Community Residential Facilities Audit Report

Performance Assurance Sector
Correctional Service Canada

TABLE OF CONTENTS

In accordance with the Performance Assurance internal audit plan for 2004-05, the audit of the Community Residential Facilities (CRF) was conducted in October-November 2004.

The objectives established for this audit were as follows:

1) To determine if the CRF are funded according to the resourcing strategy approved by EXCOM.
2) To determine if financial and operational controls exist to ensure compliance to the requirements of the contractual agreements, as well as Treasury Board (TB) and Correctional Services of Canada (CSC) policies.
3) To assess CRFs' compliance with standards established by CSC (Standard Operating Procedures (SOP) 700-06 Annex B).

The scope of the audit included an examination of the processes associated with the contractual agreement between CSC and the identified organization. The audit team also took this opportunity to review with both CSC and the CRF any issues that were seen as impediments, or ways to enhance, the overall working relationship between these two organizations. This part of the audit also included general discussion on current issues relating to CSC operating standards for CRF.

The conclusions and recommendations being made in this internal audit report are based on the assessment of findings against pre-established objectives agreed upon by the Performance Assurance (PA) and Correctional Operations and Programs (COP) Sectors. The objectives and criteria for this audit (see Appendix C) were approved at the Audit and Evaluation Committee Meeting of July 2004 and results of this audit reflect work carried out during the period of October and November 2004.

The results of this audit can be summarized as follows:

- The CRF funding model[1] is not consistently being applied in all regions;
- Processes are in place in all regions to determine bed requirements and utilization;
- Some CRF have been billing CSC for bed-days not covered in current contract agreements;
- Regular reviews of current CRFs' operations against standards are not being consistently conducted in all regions;
- The Community Residential Facilities are generally administered well. However, the audit identified some areas (eg. staff training, intervention plan and documentation on resident's and personnel files etc.) that require further attention in order to enhance compliance with CRF standards established by CSC;
- There is a need to perform a formal review of existing CRF standards as the last major review was done in 1991. This process would ensure that the standards meet current operational needs and to address some of the operational issues being raised by CRF.

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[1] As approved by EXCOM in February 2002.

The audit team examined the overall management of the CRF program and is of the opinion that the necessary management controls and systems are in place to ensure the integrity of the CRF program. In addition, we noted that CSC and CRF are generally compliant with the policy and standard requirements related to the overall administration and contractual obligations between the two parties. Implementation of the recommendations of the audit by COP and regions, especially in areas of self monitoring tools, will contribute significantly to ensure or improve compliance to established standards. Action will therefore be required in the following areas;

- Measures be taken to ensure a consistent approach in all regions when calculating per diem rates with the CRF, in line with the factors set out in the 2002 resourcing strategy;
- Need to assess whether there are circumstances where payments can be made to CRF for empty bed-days and requirements for regions to ensure that contracts clearly describe any such circumstances where applicable;
- Development of self monitoring tools for the CRF that would complement the audit cycle completed by CSC;
- Establish a process to ensure periodical reviews of CRFs' operations to ensure compliance to CSC standards;
- As part of the annual contract negotiation process, require each CRF to submit a summary of training activities for last year and a detailed training plan for the next year.
- Examination of the allocation of Parole Officers assigned to the supervision of CRF residents to determine the most effective approach;
- Assessment of existing policy (SOP 700-06 Annex B) for CRF to ensure that they reflect current operational requirements and address some of the issues raised by the CRF during this audit.

It should be noted that this report is a roll-up of major audit findings. Results from the visits to the different CRF were shared with them so they could address the specific issues relating to their operation.

It is the opinion of the Performance Assurance Sector that sufficient audit work has been performed and the necessary evidence has been gathered to support the conclusions contained in this audit report. On site debriefings were conducted by audit team members at which time audit findings were discussed. Specific areas requiring improvements have been, or are in the process of being addressed locally or regionally.

Community Residential Facilities (CRF) have been partners with CSC for a number of years by providing accommodation, meals, assistance, counselling, structure, supervision and programs to offenders. These facilities are generally operated by non-profit organizations and are guided by their respective contract agreements as well as CSC's Community Supervision SOP 700-06 Annex B. http://infonet/infonet/policies/sop_e.shtml. In summary, these standards cover the roles and responsibilities of the organization, administrative requirements, the intake/assessment for new residents, the monitoring and reporting of resident behaviour/movements as well as the human resources side of the organization. The last major revision of these standards was in 1991.

One of Correctional Services of Canada's Corporate Objectives (2002/2005) is to "maximize the potential of offenders to safely reintegrate into the community". In order to do so, the Service will ensure that offenders are well prepared for safe and timely release and enhance their potential to succeed in the community. "CSC will also encourage citizens to become actively involved in CSC's efforts to contribute to the safety and wellbeing of communities".

Background

CRF across the country provide assistance to CSC in the gradual release of offenders in the community as well as contributing to the CSC's achievement of its mandate as established by the CCRA as well as its Mission and Corporate Objectives. Unlike Community Correctional Centres (CCC), which are run by CSC employees, CRF are operated by agencies that have contracts for the delivery of services with CSC. Over 175 such facilities exist across Canada and account for 33% of CSC's community expenditures.

Community Residential Facilities Expenditure for Bed utilization*				
Region	**Total**			
	2000-2001	**2001-2002**	**2002-2003**	**2003-2004**
Atlantic	2,693,041	2,843,874	3,714,443	4,135,117
Quebec	9,146,861	9,936,815	11,751,222	12,434,314
Ontario	9,563,107	9,653,564	11,585,668	11,101,911
Prairies	9,471,476	10,192,164	11,443,029	10,889,335
Pacific	6,319,420	6,379,518	8,801,079	9,365,623
Total	**37,193,905**	**39,005,936**	**47,295,441**	**47,926,300**
* IMRS report (CSC financial information system) June, 2004				

The increase in the expenditure level reported in 2002-03 results mainly from a new resourcing strategy to support a revised funding approach for community residential services which came into effect on April 1st, 2002. This resourcing strategy was presented and approved by Treasury Board in CSC's 2002-03 NCAOP submission. Subsequent to this decision and approval by EXCOM, the Assistant Commissioner, Correctional Operations and Programs (ACCOP)

provided the regions with a framework to use when negotiating with the organizations governing the houses (i.e. per diem rates) and is comprised of three key elements:

"real and reasonable costs of high quality residential services (assessed within a national framework), a new payment method to address sustainability issues (better coverage of fixed costs during periods of fluctuating utilization) and full CSC coverage of real costs, eliminating agency self-funding portion".

This revised funding approach also provided criteria to consider in the negotiating process including the CRFs' ability to attract and retain highly qualified staff, as well as relatively significant staff training and development expenditures, thus focusing on what is needed to establish and maintain a capacity to provide high quality residential services.

Audit Objectives

The three objectives of the audit were as follows:

1. To determine if the Community Residential Facilities are funded according to the resourcing strategy approved by EXCOM.
2. To determine if financial and operational controls exist to ensure compliance with the requirements of the contractual agreements as well as Treasury Board and CSC policies.
3. To assess CRFs' compliance with standards established by CSC (SOP 700-06 Annex B).

