

LEGISLATIVE ASSEMBLY OF THE
NORTHWEST TERRITORIES
8TH ASSEMBLY, 65TH SESSION

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Government of the Northwest Territories

Financial Management
and
Control Study

STATUS REPORT
AND
WORK PLAN

ON THE RECOMMENDATIONS MADE BY
THE AUDITOR GENERAL IN HIS
REPORT OF JULY, 1977

PREPARED BY DEPARTMENT OF FINANCE

Item	Recommendation	Action To Be Taken	Person Responsible	Completion Date For EMS stages
1	4.9 - The Senior Financial Officer's responsibilities should encompass all matters relating to the financial affairs of the Government including developing and monitoring financial policies, analysis of policy on financial corporations and the financial aspects of planning and program evaluation.	- Clarification of responsibilities and relationships with Territorial Commissioner - Planning and Program Evaluation to report to Assistant Commissioner	G. MULLINS	December/78
2	4.10 - The responsibilities of the Senior Financial Officer should be formalized and commensurate, and the Financial Administration Ordinance should be amended accordingly	- Formal documentation and communication of responsibilities of the Senior Financial Officer. - Financial Administration Ordinance to be amended	G. MULLINS R. PILLING	April 30/78 May/78
3	4.11 - The position of the Senior Financial Officer should be maintained at a level at least equal to a senior director and should continue to report directly to the Commissioner	- Maintain present reporting relationship and level of Senior Financial Officer	COMMISSIONER	N/A
4	4.12 - The terms of reference and operating arrangements of the Executive Sub-Committee on Finance should be formulated, documented and implemented to ensure that financial management and control concerns will continue to be adequately expressed at senior management meetings.	- Terms of reference and operating arrangements to be documented and communicated	J. NELSON G. MULLINS	April 30/78
5	4.19 - The Senior Financial Officer of the Government, or officers in the Department of Finance acting on his behalf, should provide functional guidance to departments and regions in developing or revising financial structures, in assigning financial responsibilities, in selecting individuals to fill financial positions, and in consequently evaluating their performance.	- Responsibilities and expectations for financial positions are to be defined - Develop and implement policy for Finance Department personnel participation in employee selection and appraisal	R. PILLING J. NELSON E. NIELSEN G. MULLINS	September 29/77
6	4.23 - The financial training program recently introduced by the Government should be expanded and accelerated to meet the requirements of financial staff, as well as of operating managers with financial responsibilities.	- Develop Budget Training Program and manuals - Financial services division to create training group and develop seminars	J. NELSON R. PILLING	April/78
7	4.30 - A comprehensive financial manual covering all aspects of financial administration within the Government should be prepared by the Director of Finance and issued under the approval of the Commissioner. Procedures should be implemented to ensure that the manual is kept up to date and is distributed to all staff with financial responsibilities. The Senior Financial Officer should approve all sections of operating manuals containing procedures relating to financial systems.	- Government Manuals system to be outlined in detail - Completion of Manual - Develop Work Plan for financial manual section - Manual completion, updating and distribution	G. MULLINS G. MULLINS E. NIELSEN E. NIELSEN	April/78 November/78 November/78
8	4.35 - The Government's financial manual should outline the policies and procedures to be followed by all departments for the delegation of signing authorities, with particular emphasis on: - the proper segregation of spending and payment authority; - the designation of the appropriate organizational levels to exercise the various types of delegated authority; - the establishment of appropriate levels of authority; - the use of specimen signature cards; - periodic review of existing authorities and their updating where necessary; and - review by the Senior Financial Officer and approval by the Commissioner of delegated financial authorities within all departments.	- Development of a formal signing authority policy - Incorporation of the policy into the Financial Manual	E. NIELSEN R. PILLING	December 31/77 November/78
9	5.7 - To ensure that financial controls over expenditures are appropriate and operating at all times, the responsibility for the specific verification procedures should be clearly documented and communicated and each verification procedure should be evidenced on the document	- Procedures for Accounts Payable process to be documented - Cheque requisition form to be revised to require evidence of approvals	R. PILLING	June/78
10	5.8 - Criteria should be established and documented covering the circumstances under which invoices may be paid before confirming evidence is obtained that the goods were received. Where practical, procedures should be implemented to ensure that a proper receiving report is ultimately received.	- Criteria to be established to permit invoice payment prior to receipt of goods - Supply Services to report on practicality of procedure: Receiving Report	J. VERMEULEN	December 30/77
11	5.11 - To reduce use of manual cheques to a minimum, formal policies regarding the exceptional circumstances under which they may be issued should be developed and enforced.	- Policy to be developed outlining circumstances under which imprest cheques may be issued	R. PILLING	December 31/77
12	5.16 - All monthly reconciliations should be completed and approved promptly. The status of these reconciliations should be reported to the Territorial Treasurer and delays should be reported immediately to the Director of Finance.	- Develop reporting procedure format and reconciliation deadlines	R. PILLING	November 30/77
13	5.21 - The Executive Committee should establish a general policy to indicate the type of service for which fees are to be charged. Specific policies stating the basis of fee or rate determination should be established for each source of revenue. Departmental fees and rates for services provided to the public should be subject to review and approval by the Executive Committee at least annually. Departmental submissions should contain details of the related costs of the services so that the Executive Committee will be aware of the financial implications of its decisions.	- Obtain basic information from questionnaires and interviews - Revenue policies to be developed and submitted to Executive Committee for review	R. PILLING R. PILLING	December 31/77 June/78

