

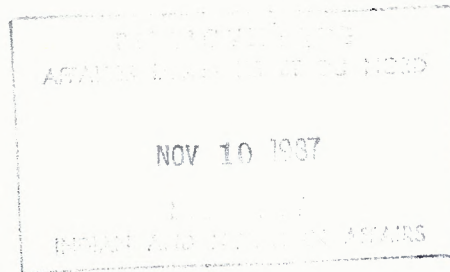
**British Columbia Region
Reorganization Plan
1985/86 — 1990/91**

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Indian and Northern
Affairs Canada

Affaires indiennes
et du Nord Canada



2 September 1986

Your file Votre référence

Our file Notre référence

E1000-INAC

E2185-1

Mr. Bruce Rawson
Deputy Minister
Indian and Northern Affairs Canada
Departmental Headquarters

Re: BRITISH COLUMBIA REGION REORGANIZATION PLAN
PROPOSED PLAN FOR YEARS III, IV, AND V
(1988/89 to 1990/91)

In response to your letter of July 30, 1986, entitled "Reduction and Organizational Change". I enclose B.C. Region's Proposed Plan for Years III, IV, and V. A report on Year I and the Proposed Plan for Year II were forwarded on August 15, 1986.

I am pleased to advise you that the proposed plan meets the reduction targets. The principles and assumptions on which the plan is based are outlined and the process for implementation described. The plan is presented in optional steps and a description of the impacts is presented for each step. The attainment of policy (e.g. devolution), and administrative (e.g. formula funding) changes as well as requisite funding requirements are linked to the plan's optional steps.

You will notice that a key element in the revised organization involves a transition from District Office to Budget Centres, field offices which maintain signing authority for contribution agreements. A generic organization chart for a budget centre appears in Appendix C-5. This concept had been discussed with and approved in principle by the Assistant Deputy Minister of Indian Services, John Rayner. In addition, during his recent visit to our region, I received concurrence from The Associate Deputy Minister, Mr. Fred Drummie, to re-profile our organization. This is also reflected in our plan.

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I fully support the requirement to consult with the client group and keep staff informed and involved. The short time frame provided for the exercise, however, precluded consultation with Indian people.

(| Upon approval of our plan, we intend to fully consult with Bands,
Tribal Councils and bodies such as the Devolution Negotiating Team created by our former minister as his advisory group for devolution in B.C. Consultation with the client group will require time and I'd request some flexibility in the timing of implementation to allow for this. There has been some discussion with staff in preparing the plan and it is our intention, upon approval of the plans, to develop a comprehensive redeployment strategy which will be shared with all staff.

The proposed plan is submitted for your consideration.



Owen A. Anderson
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Vancouver, B.C. V6Z 2J3

BRITISH COLUMBIA REGION
INDIAN AND NORTHERN AFFAIRS CANADA
REORGANIZATION PLAN 1988/89 - 1990/91
SECTION C - YEARS III, IV AND V

1. Introduction

This Section (C) comprises B.C. Region's proposed strategy for reorganization in years 1988/89 through 1990/91 to ensure that departmental priorities and p.y. targets provided to the Region by the Deputy Minister in January, 1986 can be met. Sections A and B outlined Years I and II of the Reorganization Plan and were submitted to Ottawa August 15, 1986. These two sections have also been included in this Report for ease of reference.

Over the 5 years of the Reorganization the department in the B.C. Region has been tasked with reorganizing to meet the new priorities as enunciated during 1985, to meet the federal public service downsizing exercise and to transfer responsibility for program and advisory services to Indian organizations. The following table outlines the changes in person year strength over the five years for the Region.

Year	P.Y. Allotment	P.Y. Reduction
1985/86	537	
I 1986/87	490	47
II 1987/88	461	29
III 1988/89	410	51
IV 1989/90	364	46
V 1990/91	344*	20
TOTAL		193

*The Region will reduce an additional 8 p.y.'s if all of the In School Education Program are transferred to Indian organizations.

In addition to reducing 37% of its p.y. strength, the Region is maintaining the current strength of the Lands, Revenues and Trusts (LRT) area and placing priority on Resource, Economic and Employment Development (REED) by maintaining a specialized Regional program capability. In general, the Region will vacate the advisory field completely, and will convert from a program oriented department to that of a funding transfer agency.

Year I of the Plan has been completed (Section A) and the detailed implementation of Year II will go into effect as soon as approval of Section B of this Report is received. The following outlines the actions which will be required during years III, IV and V, the principles upon which these actions are predicated and the policy and operational changes prior to undertaking the actions. After considerable debate and analysis, the Region has decided to outline these actions as six optional steps and to prioritize them according to the degree of impact on the operation of the department, the client group and staff. We have also tried to point out possible unintended impacts of these actions.

2. Principles of the Reorganization Plan - Years III, IV, and V

2.1 That the new policy thrusts enunciated in December 1985 will continue to be met with organizational strength maintained in Lands, Revenues and Trusts and Indian Self Government and impacts of reorganization on Resource, Economic and Employment Development (REED) limited to those p.y.'s of a field advisory nature that can be transferred to Indian organizations.

2.2 That the p.y. targets provided by the Deputy Minister in January 1986 provide the impetus for the plan and must be met.

Year III	410 (-51)
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Year IV	364 (-46)
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Year V	344 (-20)
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2.3 That the B.C. Regional organization continue to mirror those at Headquarters and that reporting relationships established in Year I be maintained throughout the planning period so that functional lines are clear.

2.4 That the B.C. Region will vacate all advisory and direct delivery fields with the exception of Lands, Revenues and Trusts where statutory requirements are involved.

2.5 That the B.C. Region will phase out its seven District Offices by 1990/91 but will maintain a decentralized funding management mode by retaining 5 Budget Centres as separate R.C.M.'s which may or may not be geographically decentralized from Vancouver.

3. Assumptions of the Reorganization Plan

3.1 Several policy and operational changes are required if an orderly and smooth downsizing exercise which encompasses a withdrawal from our field operations, program oriented resourcing activities and contribution management administration is to occur. The specific actions proposed in each of the three years are based on the assumption that these fundamental changes will have occurred.

- 3.2 It is assumed a departmental transfer policy is approved in 1986 which defines devolution, permits the transfer of Vote 5 salary dollars to Vote 15 contribution funds and provides for incremental costs. The department vacating the advisory field and closing field offices is predicated on our having funding available to transfer the responsibility for the delivery of advisory services to Indian organizations. The cost of doing this is identified for each optional step of the Plan. The revised Tribal Council Funding policy has been used as the basis for calculations.
- 3.3 It is assumed that all the funding for the transfer of advisory services is provided to tribal councils for continuation of the delivery of these services. The revised Tribal Council Funding Policy has been used to calculate the cost of such transfers. As a consequence the level of service for those independent bands not affiliated with Tribal Councils will be reduced as a result of the department's closure of field operations.
- 3.4 It is assumed that the department will no longer be providing direct delivery services, particularly in the mandatory program areas. The assumption is predicated on the bands' willingness to either assume responsibility for delivery or receive the services from a third party.
- 3.5 It is assumed that the process by which funds flow to Indian organizations will be changed considerably by Year IV. With the recent approval for Alternative Funding Arrangements, it can now be projected that the first contribution recipients will move into this stream April 1, 1987. As a result of the delays in the approval we are not predicting a rapid uptake and we do not anticipate the majority of our contribution recipients (232) to be under the new streamlined AFA system until April, 1990. It is for this reason we wish to delay the conversion of District Offices to Budget Centres to Year IV of our Plan.
- 3.6 It is assumed that simplification and improvements will be made in the management information systems, particularly in the resourcing and monitoring. A cursory review of the various reports required during 1985/86 revealed the following totals:

Band Management	19
Social Development	14
Education	11
Capital Facilities	17
Economic Development	10

Appendix C-1 lists the reports. It should be noted that most of these reports are required on a monthly, quarterly or semi-annual basis. The Region has not yet attempted to quantify the time spent in producing these reports but the

sheer volume alone indicates a need to reduce this burden as the p.y. resources in the Region reduce. These changes are required prior to the reduction of 51 p.y.'s in Year III.