Scope of Audit

The audit examined the different processes associated with the contractual agreement between the CSC and the identified organization operating these CRF. The different areas of focus for this review were:

- Regions bed need and utilization analysis;

- Contract submission and approval process;

- Content of service contracts, including scope of work/deliverables and terms of payment;

- Financial and operational controls over these agreements; and

- Contract monitoring/evaluation processes.

In addition, for the selected CRF, the audit team assessed their level of compliance with higher risk areas of CSC's Community Residential Facility Standards established in SOP 700-06.

Audit Methodology and Approach

The audit has been conducted in accordance with Treasury Board Policy on Internal Audit with the Standards for Professional Practice on Internal Auditing from the Institute of Internal Auditors. These standards require that the audit be planned and performed in such a way as to provide reasonable assurance that the objectives were achieved. The audit included tests such as, but were not limited to, interviews, documentation and sampling of supporting documentation.

Each region was consulted and the selection was based on CRF which had not been subject to a regional audit in the last few years, CRF from different districts, operated by different organizations and having at least 8 residents. Of the 175 CRF, a total of 21 were selected (three each in Atlantic and Pacific regions and five each in Québec, Ontario and Prairie regions). A detailed list of the CRF selected for this review can be found in Appendix A.

The audit team members conducted reviews of contract and finance files of the selected CRF; interviewed staff at RHQ and the District/area office; as well as performed site reviews at each CRF.

The audit team assessed compliance with the CSC's Standard Operating Procedure on Community Residential Facility Standards (SOP 700-06 Annex B). This part of the audit focused mainly on higher risk areas determined in consultation with the NHQ Correctional Operations and Program (COP) Sector (Community Reintegration and Security divisions) as well as the Incident Investigation division.

The audit team also took this opportunity to discuss other issues with both CSC and the CRF that were seen as impediments or issues that could enhance the overall working relationship between CSC and the CRF. This part of the audit also included general discussion on current issues relating to CSC operating standards for CRF.

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It is the opinion of the Performance Assurance Sector that sufficient audit work has been performed and the necessary evidence has been gathered to support the conclusions contained in this audit report. On-site debriefings were conducted by audit teams at which time a preliminary written summary was provided and discussed. Specific areas requiring improvements have been, or are in the process of being, addressed locally or regionally.

Audits Results and Conclusion

Objective #1**: To determine if the Community Residential Facilities are funded according to the resourcing strategy approved by EXCOM.**

In order to assess this objective, the audit team reviewed the processes in place in the regions to identify and meet the bed space requirements for offenders being released in the community with residency requirements. In addition, the audit team reviewed the regional submissions for service contracts and assessed compliance to the national framework on funding of CRF established by CSC in 2002. Finally, the team looked at the regional contract submission/approval process to assess compliance with Treasury Board and CSC policies on contracting.

Identification of bed needs

Finding #1: The regions have processes in place to identify and meet bed space requirements.

The audit team examined the processes for the identification of bed needs in the different communities.

As per operational requirements, all regions have a process for the districts to submit a monthly report on the CRF bed-day usage. The regions provide a roll-up to NHQ, COP Sector (Community Reintegration), for analysis/trends and future funding. Tracking of bed usage is also being conducted in the regions for Community Correctional Centres (CCC) and processes exist at the local and regional level to monitor utilization of these facilities and for matching offender profiles to the appropriate facilities.

Based on historical/actual numbers, NHQ is able to plan and budget every year and distribute projected bed-day usage money for each region.

The only exception noted was in the Pacific Region where only one (1) CCC exists and is specifically aimed at serving the aged and infirmed offenders, thus there is a requirement in this region to have two enhanced CRF that accommodate offenders that would normally be at a CCC. Both these facilities have contracts which guarantee the payment of a minimum number of bed-days as they must address the need of a more specific population.

Our review indicated that efforts are being made in all regions to consider minority groups (i.e. aboriginal and women offenders) when planning for residential contract agreements with agencies. However, it should be noted that CSC is faced with some challenges when trying to establish residential contracts for the minority groups in rural areas or where the numbers or potential residents are low. In these situations, the agencies would not likely enter into an agreement without guarantees in the contract, as the CRF are dependant on CSC referrals for financial survival.

The districts in all regions indicated to the team members that consideration for residency for offenders is first based on risk assessment and needs. Interviewees indicated that further to this analysis, the majority of regions indicated that priority to a CCC is considered when such a facility and a CRF are located in the same area.

Funding of CRFs

> *Finding #2: The funding approach, as directed by the Assistant Commissioner of Correctional Operations and Programs in negotiating contracts with their respective CRF, is not consistently applied in all regions*

In February 2002, EXCOM approved the resourcing strategy to support a revised funding approach for community residential services. It contained three (3) key elements:

> **1. real and reasonable costs of high quality residential services;**
> **2. a new payment method to address sustainability issues; and**
> **3. full CSC coverage of real costs, eliminating agency self-funding portion.**

As a result of this strategy, the COP Sector developed a framework for the regions to use when negotiating with the organizations governing the houses (per diem rates for typical facilities of common size). Within this resourcing strategy, the document also provided criteria to be considered in the negotiating process (including the CRFs' ability to attract and retain highly qualified staff, as well as relatively significant staff training and development expenditures), thus focusing on what is needed to establish and maintain a capacity to provide high quality residential services.

This strategy outlines two payment methods:
- "the graduated per diem concept which is a response to sustainability concerns, particularly for smaller houses in periods of fluctuating referrals. The calculation is precise based on certain assumptions of minimal operating revenue and where the first eight beds are assigned a higher rate, the balance of beds used are paid a marginal rate. There must be a pro-rated calculation to determine the split of higher and marginal rates".
- The second available payment method is the calculated flat rate option where all beds used are at the same rate. This would be expected in cases particularly where CSC is a secondary referral source, using very few beds intermittently, or where referral rates are very strong, sustainability is not an issue and a simpler payment method preferred".

The audit team found that three regions (Atlantic, Québec and Ontario) are following the intent of the resourcing strategy as it relates to negotiating funding (per diem rate) with the CRF. For example, the Atlantic region has a staff member from Finance and one from the Reintegration division responsible for the calculation of the per diem rates and negotiating with the individual houses. This process starts in November and allows both parties enough time to conduct the negotiating process, prepare submissions to Contract Review Boards, and have both parties sign the contracts before the beginning of the fiscal year.

For their part, the Quebec region uses a "tripartite" committee comprised of representatives from CSC and the Quebec Provincial Corrections who meet with the Association des Services de Réhabilitation Sociale du Québec to negotiate a general per diem rate that will be given to the CRF for the duration of their respective contracts. The "model" being used by the Quebec region is quite prescriptive and considers all cost-associated factors to determine per diem rates that will allow for the CRF to be sustainable.

