
Finance and Treasury Board

**ANNUAL REPORT
2020-2021**



**Finance and Treasury Board
Annual Report 2020-2021**

Province of New Brunswick
PO Box 6000, Fredericton NB E3B 5H1 CANADA

www.gnb.ca

ISBN # 978-4605-2496-1 (bilingual print edition)
ISBN # 978-1-4605-2497-8 (PDF: English edition)

ISSN # 2563-4496 (Bilingual print edition)
ISSN # 2563-450X (PDF: English edition)

13551 | 2021.11 | Printed in New Brunswick

TRANSMITTAL LETTERS

**From the Minister to the Lieutenant-Governor
Her Honour, the Honourable Brenda L. Murphy
Lieutenant-Governor of New Brunswick**

May it please your Honour:

It is my privilege to submit the annual report of the Department of Finance and Treasury Board, Province of New Brunswick, for the fiscal year April 1, 2020, to March 31, 2021.

Respectfully submitted,



Honourable Ernie L. Steeves
Minister

**From the Deputy Minister to the Minister
Honourable Ernie L. Steeves
Minister of Finance and Treasury Board**

Sir:

I am pleased to be able to present the annual report describing operations of the Department of Finance and Treasury Board for the fiscal year April 1, 2020, to March 31, 2021.

Respectfully submitted,



Cheryl Hansen
Deputy Minister

Table of contents

Minister's message	1
Deputy Minister's message	2
Government Priorities.	3
Highlights	5
Performance Outcomes.	6
Overview of departmental operations	9
Division overview and highlights.	10
Financial information	18
Summary of staffing activity	19
Summary of legislation and legislative activity.	20
Summary of Official Languages activities.	21
Summary of recommendations from the Office of the Auditor General	23
Report on the <i>Public Interest Disclosure Act</i>	28

Minister's message

While COVID-19 continued to have a major impact on New Brunswick this past year, the Department of Finance and Treasury Board worked diligently to keep our fiscal house in order and to maintain the delivery of high-quality services for New Brunswickers.

Responding to the pandemic was at the forefront of our priorities in 2020-2021. It was incredible to see staff innovate to overcome obstacles and transform difficult situations into learning opportunities. This led to the implementation of the *One Team One GNB* approach, a new and innovative way of working together as a single unit for New Brunswickers.

Throughout these difficult times, the department continued to provide important quarterly fiscal updates to inform government decisions and launched an economic recovery dashboard to improve transparency and accountability.

The Office of the Chief Information Officer played an integral role this past year by rapidly deploying new technology to employees supporting the COVID-19 response, allowing them to securely work from anywhere. In addition, they updated cyber security directives and continue to advocate for the infrastructure needed to meet improved provincial service levels for rural broadband and cellular service through collaborative efforts with the Government of Canada and service providers.

Another item that had a significant impact on the public was the new design of the annual property tax notice. Separating the tax notice from the annual property assessment notice was a recommendation from the Auditor General.

Additionally, I had the honour of introducing significant pieces of legislation this year, including the New Brunswick carbon tax and a gasoline and motive fuel tax reduction.

Finally, I want to thank Finance and Treasury Board employees for their dedication and professionalism this past year. I was truly impressed to see them work tirelessly to improve programs and services for New Brunswickers in the difficult context of the pandemic. They are the perfect example to follow to achieve our goal of having a responsive and high-performing government. They can be proud of their accomplishments and I look forward to continuing working together to create a brighter future for our province.

A handwritten signature in black ink, appearing to read "Ernie L. Steeves". The signature is fluid and cursive, with a long horizontal stroke at the end.

Honourable Ernie L. Steeves
Minister of Finance and Treasury Board

Deputy Minister's message

Tremendous work has been accomplished by the Department of Finance and Treasury Board during the 2020-2021 fiscal year in order to limit the impact of the COVID-19 pandemic on New Brunswickers and our province's finances.

I have the privilege of working alongside a talented team of professionals whose focus and determination are driven by the motivation to better serve New Brunswickers on a daily basis. Our accomplishments as a department in 2020-2021 are a direct result of their hard work and leadership.

For example, as we learned to live with COVID-19, the department led a series of workplace initiatives to enable our successful response, such as implementing safety measures, establishing critical staffing teams and helping to organize vaccination clinics for staff in the education sector.

