
Indigenous Skills & Employment Training Program Monitoring Review

2019-2020

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Indigenous, and Families, Children and Social Development (IFCSD) Directorate
Program Operations Branch (POB)



Introduction

This report reviews Indigenous Skills and Employment Training (ISET) program monitoring conducted for the 2019-20 fiscal year. This is in keeping with the government's response to the Office of the Auditor General recommendation 6.8.6 of *Spring 2018, Report 6 - Employment Training for Indigenous People—Employment and Social Development Canada*. As outlined in the *Employment and Social Development Canada Detailed Action Plan to recommendations of the Office of the Auditor General Performance Audit of Employment Training for Indigenous People*, ESDC committed to completing the first review of the ISET program monitoring results by September 2021.

Through this report, we hope to document the monitoring framework put in place for the year, provide an analysis of the number of monitors that were completed, outline the content reviews that were conducted, and specify the program improvements implemented in response to those reviews. But before doing so, this report opens by providing context on the capacity-based approach used by the ISET program.

Context: Capacity Assessment Process

ISET launched on April 1, 2019, replacing the existing Aboriginal Skills and Employment Training Strategy (ASETS). As part of the transition to the new program, the monitoring strategy that was in place under ASETS underwent significant revision. The new approach deviates from the standard Risk Assessment Management and Mitigation model used by most programs in the department. Rather than assessing a project in accordance with the risk it poses to the department, ISET introduced a capacity-based approach, which seeks to develop, enhance, and recognize the organizational capacity of our partners.

The Capacity Assessment Process was co-developed with Indigenous partners, who also vetted the Joint Capacity Assessment tool itself. During the Joint Capacity Assessment, an Indigenous Service Provider's capacity is assessed in four different areas: Governance / Leadership; Planning / Management; Financial Management; and Delivering Results. ESDC and Indigenous Service Providers staff then select one of three possible capacity results for each of these areas, as well as for the organization as a whole: Capacity Building, Capacity Enhancements, and Optimal Capacity.

The overall capacity result is essential for the monitoring strategy under ISET, as it determines the frequency of monitoring until the next Joint Capacity Assessment.

Evolution of the ISET Monitoring Framework

In the context of the transition to ISET, the monitoring framework underwent adjustments in 2019-20. The initial ISET monitoring framework was developed in time for program launch in conjunction with the Capacity Assessment Process. The parameters of this capacity-based monitoring framework are summarized in the chart below:

Capacity result	Financial Monitoring	Dialogue and Collaboration	Results Assessment
Self-Governing	N/A	MYD	YED
Optimal Capacity	On-site (Biennial)	MYD	YED
Capacity Enhancements	On-site (Annual)	MYD	YED
Capacity Building	On-site (Annual)	Ongoing Discussions	On-site Activity & Results (Annual)

Over the course of 2019-20, the finalization of the *ISET Program Monitoring Strategy* and the opportunity to modify the Common System for Grants and Contributions led to adjustments to the initial monitoring framework. At this stage, the Mid-Year Discussion (MYD) constituted an Activity monitor, and the Year-End Discussion (YED), a Results monitor. The resulting framework is outlined in the chart below:

Capacity Result	Financial	Activity	Results
Self-Governing	N/A	MYD	YED
Optimal Capacity	On-site (Biennial)	MYD	YED
Capacity Enhancements	On-site (Annual)	MYD	YED
Capacity Building	On-site (Annual)	MYD	YED

2019-2020 Monitor Review

This report is necessarily limited to 2019-2020, because the Annual Agreement Management Cycle for 2020-2021 has not yet closed. Annual Reports may be due as late as 180 days after the end of the fiscal year, and monitors of that fiscal year can only occur after the Annual Report has been submitted. As such, there is a necessary delay in the reporting schedule for monitoring under the ISET program.

Note that the total number of financial monitors for any given year will typically be lower than the amount of Results monitors and Activity monitors. This is because Optimal Capacity Indigenous Service Providers are only required to undergo a financial monitor once every two years. For most of them, no financial monitor was required in 2019-2020. Similarly, Self-Governing Indigenous Service Providers are not required to undergo financial monitoring of any kind.