The Ontario region uses the same national framework and guidelines to calculate the per diem rate for each individual house. However, the Executive Directors of the CRF visited, indicated that they were not consulted, nor are there any financial negotiations with them prior to the contract renewal process. The Executive Directors indicated the contracts are being submitted close to the effective date leaving little room for changes or negotiation.

The Prairie and Pacific regions also use a graduated per diem payment method where the first 8 beds are assigned a higher rate, and the balance of beds used are paid a marginal rate. However, the audit team members in these regions were unable to confirm that the calculation of per diem rates took into consideration any elements of the CRFs' budget, including personnel costs, other operating costs and real estate factors, as per the resourcing strategy. The CRF in these two regions are being compensated at a higher rate for the first 8 beds compared to the facilities in other regions, but with no apparent rationale or documentation of how these differing rates were determined.

The audit team also noted that the Pacific region had two contracts which contained bed guarantees. The justification provided by the region to the team on the need for these bed guarantees is based on the fact that the two CRF are taking higher risks/needs offenders and each are guaranteed the payment of the per diem rate for 8 beds. These contracts are not in line with CSC's commitment to eliminate bed-day guarantees as indicated in 2002-2003 NCAOP which addresses CRF funding and sustainability: "this method would more reliably address fixed cost, despite fluctuating referral rates. At the same time it pays only for beds used (services rendered), and leaves incentive for the contractor to accommodate to capacity, with marginal rates for subsequent beds filled in keeping with marginal costs".

In addition, the proposed framework approved by EXCOM in 2002 called for a "two tier per diem rate which would see a higher rate being paid on the first 8 beds then a lower rate for the remaining beds based on various factors addressing CRFs' sustainability". It also permitted an option for a flat rate (one tier) per diem (but was silent on guarantees). The implication was, however, that the two tier model was a creative response to sustainability concerns and could therefore eliminate the need for a guarantee which is undesirable, though legal, according to the framework.

One of the objectives in this revised funding approach was to give the agencies a better means to hire, attract and retain highly qualified staff as well as relatively significant staff training and development expenditures, thus focusing on what is needed to establish and maintain a capacity to provide high quality residential services. The Quebec region (through their annual "système d'agrément") monitors this as the CRF in this region submit yearly self assessment reports (for

those years where they are not subject to a site review according to the cycle) to CSC and Provincial Corrections. For their part, the Atlantic region requires the CRF to submit to the Reintegration and Finance divisions copies of résumés for new staff hired during the past year; this is normally done when the CRF provides the year end report and proposed budget for the forthcoming year.

The audit team found that the three remaining regions did not have any processes in place to consider "the presence of highly qualified staff" (as per the funding approach) such as CRF procedures for hiring of new staff (including determining whether the staff met or not the statement of qualifications for the position for which they were hired) or if the required staff training was being provided during the year in order to enhance the quality of residential services. It should be noted that two of these regions (Ontario and Pacific) are doing limited monitoring of staff training when they verify compliance to the minimum CRF training requirements during audits of CRF, as staff could very well be in their 2nd or 3rd year of employment by then if the staff members were hired at the beginning of the CRF's review cycle.

As a result of the above the audit team is unable to attest that all regions are meeting the objectives and principles of the national funding strategy for CRF.

It should be pointed out that in the course of both the planning and verification phases of the audit, the COP Sector was consulted and shared several concerns about inconsistency in the application of the negotiating and the per diem rate calculation processes by the regions. Some of the inconsistencies appear to be linked directly to roles and responsibilities for managing this area that vary from one region to the next. Further direction by this Sector is being undertaken to address this issue with the regions for more consistent practices and improved results.

> **Recommendation 1: That the COP Sector ensures a consistent approach in all regions when calculating per diem rates with the CRF, and that this process takes into consideration the factors set out in the 2002 funding approach.**
> **Action by: A/ACCOP**

Finally, during our discussion on funding, a high number of CRFs have expressed a concern over the high cost of their insurance premiums. While this issue is not specific to CRF, they have seen the cost of insurance increase dramatically. For example, one CRF in the Atlantic region saw its yearly premiums rise from $7000 to $33,000 (this includes property, professional liability and certified general liability). Other CRF indicated to the team members that they were having difficulties in obtaining liability coverage at the time of their policy renewal. This issue has been brought forward during regional meetings between CSC staff and CRF representatives as well as with the National District Directors Council. A national roll-up of rates initiated by COP Sector illustrated that this subject is complicated in that the type and extent of insurance coverage varies extensively, and needs clarification before further analysis is possible. Work with agency representatives is planned to review and address the matter.

Contract requirements

> *Finding #3: Most contract agreements contained the required elements as required by the Treasury Board and CSC policies.*

Contracts reviewed contained the major elements required by Treasury Board's Contracting Policy. These included the terms of payment (per diem rates, limitation/total amount of contract and invoice instructions), a statement of work, statement of deliverables and reporting requirements.

The audit team did observe that some of the contracts in the Prairie region were weak when describing essential elements of what the CRF are responsible to deliver to CSC and its residents. Two of the contracts reviewed in this region did not contain a clause/statement in the contract indicating the right for CSC to audit/evaluate as per the Treasury Board Contracting Policy.

The audit team members were able to confirm that the selected contracts in each region were approved by the Contract Review Board and signatures were found on the contracts prior to effective dates as required by Treasury Board policies and CSC.

It should be noted that the CRF in Atlantic, Québec and Pacific regions now have connectivity to CSC's electronic Offender Management System (OMS). The audit team members found that all CRF had the required clauses included in their respective contracts indicating the need to complete a threat risk assessment at the facility (Security Guide Annex) prior to having access to the system.

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Based on the results of the examination conducted for this part of the audit, it is the opinion of the audit team that additional measures are required to ensure a consistent approach within CSC for the funding of CRF, in accordance with the funding strategy approved by EXCOM and TB.

Objective #2: To determine whether financial and operational controls exist to ensure compliance to the requirements of the contractual agreements as well as Treasury Board and CSC policies.

In assessing this objective the audit team verified that processes were in place to monitor:
   a. Bed-day utilization;
   b. billing submitted by contractors to ensure it met contract requirements for certification under sections 33 and 34 of the Financial Administration Act;
   c. the existence of financial controls to comply with the requirements of the FAA; and
   d. contract monitoring/evaluation process in place in each region to ensure that the objectives of these CRF agreements are being met.

The audit team reviewed the contract files of all CRF selected for this part of the audit as well as conducted interviews with staff at the Area Parole offices, Districts and RHQ levels.

Finding #4: Districts have systems in place to monitor bed-day utilization.

This audit found that all regions have mechanisms in place to monitor bed-day utilization. Some regions have the Finance division compile bed-day utilization versus bed-day capacity for CRF and the CCC while for others this is done by the Reintegration division or by both divisions.

As well, the fifteen districts which were reviewed have processes in place to monitor bed-day utilization so they can verify the accuracy of the billing submitted by the agencies. Monthly invoices submitted by the CRF are scrutinized by the local parole office to ensure certification under the FAA complies with the contract agreements. Additionally, all the contracts reviewed contained a clause indicating that CSC is to be billed for offenders for the 1st day of his/her stay at the CRF but not for the day of departure. The audit team was able to confirm compliance to this requirement by verifying a sample of the billings received at each site to ensure that this was indeed the case.