As part of its more regular duties, the department continued to provide financial results, quarterly reports and conduct performance audits. We coordinated the preparation of capital estimates, main estimates and the budget speech. Departmental staff collaborated with teams across Government on meaningful projects, such as the development of a new financial assistance policy, local governance reform, business continuity planning, court system resiliency, and government space utilization. We led the cross-departmental 90-day review of the rental landscape and produced a series of recommendations with the goal of improving the situation.

We provided training to 157 employees in subjects like project management and process improvement to encourage a culture of excellence in the public service.

One of the major initiatives being led by the department is the implementation of the Enterprise Resource Planning Project. The goal is to introduce common business processes, a shared technology solution, and a common approach to managing information in the areas of human resources and payroll; financial services; and procurement. The focus in the 2020-2021 fiscal year was on preparing for the 2021 implementation of key services, including account payable, human resources and payroll. The solution's full implementation plan currently extends to 2024.

Thanks to our new vision of *One Team One GNB*, government departments are working more efficiently and are collaborating like never before, with a focus on delivering results. I am confident this new collaborative model will allow us to progress towards our vision of having a vibrant and sustainable province. As we move forward, the department will continue to focus on providing support to New Brunswickers while managing the province's finances in a prudent and responsible manner.



Cheryl Hansen
Deputy Minister

Government Priorities

DELIVERING FOR NEW BRUNSWICKERS - ONE TEAM ONE GNB

One Team One GNB is a new, collaborative approach to how we operate. It represents a civil service that works together as a single unit for New Brunswickers. We have discovered new and innovative ways of doing business, ways that have allowed us to achieve the outcomes needed for New Brunswickers and we are working more efficiently and effectively than ever before. Our new path forward includes a mindset of focus, urgency and results.

We are working every day to improve the way government departments:

- Communicate with one another
- Work side-by-side on important projects
- And drive focus and accountability

STRATEGY AND OPERATIONS MANAGEMENT

The Government of New Brunswick (GNB) uses a Formal Management system built on leading business practices to develop, communicate and review strategy. This process provides the Public Service with a proven methodology to execute strategy, increase accountability and continuously drive improvement.

The development of the strategy, using the Formal Management system, starts with our government's roadmap for the future of New Brunswick that focuses on key priorities and the importance of public accountability.

GOVERNMENT PRIORITIES

Our vision for 2020-2021 is a vibrant and sustainable New Brunswick. To make progress towards this vision, we must focus on our government's priorities.

- Energize private sector
- Vibrant and sustainable communities
- Affordable, responsive and high-performing government
- Dependable public health care
- World-class education
- Environment

COVID RESPONSE

As part of GNB's priorities this past year, responding to the COVID-19 pandemic was at the forefront. Our department supported GNB in responding to the pandemic by:

- leading workplace initiatives to enable GNB's successful pandemic response (COVID-19 operational plan and safety measures, critical staffing team, mobility agreements with unions, adjusted leave provisions, wellness toolkit, and organizing vaccination clinics for high school staff);
- partnering with ONB for the administration of the Small Business Recovery Grant Program, resulting in over \$1.15M in grants to over 262 qualifying small businesses impacted by the pandemic as of March 31, 2021;
- implementing the Explore NB travel incentive web application, in collaboration with Service New Brunswick, for Tourism, Heritage and Culture in 5.5 weeks;
- providing regular pandemic-related communications to GNB Part I employees, including messages of support and gratitude, examples of resiliency, and virtual employee engagement opportunities for staff to safely connect regardless of workplace setting or public health zone;

- introducing a parallel learning structure in support of organizational learning, designed to not only assist in immediate COVID-19 response and recovery efforts, but to provide a comprehensive approach to learning that can be applied by the organization for years to come;
- providing weekly economic and fiscal updates to government and launched an economic recovery dashboard; and
- enabling better remote collaboration by rolling out Zoom, MS Teams, Microsoft SharePoint Online, and CISCO WebEx, and deploying a significant number of laptop computers and virtual private networking (VPN) to allow staff to continue working remotely while implementing multi-factor authentication (MFA) to reduce cybersecurity risks.