Item	Action Taken	Status at April 15, 1978	Further Action To Be Taken	Report Completion Date
1	Advanced completed with Territorial Corporations Reporting relationship changed.	Complete	Nil	N/A
2	A draft of the responsibilities of the Senior Financial Officer is being prepared. A Committee of Audit, Legal and Financial personnel are developing amendments to the Ordinance.	In process In process	Completion and approval by Commissioner Completion and submission to Council	May 30/78 June 30/78
3	No action required unless position of Assistant Commissioner abolished or change in incumbent.	---	Nil	N/A
4	First drafts prepared and circulated	Partial Completion	- Second draft to be circulated - Executive approval required	May 30/78
5	Draft responsibilities prepared A responsibility paper has been drafted for inclusion in the financial manual. Policy now in effect wherein Dept. Finance provide guidance in selection & evaluation of senior financial officers in regions & departments.	Partial Draft Complete Complete	- Final review, acceptance and circulation by the Senior Financial Officer.	May 30/78 May/78 N/A
6	Seminars held with Directors and Senior Officers - January/78. Financial Officers January/February 78. Zero Base Course set for April 20-21 for Directors Training programs on management reports, accounts payable procedures signing authorities is complete.	Seminars held Ongoing	- Further courses and presentations on Zero Base Course and Financial Management planned for Headquarters and regions. - Continuation of present program & development of new ones.	Ongoing Ongoing
7	Manuals system outlined in detail Indices, collection of data and summarization Financial manual work plan and index complete Continuing manual development is on schedule.	Complete In process On schedule	Monitoring of Progress Completion and approval Completion of financial manual section	Dec. 31/78 Nov. 78
8	New signing authority policy now in effect Include in manual	Complete Included in index	- Periodic review and updating - Specimen signature cards Manual completion	Ongoing Nov. 78
9	Procedures and responsibilities drafted	Draft complete	Final approval by Senior Financial Officer & distribution. Include in Financial Manual. Cheque requisition to be revised.	Nov. 78 June/78
10	Criteria established. Three month trial period introduced in April/78	Complete On schedule	Nil Recommendation for procedure	N/A July 31/78
11	Draft policy developed	Complete Imprest cheque policy implemented.	Final approval & implementation of manual	November/78
12	Summary Exception Report of Reconciliations is now being received by Territorial Treasurer. Follow-up action is being taken.	Complete	Nil	N/A
13	A revenue questionnaire has been developed and interviews with departments are in progress Policies for each revenue source are to be developed	In progress ---	Completion of summary Policy to be drafted Annual review.	June 30/78 Dec. 30/78