Finally, the audit team noted that the monthly invoices submitted by the CRF contained sufficient information for managers to carry out the required verification under sections 33 and 34 of the FAA (name of residents with FPS #s, number of days, type of release, arrival and departure dates).

The Districts indicated that beds will be mainly used for Day Parolees or those released on Statutory Release or Full Parole with a residency condition imposed by the National Parole Board. In most Districts, the Senior Parole Officers will review these latter cases to ensure that the risks/needs are regularly assessed and in most instances, case conferences are held with Parole Officers to determine the continued need for residency.

The audit team members were informed that CRF are also used in exceptional circumstances for regular Statutory Releases or Full Parolees who are living in the community. These cases usually require temporary accommodation to meet a need, or the risk to re-offend can be better managed in this controlled environment (commonly referred to as "half-way back"). On–going assessments of these cases are required to ensure an effective utilization of CRF beds. However, we did note in most instances that there was a lack of documentation to indicate that these cases were being monitored as part of the account verification being performed by the parole offices or districts. Managers responsible for the section 34 should ensure that documentation is available to indicate that special residency cases are reviewed on a periodic basis and that the utilization of these bed-days by CSC is still justified.

For those CRF that are providing a daily allowance to residents, the audit team noted that a system is in place to ensure that CSC is involved in reviewing the resident's financial needs. Invoices verified by the audit team did confirm that it contained the name of the resident, number of days and signature from the resident having received a daily allowance thus allowing for reimbursement to the CRF from CSC. It is the audit team's opinion that the necessary financial and administrative procedures are in place to provide effective control over these allowances.

Finding #5: Payments were made for services which are not in the contractual agreements.

The audit team found two anomalies during a review of expenditures incurred for the delivery of residential services. In the Quebec region, the audit team noted instances where the CRF have billed CSC for bed-day utilization while the offender is under suspension and waiting for a decision on the part of CSC (either to cancel or recommend revocation of the suspension). In these cases, CSC has advised the CRF to keep the bed for the resident and was charged up to a maximum of five (5) bed-days. Since this practice is not included in the contractual agreements with CSC it would appear that there was no legal authority requiring CSC managers to approve the payment of these bed-days. The remaining regions indicated that situations have occurred, but only in exceptional circumstances, where beds would have been paid while the offender was not residing there. For example, when an offender is suspended and the CRF is at full capacity and has a waiting list, CSC has asked the CRF to keep the bed pending a review of the case, to allow for cancellation of the suspension within a reasonable short time. The audit team was unable to assess the actual financial impact of the above situation as information was not readily available to determine the number of cases where CSC was being billed for these bed-days.

In the Atlantic region the audit team found that one of the CRF was charging CSC for beds used four (4) days prior to a resident's arrival at their destination. Information received indicates this has been an ongoing practice for a number of years and was part of a verbal agreement between a specific CSC parole office and the CRF. Over the period of April 2003 to August 2004, the audit team noted that CSC was billed for these extra bed-days for at least 13 new release cases. Shortly after the debriefing session by the audit team, the District Director took immediate corrective measures to ensure that this practice be discontinued and that billing by this Agency is in compliance with the terms of the current agreement.

Recommendation 2: a) That the COP Sector determines whether there are circumstances where payments are to be made to CRF for empty bed-days; and **b) That regions ensure that contracts clearly describe any such circumstances where applicable.** **Action by: A/ACCOP and RDCs**

It is the audit team's opinion that the necessary controls are in place at each CSC site to ensure compliance with Treasury Board contractual requirements. However, closer monitoring is required to ensure that all charges being submitted by the CRF are covered in the contractual agreements with these organizations.

Objective #3: To assess CRFs' compliance with standards established by CSC in SOP 700-06 Annex B.

As part of the audit work for this objective, the audit team visited the selected CRF in order to assess their level of compliance with CSC's Community Residential Facility Standards (Annex B of Standard Operating Procedure (SOP) 700-06). The audit focused mainly on higher risks areas of the standards, including: recording of resident activities, intake/intervention plans, resident case files, qualification of personnel (including orientation and staff training/development) and overall security and safety of the operations.

Site visits consisted of a review of both staff and resident files, the examination of log books and administrative documents as well as interviews with staff and visual observations/inspection of the facilities and daily operations.

The audit team also examined the procedures and practices in place in the regions to monitor CRFs' compliance with CSC's standards as well as assessing if these standards meet current operational needs of CSC and CRFs.

Organization/Administration

Finding #6: CRF are clearly promoting their mission, objectives, programs and services and population to be served.

All CRF visited were found to be in compliance with this section of the standards. The information describing the security level, admission criteria and the programs available can be found in the CRFs' Operations Manuals, promotional pamphlets, Community Assessments for admission, as well as being posted on the respective regional Web pages, making it accessible to both CSC and the National Parole Board.

The audit team members also noted that the lines of accountability and authority within the agency are clearly defined in the CRFs' Policy and Procedure Manuals. Staff members interviewed in the course of this audit confirmed that their roles and expectations had been clearly communicated to them when they were hired and any changes are communicated to them via written correspondence or during staff meetings.

House Rules

This part of the audit consisted of the review of processes through interviews with staff members as well as a detailed examination of files for five (5) residents at each CRF.

Finding #7: In some CRF, the information process for new residents did not address all elements required by CSC standards.

Our audit indicated that residents normally receive a written copy of house rules at admission. In addition a signed copy of acknowledgment checklist was found on files to indicate that elements found in the CRF standards were covered with the residents. However, the audit team found the following required elements missing in most of the packages shared with newly admitted residents in the Pacific, Prairie and Québec regions;

- Reporting resident behavior to CSC;
- Copy of agency grievance policy and procedures;

Standard packages provided by CSC

As reported earlier, three (3) regions (Atlantic, Québec and Pacific) have connected the CRF to the Offender Management System (OMS) which allows these facilities to access some specific CSC documents. The remaining two regions still rely on CSC to provide the CRF with the documents for the offender's file as required by the CRF standards.

All CRF visited indicated a high level of satisfaction with regards to the offender information that was provided by CSC prior to a resident's admission. All indicated that they receive the information prior to the resident's arrival, with very few exceptions whereby the information has been received within one or two days after the arrival of the resident.

Finding #8: Residents' files did not contain all required CSC documentation.

During our site visits, the audit team found four documents to be consistently missing from residents files for CRFs that have OMS connectivity; **FPS sheets, NPB decisions, recent photo and emergency contacts**. As reported earlier, CRFs have access to specific OMS documents however it is still the responsibility of CSC to provide documents which can't be accessed through this system. Some of these CRFs are using available technology to obtain a recent photograph (photocopy of picture id, Polaroid picture) and some have their own in-house form to identify the resident's emergency contacts addresses and phone numbers.

It was also observed that in the facilities that did not have OMS connectivity, there were some required CSC documents missing from the resident's file, or their files were not properly organized making it difficult to confirm that they contained all the required documents.