Highlights

During the 2020-2021 fiscal year, Finance and Treasury Board focused on these government priorities:

- Established a new Telecommunications Strategy unit that worked in collaboration with an internet service provider to meet Canadian Radio-television and Telecommunications Commission (CRTC) requirements for broadband service to 150 rural communities across the province, impacting approximately 70,000 households.
- Established a “no wrong door” support team and resources for both critical staffing and project support.
- Launched a 90-day review of the province’s rental landscape, a successful example of a collaborative *One Team One GNB* approach.
- Under the Enterprise Resource Planning (ERP) project, the General Ledger containing all of the financial transaction data for the in-scope organizations went live in the ERP solution, Oracle Fusion (Fusion), in December.
- The majority of the Office of the Chief Human Resources Officer’s (OCHRO’s) work during 2020-2021 was dedicated to supporting GNB’s response to the COVID-19 pandemic including health and safety support and guidance, adapting human resource policies to support employees and government operations, deploying GNB employees to critical operations, working with unions for staffing mobility agreements and establishing a communication process to provide GNB employees with timely updates.
- The Office of the Chief Information Officer (OCIO) worked closely with Service New Brunswick (SNB) to provide new capabilities to the teams supporting GNB’s COVID-19 response. This required rapid deployment of new tools to securely allow staff to work remotely - anywhere, anytime, on any device.
- Published refreshed Cyber Security Directives and the New Brunswick Cyber Security Strategy online for GNB users and the public.
- Updated the design of the annual property tax notice, separating it from the annual property assessment notice as per the recommendation from the Auditor General.
- Provided weekly economic and fiscal updates to government during early months of COVID-19 and launched economic recovery dashboard.
- Implemented tax legislation including the New Brunswick carbon tax, gasoline and motive fuel tax reduction and a property tax exemption for local transit authorities.

Performance Outcomes

The information below outlines some of the department's priorities and how we measured our performance.

OUTCOME # 1: INFORMATION HIGHWAY 2.0

Government recognizes the importance of broadband connectivity and cellular access to New Brunswick's residents and businesses. It responded with Information Highway 2.0—a joint Finance and Treasury Board (FTB), Opportunities New Brunswick (ONB), and Regional Development Corporation (RDC) initiative to ensure that the necessary telecommunications infrastructure is in place to allow rural residents to lead connected and productive lives and enable businesses to participate in the modern economy.

The Information Highway 2.0 objectives are to:

- Provide faster broadband speeds and new services including fibre to the home for many rural households.
- Provide businesses in key sectors of the rural economy—like forestry, agriculture, aquaculture, tourism, and manufacturing—with access to Internet with the speed and capacity to support the adoption of modern, productivity-inducing technologies.
- Improve cellular coverage in rural communities including the deployment of 5G technology.
- Support GNB's digital transformation and its ability to provide residents with crucial services like education and healthcare online.

The Office of the Chief Information Officer (OCIO) Division of FTB is working with telecommunications service providers and Government of Canada departments and agencies to achieve these outcomes.

WHY THIS IS IMPORTANT

Everyone—residents, businesses and government—needs resilient, secure and affordable Internet and cellular services so they can participate fully in the global community and its economy, from wherever they are in New Brunswick. Our collective experience during the COVID-19 pandemic demonstrated the important role that telecommunications infrastructure plays in our society. This infrastructure delivers the cellular and broadband services that allows residents to work from home and students to study from home. It allows key rural business sectors—forestry, agriculture, aquaculture, tourism, and manufacturing—to use the latest technologies and compete in the global economy and employ people anywhere in New Brunswick.

OVERALL PERFORMANCE

Building infrastructure is a linear activity: assessing the need, selecting the solution, planning the build, selecting materials and skilled labour suppliers, arranging the funding, scheduling the construction, obtaining the necessary permits and approvals, and finally building, which is influenced by the availability of equipment, materials, labour and weather.

Projects to upgrade rural broadband service were submitted to the Universal Broadband Fund in February 2021. One project, funded through the Fund's Rapid Response Stream, was awarded for a project in the province. Seven other applications are being reviewed.

INITIATIVES OR PROJECTS UNDERTAKEN TO ACHIEVE THIS OUTCOME

- Established the Telecommunications Strategy Unit in the OCIO in July 2020. It began with one person and a technical advisor was added to the unit in March 2021.
- Engaged key telecommunications carriers operating in the province and informed them of the Information Highway 2.0 Initiative and its objectives.
- Assessed the alignment of Universal Broadband Fund proposals of the key Internet Service Providers operating in the province with Information Highway 2.0 objectives.
- Established a new Telecommunications Strategy unit that worked in collaboration with an internet service provider to meet Canadian Radio-television and Telecommunications Commission (CRTC) requirements for broadband service to 150 rural communities across the province, impacting approximately 70,000 households.
- Launched the second phase of a contract to upgrade broadband service to 63,000 rural households.
- Mobility service providers began rollout of 5G mobility service in the province's larger cities.