Item	Recommendation	Action To Be Taken	Person Responsible	Completion Date (By 1978 Approx)
14	5.21 - An independent review of the present systems of internal control over revenue should be undertaken under the direction of the Senior Financial Officer. Effective systems should be implemented to define responsibility for control clearly and to ensure that all revenue is recorded and accounted for.	<ul style="list-style-type: none"> Complete revenue review to provide basis for delegating responsibilities and implementing effective internal and accounting controls Expand present status reporting to include revenue 	R. PILLING J. NELSON	June/78 ...
15	5.25 - To improve financial control, criteria covering the approval and payment of grants and contributions should be developed and approved by the Executive Committee. Such criteria should include evaluation of the eligibility of proposed recipients, minimum evaluation and review procedures before approval of the payment. For contributions, there should be defined eligible expenditures and requirements for audit.	<ul style="list-style-type: none"> Establish criteria for approval of Grants and Contributions (eligibility, evaluation) Establish criteria for payment (review, audit) 	J. NELSON (Department) J. NELSON R. PILLING	...
16	5.26 - Details of significant grants and contributions made during the year should be published annually in the Territorial Accounts to disclose more fully the nature and extent of assistance provided to the various classes of recipients eligible for such assistance.	<ul style="list-style-type: none"> All significant grants and contributions will be disclosed in 1977/78 Territorial Accounts 	R. PILLING	May/78
17	6.3 - Credit and collection policies should be established, approved and implemented in all departments, and then enforced.	<ul style="list-style-type: none"> Establish policy on credit and collections Enforce policy 	R. PILLING	December 31/77
18	6.4 - Procedures for billing and collecting accounts receivable should be documented, approved and implemented to ensure that funds are collected as promptly as possible for all goods and services provided. Particular emphasis should be placed on determining the most appropriate division of responsibilities between the operating departments and Revenue Section.	<ul style="list-style-type: none"> Document accounts receivable billing and collecting procedures Determine the division of responsibilities for Regions and Departments 	R. PILLING	June/78
19	6.8 - Specific accounting and control procedures relating to revolving funds and inventories should be documented, implemented and monitored to ensure that: <ul style="list-style-type: none"> revolving fund limits are reviewed at least annually and are not exceeded; all supplies and merchandise inventories are counted at least annually, agreed to subsidiary records and reconciled to the general ledger on a regular basis; and adjustments to inventory records are properly authorized. 	<ul style="list-style-type: none"> Document revolving fund and inventory accounting and control procedures Ensure limits are reviewed annually and not exceeded, inventory accounted and reconciled regularly and adjustments are properly authorized 	R. PILLING R. PILLING	...
20	6.9 - Policies and procedures for establishing and operating each of the revolving funds should be documented and communicated to the respective fund managers. These policies and procedures should include: <ul style="list-style-type: none"> the approved purposes for which the fund was established, i.e., the types of activities that can be financed; accounting and control procedures designed to meet the needs of the operation for which the fund was established; and monthly reporting requirements to enable regular monitoring of operations 	<ul style="list-style-type: none"> Document policies and procedures for establishing and operating of revolving funds 	R. PILLING	December 31/77
21	6.13 - To improve the control over the purchase, use and eventual disposal of capital assets, individual assets should be numbered and capital asset ledgers should be maintained, reconciled with capital expenditures each year and verified by physical inspection of the assets on a regular basis.	<ul style="list-style-type: none"> Develop policy Issue procedures and forms Physical count of assets Transfer responsibilities to regions 	J. VERMEULEN	January 31/78 February 28/78 December 31/78 April 30/78
22	7.3 - The data processing installation should be critically reviewed and the results of this review should form the basis for: <ul style="list-style-type: none"> segregation of the operator and programmer functions and establishment of library control procedures to reduce the possibility of unauthorized and undocumented changes to programs or processing of unauthorized information; strengthening controls to prevent unauthorized use of terminal input facilities; strengthening data processing by developing controls to ensure that all input data is processed; establishing a log for the remote access system to monitor computer operations including the use of specialized procedures to amend programs and data files; and strengthening physical safeguards over the computer unit's premises and data files against fire, water damage or similar disaster. 	<ul style="list-style-type: none"> Segregate operator and program functions and introduce library control Introduce controls to prevent unauthorized use of terminals Establish a log to monitor computer operations Introduce physical safeguards 	J. FRANCE	...
23	8.4 - Before approving the annual audit work schedule, the Internal Audit Committee should ensure that adequate resources are allocated to the internal audit function and that all significant areas of the financial system are covered annually.	<ul style="list-style-type: none"> Internal Audit to have adequate resources and work plan to cover all significant areas of financial system. 	G. MULLINS	...
24	9.4 - Efforts to establish clearly articulated program objectives and operational goals should be continued and such efforts should be more closely related to the budget preparation and review process.	<ul style="list-style-type: none"> Continue efforts to articulate program objectives and relate to budget process 	J. NELSON	...