The standards also require that the agency have a system for alerting staff to certain cases identified by CSC so that immediate and appropriate action can be taken. The SOP 700-06 identifies these cases as residents:

-   who have been convicted of an offence causing death, or serious harm;
-   who are assessed as having a high potential for violent or suicidal behavior;
-   whose medical or psychiatric history indicates a need for special attention;
-   that have non–disclosable information;
-   whose conviction attracted considerable public attention; and
-   serving sentences for offences included in Schedule 1 of the CCRA.

While all agencies had systems in place to alert staff, the audit team found that quite often, the identification of these cases was being done by CRF staff and not by CSC as required by the standards.

Finally, in the Atlantic region, we noted that CSC is still providing hard copy documents to two of the three CRF visited even though they both had access to OMS. As a result, the CRF are not using the OMS system to its full capacity and this process is resulting in unnecessary work for staff at the parole offices.

In those regions where OMS connectivity has been provided to the CRF, efforts will have to be continued to ensure that Parole Offices provide these agencies with the required documents which they cannot access.

Safety and Emergency measures

Finding #9: The CRFs did not meet all of the Safety and Emergency measures standards.

The audit team found it difficult at times to obtain the necessary supporting documents to demonstrate that the agencies were complying with existing zoning, health, building and fire code regulations as required in the CSC standards. In some cases, the CRF were not able to locate the documentation in their files and others had to make arrangements with the City to obtain these documents.

In addition, some agencies did not have (or did not post in a public area) the appropriate license or certificate to operate. While some agencies indicated that they were exempt from certain license requirements, they are still required to have written documentation from the local or provincial governments indicating such exemptions.

Written plans to deal with emergencies were found in the agencies' Policy and Procedures Manuals. However, the audit team found that the plans in two CRF in each of the Atlantic, Pacific and Prairie regions were outdated or missing some of the required elements. These plans will require updating to reflect current operational procedures. In general, the manuals are easily accessible and the CRF require their staff to become familiar with their contents during their orientation.

All CRF have First Aid kits with an inventory of medical contents approved by the St. John's Ambulance, the Canadian Red Cross or equivalent. However, one CRF in each of the Pacific, Ontario and Quebec regions and two in the Prairie region did not have documentation demonstrating that the required monthly inspections of the content of these kits were being carried out.

As previously indicated, CRFs are required to carry fire and liability insurance and auto insurance (where applicable). The audit team confirmed that all CRF had the required insurance. However, the high cost of insurance premiums was brought up by many agencies during this review and has been the subject of ongoing discussions by the CRF with different stakeholders during the past few years.

Finally, the audit team noted that overall; the CRF visited ensured that their facilities were clean and well maintained.

Static and Dynamic Security

For this part of the audit, team members reviewed log books, sign-out sheets and other documents used by the agencies to record staff and resident activities.

Finding #10: Static and Dynamic security is being carried out as per CSC standards.

The audit found that all agencies are using log books and other means to ensure that the required elements (i.e. activities, incidents, resident movement, behavior etc.) found in the standards are duly recorded in log books or referred to in other documentations. Entries were recorded and signed/initialed by the author. Documentation also existed when suspicious sign-outs were questioned and noted in the log books and discussed with the resident's Parole Officer.

The audit team found that the agencies were using the log book to document that a formal briefing had occurred before assuming duties for the shift. At some sites, it was observed that a checklist was being used to ensure that staff were completing required activities before starting their shift (e.g. briefing, key control, security checks, etc.). An exception was noted at one CRF in the Quebec region where the briefings were occurring but these sessions were not being recorded as required by the standards.

It was noted that at some of the sites in the Ontario region, there was inconsistency with respect to detailing activities in the primary log book. All have a system in place to detail activities, although the primary log book was not always used for recording the information.

Resident Counts

The audit team observed that sites visited exceeded the required daily number of resident counts. The standards require that counts be conducted immediately after curfew and /or the activation of the alarm system and have, at a minimum, two subsequent counts during the night shift. During the morning and afternoon/evening shifts staff must also periodically verify that the offenders in the facility are accounted for. The audit team observed that daily counts, varying from 10 to 12 times a day, were regularly conducted by most CRF. In addition, we noted that a number of facilities were conducting regular phone checks for residents who had signed out to a specific destination to monitor the resident's sign out, even though this is not a policy requirement.

The only exception to the above was noted at a CRF in the Quebec region where the audit team was unable to confirm that formal counts were being conducted at this facility. Notations of rounds being completed were entered in the log book but no reference to the actual resident counts was being recorded.

The audit team observed several good practices in all regions. In instances where residents have been granted weekend leave privileges, some agencies require that the residents call the CRF at their regular curfew time and/or random phone checks are conducted by staff throughout the weekend. These calls are used to monitor resident's behavior to ensure they are complying with the conditions of these weekend privileges.

In the Quebec and Prairie regions, some CRF have initiated a "buddy" system where the staff member from one CRF will call the other CRF before conducting their rounds/counts during the evening/night shift and call back in after completion.

<div align="center">++++++++++</div>

The results of our site visits generally indicate a high level of compliance to CRF standards, however based on the deficiencies identified, it is the audit team's opinion that CSC and the facilities could benefit from a self-monitoring process. This process would allow the facilities to assess their compliance with CSC standards by completing a self-monitoring tool.

Recommendation 3: That the COP Sector, in consultation with the CRFs, develop a self monitoring process that would complement the audit cycle completed by CSC.
Action by: A/ACCOP

Monitoring of CRFs compliance with CSC standards

For this part of the audit, the team members interviewed CSC staff and obtained examples of reviews completed by the regions to monitor the CRFs' compliance with CSC standards.

Finding #11: Three of the five regions have processes in place to monitor CRF compliance with CSC standards.

It should be noted that the audit team did not identify specific policy currently requiring the regions to perform this type of monitoring. According to TB Policy, sites are required to conduct post-contract evaluations. These evaluations are to be completed before the expiry of the contracts and are more of an administrative/management function to ensure that the contractor met the service delivery for the period of the contract. However, the focus of this portion of the audit was to determine to what extent the regions were monitoring compliance to the CRF standards.

The audit found that the Quebec region has what is called a "système d'agrément" where each CRF is assessed by a team comprised of representatives from CSC and the Provincial Corrections department. All CRF in this region are required to provide information every year to ensure they still meet the common standards as established by CSC and the Province of Quebec and site audits are conducted on a four (4) year cycle. The tools being used by the review team in this region cover the majority of CRF standards as well as standards set out by the province.

In the Pacific region, the Community Corrections division has contracted out this service. During these reviews, the contractor is assisted by a staff member of the District in which the CRF is located. The on-site reviews are based on a three (3) year cycle and cover all of the CRF standards. In addition, the audit team was informed that students doing field placements at the

Vancouver area Parole Office at times conduct spot checks at CRF in their area. The District is responsible for any follow-up issues.