OUTCOME #2: ONE TEAM ONE GNB IMPLEMENTATION

A new vision for GNB Part I departments and agencies was implemented to improve the ways departments communicate with one another, work side-by-side on priority projects, and drive focus and accountability. It is a behavioural change that has been introduced as *One Team One GNB*.

Co-led by the department in partnership with the Executive Council Office, the priority is a long-term path for the organization that includes a mindset of focus, urgency and results. Formally introduced in Fall 2020, it is designed to bring individuals and teams together, working across departments, professions and sectors to equip GNB in achieving outcomes now and for the future.

Outcomes for government include faster results, transformed services, an organization dedicated to learning, an empowered workforce, and a culture that attracts the best.

WHY THIS IS IMPORTANT

One Team One GNB has a significant and lasting impact on how GNB can, and will, sustain improvements for years to come. It is ensuring the needs of residents are put first and that GNB learns, grows and adapts as it moves forward delivering for New Brunswickers.

Originally developed as government was seeking innovative and immediate ways to continue essential services without disruption, the approach and its leading principles have guided GNB's pandemic response and recovery efforts from day one, with pandemic-oriented projects providing proven results of its effectiveness.

OVERALL PERFORMANCE

This priority is empowering the civil service in its performance – to reduce internal red tape, embrace a culture of learning, take calculated risks, learn from failure, adapt and share.

Overall, performance has been the direct result of employee ownership of the leading principles of *One Team One GNB* which include:

- working together across departments, professions and sectors to achieve outcomes;
- putting the needs of residents first; and
- a GNB that learns, grows and adapts.

INITIATIVES OR PROJECTS UNDERTAKEN TO ACHIEVE THIS OUTCOME

At the centre of *One Team One GNB* and its development has been an appreciation for, and adoption of, innovative and agile approaches. The organization has embraced unique ways of doing business, and examples of initiatives and projects undertaken by the department include:

- Established a “no wrong door” support team and resources for both critical staffing through the Office of the Chief Human Resources Officer and project support through Project and Advisory Services.
- 370 employees were deployed to another team to help where they were needed most.
- Commenced a successful 90-day review of the province's rental landscape using novel and collaborative cross-departmental approaches.
- Accelerated the adoption of cloud-based and remote work technologies.
- Introduced a parallel learning structure supporting organizational learning extending past GNB's pandemic response and recovery.

OUTCOME #3 - ENTERPRISE RESOURCE PLANNING

The ERP Project is a multi-year GNB initiative focused on the business areas of human resources and payroll, financial services, and procurement. The project was established to:

- introduce common business processes,
- implement a shared technology solution (Oracle Fusion), and
- introduce common approaches to how we manage information.

ERP is being implemented in stages to departments and agencies, school districts, and the community colleges. The project is targeted for completion in 2024.

WHY THIS IS IMPORTANT

For several years, GNB has recognized the need for a single ERP solution. When the COVID-19 pandemic began in March 2020, there were challenges pulling together key employee and financial information from across government. It required pulling information from various systems, manual input and adjustments, and hours of staff effort.

Encountering these challenges during a critical time drove home the importance of government employees having access to accurate and up-to-date information, while ensuring leaders have reliable information to make decisions.

With this in mind, the team committed to implementing the first piece of ERP functionality in the next few months.

INITIATIVES OR PROJECTS UNDERTAKEN TO ACHIEVE THIS OUTCOME

On December 21, 2020, the General Ledger containing all of the financial transaction data for GNB departments, agencies, school districts, and the community colleges went live in the ERP solution, Oracle Fusion (Fusion).

To achieve this, financial services staff worked together to build a new, common chart of accounts (CoA) that contains the financial and accounting data for all of their organizations. The new CoA served as the foundation upon which the General Ledger was built in Fusion.

Implementing the first release was a collaborative effort that required input and support from business and technical subject matter experts from across GNB, as well as external consultants and ERP's implementation partner, IBM. The ERP team led working groups, hosted a series of workshops to build how the future solution may work, and conducted extensive testing and training.