- 3.7 It is assumed that budget and funding management under our current contribution arrangement system (and prior to conversion to AFA) will be simplified and streamlined so that it is possible to reduce the numbers of contribution arrangements that must be administered. Appendix C-2 details the Volume of Contribution Arrangements in B.C. Region in 1985/86. In summary the volumes were as follows:

Annual Contribution Arrangements (Budget Packages)	208
Interim Arrangements	59
Supplementary Arrangements	1,775
Capital Arrangements	517
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TOTAL	2,559

Two major changes which would reduce the total volume are (a) the timely decentralization of annual budgets at the beginning of the fiscal year (preferably by January) which would decrease the necessity for supplementary and single purpose contribution arrangements; and (b) the allocation of funding on a formula basis as opposed to program specific (particularly in discretionary areas such as management development, consultation, community based planning and economic development funding). It should also be noted that in the administration of a single contribution arrangement the following activities have to occur under the current system:

- a) Budget discussions: preparation of budget, drafting of contribution arrangements, discussion with client group, clarifying, making final adjustments to reach agreement even for a single or supplementary agreement
 - b) Agreement processing - by program from receipt of contribution arrangement to approval stage
 - c) Preparation of commitment certificates
 - d) Preparation of cheque requisitions
 - e) Financial Reports review - each contribution arrangement requires, at a minimum, a financial report which has to be reviewed prior to authorization of the release of the next payment
- 3.8 It is assumed that by Year IV the Region will not require a technical capacity either to provide capital project management expertise or to ensure technical standards are

being met in the expenditure of the infrastructure, housing or maintenance budgets.

4. Process and Timing

4.1 Regional Committee

A Regional committee on Reorganization and Downsizing was established in August 1985, and continues to function although membership has changed slightly since its inception. The current members of this committee are:

- Regional Director General
- Director, Indian Services
- Director, Finance and Administration
- Director, Resource, Economic & Employment Development
- Director, Personnel Services
- Director, Self Government
- Director, Band Support & Capital Management
- Director, Lands, Revenues and Trusts (as required)

4.2 Consultation

a) Client Group(s)

As stated in our report on Year I and Year II dated August 15, 1986 there was no consultation with client groups until after January, 1986 when the details were released to District Managers who then met with Indian leadership in their districts to advise them. A presentation was made to the Pacific Planning Symposium in January on Departmental Reorganizing and Downsizing. In May, 1986 the P.P.S. Steering Committee met with our former Minister who appointed the P.P.S. as his advisor on devolution in B.C. At the subsequent Pacific Planning Symposium in June a Negotiating Team was established to play this role. The Negotiating Team has initiated a series of ongoing meetings with the A.D.M.'s of Indian Services and Finance and Professional Services to discuss the Department's Transfer Process paper, a draft of the department's Treasury Board submission on devolution. In addition the P.P.S. is preparing its own paper on Devolution in B.C. which they intend to submit to H.Q.'s in early September.

It is essential that once approval is given to our Regional plans for Years III to V that the proposals therein be discussed openly with Bands and Tribal Councils throughout the province with a view to obtaining their concurrence on the substance, and agreement on the timing. This will be most difficult, and may be impossible, if a concrete transfer policy is not in place and adequate funding for Band and Tribal Council advisory services is not available. It would be advantageous to these discussions if there was some flexibility from year to year on the implementation of

the proposed changes in order to facilitate the reorganization process.

b) Staff and Unions

Once approval is given to the plan the specific detail will be shared with Regional Representatives of all bargaining agents. A group of Senior Managers will visit each Responsibility Centre to provide information and respond to questions and concerns of all staff.

With 125 person years to reduce over the 3 year planning period it will be unlikely that we can achieve the same degree of success in the redeployment or outside placement of surplus employees as we did in Years I and II.

The implementation of person year reductions in Years II to V must be managed as a whole to minimize the disruption to operations as well as the lives of employees. While this may result in staff leaving our department much sooner than we would like and thereby diminishing our capacity to perform, the consequences of not sharing the whole plan with our staff is much more serious. Staff at all levels, where appropriate, will be directly involved in the detailed structuring of the revised organization of units and the revision of management and administrative processes.

Planning will commence now, both for the structure that will be in place at the end of year V as well as for employees whom we hope to retain throughout the planning period and beyond, in the expectation that we can minimize the disruption to our operations and the careers of our employees.

5. B.C. Reorganization Plan - Year III

5.1 At the end of Year II (1987/88) the B.C. Region will have on strength 461 p.y.'s and is organized into a Regional office, 6 District offices and 1 Budget Centre. Appendix C-3 details the p.y. allocation by program area. To achieve the target reduction of 51 p.y.'s we have grouped our proposed actions into 3 optional steps which are listed in order of their impacts and consequences.

5.2 Optional Step 1: Reduce District and Regional strength in Indian Services program areas and in program management

Education	(-3)
Capital Facilities	(-9)
Social Development	(-6)
Program Management	(-2)

Reduction 20 p.y.'s

Of the 20 p.y.'s 12 are at the District level and it is estimated that 75% of these provide direct advisory services to the client group. These are located in Prince George, Central and Vancouver District Offices.

Impacts of Actions:

- a) All of Indian Services programs and 3 of the 7 District offices will be impacted by the reduction.
- b) To provide funding for 9 advisory positions to Tribal Councils in Prince George, Central and Vancouver District offices will require an additional \$589.8. See Appendix C-4.
- c) With additional Tribal Council funding in place, it is expected that the client group will be prepared to accept the reductions and transfers. Without funds to negotiate the Indian leadership may oppose the reduced level of service.

5.3 Optional Step 2: A second optional step to assist in moving closer to the target reduction of 51 p.y.'s in 1988/89 is to close the Hazelton and Campbell River District offices, our two smallest field offices.

Close Hazelton District Office (-11)

Close Campbell River District Office (-15)

Reduction

26 p.y.'s

It is proposed to close the two offices, amalgamate budget management responsibilities with the Northwest and Nanaimo District offices respectively with no addition of staff and to transfer the advisory services to Tribal Councils in the respective areas. It is expected the Lands, Revenue and Trust staffs would transfer to Northwest and Nanaimo District offices and service the departmental statutory responsibilities from those locations.

Impacts of Actions

- a) Additional funds will be required to transfer the advisory services. Tribal Councils in both areas are underfunded according to the current revised Tribal Council Funding formula. Additional funds as follows will be required:

Hazelton: (7 Member Bands)

Gitksan Wet'suwet'en T.C. \$236.6

Campbell River: (14 Member Bands)

Kwakiutl District Council

Mus-gamagw Tribal Council

\$749.0

If funds are available it is our estimation that these two District offices would be able to be closed without undue negative reaction.

- b) Without the operational changes detailed in 3.3, 3.4 and 3.5 above it can be expected that since current levels of staff in Northwest and Nanaimo Districts will have to provide services to an additional 12 and 19 contribution recipients respectively, the level of service will drop and turnaround times for processing of funding arrangements will increase. Overall the flow of funds will be less timely and slower, as well as the ability to meet current reporting requirements.

- 5.4 Optional Step 3: The third optional step for Year III is to eliminate all the Local Government Advisor (LGA) and Band Financial Advisor (BFA) positions from the remaining five District offices. Concurrently, a number of Funding Officer positions will have to be created to ensure the continued management of contribution arrangements and a field capacity in financial analysis and audit review activities.

Eliminate LGA positions	(-7)
Eliminate BFA positions	(-6)
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Reduction	13 p.y.
Create Funding Officers	+ 8
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Net Reduction	(-5 p.y.)

This will provide a net reduction of 5 p.y.'s in the Region.