The Ontario region has a process whereby a quality controller based in the Region is coordinating this activity. The review of these CRF is based on a 3 year cycle; however the audit team was informed that currently the CRF in this region are only being reviewed at intervals of approximately 6 years. The Ontario region uses review tools similar to those used in the Pacific region.

Both the Atlantic and Prairie regions discontinued the practice of auditing CRFs when the auditors from regional Performance Assurance were reallocated to NHQ in 2002. As mentioned earlier, the CRF in the Atlantic Region are still required to forward any information on newly hired staff members (qualification and training) to those involved in the negotiating process.

Recommendation 4: That the COP Sector establish specific requirements and processes relating to periodical reviews of CRF operations to ensure compliance to CSC standards. Action by: A/ACCOP

STAFFING AND STAFF TRAINING

For this part of the audit, processes were reviewed through interviews with staff members, as well as a detailed examination of five (5) personnel files at each CRF.

Content of files

One of the issues identified in all regions during this part of the audit was the absence of documentation to support one or a number of the following requirements relating to the staffing or staff training process:

- documentation signed by staff confirming that they received an orientation and what elements were covered;
- date on which orientation forms were signed;
- copies of training/certification taken by staff;
- certification/recertification in first aid;
- that enhanced security checks had occurred prior to hiring of new staff; and
- an attestation of having worked a minimum of one week with another experienced case worker.

While the Executive Directors and/or staff interviewed indicated that they had received the required orientation or training requirements, several CRF could not provide documentation on personnel files to verify that these requirements were met.

The audit team is of the opinion that greater rigor is required in this area and suggests that such could be enhanced by implementing the self audit tools recommended in this report under recommendation # 3.

Staff qualification

Finding #12: CRF personnel have the qualifications to perform their duties.

For the most part, the audit team found that the CRF visited had established specific statements of qualifications describing the duties and responsibilities of each position within their organization (supervisors, counselors, outreach workers) as required by the Standards.

Our review of the personnel files indicated that most staff members have a post-secondary degree in a social services, psychology and/or correctional field. This was more prevalent for staff hired as counselors, supervisors and outreach workers; thus having the skills and abilities to understand the dynamics of offenders' behavior and to counsel these individuals. These criteria were found to be part of the requirements in the hiring process.

During the site visits, the audit team observed that CRF staff are well intentioned and strongly believed in both their and CSC's missions of providing assistance to offenders in their reintegration into society.

Staff Orientation

Finding #13: Orientation for new staff is in place in CRF, however most lack supporting documentation to confirm that all required areas have been covered.

CSC standards indicate that prior to any CRF staff member assuming responsibility for his/her duties, the agency shall provide an orientation for the position. In addition, it is required that staff sign a form confirming that they have completed the orientation package which, at a minimum, covers the specific areas established in the CRF standards. As mentioned earlier, most staff interviewed indicated that they had received an orientation prior to commencing their position but the audit team noted that the majority of agencies had poor records to track the completion or the content of the training.

Staff training and development

The CRF standards require that agencies establish and implement annual staff training and development plans which will ensure that all staff receive ongoing training required to achieve, maintain, and strengthen the level of knowledge, skills and competencies essential to their assigned duties and responsibilities.

Finding #14: CRF do not have an annual staff training and development plan and documentation is lacking to support that training has been provided.

While all CRF have budgets allocated for staff training, a review of the personnel files revealed a lack of documentation to support the actual training provided to their staff. Most CRFs' Executive Directors indicated that staff are being provided the opportunities to take part in training or courses of interest, and that the agency covers all or part of the costs, given that these are developmental and beneficial to both staff and the agency.

As well, the audit team was informed that mandatory training such as crisis intervention, counseling techniques and diffusing hostile situations is given to staff within their first year of employment as required in the standards, but they were often unable to provide documentation to confirm that this had indeed occurred. In some cases, CRF questioned the need to have this mandatory training as some staff being hired has already received some of this training as part of their post secondary studies. It was suggested that there might be a need to review what constitutes mandatory training for CRF staff.

According to the CRF, courses such as First Aid/recertification and the three aforementioned mandatory training areas are given a priority. The CRF also mentioned that they are often offered/given seats from CSC or other agencies sponsoring these courses, some of which are offered at no cost to them. Again, documentation on this training was seldom found on the personnel files.

The audit team also found an absence of annual staff training and development plans. As a result, it appears that most CRF have difficulties in establishing specific training needs of their staff and monitoring whether these needs have been met.

As a result of the above deficiencies, it was not possible for the audit team to assess if the CRF were meeting the staff training objective that was established by CSC as part of the new funding strategy.

Recommendation 5: That regions, as part of the annual contract negotiation process, require each CRF to submit a summary of training activities for last year as well as a copy of their training plan for the next year.
Action by: RDCs.

CRFs' relationship with CSC and other agencies

Finding #15: CRF agencies have a good working relationship with CSC and local/regional police forces.

In areas where one or two Parole Officers have been assigned to supervise cases, there was a high level of satisfaction expressed by CRF with respect to CSC. These houses indicated that a more consistent message and approach is being given by CSC to the residents and their staff; POs are more present at the house and they feel they are part of a "team" in the supervision approach with the residents. It was reported by these CRF that Parole Officers are very much

present at their facilities, as evidenced by their being regularly present for case conferencing, attending CRF staff meetings and at times, ensuring a daily presence just to inquire as to any specific needs.

However, in CRF where CSC had assigned multiple Parole Officers to supervise cases, CRF staff indicated that the exchange of information and CSC staff presence at their facility were not always up to expectations. The audit team found some CSC offices that had as many as 10 Parole Officers assigned supervision of 15 to 20 residents.

Based on the information provided by the CRF, the audit team is of the opinion that the Districts should review the different approaches to allocate case management staff to CRF and assess the impact of these approaches on the effectiveness of communications and relationships between CSC and the CRF.

> **Recommendation 6: Districts examine the allocation of Parole Officers assigned to the supervision of CRF residents to determine the most effective approach. Action by: RDCs.**

Regarding relationships with other agencies, interviews with staff members and the audit team's examination of various documentation indicated that the CRF have strong working relationships with their respective police agencies. Examples to substantiate this include police officers being active members on Board of Directors of the organization, attending regular Community Admission Team meetings or attending case conferences between CSC and CRF staff.

POLICY ISSUES

Intervention Plans/Progress reports

> *Finding #16: Initial Intervention Plan/Progress reports are not being consistently completed.*

Current CRF standards require that a written intervention plan be completed no later than 30 days after the resident moves into the facility. This plan must be developed with the participation of the resident and the Parole Supervisor. It must also specify elements that are part of the program offered by the CRF and include, but not be limited to, the twelve (12) elements found in the CRF standards. The plan must be reviewed by the assigned CRF staff and the resident at least once per month, to assess the progress in relation to the plan. Such reviews shall be discussed with the Parole Officer and the results of these discussions documented.

Our review of these intervention plans and progress monitoring carried out by the CRF staff indicated that:

- With very few exceptions, the initial intervention plans are being completed within the first 30 days of the resident's admission: however the elements required in the standards are not consistently being included in these reports. Staff at the CRF indicated that they found these elements to be redundant as they were similar to the Intervention Plan already provided by CSC in the Community Strategy.