Running in parallel to the first release, was planning and preparation for the next two releases, which will involve incorporating additional financial services, such as accounts payable and fixed assets, as well as human resources and payroll functionality.

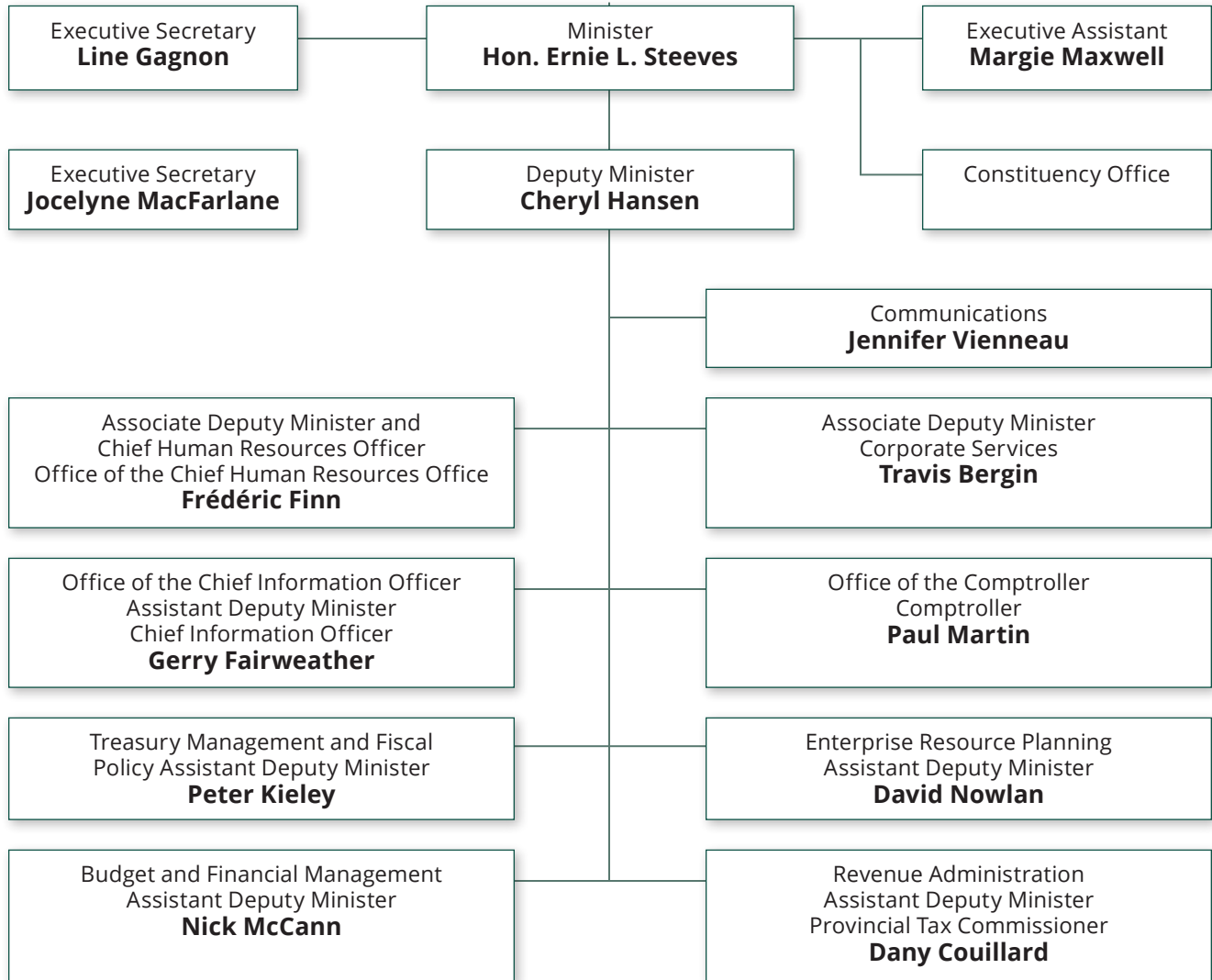
Planning for future-year deployments (i.e., what comes after 2021) also occurred, in consultation with leaders from all in-scope organizations.

Overview of departmental operations

The Department of Finance and Treasury Board is a central agency of the Government of New Brunswick. The department is responsible for: human resources; expenditure management and fiscal oversight; agency relations; fiscal and tax policy; revenue administration; the Treasury, which manages and administers cash resources and all investments and debt managements activities of government; support in the development of the Enterprise Resource Planning System; and the Office of the Chief Information Officer (OCIO) and information management.