Impacts of Actions

- a) By this action the department will vacate the advisory field in Band Government. It is estimated that of the 13 p.y.'s a total of 5 will be available to be transferred to Tribal Councils. The funds required to do this amount to \$390.4.
- b) It is estimated that 8 of the 13 p.y.'s will be required to devote to internal government management of the funding process. The Funding Management Officers will be the Department's primary field contact with Bands and other recipients. The role of the Funding Management Officers will be to manage the contribution funding process including such items as resource justification, budget allocation and negotiation, agreement processing, audit reviews, review of recipient financial statements, and assisting Bands in

financial statements, and assisting Bands in dealing with deficits and insolvencies. In essence the Funding Management Officers will manage the delivery of funds to support programs administered by Bands and other recipients.

B.C. Region also has placed priority on addressing the question of continued solvency of recipients by providing preventive actions, identifying problem areas and targeting insolvent bands for substantial effort in the field. Currently over 80% of the Bands in B.C. are solvent, with only 8% or 17 Bands experiencing significant financial problems. In a recent time study we estimated that approximately 6 p.y.'s are spent in the region completing audit reviews and 3 p.y.'s are expended on assisting bands with financial or managerial problems to address them and develop practical financial management plans to ensure their financial recovery. It is, therefore, critical to create funding officers in the field at the same time as BFA's and LGA's are phased out. It is the opinion of Senior Management in the Region that the relatively high level of solvency of Bands in B.C. is in part directly related to the priority placed on this by Regional Management, the maintenance of a strong program financial capability at the field level and the consistent implementation of the department's Band Insolvency Policy.

- c) The creation of Funding Officers is the first step toward the creation of Budget Centres in B.C. which will be essentially Responsibility Centres whose main function will be the management of the funding process for a specific geographic area and number of recipients.

5.5 Summary of Year III, 1988/89

The three optional steps outlined above will achieve p.y. savings as follows and have the associated costs for the transfer of advisory services to Indian organizations:

	P.Y. Reductions	\$000 Required
o Indian Services Program Reduction	20	589.8
o Hazelton District Office Closure	11	236.6
o Campbell River District Office Closure	15	749.0
o Eliminate LGA and BFA Positions; Create Funding Officer Positions	5	390.4
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	51 p.y.	\$1,965.8

This is detailed in Appendix C-4

6. B.C. Reorganization Plan: Year IV - 1989/90

6.1 In Year IV the main action will be to convert the remaining 5 District offices to Budget Centres. In addition positions will be reduced from the program areas in Regional office.

6.2 Optional Step 4: Change status from District offices to Budget Centres. Because of the large number of contribution recipients in the B.C. Region, it is not deemed feasible to centralize the management of funding into one Responsibility Centre. It is proposed to maintain 5 small Budget Centres. In B.C. we have defined a Budget Centre as a Responsibility Centre with contribution management responsibilities including monitoring and evaluation of programs, headed by a Budget Centre Manager but not providing advisory or program services.

Budget Centres will be modelled on that established in 1985 for Williams Lake and will be made up primarily of a manager, funding officers and data base clerical assistance. Appendix C-5 proposes a model Budget Centre. In estimating the number of funding officers required a ratio of 10-15 recipients per funding officer has been used and an average of 40-50 recipients per Budget Centre (RCM). Appendix C-6 outlines B.C. Region statistics by current District office.

The following conversion of District offices is proposed and is prioritized in terms of the least impact to greatest (taking as given that funding for transfer of the remaining advisory services will be available):

District	P.Y. Reduction	Budget Ctr. Requirement	Net Savings
Central	16	12	4
Nanaimo	22	12	10
Northwest	19	10	9
Vancouver	29	14	15
Prince George	16	12	4
	<hr/> 102	<hr/> 60	<hr/> 42

Impacts of Actions

- a) The total additional funding requirement for the transfer of the balance of the advisory services is as follows:

District	\$ Required
Central	527.2
Nanaimo	563.0
Northwest	260.4
Vancouver	1,855.4
Prince George	265.9
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	\$3,471.9

All of the following advisory services will be provided by Indian organizations: economic development, technical, band financial, local government social development, education and planning.

- b) The remaining of the assumptions must be realized by this time for a withdrawal from the field and p.y. reduction of this magnitude. The Region will not have sufficient resources to manage the resourcing, funding and monitoring activities as they are currently required. Specifically the following must occur:
- o the majority of the bands must be under AFA with simplified monitoring and reporting requirements; numbers of arrangements must be reduced by 80% to a total of less than 600.
 - o data base exercises must be simplified and streamlined;
 - o a technical capacity for the capital program will not be required, specifically for project management services;
 - o Capital approval process, including the use of Project Identification and Change Documents (currently over 500 in B.C.) will be streamlined and not require the approval steps required currently.
 - o site verification of expenditures, financial trouble shooting, etc. will no longer be required;
 - o interpretation of program standards and allowable expenditures (particularly in the mandatory programs) under departmental guidelines will no longer be required.

- c) Economic Development field advisory capacity will be transferred to Indian organizations with the remaining p.y.'s centralized to Region to provide specialized services.

6.3 Optional Step 5: Reduction of Regional Office

Executive Services	1 p.y.
Personnel	1 p.y.
AFA	1 p.y.
Capital Facilities	1 p.y.

4 p.y.

Impacts of Actions: It is anticipated there will be minimal impacts given that all the assumptions have been realized.

6.4 Summary of Year IV

	P.Y. Reductions
o Conversion of District Offices to Budget Centres	42
o Regional Office Reduction	4
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Total Reduction	46 p.y.'s
Transfer of remaining advisory positions to Tribal Councils	
Cost	\$3,471.9

7. B.C. Reorganization Plan Year V - 1990-91

The main actions in Year V will be to reduce the Regional office p.y. strength and to eliminate the Williams Lake Budget Centre as a separate Responsibility Centre and transfer the bands to the Prince George Budget Centre for the administration of funding arrangements.

7.1 Optional Step 6: The following reductions are planned:

Program Management	1 p.y.
Executive Services	3 p.y.
Personnel	3 p.y.
Band Management	3 p.y.
Capital Facilities	5 p.y.
Williams Lake Budget Centre	5 p.y.
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Reduction	20 p.y.'s

7.2 Optional Step 7:

The final reduction would be Education program driven reductions in Personnel and Finance and Administration. If all the In School Education Program p.y.'s are transferred to Indian organizations it is anticipated that a further reduction of 8 p.y.'s could be effected - 2 in Personnel and 6 in Finance and Administration.

7.3 Summary of Year V

o Regional P.Y. Allotment end of Year IV	364
Reduction in Year V	20
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o Year P.Y. Strength	344
Education Program Driven Reduction	8
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Final Regional P.Y. Allotment	336

8. Reorganization of Resource, Economic and Employment Development (REED), 1988-1991

Downsizing in Resource, Economic and Employment Development (REED) Branch, will be contingent upon the assumptions contained in this document, namely that funding for field advisory positions will be transferred to Indian organizations. This will, among other assumptions, entail a change in the plan for downsizing the REED Branch, (i.e. "Managing Change" - June 1985) as follows: By 1989/90 all p.y.s in REED Branch will be staffed in Regional office; a field operations unit will be established in the REED Branch of the Regional office; and, there will be no downsizing of REED at the Regional level, in fact this office will have a net p.y. increase of five (5) p.y.'s (i.e. from 18 to 23) in the period 1986/87 to 1989/90, with no change in 1990/91. The thrust of these developments will be to establish and retain in the Regional Office (REED Branch) the program generalists and sector specialists required to facilitate the private sector/Indian interface that is a prerequisite for realization of the sound economic base necessary for self government to be a reality.

9. Reorganization of Finance and Administration, 1988/1991

9.1 The reduction in staff from Year 2 to Year 4 is mostly derived from the planned elimination or conversion of the District Offices. In order to meet the target of 50, there will also be some reduction in Regional Finance and Administration.