Item	Action Taken	Status at April 15, 1978	Further Action To Be Taken	Revised Completion Date
11	<ul style="list-style-type: none"> Review Audit by Audit Bureau. Duties and job descriptions being revised to cover work being developed. Monthly budgets/expense reports under development 	In Process On Schedule	<ul style="list-style-type: none"> Completion of work plan and implementation of recommendations Integration of expense information to quarterly reports 	June 30/78 June/78
15	<ul style="list-style-type: none"> General policy prepared and issued - Fall 1977 Documentation of grants and contributions completed December/77 Review of material underway 	Incomplete	<ul style="list-style-type: none"> Policy and criteria for each type of grant and contribution to be developed by departments and approved by Executive Payment criteria to be established 	June 30/78
16	<ul style="list-style-type: none"> For 1977/78 each department will be responsible for obtaining an accounting for contributions and for listing all Grants and Contributions. 	Due by April 30/78	To be included in 7/78 Territorial Accounts.	May/78
17	<ul style="list-style-type: none"> Draft policy complete. Listings of approved debtors being assembled. 	Current listing Prepared.	Approval & Distribution Revise and Update	Dec. 31/77 Ongoing
18	<ul style="list-style-type: none"> Accounts Receivable procedures documentation being developed. Policy statement drafted. 	In Process Draft Complete	To complete, approve & distribute	June/78
19	<ul style="list-style-type: none"> Draft policies & procedures complete Monthly report on current fund level and approved amount distributed to Territorial Treasurer and to responsible director 	Draft complete Complete & Implemented	Approval & Distribution Ongoing	June/78 Ongoing
20	<ul style="list-style-type: none"> Draft policies and procedures complete 	Draft Complete	Approval & Distribution	June/78
21	<ul style="list-style-type: none"> Proposed policy developed and being circulated for comments. 	Incomplete	Policy to be Approved and Implemented. Forms to be Printed and Issued.	October/78
22	<ul style="list-style-type: none"> Policy established in December, 1977 precluding access to computer by programmers and limiting access to data files and production programs. Controls strengthened to include non printing of password and frequent changing of passwords Computer operations now monitored by log Physical safeguards now strengthened. 	Partial Completion Partial Completion Complete Almost Complete	<ul style="list-style-type: none"> Establish Position of Librarian Expected to provide facility to uniquely identify terminals and disconnect terminal automatically. Water Sprinklers to be Removed 	June 30, 1978 January/79 N/A June 30, 1978
23	<ul style="list-style-type: none"> Audit committee has received work plan and emphasis is now being given to significant expenditure and financial areas. 	Ongoing	Periodic Review of Work Plan	Ongoing
24	<ul style="list-style-type: none"> Pilot proposal on technique prepared and approved July/77. Accountability project underway January/78 Detailed work plans and responsibilities developed 	On Schedule	<ul style="list-style-type: none"> Revisions to process as needed 	April/79

