that can best manage their risk, assessing the offender's progress regularly assists with the safe transition of the offender into the community without supervision when the time comes.

3.2.2 Community Accommodation Capacity

We expected to find that CSC planned for and secured sufficient and appropriate bed space for offenders in the community.

⁴¹ CD 715, paragraph 4

Bed utilization varies by region based on a number of factors.

According to their agreement with CSC, CRFs are paid based on bed occupancy unless special circumstances exist, such as guaranteed beds. CRFs bill CSC for bed-day utilization, which includes the day of admission but excludes the day of departure. As mentioned earlier, all CRFs have their own admission criteria and selection process. These criteria may exclude sex offenders, high risk offenders, arsonists and offenders who have mental health issues. This ensures that CRFs only house those individuals whose risk level can be comfortably managed.

The table below depicts the average bed day utilization between FYs 2011-12 and 2014-15 by districts for contracted CBRFs.

Contracted CBRF* Bed Day Utilization FY2011-2015**

District/Year	FY 2011-2012	FY 2012-2013	FY 2013-2014	FY 2014-2015	Four Year Average
Atlantic	70%	69%	76%	78%	73%
Quebec East-West	85%	85%	84%	83%	84%
Quebec: Montreal Metro	90%	96%	91%	99%	94%
Central Ontario	94%	105%	85%	83%	92%
Greater Ontario Northern	101%	93%	84%	81%	90%
Manitoba	61%	65%	64%	64%	64%
Alberta	86%	88%	76%	74%	81%
Pacific	73%	71%	74%	75%	73%

Source: CSC CRF Bed Day Utilization FY2011-2015 (NHQ Data - Unaudited).

*** For this table, CBRFs include CRFs, treatment centres, private home placements, hostels, supervised apartments and other accommodations.

When reviewing these bed utilization averages, available bed space and occupancy depends on a number of factors, such as geographical location, the house's admission, the type of facility (for example, treatment centres and private home placement) and selection criteria and the constant state of fluctuation of CSC's community offender population. When looking at disaggregated data, it was noted that urban CRFs are typically closer to, if not at, capacity compared to those CRFs situated in more rural areas.

The numbers presented in the table above represent averages, meaning that some months the CRFs are near capacity, while in other months the houses simply do not have enough offenders being released into the community to fill the vacant beds. Population ebbs and flows are

currently difficult to predict as it depends on the individuals being presented for release, the PBC's decisions and other factors. Given CSC's current bed occupancy tracking method CRFs are left in a position of attempting to remain sustainable while forecasting with incomplete data.

During district visits, the audit team attended Community Assessment Team (CAT) or Correctional Intervention Boards (CIB) meetings as schedules permitted. It was noted that CRFs had high rates of acceptance for cases presented during both the CAT and CIB meetings. However, as further discussed below, if the PBC parole grant rates were to decrease, there would be fewer offenders seeking community placements and less referrals for community accommodation. The audit team was told that CRFs with low occupancy levels will contact either the Parole Officer (Supervisor), the Area Director or the District Director to discuss sustainability. CRF staff all generally stated that they often felt that the Parole Officer (Supervisor) in their area did a good job working with the CRFs to maintain constant population and occupancy levels to ensure viability.

CCCs are funded based on quarterly (traditionally, September, October and November) snapshots of the average beds used the previous year. As well, CSC staff interviewed stated that in the last few years, filling CCC beds has been a priority because of ongoing funding issues and significant budget pressures. This meant that an offender would often be directed to a CCC before a CRF if a CCC was not at full capacity. In addition, CCCs do not have a right of refusal which means that CCCs cannot deny an offender's admission unless there are staff safety concerns. The chart below depicts how CCCs have generally been operating below capacity over the last four years except for those in Ontario. Ontario is expected to experience additional population pressures as the Hamilton CCC closed and there are no current plans to replace it.

CCC Bed Day Utilization FY2011-2015

District/Year	FY 2011-2012	FY 2012-2013	FY 2013-2014	FY 2014-2015	Four Year Average
Atlantic	79%	83%	77%	85%	81%
Quebec	77%	79%	81%	83%	80%
Ontario	104%	107%	102%	84%	99%
Prairies	83%	91%	97%	97%	92%
Pacific	87%	87%	90%	90%	89%

Source: Internal Audit Calculation based on Performance Direct (NHQ Data - Unaudited).