In addition to the assumptions contained in this document, as a consequence of reorganization, the assumptions in Finance and Administration are as follows:

a) Administration

- 1) There will be no requirement to maintain a separate Purchasing Unit as purchasing will be minimal and only related to maintenance of the organization.
- 2) There will be no large fleet of cars. By Year 5, most, if not all cars will be disposed of.
- 3) The contracting activities will be reduced and therefore no separate Contract Administration will be maintained.
- 4) Existing crown-owned assets will be disposed of or transferred and therefore minimal asset control will be required.
- 5) Due to the size of the Region, the quantity of mail will be decreasing.

b) Finance

- 1) The number of travel and removal expenditure claims will be reduced.
- 2) With the introduction of AFA, the pre-audit function (verifying) and the number of cheques issued will be decreasing.
- 3) Due to the number of people maintained on the payroll, the Pay Accounting function can be decreased or amalgamated with another unit or transferred to Personnel.
- 4) The national system of financial reporting, i.e. variance reporting and additional reports such as hospitality, etc. will be simplified and the nationally-controlled computer systems will also be simplified.

9.2 In Year IV, Regional Finance and Administration will have 50 person years. From these person years, 5 will be allocated to support Budget Centres. The remaining 45 will be organized so that approximately 10 will be assigned to fulfil administrative functions, i.e. Central Registry, Receptionist, Purchasing, etc. and the remaining 35 will be organized according to the financial requirements, maintaining support functions for financial planning, accounting, trust accounting, revenues, pay accounting and contribution control.

10. Reorganization of Lands, Revenues and Trusts, 1988-1991

The Lands, Revenues and Trusts Program for the planning period will be retained at 70 p.y.'s. Because of the nature of the responsibilities of the Program, it is essential and desirable to maintain field level strength. Field units therefore will be attached to the five (5) Budget Centres described in 6 above.

11. Conclusions

The H.Q.'s directed p.y. reductions over the 5-year planning framework are summarized in Appendix C-3. All program areas including Finance and Administration and Personnel experience a substantial decrease in human resources except Lands, Revenues & Trusts and the In-School program, which remain constant over the period.

The Organization proposal for Year V of our Plan is characterized by separate Responsibility Centres for all budget management functions (these R.C.M.'s may or may not be geographically located outside Vancouver), a centralized and specialized Resource, Economic & Employment Development Branch, total centralization of the Finance & Administration functions, and an extremely limited program capacity in Regional Office for all the Indian Services Program areas.

In addition, a significant factor is a total withdrawal by the Region from the provision of direct advisory, management and administrative support services as well as the transferring of all program services currently being provided directly. Both of these factors are contingent upon additional contribution funds being available, and a willingness by our client to either accept the responsibility for these services or receive them from a third party.

It must be recognized that by Year V of the Plan, the B.C. Region will not have the capacity nor the influence to directly monitor activities at the community level. This fact reduces our capacity to ensure actions taken by the recipients continue to contribute to many of the specific result statements and performance indicators within Indian Services e.g. improved percentage of financially solvent recipients, percentage of increases in post secondary graduates, percentage of increase in social assistance funds to support employment, increase in the number of community maintenance management systems, etc.

Finally, it must be recognized that the current Indian Services medium term strategy to "ensure no reduction in the overall quality of services to Indian people" is not attainable unless all of the assumptions are realized, in particular, the provision of increased contribution funding.

Recommendation

It is recommended that the B.C. Regional Plan be approved in principle as submitted but that implementation be contingent upon the rate that the assumptions are realized. After consultation and agreement with the client groups, and a tracking of progress made on realizing the assumptions, implementation may have to be phased differently and possibly over a longer time frame.

B.C. REGION: VOLUME OF DATA EXERCISES AND PROGRAM REPORTING
1985/86

1. BAND GOVERNMENT

A. <u>REPORTS TO JUSTIFY RESOURCING LEVELS</u>	Frequency
1. Consultation Funding	Annual
2. Program Review and Policy Development Expenditure Verification	Semi-annual
3. Consultation/PR & PD Planned Expenditure	Semi-annual
4. Band Support Funding: Updates Projected Shortfalls	Quarterly
5. Indian Management Development Training Budget: Financial Summary	Annual
6. Tribal Council Data Base	Semi-annual
7. Comprehensive Community Based Planning Data Base	Annual
B. <u>REPORTS ON EXPENDITURES/RESULTS:</u>	
1. Consultation/PR & PD: Status Report PR & PD Projects	Semi-annual
2. IMDT Report	Quarterly
3. On-Reserve Policing Services	Quarterly
4. Report on #s of CA's, PICD's, etc.	Semi-annual
5. CMHC Social Housing Loan Arrears/ On-Reserve	Monthly
6. CMHC Social Housing Loan Arrears/ Off-Reserve	Monthly
7. Social Housing Progress Report (prev. yrs projects)	Quarterly
8. Social Housing Status Report (current yrs. projects)	Monthly
9. Allocation of new units (Social Housing)	Annual
10. Financial Management Plans - Status Report	Quarterly
11. Report on Outstanding Audits	Quarterly
12. Report on Band Insolvencies	Quarterly

2. CAPITAL FACILITIES

A. REPORTS TO JUSTIFY RESOURCE LEVELS

Frequency

- | | |
|---|-------------|
| 1. Capital Budget Submission (M.Y.O.P.) | Semi-annual |
| 2. 5 Year Capital Plan | Semi-annual |
| 3. Technical Training | Quarterly |
| 4. C.A.I.S. | Annual |
| 5. Electrification Report | Annual |
| 6. Housing O & M Expenditures | Annual |
| 7. Construction & Repair of Indian & Inuit Houses | Annual |
| 8. Education Capital Expenditures | Quarterly |
| 9. Capital Planning - Summary Report, Independent Bands | Semi-annual |

B. REPORTS ON EXPENDITURE/RESULTS

- | | |
|--|-------------|
| 1. Inspection Status Report - On-Reserve Housing | Bi-monthly |
| 2. Fire Inspection Safety Report | Quarterly |
| 3. Fire Investigation Reports | As required |
| 4. Capital Project Sstatus Report | Quarterly |
| 5. Level of Services-On-Reserve Housing | As required |
| 6. Capital Cost Study | As required |



Indian and Northern
Affairs Canada

Affaires indiennes
et du Nord Canada

**Office of the
Regional Director General**

September 2, 1986

TO: Mr. Bruce Rawson
Deputy Minister
Indian & Northern Affairs Canada
Departmental Headquarters

SUBJECT: BRITISH COLUMBIA REGION
RE-ORGANIZATION PLAN
1985/86 - 1990-91

Above-noted attached.

FROM: Owen A. Anderson
Regional Director General
British Columbia Region

07.09.86

Fred Drummie

For info

Drum

Canada

EDUCATION

A. REPORTS TO JUSTIFY RESOURCE LEVELS

Frequency

- | | |
|------------------------------------|-------------|
| 1. Variance | Monthly |
| 2. Data Base | Semi-annual |
| 3. Nominal Roll | Annual |
| 4. P.S.E.M.I.S. | Semi-Annual |
| 5. Home/School Co-ordinator Survey | Annual |
| 6. Band School Project | Annual |
| 7. Bill C-31 Costs - 1985/86 | As required |
| 8. Teacherage Needs Survey | |

B. REPORTS ON EXPENDITURES/RESULTS

- | | |
|--|--------|
| 1. Survey Training Outputs/Outcome
Post-Secondary Education | Annual |
| 2. Post-Secondary Education Assistance | Annual |
| 3. Univ/Prof & U.C.E.P. | Annual |

SOCIAL DEVELOPMENT PROGRAM - FISCAL YEAR 1985/86

A. <u>REPORTS TO JUSTIFY RESOURCING LEVELS</u>	Frequency
1. <u>Statistical</u>	
- Child Care Billing - N.T.C.	Monthly
- Child Care Billing - Nanaimo	"
- Adult Institutional Care	"
- Contributions - Adult In-Home Care, NTC	"
- Contributions - Adult In-Home Care, Nanaimo	"
- Contributions to Bands - N.T.C.	"
- Contributions to Bands - Nanaimo	"
- O & M & Grants	"
- Activity Management	"
2. Variance	Monthly
3. Clarification Reports Re: Statistics	7 times
4. Data Base	Semi annual
5. Reconciliation of June/85 Data Base & EAS/B.C.S.	Once
6. Summary of Projected Requirements & Available Cash	Once
7. Adult Institutional Care II - Spending to Date	Once
8. Band Staff Funded by Social Development	Semi annual
B. <u>REPORTS ON EXPENDITURES/RESULTS</u>	
1. Child Welfare	Annual
2. Children-In-Care - N.T.C. Bands	"
3. B.S.S.W. Training - 1985/86	"
4. C.B.S. Report	"
5. Proposed Changes to Board & Lodging Policy	"
6. Rental Portion of Shelter Allowance	"