The Minister of Finance and Treasury Board is also the Chair of the Treasury Board Cabinet Committee. The Deputy Minister is also the Secretary to the Treasury Board Cabinet Committee. Finance and Treasury Board supports the Executive Branch of government in its decision-making and provides strategic direction regarding government’s human resources, finances, risk, technology and information to client departments and organizations.

HIGH-LEVEL ORGANIZATIONAL CHART



Division overview and highlights

CORPORATE SERVICES

The Corporate Services Division is comprised of four units: Corporate Services; Project and Advisory Services; Agency Relations; and Regulatory Services.

The **Corporate Services** unit provides human resource services; accounting services, financial advice, analysis, risk management and financial monitoring and reporting services for multiple departments and agencies. The unit also provides legislative coordination, policy and planning services, process documentation coordination and internal communications and employee experience guidance and support as well as development and implementation of a modern digital workplace to replace the legacy the GNB intranet

The **Project and Advisory Services (PAS)** unit works with clients across GNB to support priority projects, build knowledge and build community in the fields of continuous improvement, human centered design, advisory services, project management and change management. Since its inception in June 2020, PAS has provided support services on over 150 project requests related to health services, organizational design, New Brunswick's rental system, senior care, cannabis, economic development, early learning and childcare, and public safety – serving clients across GNB. PAS has also trained nearly 200 employees in our various lines of business.

The **Agency Relations** unit is responsible for policy direction and oversight of the provincial agencies operating in the gaming, beverage alcohol and retail cannabis sectors that provide more than \$330M in annual revenue to the province. The unit has operational responsibilities for two Crown corporations- the New Brunswick Lotteries and Gaming Corporation (NBLGC) and the Cannabis Management Corporation (CMC). The unit provides secretariat services to the board of directors of the NBLGC and manages its day-to-day operations, including managing the casino service provider agreements with two private service providers, the relationship with ALC and gaming revenue sharing arrangements with First Nations. The unit also provides secretariat services to the board of directors of CMC and is responsible for the management of the service provider agreement with Cannabis NB for the operation of the retail cannabis network in the province.

The **Regulatory Services** unit provides support and manages the accountability relationship with agencies that report to the Minister of Finance and Treasury Board, including the Financial and Consumer Services Commission of New Brunswick (FCNB).

Highlights

- ♦ Provided formal training to 157 employees in subjects including project management, human-centred design, and Lean Six Sigma process improvement.
- ♦ Coordinated 56 Memorandums to Executive Council (MECs).
- ♦ Responded to 53 requests under the *Right to Information and Protection of Privacy Act*.
- ♦ Coordinated three successful virtual Rapid Fire orientation training sessions with 100 per cent of eligible new hires successfully completing the program within one of the first two available sessions following their start dates. As of March 2021, the program has expanded to include new employees from both Finance and Treasury Board and Executive Council Office.
- ♦ Launched the GNB intranet beta site in December 2020.

KEY PERFORMANCE INDICATORS

- Number of RTIs completed in 30/60 days.
- Number of project reports completed and implemented.
- Percent participation in Rapid Fire Orientation.
- Number of employees trained in project management, human-centred design, and Lean Six Sigma process improvement.

OFFICE OF THE COMPTROLLER

OVERVIEW

The Office of the Comptroller provides leadership in accounting, internal auditing and enterprise risk management services to various government organizations to encourage the effective management of government resources.

The Comptroller is the chief accountant and internal auditor for the Government of New Brunswick. The Comptroller reports to the Deputy Minister of Finance and Treasury Board and is required under the *Financial Administration Act* to:

- control the processing of all accounting transactions relating to the operations of the Consolidated Fund of the province and report on the results of these operations on behalf of the Minister of Finance and Treasury Board; and
- provide assurance that management systems, procedures and internal controls operate economically and efficiently and that program results are achieved through effective compliance with established legislative authority, policies, plans and regulations.

The Office of the Comptroller consists of Administration Services, Accounting Services, Audit and Consulting Services and Enterprise Risk Management.

Administration Services consists of the Comptroller and administrative support. This section gives overall direction to the office in carrying out the legislated responsibilities of the Comptroller. In addition, this section provides secretarial and information management support for the office.