CRF staff expressed concerns that CCC beds are being filled at the expense of CRF sustainability. With CCC beds and special agreement guaranteed beds prioritized, CRFs are concerned that they may struggle to reach their bed utilization breakeven point especially if limited numbers of offenders are being released into the community. This is mostly the case for rural, non-specialized CRF beds. CRF Executive Directors stated that they wish to partner with CSC in good faith but their houses need to be viable. To ensure sustainability, CRFs have started seeking other sources of funding such as grants from outside agencies. If CRFs forge business relationships elsewhere, CSC not only risks losing their community partnerships, but will face

increased population pressures in the future as the reduced number of beds will significantly reduce CSC's accommodation capacity.

The 2015 Spring Report of the Auditor General of Canada – *Preparing Male Offenders for Release – CSC*, found that 80 percent of offenders were incarcerated beyond their first parole eligibility date. In FY 2013–14, the report found that only a small portion of offenders (20 percent) had their cases prepared for a parole hearing by the time they were first eligible. As well, the majority of offenders (54 percent) were first released from a penitentiary at their statutory release date, rather than on parole at an earlier point in their sentence.⁴² Upon being presented with these results, CSC agreed to undertake a systematic and comprehensive review of the reasons for waivers and postponements of parole hearings. Actions include undertaking a review, in consultation with internal and external partners, to determine the reasons for waivers and postponements of parole hearing and explore avenues to reduce occurrence of such situations, conducting a statistical review of waivers and postponements, including relevant flags that may identify trends and patterns and consulting with the PBC to determine any area of ambiguity associated with the preparing of hearings, which may result in unnecessary waiver or postponements. These actions, as well as those of other initiatives focusing on case preparation, are likely to increase the number of offenders released into the community. This could in part alleviate some of the sustainability concerns of the CRFs.

Conclusion

For the second objective on Accommodation Controls, we found aspects of controls for accommodation that support efficient and effective offender placement. Due to many factors, CSC cannot always ensure that offenders are placed in the community accommodation that would best suit their needs. However, CSC attempts, as best as possible, to accommodate offenders to ensure they are placed in the right type of bed, in the right location at the right time.

It was noted that bed utilization rates vary by region and is dependent on bed prioritization, CRF admission criteria and ebbs and flows in the offender population being released into the community. Community partners felt that CSC employees do a good job working with the CRFs to uphold population and occupancy levels to ensure viability. It is important for CSC to have the tools necessary to accurately forecast and manage its community population in order to be able to place offenders in the right type of bed, in the right location at the right time.

A recommendation to improve the situation has been included as part of recommendation number one listed on page 29.

⁴²http://www.oag-bvg.gc.ca/internet/English/parl_oag_201504_06_e_40352.html#hd4a

4.0 Conclusion

With respect to the first objective on appropriateness of the management framework, we found that certain aspects of the management framework were in place to support the management of community accommodations for offenders. A policy framework exists; controls are in place and are working as intended to ensure that services paid by CSC are rendered; and high risk funding has been provided to help CRFs accommodate the changed offender profile.

Overall, the governance framework requires improvement in order to better support management of community accommodation. We noted a number of areas that require further consideration by management to ensure that the risks to the organization are better managed:

- A new Commissioner's Directive (CD) and accompanying guideline on Community Correctional Centres (CCC) standards have been finalized and were promulgated July 2015. This CD and guideline should be assessed to determine if the updated CCC CD (714) and CDs from the 566 security series respectively address the areas requiring clarification such as medication management and searches;
- CSC staff responsible to negotiate with community partners need to have a strong understanding of the per diem calculation to ensure CSC receives its best value for money;
- The current national system used to report bed utilization information in the community does not always accurately reflect the current situation as there are delays in the reporting of CBRF data; and
- NHQ should finalize and implement performance indicators for the community to place CSC in a position to better monitor and report, nationally, overall program performance and therefore better understand where attention may be needed.

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It was noted that bed utilization rates vary by region and is dependent on bed prioritization, CRF admission criteria and ebbs and flows in the offender population being released into the community. Community partners felt that CSC employees do a good job working with the CRFs to uphold population and occupancy levels to ensure viability. It is important for CSC to have the tools necessary to accurately forecast and manage its community population in order to be able to place offenders in the right type of bed, in the right location at the right time.

Recommendations have been issued in the report to address the root cause of our observations.

5.0 Management Response

Management agrees with the audit findings and recommendations as presented in the audit report. Management has prepared a detailed Management Action Plan to address the issues raised in the audit and associated recommendations. The management Action plan is scheduled for full implementation by March 31, 2016 subject to availability of funds related to recommendation 1.

6.0 About the Audit

6.1 Approach and Methodology

Audit evidence was gathered through a number of methods such as: review of documentation; detailed testing and interviews with staff at NHQ and in the regions.