ECONOMIC DEVELOPMENT 1985/86

A.	<u>REPORTS TO JUSTIFY RESOURCING LEVELS</u>	Frequency
1.	Economic Base	Quarterly
2.	Variance Reports	Quarterly
B.	<u>REPORTS ON RESULTS/EXPENDITURE</u>	
1.	Occupational Skills	Quarterly
2.	Debt Write Offs	Yearly
3.	Economic Development Projects	Quarterly
4.	I.C.H.R.S. Stats.	Monthly
5.	Employment Opportunities	Yearly
6.	Report of Reports	Once
7.	REED Operational Report	Yearly
8.	Reports on I.Y.Y.	Once

APPENDIX C-2

1985-86A. VOLUME OF CONTRIBUTION ARRANGEMENTS

	HAZ.	NAN.	C.R.	CENT.	P.G.	N.W.	VANC.	W.L.	TOTAL
1. ANNUAL CONTRIBUTION ARRANGEMENTS (BUDGET PACKAGES)	14	35	13	38	23	10	61	14	208
2. INTERIM ARRANGEMENTS	5	32	14	1	6	0	1	0	59
3. SUPPLEMENTARY ARRANGEMENTS									
LRT	5	6	3	3	16	1	3	1	38
ED.	38	86	18	231	58	15	22	7	475
S.D.	18	67	33	104	34	23	40	28	347
INFRA 0 & M	10	24	5	54	30	6	46	17	192
BAND GOV'T.	22	50	26	24	67	41	47	62	339
EC. DEV.	<u>16</u>	<u>54</u>	<u>43</u>	<u>39</u>	<u>57</u>	<u>3</u>	<u>128</u>	<u>44</u>	<u>384</u>
TOTAL SUPPLEMENT	<u>109</u>	<u>287</u>	<u>128</u>	<u>455</u>	<u>262</u>	<u>89</u>	<u>286</u>	<u>159</u>	<u>1,775</u>
4. CAPITAL ARRANGEMENTS	27	71	58	85	58	38	129	51	517

TOTAL	155	425	213	579	349	137	477	224	2,559

B. VOLUME OF PROJECT IDENTIFICATION AND CHANGE DOCUMENTS (P.I.C.D.'S)

P.I.C.D.'S	30	92	51	110	52	38	123	51	547
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PERSON YEAR ALLOTMENT
BRITISH COLUMBIA

APPENDIX C-3

	1985/86 ALLOTMENT	1986/87 ALLOTMENT YEAR 1	1987/88 ALLOTMENT YEAR 2	1988/89 ALLOTMENT YEAR 3	1989/90 ALLOTMENT YEAR 4	1990/91 ALLOTMENT YEAR 5
PROGRAM MANAGEMENT	28	23	23	18	12	11
EXECUTIVE SERVICES	0	9	9	9	8	5
SELF-GOVERNMENT	0	9	3	3	3	3
INTERGOVERNMENTAL	6	0	0	0	0	0
FINANCE & ADMINISTRATION	102	88	71	68	50	50
PERSONNEL	18	18	16	16	15	12
PLANNING & CO-ORDINATION	7	0	0	0	0	0
COMMUNICATIONS	5	0	0	0	0	0
BAND MANAGEMENT	55	46	46	34	15	15
- COMMUNITY PLANNING	9	0	0	0	0	0
- A.F.A.	0	0	6*	6	5	2
CAPITAL FACILITIES	75	74	64	53	29	24
SOCIAL DEVELOPMENT	36	32	32	22	10	10
ECONOMIC DEVELOPMENT	37	33	33	31	23	23
LANDS, REVENUES & TRUSTS	70	70	70	70	70	70
EDUCATION - Teachers	54	54	54	54	54	54
- Administration	35	26	26	19	10	10
BUDGET CENTRE(S)	0	8	8	7	60	55
EDUCATION DRIVEN REDUCTIONS	537	490	461	410	364	344 -8
TOTAL	537	490	461	410	364	336

* Transferred from Self Government

NOTE: See Notes to Appendix on the following 3 pages.

NOTES TO APPENDIX C-3 PERSON YEAR ALLOTMENT
YEARS III to V

YEAR III

PROGRAM MANAGEMENT

Reduction in Regional Office	- 2	
* Williams Lake Budget Centre Manager charged to Program Management	+ 1	
Closure of 2 Districts	<u>- 4</u>	- 5

FINANCE & ADMINISTRATION

Reduction in Districts	- 3	- 3
------------------------	-----	-----

BAND MANAGEMENT

Reduction in Region	- 5	
Reduction in District	<u>- 7</u>	-12

CAPITAL FACILITIES

Reduction in Region	- 9	
Reduction in Districts	<u>- 2</u>	-11

SOCIAL DEVELOPMENT

Reduction in Region	- 6	
Reduction in Districts	<u>- 4</u>	-10

ECONOMIC DEVELOPMENT

Reduction in Districts	<u>- 2</u>	- 2
------------------------	------------	-----

EDUCATION

Reduction in Region	- 3	
Reduction in Districts	<u>- 4</u>	- 7

*BUDGET CENTRES(S)

Manager charged to Program Management (See above)	<u>- 1</u>	- 1
--	------------	-----

-51

YEAR IV

PROGRAM MANAGEMENT

District Closures - 5
*Williams Lake Manager
charged to Budget Centre - 1

- 6

EXECUTIVE SECRETARIAT

- 1

FINANCE & ADMINISTRATION

Reduction in Districts -18

-18

PERSONNEL

- 1

BAND MANAGEMENT

Reduction in Districts -19

-19

AFA

- 1

CAPITAL FACILITIES

Reduction in District -23
Reduction in Region - 1

-24

SOCIAL DEVELOPMENT

Reduction Districts -12

-12

ECONOMIC DEVELOPMENT

Reduction in Districts -13
Increase in Region + 5

- 8

EDUCATION

Reduction in Districts - 9

- 9

BUDGET CENTRES

Creation of 5 Budget Centres +53

+53

-46

YEAR V

PROGRAM MANAGEMENT

Closure of Williams Lake Budget Centre - 1

EXECUTIVE SECRETARIAT - 3

PERSONNEL - 3

AFA - 3

CAPITAL FACILITIES

Reduction in Region - 5 - 5

BUDGET CENTRE(S)