Item	Recommendation	Action To Be Taken	Person Responsible	Completion Date Per 1978/79 Budget
25	9.12 - The Government should continue its efforts to improve the budget process by using program-oriented data to provide more specific information on the actual or planned departmental work to be carried out and to provide a basis for measuring the effectiveness of programs and activities.	<ul style="list-style-type: none"> Continue improvements to program memorandum concepts Accountabilities and indicators to be developed for each program 	J. NELSON	March 31/79
26	9.13 - The Main Estimates should be derived from a detailed breakdown of planned costs and output data to provide a basis for establishing and measuring the accountability of managers.	1979/80 Main Estimates to be developed from detailed breakdown of program descriptions and costs	J. NELSON	March 31/80
27	9.14 - Guidelines should be issued to departments and regional offices outlining the budget responsibilities of both operating and financial staffs to ensure a clear understanding of their responsibilities and appropriate involvement in the budgetary process.	<ul style="list-style-type: none"> Issue guidelines for regional and departmental managers which outline responsibilities Deliver training seminars 	J. NELSON	January/78
28	9.20 - The format of the Main Estimates should be reviewed and amended to ensure that information is presented so it will effectively establish the accountability of the responsible managers in terms of planned costs and operational performance. In particular: <ul style="list-style-type: none"> more emphasis should be placed on clearly stating the objectives, proposed actions and desired results of departmental activities; total costs of programs should be shown where it is likely to contribute to improved resource allocation decisions or improved accountability of managers; the reliability and amount of information on capital projects should be improved; and the relationship of revenue to the corresponding expenditure should be clearly stated. 	<ul style="list-style-type: none"> Improve format of Main Estimates to place more emphasis on program descriptions Develop accountabilities and desired end results Show the total cost of programs Improve information on capital projects Relate revenues to corresponding expenditures 	J. NELSON	78-79 Main Estimates
29	9.26 - A formal, timely and effective variance reporting system should be implemented, which would require: <ul style="list-style-type: none"> managers to explain significant variances between planned and actual costs and planned and actual volumes of output and to indicate the corrective action to be taken; and central monitoring of results in departments and regions by the Assistant Commissioner with exception reports to the Executive Sub-Committee on Finance and the Executive Committee. 	Implement status reporting requiring explanation on variances and reports to the Executive Sub-Committee on Finance	J. NELSON	April/78
30	10.8 - In conjunction with the current development of the financial management information system, steps should be taken to clarify the responsibilities of the departmental financial officers for analyzing and interpreting financial information for operating managers, and courses should be developed for instructing operating managers on the use of the financial reports.	<ul style="list-style-type: none"> Outline the division of responsibility between the Department of Finance Officers and Financial Staff in departments and regions Develop seminars on use of reports 	J. NELSON R. PILLING
31	10.13 - The Senior Financial Officer should develop the modifications to the Government's financial statements needed to improve their completeness, accuracy and clarity, with particular reference to the various users.	Review financial statement presentation	R. PILLING	...
WORKERS' COMPENSATION BOARD				
32	11.5 - Financial and accounting policies and standards for the Workers' Compensation Board should be clearly prescribed, communicated and monitored by the Senior Financial Officer of the Territorial Government. He should ensure that these policies comply with the applicable legislation.	<ul style="list-style-type: none"> Define financial responsibilities and develop manual of accounting standards and policies Develop a reporting system to monitor standards and controls 	J. WHITE	February/78
33	11.6 - Relationships and the division of responsibilities on financial matters between the senior staff of the Workers' Compensation Board and that of the Territorial Government should be clarified.	Financial Agreement outlining the working relationship and responsibilities to be finalized	J. WHITE	December/77
34	11.7 - The financial management and control systems should be reviewed and upgraded so that they will be sound, comprehensive and effective.	Upgrade financial management and control systems	J. WHITE	...
NORTHWEST TERRITORIES HOUSING CORPORATION				
35	12.4 - The Northwest Territories Housing Corporation and the Government of the Northwest Territories should continue their efforts to reach a working agreement to clarify the roles of the two organizations in the management of the Corporation. This agreement should make specific reference to the financial affairs of the Corporation including: <ul style="list-style-type: none"> the treatment of the Corporation's surpluses and deficits; and the preparation and submission of annual budgets. 	Complete Financial Agreement	J. VERHAPPEN	December/77
36	12.5 - Financial and accounting policies and standards for the Housing Corporation should be clearly prescribed, communicated and monitored by the Senior Financial Officer of the Territorial Government.	Senior Financial Officer of the Government of the Northwest Territories to prescribe and monitor financial and accounting standards	D. LOWING J. VERHAPPEN	...