In the context of the 2019-20 transition year, the following monitoring activities were expected and reported:

Monitoring Type	Expected	Reported
Financial	73.5	72
Activity	123	112
Results	123	134
Total	319.5	318

Context for Results

Overall, monitoring activities matched expectations for the year, with some regional variation. This can be partly explain by the impact of the pandemic. Social-distancing measures, travel restrictions and office closures hindered communications between ESDC and Indigenous Service Providers. Specific to financial monitoring, this caused delays in some instances in getting an auditor on-site to perform the financial audit, and thus, prepare the Audited Financial Statement. The audited financial statement is an essential component of the Annual Report, and is one of the key reporting requirements for financial monitoring. In light of the pandemic, the department introduced flexibilities when it comes to reporting, recognizing that the submission of various reporting requirements may be delayed.

In cases where required monitors have not yet been completed, Indigenous, and Families, Children and Social Development Directorate (IFCSD) will work to ensure that these monitors are completed retroactively.

Content Reviews

To support the transition from ASETS to ISET, IFCSD also conducted content reviews of a number of 2019-20 program monitors and reporting requirements. When it comes to monitors, IFCSD reviewed a sample of Mid-Year Discussions in Spring 2020 and a sample of Year-End Discussion in Winter 2021. The purpose behind these reviews was to identify areas for program improvement.

When it comes to reporting requirements, IFCSD reviewed a sample of 2019-20 Annual Operational Plans (AOP) in the Summer of 2020. The purpose of this report was to identify best practices for completing an Annual Operational Plan which could be presented to Indigenous Service Providers. This went beyond the minimum requirements for an Annual Operational Plan, focusing instead on discretionary elements that could facilitate program analysis if incorporated by Indigenous Service Providers.



Service Delivery Improvements

The various content reviews described above helped to inform several service delivery improvements to the ISET program introduced in 2021:

1. Modifications to the Common System for Grants and Contributions that incorporated an ISET-specific monitoring framework;
2. Revisions to the Agreement Management Tool that led to version 1.3 being introduced in Summer 2021; and,
3. The development of the approach for the annual review of ISET monitors.

Modification to CSGC Monitors

As part of a larger project to align Common System for Grants and Contributions (CSGC) to the ISET program, one of the required changes IFCSO identified, was the need to update the Monitors screen so that the number of mandatory monitors reflected those that were required under the capacity-based regime.

In preparation for the upcoming changes, IFCSO further clarified the monitoring framework:

Capacity Result	Financial	Activity	Results
Self-Governing	N/A	1	1
Optimal Capacity	0.5 (biennial)	1	1
Capacity Enhancements	1	1	1
Capacity Building	1	2	2

As part of this process, IFCSO identified the Year-End Discussion and In-depth Monitors (previously referred to as on-site monitors) as the primary vehicles for mandatory monitoring under the ISET program. As a result, the Mid-Year Discussion came to be recognized as an optional component of the framework.

These changes went live in June, 2021.

Agreement Management Tool 1.3

In early 2021, the Agreement Management Tool was revised to align with the upcoming changes to CSGC, and the monitoring framework described above. Version 1.3 was completed by July 2021. This version was designed to serve as the single document of record for an ISET agreement fiscal year, replacing a variety of regional administrative processes with one tool to reduce administrative burden and increase national consistency. As such, it now provides instructions for recording monitors in the Common System for Grants and Contributions, templates for the Year-End Discussion and In-depth monitors, and a summary chart of the number of required monitors per year. It also specifies timelines for completion of required monitors.



Increased adoption of the tool and adherence to the clarified monitoring framework will mean that moving forward, monitors should increasingly be captured in the Agreement Management Tool and recorded in the Common System for Grants and Contributions Monitors screen. Greater consistency across the program, will also improve the Department's ability to conduct program analysis for the purposes of identifying service delivery improvements.

Approach for the Annual Review of ISET Monitors

The approach was developed in August 2021 and is detailed in the document titled *Approach for the Annual Review of ISET Monitoring Results*. Starting with 2020-21 the annual review will be comprised of two parts; an overall review of the timeliness of completed monitors, and a content review of a smaller sample.

Conclusion

The 2019-2020 fiscal year was the first year of the ISET program. As such, some elements of the initial monitoring framework underwent revision over the course of the year, and into early 2021. Despite these revisions, and in the context of the pandemic, 2019-2020 monitors continued to be completed across regions, with Results and Activity monitors being particularly well represented. Reviews of these monitors, such as Mid-Year Discussion and Year-End Discussion, as well as a review of 2019-2020 Annual Operational Plans, helped to inform a number of changes that have been made to the program in early 2021. Moving forward, the department is well positioned to take advantage of these changes. IFCSO will continue to consult with relevant stakeholders as the ISET program proceeds, to ensure that potential improvements continue to be identified and incorporated into the program.