Williams Lake closure - 5

-20

EDUCATION DRIVEN REDUCTIONS

Personnel - 2

Finance & Administration - 6

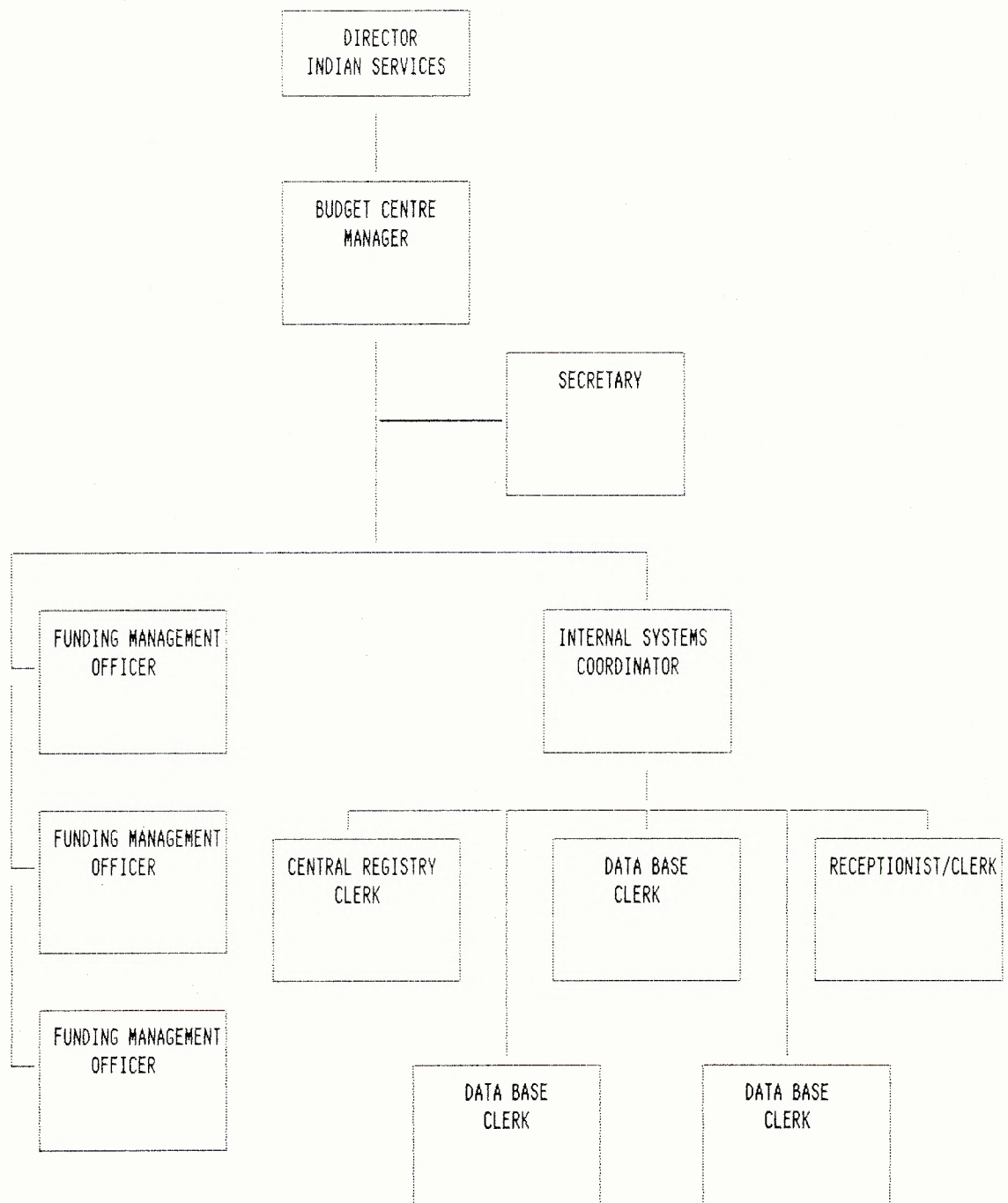
- 8

-28

APPENDIX C-4

COST OF TRANSFERRING ADVISORY SERVICES									
DISTRICT	CURRENT BASE	YEAR III						YEAR IV	TOTAL
	ADVISORY MDA TOTAL	PROPOSED INCREASE	REVISED BASE	OPTIONAL STEP 1	OPTIONAL STEP 2	OPTIONAL STEP 3	TOTAL STEP 1 & 2 & 3	OPTIONAL STEP 4	NET COST YEAR III&IV
HAZELTON	154.7		154.7		236.6		236.6	0.0	236.6
CAMPBELL RIVER	259.1	46.5	305.6		749.0		749.0	0.0	749.0
PRINCE GEORGE	167.2	105.3	272.5	210.7		49.9	260.6	265.9	526.5
CENTRAL	1245.1	169.0	1414.1	145.3		48.9	194.2	527.2	721.4
VANCOUVER	609.6	116.9	726.5	233.8		88.6	322.4	1855.4	2177.8
NANAIMO	685.1	159.1	844.2			138.4	138.4	563.0	701.4
NORTHWEST	150.1	24.4	174.5			64.6	64.6	260.4	325.0
SUB-TOTAL	3270.9	621.2	3892.1	589.8	985.6	390.4	1965.8	3471.9	5437.7
NORTHCOAST	185.6	195.8	381.4				0.0		0.0
FORT ST. JOHN	28.0	359.1	387.1				0.0		0.0
C.C.S. BUDGET CENTRE (WILLIAMS LAKE)	102.5	405.3	507.8 0.0				0.0 0.0		0.0 0.0
SUB-TOTAL	316.1	960.2	1276.3	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	3587.0	1581.4	5168.4	589.8	985.6	390.4	1965.8	3471.9	5437.7

PROPOSED BUDGET CENTRE MODEL



*Number of Funding Management Officers and Data Base Clerks will be dependent upon the number of contribution recipients. Each Funding Management Officer will service between 10 - 15 recipients.

B.C. REGION - STATISTICS

DISTRICT	ON RESERVE POPULATION	CONTRIBUTION RECIPIENTS		AUDITS
		BANDS	OTHER	
VANCOUVER	9282	50	9	59
CAMPBELL RIVER	2077	15	4	17
NANAIMO	6348	33	4	35
NORTHWEST	5536	15	3	19
HAZELTON	2661	8	4	12
CENTRAL	9090	38	6	49
WILLIAMS LAKE	2958	13	3	15
PRINCE GEORGE	4730	25	2	26
TOTALS	42682	197	35	232



BRITISH COLUMBIA REGION
REORGANIZATION PLAN
REPORT ON YEAR I (1986/87)

The B.C. Region is now almost 6 months into Year I of the departmental 5 Year Reorganization Plan.

The following is a report on actions taken to date to meet priorities established in the Minister's policy goals and to meet the federal public service downsizing exercise.

1. Process and Timing

The B.C. Region under the direction of the National Headquarters Committee on Reorganization submitted plans on August 27th, 1985 and November 30, 1985, with an addendum December 18, 1985. Deputy Ministerial approval to implement Year I was received January 3, 1986. At the same time Year II was approved in principle.

Regional management was advised of the plan January 27, 1986 and affected staff were notified of either affected or surplus status January 31, 1986.

The Regional plan was developed by a small Reorganization Committee chaired by the Regional Director General, and as instructed by Headquarters, kept confidential to that group. From August, 1985 through to January 2, 1986 no other staff members were consulted or invited to participate in the process. The secrecy and lack of specific public information concerning the possible impacts of reorganization, particularly at the District level, caused a high degree of stress and anxiety among staff.

Similarly, the client group was not consulted on the downsizing and reorganization until January 27, after which the District Managers met with the Indian leadership in their Districts to advise them. At the Pacific Planning Symposium on January 21, 1986 the Regional Director General made a presentation, based on that of the Deputy Minister, to the Indian leadership. Considerable negative reaction was forthcoming from the Indian leaders on not being consulted on the changes. Despite the fact that the majority of the cuts were in the internal functions of finance and administration, fear has been voiced that the timely flow of funds would be affected and that the level of service generally would fall.

The Indian leadership does not perceive any attempt to transfer additional advisory services from the Department to Indian control. In addition, due to the confidentiality and timing of the exercise, the Indian people were not consulted on the process or the timing of downsizing and/or the transfer of services. These factors, combined with general paranoia surrounding the Neilson Task Forces, created a negative reaction.

These fears are still being vocally expressed as we move into Year II and toward Year III of the Reorganization Plan without being able to offer any concrete measures to indicate that downsizing (a) will not have an impact on the flow of funds (b) the level of service will not fall, and (3) we will be able to transfer the advisory service at the pace chosen by the particular client group.

2. Organizational and Reporting Relationship Changes

- 2.1 Reporting relationships at Regional Office were altered to pattern the regional organization on the new Headquarters Policy Sectors. Lands, Revenues and Trusts and Resource, Economic and Employment Development commenced reporting directly to the Regional Director General effective December 2nd, 1985. Personnel Services and Finance and Administration continued to report directly to the Regional Director General. The B.C. Region Organization Chart is attached as Appendix A-1.
- 2.2 Following the direction provided by the NHQ Committee the following units were eliminated as stand-alone functions effective January 31, 1986.
- Program, Planning and Review (-7 p.y.)
 - Communications (-5 p.y.)
 - Comprehensive Community Based Planning (-9 p.y.)
 - Public and Intergovernmental Relations (-6 p.y.)
- 2.3 A small Executive Services unit (+9 p.y.) was created reporting directly to the Regional Director General to handle communications, planning, dockets, correspondence and briefings.
- 2.4 A combined Indian Self Government and Alternative Funding Arrangement Implementation Unit (+9 p.y.) was created reporting directly to the Regional Director General.