Item	Action Taken	Status at April 19, 1978	Further Action To Be Taken	Actual Completion Date
25	<ul style="list-style-type: none"> Accountability exercise underway - January/78 Well organized activities and provide basis for evaluation 	On Schedule	Revisions as required	March 31/79
26	Financial planning process implemented which will detail costs and output data Part of accountability process	On Schedule	Continued refinements to establish and maintain management accountabilities	March 31/80
27	<ul style="list-style-type: none"> Detailed guidelines and schedules issued which outline responsibilities Core Team created to assist managers Seminar held for Directors and Financial Staff 	Complete	Ongoing involvement of Core Team training and development	May/78
28	<ul style="list-style-type: none"> The format of the 1978/79 Estimates was substantially changed to place more emphasis on program descriptions. Accountabilities and desired end results are being incorporated into the budget process Capital project information substantially improved Revenues are now included in related activities in the Estimates 	Complete	<ul style="list-style-type: none"> Ongoing refinement Indirect costs to be considered for inclusion in 1979/80 Main Estimates 	N/A December/78
29	Status reports on O & M expenditures implemented June/77	Complete	Status reporting system being refined and expanded to document procedures, develop format and to include capital and revenue	April/78
30	<ul style="list-style-type: none"> Presentations on Budget reporting made to two regions Detailed procedures under development Course on use of financial reports developed and presented. 	On Schedule Seminars presented in all regions & 7 H.O. Depts	<ul style="list-style-type: none"> Presentations to Headquarters and remaining regions - planned for May/78 Procedures to be finalized Present seminar to departments. 	May/78 Ongoing
31	<ul style="list-style-type: none"> Present formats are being reviewed. Changes are being produced for 1978 to improve readability & to conform to disclosure requirements 	Proposed changes being reviewed by Auditor-General	Implement in 1977/78 Territorial Accounts	June/78
32	<ul style="list-style-type: none"> A manual outlining financial responsibilities and accounting standards and policies has been developed Reports are submitted monthly to the Senior Financial Officer of the Government of the Northwest Territories 	Basic action is complete	<ul style="list-style-type: none"> New controller will review and extend as appropriate. Financial statements to be improved. Internal Financial and Management reports to be developed 	December/78
33	Agreement finalized	Complete	Nil	N/A
34	<ul style="list-style-type: none"> Systems are being developed and documented Chief Financial Officer hired February 1/78 	In Process	Continued systems development with emphasis on documentation	September/78
35	Agreement has been finalized	Complete	Nil	N/A
36	<ul style="list-style-type: none"> Financial agreement provides overall direction Standards are being developed in conjunction with the Government of the Northwest Territories Department of Finance 	Partially completed	Completion of accounting policies and final review by the Board and Senior Financial Officer of the Government of the Northwest Territories.	December/78