Interviews: Fifty one interviews were conducted with community staff across the country including District Directors, Associate District Directors, Area Directors, Parole Officers and Parole Officer Supervisors, Office Administrators, Case Management Assistants, Chiefs of Finance and Financial Specialists, CCC Managers and CRF Executive Directors and CRF House Managers. In addition, interviews were conducted with NHQ staff members responsible for community strategic planning, resources, and partnerships and financing.

Review of Documentation: Relevant documentation including Federal legislation such as the *CCRA* and *CCRR*, CDs, national strategies, frameworks, previous audits and reports, investigations, studies, national committee meeting minutes, and guidelines relating to the management of accommodations for offenders in the community were examined. The audit team also examined contracts and per diems with specific CRFs to determine compliance. In addition, a review of the monitoring of the payment/invoicing process was completed to ensure controls existed.

Sampling: A sample of contracts, most recently negotiated at the CRF and invoices submitted from the CRFs and provided to CSC were selected and reviewed.

Observations: Observations were performed at every CRF visited during the walkthrough of the house to analyze the design and layout. The audit team also attended Community Assessment Team or Correctional Intervention Boards meetings as schedules permitted.

Analytical Review: Detailed analytical reviews and testing of contracts, per diems and invoices for selected CRFs were reviewed to determine that the calculations were accurate and that anomalies and variances were detected and corrected. The audit team also reviewed bed utilization statistics to determine capacity trends.

Site Selection: Site selection was based on a number of factors including the number of offenders at the CCC or CRF, the admission criteria of the offender population at the community facility, the needs of the population, the number of visits internal audit has previously made to the region or district and location of the community facility in proximity to the district office and/ or parole office. *Annex B* provides details of the sites visited.

6.2 Past Audits

Past CSC internal audits and external assurance work were used to assist in scoping the audit work.

Past CSC Audits

Audit of Contracting and Procurement Processes (2014):

This audit found that Section 32 approvals were in place prior to expenditure and no concerns were noted with respect to certification of invoices under Section 34 of the Financial Administration Act (FAA). Nonetheless, there were areas within the management framework that required attention, namely, existing monitoring and reporting exercises were inefficient.

Audit of the Release Process (2012):

Overall, this audit found that processes were in place to ensure adequate and effective release of offenders. However, the completeness and timeliness of communication needed to be improved. For example, when the communication between the Institutional Parole Officers and the Community Parole Officers took place, it was usually outside of the policy prescribed timeframes. CSC staff indicated that one reason often cited for the delay was last minute decisions regarding release conditions, such as residency conditions, which could have an impact on the location of release.

Audit of Community Supervision (2010):

This audit found that key elements of a management framework were in place to support the supervision of offenders in the community. Furthermore, the audit found that CSC was supervising offenders in the community in compliance with the various CDs regarding community supervision, that documentation was typically being completed when required and within any applicable timelines and that case contact with offenders was typically occurring as required in the CDs. However, the audit found that attention was required in the following areas; parole officer compliance with annual training requirements, the need for a review of the CDs surrounding tandem supervision, including the criteria for tandem supervision and to ensure that the requirements for urinalysis testing was occurring in accordance with policy.

Audit of Management of Section 81 Agreements (2009):

In general, this audit found that, key elements of the management framework were in place for the provision of correctional services by Section 81 Healing Lodges for Aboriginal offenders. However, there were some areas where improvements needed to be made, namely improved follow-up on the current monitoring mechanisms included in the agreements by the regions for enhanced accountability and enhancements to the financial management controls were also required.

In addition, the audit found that corporate monitoring and reporting for Section 81 Healing Lodges was not clearly defined as the role of the NHQ Aboriginal Initiatives Directorate had not been defined and there was no requirement for the regions to report to NHQ on these agreements. Further, at the regional level, mechanisms to monitor and report on Section 81 Healing Lodges were included in all agreements; however they were not always followed and documented.

Another monitoring mechanism incorporated in Section 81 agreements is the provision for a Joint Operational Review of the agreement. These reviews are conducted to ensure that the Healing Lodges are operating to the optimal benefit of the residents and that the aims and objectives set for the Healing Lodges are being met. As required by the agreements, it was expected by the audit team that these committees would be operational, would meet on a regular schedule, would document issues raised as part of the reviews and, as needed, would prepare action plans. Upon enquiry to the Waseskun Healing Lodge, the audit team was informed that there were no action plans with timeframes being developed to address the issues identified. In the Prairie region, the team was informed that an action plan was developed at the same time as the report, but it is not documented. Although requested, copies of the reviews were not provided to the team.