- CRFs are doing weekly progress/activity reports, which are similar to CSC's casework records, and complete a detailed progress report at the 3 month date of the resident's admission instead of the required monthly reports. While the CRFs were not following the established standards, some of these reports were seen as much more meaningful and helpful to the Parole Officer. The progress reports provided by the CRFs are being used by the Parole Officers for their own assessments to the NPB.

- The Parole Officer and/or resident are not always involved in the development of the plan or the monthly progress reports; and/or that the sharing of the plans/progress with the resident or his/her Parole Officer is not always well documented.

- A limited review of the quality of the monthly progress reports completed by some CRF indicated that they had inconsistent formats for completing the reports, with varying degrees of detail provided. In some cases the reports did not vary greatly from one month to the next, making it difficult to assess the level of interaction or intervention at the CRF.

The audit team is of the opinion that the above deficiencies must be addressed by:
- A review of the current requirements/standards; and
- Closer monitoring through a self-assessment process as well as periodic reviews by CSC.

OTHER POLICY ISSUES

As part of this review, the audit team provided an opportunity for management and staff at CRF, local and district Parole Offices as well as RHQ staff to bring any issues specific to CRF and CSC; any areas of concerns which would require a particular attention. The following are some of the policy-related issues that were raised during these discussions.

Room Searches and Management of Seized Items:

Several CRF raised the issues of Room Searches and Management of Seized Items. While most have procedures in their contingency plans/policy and procedures manual for these areas, many CRF were not comfortable with what they had in place and would like CSC to implement standards that would be specific to the CRF. This would allow CRFs across the country to deal with these two issues in a consistent and clear manner.

Dispensing and administrating of medication:

The dispensing and administration of medication carries a concern for liability. Some CRFs indicated that they have seen a significant change in the offender profile over the past years, specifically with offenders having a variety of prescribed medication on release. They further indicated that it is a challenge to ensure residents take their medications as prescribed since they do not have staff who are registered to dispense and monitor these medications. The standards for this area are limited to the institutional setting.

Return of case management documents to CSC

The CRF standards require that offender's CSC documents which were shared with the CRF be returned to the CSC within 30 days following the termination of the offender's residency. With OMS connectivity and the CRFs' ability to perform their own the required disposal of these documents, the audit team is of the opinion that the current requirement to return documents through the transmittal policy is outdated and should be reexamined.

First Aid

The requirement for staff to have first aid as opposed to yearly mandatory CPR recertification was questioned by some CRF staff. First aid certification is of a 3-day duration and CPR is a component of this course. First aid requires recertification every 3 years while CSC standards now require their own staff take a stand alone CPR course with recertification every year. It was suggested by some that this area be examined more closely as standards for CRF staff should be the same as CSC staff given they are in daily contact with the residents.

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Finally, in light of the current findings and given that the last major revision of the standards dates back to 1991, it is the audit team's opinion that the policy requirements as a whole should be examined. Areas such as requirements for intervention plans/progress reports should be reviewed in order to streamline and integrate those reports with CSC's existing supervision plans while staffing issues be more specific as to what constitutes mandatory training. Other policy issues identified in this section of the report should also be examined by CSC to determine whether changes or additions are needed to reflect current operational requirements.

> **Recommendation 7: That the COP Sector assess the existing policy (SOP 700-06 Annex B) for CRFs to ensure that they reflect current operational requirements and address some of the issues raised in this report currently being faced by the CRFs.   Action by: A/ACCOP.**

Based on the results of the work performed to assess the current audit objective, it is our opinion that CSC and CRF are compliant with the majority of policy and standard requirements related to the general administration of the program and the reintegration/supervision of offenders. However, the audit team did identify a need to implement additional measures and controls such as self monitoring tools, regular reviews and an examination of existing policies related to CRF, which will serve to enhance compliance to these operational standards.

Summary of Good Practices

During the on site visits, the audit team observed/identified a number of good practices that could be beneficial to other facilities:

1. A very user friendly informatics system has been developed in a CRF in the Quebec region. An employee of the house has developed an in-house Information Management System which is divided into two sections: administrative functions and clinical/case management information. This system gives access to some staff (e.g. counselors, supervisors and night attendants) access to certain information relevant to their responsibilities (counts, emergency contacts, logs, flagging system, case work records etc.) while other screens, which are more administrative in nature, are only accessible to the Executive Director and the Administrative Assistant (personnel, finances, etc.). It should be noted that IT security was not part of this review and this system was not assessed for such.

2. Some CRF share their house/floor plan with local police (part of contingency plan). Should there be an incident such as a hostage taking, the local police have a plan of the house and would be in a better position to respond to an incident of this magnitude.

3. A checklist is being used and signed by staff at a CRF to indicate they have read the required CSC documents in OMS, thus reducing the need for printing and filing in resident files. Whenever a new resident is admitted, staff have to read the offender's file, accessible in OMS, within a short timeframe and then sign off a checklist to indicate that they have read the documents. This checklist is then put on the resident's file.

4. A "Buddy" system is being used at CRF in two regions when conducting counts/rounds during the night shift. Staff members are required to call the other CRF prior to conducting counts during the night shift, then call again once the count has been completed. A contingency plan is in place should the night attendant fail to call back within a certain time frame.

5. Several CRF are doing random checks of residents on weekend passes. While not a requirement, a number of CRF have procedures to verify resident's behavior or destination during weekend leave privileges. Some go to the extent of having the resident call in occasionally during the day and at their curfew time while others will make random phone calls to the resident's destination. Staff will ensure that offenders are at the required destination and will not accept cell phone calls (residents are required to call from an identifiable phone).

Facilities selected for CRF Audit
(contract review and on site visits)

Atlantic Region	District	# of beds allocated to CSC
1. Cannell House	NB/PEI District	17
2. Lavers House	NS District	18
3. Howard House	Nfld/Labrador District	16

Québec Region

1. Carpe Diem	District Est-Ouest	30
2. Maison Painchaud	District Est-Ouest	25
3. Maison Essor	District Montréal/Métro	30
4. Carrefour Nouveau Monde	District Montréal/Métro	40
5. CRC Jeun'aide	District Montréal/Métro	25

Ontario Region

1. Kirkpatrick House	Ottawa District	18
2. Edmission House	Eastern/Northern District	17
3. St-Leonard's House	Western District	24
4. Bunton Lodge	Central District	35
5. Booth Centre	Hamilton/Niagara District	20

Prairie Region

1. Elpida East Centre	Northern Alberta District	39
2. 101st street Apartments	Northern Alberta District	33
3. Salvation Army	Saskatchewan District	32
4. 7th Step	Southern Alberta District	39
5. United Church	Manitoba/NO Ontario District	31

Pacific Region

1. Belkin House	Pacific Community Corrections	30
2. Manchester House	Pacific Community Corrections	15
3. Kelowna House	Pacific Community Corrections	10