Item	Recommendation	Action To Be Taken	Person Responsible	Completion Date (or Estimated Date)
37	12.8 - The Corporation should assign clearly defined responsibilities to a Manager, Finance and Administration whose responsibilities should include the financial aspects of corporate planning.	- Recruit a Manager, Finance and Administration	D. LOWING	...
38	12.11 - The financial manual should be expanded to include all financial procedures in the Corporation. The accounting manual should be expanded to include all accounting procedures. The manual should be subject to the review of the Manager, Finance and Administration, with the policies governing its application being approved by the Managing Director before implementation.	- Review and expand manuals to include all financial procedures	J. VERHAPPEN	...
39	12.14 - A financial training program should be developed and implemented under the direction of the Senior Financial Officer. This program should be integrated where practicable with the training programs of the Government of the Northwest Territories and should include all persons with financial responsibilities and in particular program assistants and Housing Association Managers.	- Develop training programs coordinated with programs developed by the Government of the Northwest Territories	D. LOWING J. VERHAPPEN	...
40	12.21 - To provide a basis for accountability to the Government for expenditures in the Corporation: - the supplementary information presented to the Council by the Corporation at the time of Main Estimates approval should be subject to review by the Department of Finance; and - the Corporation should be required to account annually to the Government for all unexpended or lapsed funds.	- Establish accountability requirements to the Senior Financial Officer of the Government of the Northwest Territories - H.T.F. Housing Corporation to ensure all supplementary information for Main Estimates is reviewed by the Department of Finance of the Government of the Northwest Territories and unexpended or lapsed funds accounted for to the Senior Financial Officer of the Government of the Northwest Territories	J. VERHAPPEN D. LOWING	...
41	12.22 - To improve the budgetary control of expenditures: - the Corporation should prepare an operating budget, including all anticipated expenditures for the year in addition to the cash budget required for Government funding; - a system should be developed for analyzing variances between budgeted and actual costs in relation to output with a view to corrective action; and - the financial information on capital projects presented monthly to the Managing Director and Board of Directors should include details of actual costs and costs to complete, compared to budget, on a project by project basis.	- Prepare annual budget - Introduce budget variance reporting system - Provide additional detail on capital projects to Management	D. LOWING J. VERHAPPEN	June/78
42	12.29 - The Corporation should continue its efforts to hold housing associations receiving operating grants accountable by: - requiring all associations to enter into agreements with the Corporation establishing the responsibilities of the associations and the conditions under which the funds are provided; and - developing and documenting proper procedures for reviewing their annual budgets.	- Obtain signed agreement with housing associations establishing accountability - Introduce Association budget review procedures.	D. LOWING J. VERHAPPEN	...
43	12.33 - The Corporation should provide for an internal audit to test the system of financial administration annually. The internal auditor's reports should be reviewed by an audit committee to ensure adequate consideration of, and effective action on, the audit findings and recommendations.	- Establish an internal audit program - Create Audit Committee to define responsibilities and monitor action on observations	D. LOWING J. VERHAPPEN	...
44	12.36 - A complete inventory of all housing units should be taken to ensure that rent is being collected on all units where applicable.	- Complete a housing inventory	J. VERHAPPEN	May/78

Item	Action Taken	Status at April 15, 1978	Further Action To Be Taken	How and When Completed (or Date)
37	A consultant was engaged to conduct an Auditor General of the Northwest Territories' recommendations on organization changes are being implemented.	Recruitment in Progress	Hiring of a District Accountant	June/78
38	Work on review of present procedures and updating has commenced.	In Progress	Manuals to be Completed	Dec/78
39	- Training program organized dealing with housing administration - Continuous monitoring of the accounting needs of the Corporation - Participation in Government of the Northwest Territories training seminars (eg. Budget)	In Progress	- Establishment of training programs for Housing Association Managers which incorporate financial management and control responsibilities	Ongoing
40	The new financial agreement establishes relationships - Present estimates procedures provide for this review and accountability for unexpended funds to the Senior Financial Officer of the Government of the Northwest Territories.	Complete Complete	Nil Nil	N/A N/A
41	- Annual operating budget is being prepared. - Variance system and schedule developed and the process partially introduced. - Being done	Complete In Progress Complete	Nil Full Implementation Nil	N/A December/78 N/A
42	- Signed agreements have been received from most associations - Procedures for budget review now in place.	In Progress Complete	- Remaining agreements to be completed and signed Nil	September/78 N/A
43	- The Board has agreed to the establishment of an Audit Committee.	Approval of the Principle	- Membership, term of reference and work program to be developed and approved	July/78
44	Date being obtained from field	In Progress	- To complete the inventory	September/78