A similar issue was raised in an evaluation conducted by CSC's Evaluation Branch on the Stan Daniels Healing Centre agreement in 2005. In its March 2006 response to the Evaluation recommendation, the Prairie Region had indicated that measures would be taken to formalize and enhance the Joint Review process. Based on the findings in this 2009 audit, further improvements were still needed in this area.

Audit of Community Residential Facilities (2005):

This audit found that the CRF funding model was not consistently being applied in all regions, some CRFs had been billing CSC for bed-days not covered in current contract agreements and that regular reviews of current CRFs' operations against standards were not being consistently conducted in all regions. Furthermore, the audit team noted that CSC and CRFs were generally compliant with policy and standard requirements related to the overall administration and contractual obligations between the two parties.

Office of the Auditor General

OAG - Report 6—Preparing Male Offenders for Release—Correctional Service Canada (2015):

This audit focused on the timely delivery of correctional interventions to offenders in custody to prepare offenders for safe release into the community. This audit examined offender release rates from March 2011 to exclude the impact of the abolition of accelerated parole review on these trends. This audit found that in the FY 2013–14 only a small portion of offenders (20 percent) had their cases prepared for a parole hearing by the time they were first eligible. As well, the majority of offenders (54 percent) were first released from a penitentiary at their statutory release date, rather than on parole at an earlier point in their sentence. This finding is of importance

because parole supervision has consistently been shown to be an essential component of offenders' successful reintegration to the community, particularly for medium- and high-risk offenders. In addition, it is about three times more costly to hold offenders in custody than to supervise them in the community. As well, the delay or cancellation of parole reviews can reduce the time that offenders may benefit from supervision in the community before their sentence expires and can hinder their safe reintegration into the community.

OAG - Chapter 4 — Expanding the Capacity of Penitentiaries—Correctional Service Canada (2014):

This audit examined whether CSC had defined its accommodation needs in order to ensure that it had enough capacity for all the offenders in its custody. The audit also examined whether offenders were transitioning to community facilities once they had been granted day parole. It was found that available beds in community facilities were taken by a growing number of offenders on statutory release or subject to LTSOs. These offenders are required by the PBC to reside in community facilities as a condition of their release, and have priority over offenders released on Day Parole. As a result, some offenders who were granted day parole stayed in the penitentiaries while they waited for accommodation to become available in the community. CSC was not able to provide the OAG with data on how long offenders have to remain in penitentiaries after being granted day parole. It was recommended that CSC determine why offenders are staying longer in custody in order to take appropriate action on managing accommodation needs and to take advantage of opportunities to lower costs.⁴³

Office of the Correctional Investigator

An Investigation of Federal Community Correctional Centres (2014):

An investigation was completed over a three-month period (January 2014 - March 2014) with the objectives of: provide an overall profile of the offender population residing in CCCs, gather information about the experiences and challenges faced by offenders residing in CCCs, review and assess CSC policy, procedures, programs, decisions and actions governing CCCs and in responding to the needs of offenders residing in these facilities and to assess barriers to safe, timely and effective reintegration. The investigation found that CCC populations are more complex, diverse and challenging in terms of overall risk and need profile and that this population has resulted in longer periods of average stay for an offender. Further, the report also states that CCCs face significant resource pressures and that the needs of some of the most vulnerable populations (i.e. mentally ill, aging, and palliative) are not being adequately met in CCCs across the country. One of the report's recommendations was that CSC conduct an operational audit of resources allocated to community corrections and CCCs specifically.

⁴³ http://www.oag-bvg.gc.ca/internet/English/parl_oag_201405_04_e_39335.html

Past CSC Evaluations:

From 2011 to 2013, the Evaluation Sector completed a series of chapters that examined CSC's community correctional operations.

The evaluation found that assessing and identifying mental health, developmental, or other cognitive needs among offenders and, subsequently, providing services to offenders in the institution and the community represents a challenge. In addition, the evaluation found that the quantity and quality of programs and services offered to offenders in the community is partially reliant on funds received from CSC. However, instability in funding was noted as a contributing factor to inconsistencies and gaps in community programming and services. Furthermore, CRF staff noted gaps in their ability to provide sufficient facilities and services to offenders with specific needs, such as those with mental health issues, women offenders with children, and older offenders with physical health needs. Lastly, it was found that the cost of maintaining offenders in the community is significantly lower than in institutions. A number of recommendations were made pertaining to those subject areas.

6.3 Statement of Conformance

In my professional judgment as Chief Audit Executive, sufficient and appropriate audit procedures have been conducted and evidence gathered to support the accuracy of the opinion provided and contained in this report. The opinion is based on a comparison of the conditions, as they existed at the time, against pre-established audit criteria that were agreed on with management. The opinion is applicable only to the area examined.