Audit Objectives and Criteria

Objective	Criteria
# 1 - To determine if the Community Residential Facilities are funded according to the resourcing strategy approved by EXCOM.	The audit will: • Review process in place in regions to identify and meet bed space requirements. • Review submissions for contract for services and assess compliance to funding of CRFs as per ACCOP's national framework. • Assess if the contract submission/approval process is completed as per Treasury Board policy and Commissoner's Directive.
# 2 - To determine that financial and operational controls exist to ensure compliance to the requirements of the contractual agreements as well as Treasury Board and CSC policies.	The audit will: • Verify that process exists at sites (District offices) to monitor bed-day utilization. • Assess the billing submitted by contractors to ensure it meets contract requirements for certification under section 34 of the Financial Administration Act. • Verify that financial control exists and comply with the requirements of the Financial Administration Act. • Review contract monitoring/evaluation process in place for CRF operations in each Region and verify that process ensure that objectives of these agreements are being met.
# 3 - To assess CRFs' compliance with standards established by CSC (SOP 700-06 AnnexB.	The audit will: • Examine Regional procedures and practices to monitor CRFs' compliance with CSC's standards and national objectives are being met. • Conduct site visits and verify CRFs' compliance with high risks areas of CSC's standards and the deliverables as outlined in their respective contracts. • Assess if CRF standards meet current operational needs of CSC and CRFs.

Management Action Plan

Recommendations:	Action Plans:

1. That the COP Sector ensures a consistent approach in all regions when calculating per diem rates with the CRF, and that this process takes into consideration the factors set out in the 2002 funding approach.
 	
Action: A/ACCOP
	COP – We are in agreement with the audit team's findings that indicate a review of the CRF framework and standards would be beneficial and timely. The CRF national framework and guidelines were established in 2001/2002, however, a review will ensure that CSC can sustain consistent and predictable funding of CRF. To this end, we plan on establishing a working group in September of 2005 to review the CRF Framework and Guidelines. It is our expectation that recommendations 1, 2a, 3 and 4 can be addressed through this working committee and that the implementation of a revised framework can occur prior to the next contract negotiation cycle in 2006/2007.
	
	The draft 'Terms of Reference' establishes the following mandate for this Working Group on CRFs:
	
	• Based on work already done, develop one national model for determining per diem, including adjustment mechanism.
	• Review standards and expectations and prepare a revised set of standards for CRF, Hostels, Treatment Centres and Private Home Placements.
	• Develop a contract template that reflects all expected services and standards set out in the objectives and ensure that it:
	    ▪ reflects changes in policy,
	    ▪ includes training requirements for staff,
	    ▪ includes a mechanism for evaluation,
	    ▪ is in accordance with national guidelines, and
	    ▪ addresses other issues.

Recommendations:	Action Plans:
	• Consult with service providers (regional associations) • Ensure that recommendations 1 to 4 from the CRF Audit are addressed. • Develop a national contracting framework that will include a negotiation cycle and all the previous elements **by January 31st, 2006.** While not required, the action plans submitted by a couple of regions raised the issue of bed guarantees which will be addressed by the NHQ led working group on CRFs.
2a) That the COP Sector determines whether there are circumstances where payments are to be made to CRF for empty bed-days; and **b) Once this determination has been made and communicated, regions ensure that contracts clearly describe any such circumstances where applicable.** **Action: A/ACCOP and RDCs**	2. a) **COP -** Please see action plan submitted for Recommendation # 1. b) Where applicable, some regions have indicated that they have initiated some of the required corrective actions. Contracts for 06/07 will be amended to reflect the contract template and framework developed by the Working Group on CRFs.
3. That the COP Sector, in consultation with the CRFs, develop a self monitoring process that would complement the audit cycle completed by CSC. **Action: A/ACCOP**	**COP –** Please see action plan submitted for recommendation #1.
4. That the COP Sector establish specific requirements and processes relating to periodical reviews of CRF operations to ensure compliance to CSC standards. **Action by: A/ACCOP**	**COP –** Please see action plan submitted for recommendation #1.

Recommendations:	Action Plans:
5. That regions, as part of the annual contract negotiation process, require each CRF to submit a summary of training activities for last year as well as a copy of their training plan for the next year. **Action: RDCs**	**Atlantic –** The Atlantic region has promoted this approach with the CRFs during our annual contract negotiations, especially if the facility was requesting funding for training in the upcoming year. For the next fiscal year, we will include in the call for requests for proposals from the CRFs, that they include a listing of the training completed, along with the staff person's name and the training plan for the next fiscal year. **Quebec –** In light of the accreditation process currently in place in the Quebec region, we believe the problem identified by the audit team does not really pertain to our resources. However, the regional advisor-community resources and district representatives will develop a strategy to meet the audit team's expectations, while taking into consideration current CRF training activities. **Ontario –** The region will work with the Ontario Halfway House association through Community Strategic Planning Committee to ensure that each CRF submits a summary of training activities as well as a copy of the training plan for the new year. **Prairie –** District Parole Offices have requested from each CRF, a summary of the training activities for the last year, in addition to a copy of the training plans for the following year. All District Parole Offices have attested that this action has now been completed. **Pacific –** The requirement for specific training and the number of days of training was first included in the 2002-03 contracts. Although CRFs are required to provide evidence of compliance with this specific clause in their contracts, it would appear that they have not yet done so consistently. The Compliance Audit scheduled for 2005-06 will assess this matter specifically. We can confirm that Community Corrections has provided training to CRF staff in direct relation to the national training standards for parole officers.

Recommendations:	Action Plans:
6. Districts examine the allocation of Parole Officers assigned to the supervision of CRF residents to determine the most effective approach. **Action by: RDCs**	**Atlantic**- The Region indicated that assignment usually never exceeds 2 Parole Officers per CRF. A memo has been sent by ADC Operations to the DDs outlining the findings of the report and reinforcing the approach of assigning as few POs as possible to a CRF. Region also indicates that this approach helps promote a consistent message and builds teamwork. **Québec** – The Region feels that the approach they use to assign case management staff to CRFs is in keeping with the audit team's expectations. **Ontario** – The DDs have been asked to examine the allocation of POs assigned to the supervision of CRF residents to determine an approach that respects both the integrity of the case management process and resource allocation within specific districts. This examination is now completed. **Prairie** – All District Parole offices have examined the allocation of parole officers assigned to the supervision of CRF residents to determine the most effective approach in the facilitation of communication and positive relationships between CSC and the CRFs. **Pacific** –The Region indicated that it is desirable to limit the number of parole officers assigned to individual CRFs but that the stability in the case supervision (i.e. number of parole officers involved in the supervision of a case) must also be taken into account. Therefore, the region prefers to leave the decision of case assignment to Area Directors, wherever possible.
7. That the COP Sector assess the existing policy (SOP 700-06 Annex B) for CRFs to ensure that they reflect current operational requirements and address some of the issues raised in this report currently being faced by the CRFs. **Action A/ACCOP**	**COP –** Will be addressed through the revision of SOP 700-06 which is currently under way. It is anticipated that the community policies will be finalized and ready for approval by the Commissioner in January 2006.