3. Reduction and Elimination of Field Offices

In line with the political direction being expressed by the Indian leadership as well as the thrust to phase out field offices and transfer functions to Bands or Tribal Councils two Service Centres and one District Office were closed.

3.1 Fort St. John Service Centre (-8 p.y.)

Fort St. John Service Centre was closed with the residual responsibilities transferred to the Prince George District Office and the advisory services transferred to Treaty 8 Tribal Association. Interim funding has been provided to the Association for this purpose.

3.2 The North Coast Service Centre (-6 p.y.)

The North Coast Service Centre was closed with the legislative, regulatory and budget management responsibilities transferred to the Northwest District Office in Terrace and the advisory services transferred to the North Coast Tribal Council. Interim funding has been provided for the Tribal Council to enable them to take over the services.

3.3 The Williams Lake District Office (-28 p.y.)

The Williams Lake District Office was closed with the residual budget management responsibilities transferred to the Carrier-Chilcotin-Shuswap Budget Centre (+8 p.y.), the legislative and regulatory functions to the Regional program of Lands, Revenues and Trusts (+4 p.y.) and finance and administrative services provided directly by Regional Finance and Administration (+2 p.y.). Interim funding is being provided to two Tribal Councils to provide advisory services to their member Bands. Four independent Bands are receiving some advisory service from Regional Office.

4. Finance and Administration

According to direction received from the A.D.M.'s of Finance and Indian Programs (memo January 21st, 1985) the band financial advisory functions were transferred to the Band Support Unit (-2 p.y.).

With direct INAC purchasing decreasing as programs are administered directly by Indian organizations one (1) regional material management officer position was eliminated (-1 p.y.)

The Vancouver and Central District Offices' Finance and Administration functions were centralized into the Regional Finance and Administrative Office (-12 p.y.).

5. Specific Implementation Actions Taken

5.1 Appendix A-2 indicates the reduction by program. In 1985/86 B.C. Region had a total of 545 p.y.'s, by 1986/87 a total p.y. budget of 490 for a reduction of 55 p.y.'s. It should be noted that following receipt of the Deputy Minister's approval of program targets January 3rd, 1986, approval was requested and received to transfer five (5) p.y.'s from Education to Capital Facilities for custodian/maintenance positions in federal schools. In addition, an error had been made in the Resource, Economic and Employment Development target which for 1986/87 should have been 33 and not 34.

5.2 In achieving the reductions, the reorganization of units and the closure of field offices, a total of 112 positions were affected. Seven of these positions were unencumbered leaving 105 employees to be placed in alternative positions wherever possible if they were available and willing to be relocated. To the extent possible, positions had been left vacant (particularly at the field office level), retirement plans of individuals were incorporated into the personnel actions and attrition was managed. The following is a summary of the redeployment efforts:

REDEPLOYED WITHIN INAC	REDEPLOYED WITHIN FEDERAL PUBLIC SERVICE	ACCELERATED LAYOFF	RETIRED	LAYOFFS
67	14	9*	5	10**

- * Of the nine employees who requested accelerated layoff, 3 accepted outside employment, one employee is working with a Tribal Council, one returned to school and the remaining 4 terminated for personal reasons.
- ** Of the 10 employees who were, or will be, laid-off, 5 restricted their mobility, one left the country, one accepted employment with a Band Council, 2 were not interested in continuing employment, and one employee will be offered employment with the North Coast Tribal Council as soon as the devolution negotiations are completed.

In summary, as a result of the actions taken over the last year, there has been a net loss of 38 people from the Department of Indian Affairs in the B.C. Region while 67 were redeployed either within the B.C. Region or elsewhere within the Department.

- 5.3 Appendix A-3 is a detailed status report by position, program and responsibility centre of the actions taken to achieve Year I of the Reorganization Plan. Of the 112 positions listed in this Appendix, action has been completed for 91 positions and is pending for 21. The majority of the latter will be completed once the reorganization of Resource, Economic and Employment Development and Band Support and Capital Management Programs is completed.

6. Assumptions of the Reorganization and Downsizing Plan

- 6.1 The B.C. Region understands that there are several assumption upon which the Department is basing the reorganization and downsizing plan. Apart from the refocusing of policy thrusts and the need to contribute to the overall government downsizing, the Department is basing its particular downsizing/devolution efforts on three major assumptions:
- a) The Department will vacate the advisory field and transfer those salary dollars to Vote 15 to permit Indian organizations to deliver these services. The overall framework policy to accomplish this is not in place and, as a consequence, there are outstanding issues of funding and a decrease in level of service in all three areas of the Province where field offices have been closed. It is not recommended that the process of closing the Williams Lake and Fort St. John Offices without having a mechanism in place to permit a smooth transfer to Indian organizations be repeated. This issue must be resolved before additional advisory positions are cut and the nature of field offices are either changed or closed.

- b) The Department will change the process by which it flows funds to Indian organizations and hence reduce the program monitoring and contribution administrative functions. Approval for Alternative funding Arrangements has been delayed a year and, as a consequence, we will only be moving the first contribution recipients into the AFA stream April 1, 1987 when Year II of the Reorganization Plan has been implemented and Year III will begin to occur midway through that year. Because of the delays and skepticism within the Indian community of AFA, we do not now anticipate the rapid uptake we had originally estimated. The B.C. Region has 230 contribution recipients, and even if we are able to approve 30 recipients to be funded under AFA, we are left flowing contribution funds to the bulk of our recipients under the current process, which is administratively time consuming until April 1, 1988 or later. It is recommended that the Indian Services staff not be significantly reduced until well over half of the contribution recipients are under the AFA program and are functioning well.
- c) Improvements/simplification will be made in the management and information systems, particularly in terms of resourcing and monitoring areas. To date data base information exercises and time requirements have not been simplified to any significant degree. It is the consensus of the Region that program monitoring and reporting on results has increased over the past year. This is currently being quantified and will form part of the background in our Reorganization Plan Year III, IV and V. It is recommended that changes to simplify and streamline be effected before significant additional p.y. resources are reduced from the Indian Services program areas.

6.3 Withdrawing funding management authority from the District field offices to move the decision-making authority either to the client group or Regional Office also assumes a major change in the whole contribution administration and management system. In 1985/86, as mentioned above, B.C. Region had 230 contribution recipients but because of a variety of reasons including the timing of budgets arriving in the Region, the B.C. Region actually managed over 2,000 contribution arrangements (including interim, single purpose agreements and amendments). To withdraw contribution management authority from the District Office and convert them into Advisory Centres will be impossible without either significant changes in the current system, authorities and budget allocation methods or a significant delay and drop in service levels in the flow of funds to Indian groups. It is recommended that contribution management authority not be centralized in the B.C. Region until these changes occur.