The audit conforms to the Internal Auditing Standards for Government of Canada, as supported by the results of the quality assurance and improvement program. The evidence gathered was sufficient to provide senior management with proof of the opinion derived from the internal audit.

Sylvie Soucy, CIA
Chief Audit Executive

Date

Glossary

Community Assessment Team (CAT) – a process, prior to the release of offenders into the community, used by Parole Officers, Parole Officer Supervisors, Area Directors and CBRFs to discuss, but not limited to, offender risk, offender needs, programming requirements, behavioural problems and potential release options to determine housing suitability. Offender admission or refusal into the CBRF is based on the information presented.

Correctional Intervention Board (CIB) - similar process as the Community Assessment Team discussed above, part of the continuum of professional supervision from the Parole Officer, playing a critical role in the integration of all intervention activities.

Day Parole - the authority granted to an offender by the Board or a provincial parole board to be at large during the offender's sentence in order to prepare the offender for full parole or statutory release, the conditions of which require the offender to return to a penitentiary, community-based residential facility, provincial correctional facility or other location each night or at another specified interval.

Full Parole - the authority granted to an offender by the Board or a provincial parole board to be at large during the offender's sentence.

Long-Term Supervision Orders (LTSO) - an order imposed by the court as a sentencing option to an offender designated as a Dangerous Offender pursuant to the *Criminal Code*. The offender who has received such an order is supervised in accordance with the *CCRA*. The long-term supervision order commences when the offender has finished serving all sentences for offences for which he/she had been convicted. The period of supervision to which the offender is subject at any time must not total more than 10 years.⁴⁴

Performance Direct - a new approach to managing corporate performance within CSC. The method focuses on operational climates, efficiencies and effectiveness through the establishment of performance modules structured along the sentence continuum. The arrangement of these modules is designed to enhance monitoring of expected results in relation to performance outcome.

⁴⁴ CD 719, Annex A

Annex A: Audit Criteria

The following table outlines the audit criteria developed to meet the stated audit objective and audit scope:

Objective	Audit Criteria
1. Provide assurance that the management framework in place supports the management of community accommodations for offenders.	1.1 – Policy Framework – CSC has a policy framework in place to support the community accommodations for offenders.
	1.2 – Roles and Responsibilities - CSC has defined and documented roles and responsibilities for management and staff involved in the management of community accommodations.
	1.3 – Monitoring – CSC has controls in place to ensure contracts negotiated with community partners align with the funding framework and amounts paid reflect services rendered.
	1.3.2 – Monitoring Performance – CSC measures CRF performance from a correctional perspective.
	1.4 – Reporting – CSC collects information and reports on contracting, bed utilization and financials for the management of community accommodations for offenders.
2. Provide assurance that controls are in place to ensure that CSC has appropriate accommodations available and that offender population needs are being met.	2.1 – Offender Needs - CSC has mechanisms in place to ensure that offender needs are taken into consideration when community placement is determined.
	2.2 – Community Accommodation Capacity – CSC plans for and secures sufficient and appropriate bed space for offenders in the community.

Annex B: Site Selection

Region	Sites
Atlantic	<ul style="list-style-type: none"> • Parrtown CCC • Atlantic District Office • Moncton Parole office • CRF – Atlantic Human Services Inc. Cannel House (Moncton) • CRF – Hart House (Saint John)
Quebec (Montreal – Metropolitan)	<ul style="list-style-type: none"> • Martineau CCC • Metropolitan Montréal District Office • Ville-Marie Parole Office • CRF – Maison Thérèse-Casgrain • CRF – Maison Crossroads Saint-Léonard
Ontario (Central Ontario)	<ul style="list-style-type: none"> • Keele CCC • Central Ontario Region District Office • Downtown Parole Office & Women's Supervision Unit • CRF – Elizabeth Fry Society of Toronto • CRF – St. Leonard's Society of Toronto, Crossroads
Prairies (Manitoba/ Sask/NW Ontario)	<ul style="list-style-type: none"> • Osborne CCC • Manitoba/ Sask/NW Ontario District Office • Winnipeg Urban Parole office • CRF – Regina House (Winnipeg) • CRF – Native Women's Transition Centre (Winnipeg) • CRF – United Church Halfway Homes Inc. (Winnipeg)

Pacific	<ul style="list-style-type: none"> • Chilliwack CCC • Pacific District Office • Vancouver Area Parole office • New Westminster Parole Office • CRF - Belkin House – Salvation Army (Vancouver) • CRF – Kinghaven Treatment Centre (Abbotsford) • CRF – Phoenix Drug and Alcohol Recovery Society (Surrey)
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