

MANAGEMENT RESPONSE AND ACTION PLAN
Audit of the Management of Grants and Contributions-Phase II

Recommendations	Management Response and Planned Actions	Deliverable	Completion Date	Responsibility ¹
<p>Recommendation 1</p> <p>The Assistant Deputy Minister, Strategic Policy Branch should implement changes to enhance the solicitation process, and develop measures to track and monitor the timeliness of the review of proposals.</p>	<p>Management agrees with the recommendation.</p>			
	<p>Management will conduct a review to produce lessons learned from the 2017-18 program cycle to improve operations, as well as establish a mechanism to track and monitor the timeliness of proposal review processes for 2019-20.</p> <p>In addition, management will continue to assess when open calls are best suited for Program needs and will consider doing more targeted and directed solicitation in the future, which will reduce the overall level of effort for solicitation processes.</p>	<p>1.1 Lessons learned to be documented for the 2017-18 funding cycle, including recommendations to improve efficiency and effectiveness of business processes.</p> <p>1.2 Programs running competitive solicitation processes will report on their timeliness for 2019-20 (beyond this is a routine program management responsibility).</p>	<p>Q2 2019-20</p> <p>Q4 2019-20</p>	<ul style="list-style-type: none"> • Executive Director (ED), Health Programs and Strategic Initiatives • Director General (DG), Health Care Programs and Policy • DG, Key Initiatives

¹ ADM SPB and ADM CSCB will be accountable for all deliverables within their respective Branch.

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Recommendation 2 The Assistant Deputy Minister, Chief Financial Officer Branch, should establish guidance and procedures to identify and manage employee conflict of interest risks.	Management agrees with the recommendation.			
	CFOB will ensure that the grants and contributions framework establishes a consistent approach across the department to ensure real, potential, or apparent situations of conflict of interest are identified and managed.	2.1 Full Review and Updated Management Control Framework for G&Cs incorporating robust Conflict of Interest considerations. 2.2 Management approved resource levels established in CFOB in order to have the appropriate resources in place to respond to the Framework for enhanced planning and coordination for 2020-21	Q4 2019-20 Q4 2019-20	<ul style="list-style-type: none"> • ED, Policy, Internal Control and Corporate Accounting Division • DG, Financial Operations • ADM, CFO
Recommendation 3	Management agrees with the recommendation.			
	SPB will ensure programs with recipients who further	3.1 Recipient audit	Q1 2020-21	<ul style="list-style-type: none"> • ED, Health

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<p>The Assistant Deputy Minister, Strategic Policy Branch should:</p> <ul style="list-style-type: none"> enhance the annual risk-based recipient audit plan to include compliance audits of processes implemented by recipients who further distribute funds to third parties; and, ensure recipient risk-assessments are supported by appropriate evidence of results of past formal audits. 	<p>distribute funds to third parties will conduct compliance audits of their third party disbursement processes. These audits may not occur annually.</p> <p>SPB will take steps to ensure that its risk tolerance strategy considers the results of relevant formal audits, including PCHO-led audits.</p>	<p>plans that include compliance audits of processes implemented by recipients who further distribute funds to third parties.</p> <p>3.2 Revised methodology for risk tolerance strategies to include PCHO-led audit results.</p>	<p>Q4 2019-20</p>	<p>Programs and Strategic Initiatives</p> <ul style="list-style-type: none"> DG, Health Care Programs and Policy Associate ADM, Health Care Strategies Directorate ED, Health Programs and Strategic Initiatives
<p>Recommendation 4</p> <p>The Assistant Deputy Minister, Strategic Policy Branch should enhance use of SGBA+ in the grants and contributions management process by:</p>	<p>Management agrees with the recommendation.</p>			
	<p>Management will continue to take steps to enhance guidance and training to grants and contributions program staff to enhance their understanding of SGBA+. Work is already underway to develop and deliver tools, training and guidance on SGBA+ to grants and contributions program staff.</p>	<p>4.1 Management-approved Performance Information Profiles with additional diversity</p>	<p>Q3 2020-21</p>	<ul style="list-style-type: none"> ED, Health Programs and Strategic Initiatives DG, Health Care

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<ul style="list-style-type: none"> • enhancing guidance and training; and • expanding the collection of data through funding agreements and recipient performance measurement plans to include more diversity elements. 	<p>Since the period examined by the audit, SPB has developed Performance Information Profiles that include SGBA indicators for all transfer payment programs. Management will work toward expanding collection of diversity data beyond sex and gender through future iterations of the Performance Information Profiles.</p>	<p>elements.</p> <p>4.2 SGBA+ guidance materials for grants and contributions program staff</p>	<p>Q4 2019-20</p>	<p>Programs and Policy</p> <ul style="list-style-type: none"> • DG, Key Initiatives • ED, Health Programs and Strategic Initiatives