7. Conclusions

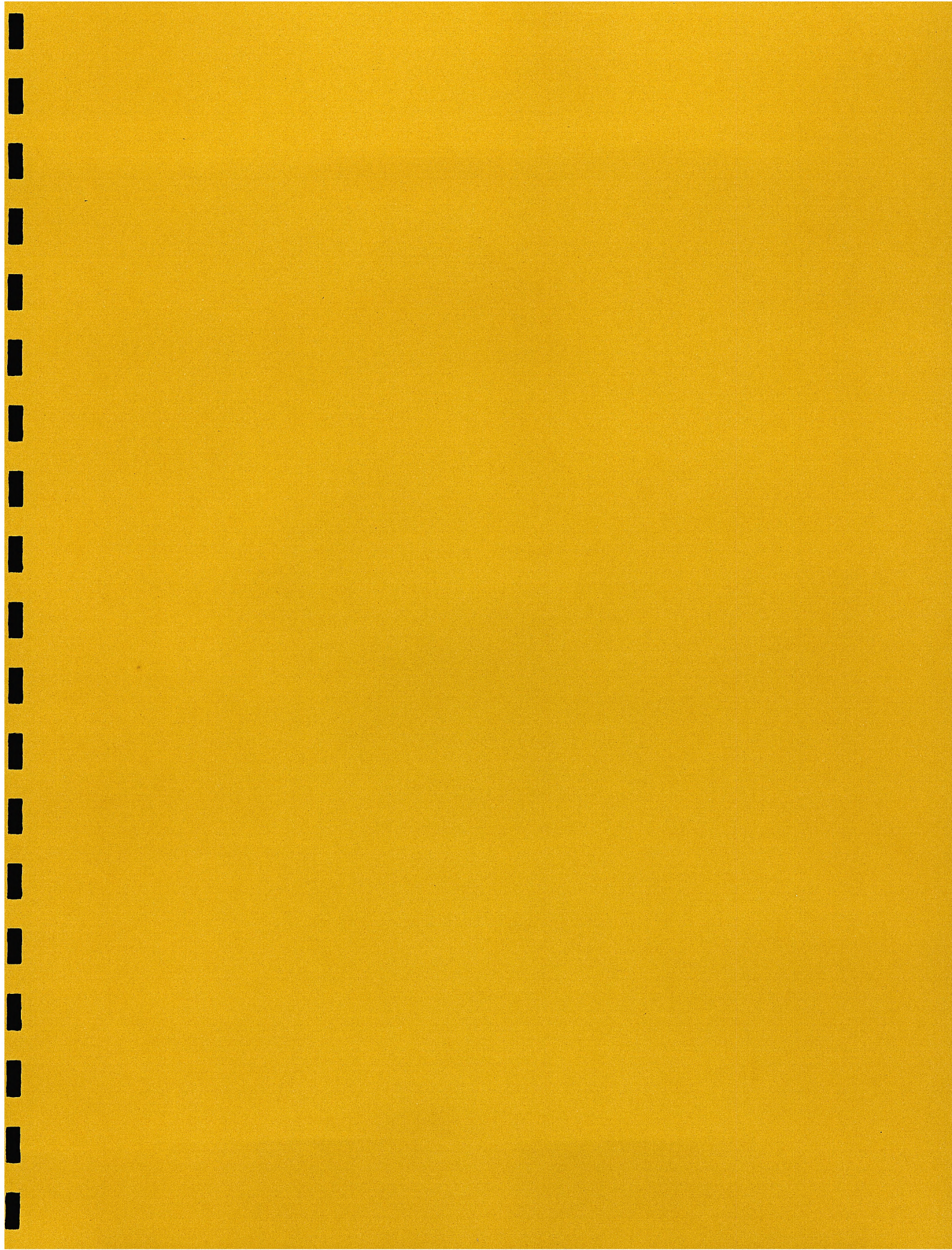
The B.C. Region has implemented the changes on the organizational and reporting relationships enunciated by the Deputy Minister, the Region has eliminated as stand-alone functions planning, intergovernmental relations and communications and, in addition, closed three field offices. We have also created an Executive Services unit as directed, and created a special unit to deal with the high priority area of self-government. And finally, we have begun the centralization of Finance and Administrative services. In accomplishing this the Region has effectively managed the downsizing process and redeployed the majority of staff affected. In closing we have noted the major assumptions that were made when the initial planning for the Reorganization was undertaken and noted that so far these assumptions have not been realized. From our experience to date we are making certain recommendations for the future years of the Reorganization Plan and will be enunciating these in greater detail in our Proposed Plan for Years III, IV and V.

PERSON YEAR ALLOTMENT
BRITISH COLUMBIA

<u>ACTIVITY</u>	<u>1985/86 ALLOTMENT</u>	<u>1986/87 ALLOTMENT</u>
Program Management	28	23
Executive Services	0	9
Self-Government & A.F.A.	0	9
Intergovernmental	6	0
Finance & Administration	102	88
Personnel	18	18
Planning & Coordination	7	0
Communications	5	0
Band Management	55	46
- Community Planning	9	0
- A.F.A.	0	0
Capital Facilities	75	74
Social Development	36	32
Economic Development	37	33**
Reserves & Trusts	70	70
Education	89*	80
C.C.S. Budget Centre	0	8
	<hr/> 537	<hr/> 490

NOTES:

- * 8 Education PY's converted (Ahousaht School transfer)
- ** 2 I.E.D.F. Loans Officer PY's expired March 31, 1986
(TB approved two-year terms only)



BRITISH COLUMBIA REGION

REORGANIZATION PLAN

PROPOSED PLAN FOR YEAR II (1987/88)

1. Overall Plan

In the second year of the Reorganization Plan the B.C. Region decreases from a total p.y. allotment of 490 to 461 p.y.'s. The major decreases are in Finance and Administration where it is planned to complete the centralization of functions from Districts to the Regional Office. Seventeen p.y.'s will be dropped to meet the target of 71 p.y.'s in this area. In addition the allotment for Capital Facilities will decrease by 10 p.y.'s with the transfer of the custodian/maintenance function for education facilities to Bands (5 p.y.'s). The latter achieved primarily by vacating the "hands on" direct service technical areas. In addition Personnel Services allotment will decrease from 18 to 16 p.y.'s. Appendix B-1 illustrates the proposed plan by activity. It should be noted that the plan outlined is identical with that submitted in December and the p.y. allotments by activity correspond to those approved by the Deputy Minister in his January 3rd, 1986 letter. The Region will reduce by a total of 29 p.y.'s.

2. Realignment of Functions

The B.C. Region is, however, requesting a minor realignment of person years. Of the 9 p.y.'s approved for Self-Government and AFA on January 3rd, 6 were for AFA and 3 for Self-Government. The B.C. Region requests that the 6 p.y.'s for A.F.A. be transferred into Indian Services as a part of Band Management. This will bring the B.C. Region organization in line with Headquarters and the recent decision to move AFA into Indian Services (Drummie memo August 12, 1986).

3. Detailed Implementation Plan by Position

The detailed B.C. Implementation Plan is attached as Appendix B-2. The plan indicates that, at this point, it would appear a considerable number of the District clerical finance staff are not mobile. In most of the towns, however, there are other federal departments such as CEIC and redeployment may be possible. In the technical area, there will be limited impact on employees since management did not restaff this year when the incumbents left, and three of the positions are encumbered by employees who are retiring in the spring of 1987. It is expected 4 of the 5 caretakers will transfer to the Band administration and the fifth will retire.

4. Conclusions

In conclusion, the B.C. Reorganization Plan for Year II is designed to meet the p.y. targets as originally proposed and as approved by the Deputy Minister in January, 1986. The Region has made use of attrition and retirements to the greatest extent possible to meet these targets. The Region also requests approval to transfer the 6 p.y.'s for AFA implementation to the Band Management Activity.

It should be noted that the concerns expressed by the Region in Section 6 of the Report on Year I continue to apply and have been exacerbated by an increased Indian leadership concern over the lack of a clear policy on devolution and transfer. In the Districts where the Finance and Administration functions are being centralized it is expected a reduced level of service relative to the processing of contribution arrangements and flow of funds will occur. The Indian leadership in these Districts can be expected to raise this issue with either the Region or Headquarters.

APPENDIX B-1
PERSON YEAR ALLOTMENT
BRITISH COLUMBIA

<u>ACTIVITY</u>	<u>1985/86 ALLOTMENT</u>	<u>1986/87 ALLOTMENT</u>	<u>1987/88 ALLOTMENT</u>
Program Management	28	23	23
Executive Services	0	9	6
Self-Government & A.F.A.	0	9	6
Intergovernmental	6	0	0
Finance & Administration	102	88	71
Personnel	18	18	16
Planning & Coordination	7	0	0
Communications	5	0	0
Band Management	55	46	46
- Community Planning	9	0	0
- A.F.A.	0	0	6
Capital Facilities	75	74	64
Social Development	36	32	32
Economic Development	37	33	33
Reserves & Trusts	70	70	70
Education	89	80	80
C.C.S. Budget Centre	0	8	8
	<hr/> 537	<hr/> 490	<hr/> 461