A primary responsibility of **Accounting Services** is the preparation of the annual financial statements of the Government of New Brunswick, including the publication of both volumes of the Public Accounts and supplemental information on the department's website.

Accounting Services is responsible for the ongoing operation of corporate financial systems used to record the transactions reported in the consolidated financial statements of the Government of New Brunswick.

Accounting Services provides accounting advice to departments, Finance and Treasury Board, staff and government agencies; interpretation of emerging accounting standards and their impact on the Government of New Brunswick; and information for the prospectus for Government of New Brunswick bond issues. In addition, Accounting Services operates and maintains the corporate financial information system.

Audit and Consulting Services assists GNB in managing public resources by providing various internal assurance and consulting services as well as identifying opportunities for operational efficiencies and cost savings. Assurance reviews include: financial audits, compliance audits, information systems audits, operational (performance) reviews, and forensic accounting reviews. Consulting services include providing advice and consultation related to the assessment, analysis, impact and mitigation of risk across a variety of projects, program areas and departments.

The **Enterprise Risk Management** section of the Office of the Comptroller encourages risk management excellence in government through leadership, guidance, monitoring, review and reporting.

Highlights

- ♦ Prepared annual reporting of the Public Accounts Volumes 1 and 2.
- ♦ Provided quarterly public reporting of senior executive travel.
- ♦ Provided reporting and support to the government audit committee.
- ♦ Conducted performance audits in support of strategic priorities.
- ♦ Participated in the annual federal, provincial and territorial Comptrollers' conference and Eastern Comptrollers conference.
- ♦ Participated as a member on the CPA Canada Public Sector Accounting Discussion Group.

KEY PERFORMANCE INDICATORS

- Issuance of the annual audited financial statements by September 30 as set out in legislation.

OFFICE OF THE CHIEF HUMAN RESOURCES OFFICER

OVERVIEW

The Office of the Chief Human Resources Officer (OCHRO) provides strategic direction and policy, program and accountability framework for the recruitment, compensation, development, safety, wellness and management of, and relationship with, GNB's workforce.

OCHRO provides advice and support to the Treasury Board Cabinet committee in fulfilling its statutory responsibilities, powers and duties as the employer for Parts I, II and III of the Public Service under the authorities of the *Financial Administration Act* and the *Public Service Labour Relations Act*. In addition, OCHRO oversees the human resource management functions in GNB.

OCHRO also provides advice and support to the Treasury Board Cabinet committee and to the Secretary to Treasury Board in fulfilling their respective statutory responsibilities, powers and duties under the authorities of the *Civil Service Act*. In addition, OCHRO oversees the recruitment and employee development functions in GNB, the application of the merit principle for appointments, and the integrity of hiring practices.

The division includes 60 positions organized in three branches: Employee Relations Branch, Total Compensation and Benefits Branch, and Talent, Organizational Development and Wellness Branch.

The **Employee Relations Branch** is responsible for leading all collective bargaining and provincial-level labour management activities with the 25 bargaining units across Parts I, II and III of the Public Service. The branch is also responsible for grievance arbitrations for bargaining and non-bargaining employees; managerial and confidential exclusions from collective bargaining; the designation of essential services in the events of strike; and strike management. In addition, the branch provides, as required, specialized consulting services and advice to Treasury Board and Cabinet respecting labour relations matters for Part IV of the Public Service and the broader public sector.

The **Total Compensation and Benefits Branch** is responsible for the terms and conditions of employment for management and non-bargaining employees, deputy ministers and ministerial staff. The branch establishes the job classification systems and framework for Parts I, II and III of the Public Service and conducts job evaluation and pay equity studies. The branch is also responsible for pay plans; compensation and other human resources related policies (e.g. paid and unpaid leaves); and for corporate research and business intelligence,

such as wage bill, workforce size, and absenteeism. The policy and governance responsibilities for government sponsored pension and employee benefits plans also reside within this branch.

The **Talent, Organizational Development and Wellness Branch** is responsible for the policies, programs and processes for appointments to the civil service pursuant to the *Civil Service Act*, including the oversight of the merit-based principle and the integrity of hiring practices. The branch is also responsible for the broader scope of policies and programs to foster a positive employee experience such as recruitment and staffing, employee experience through leadership development, performance management, official languages, workplace equity and diversity, workplace accommodation and disability management, workplace health and safety, and employee wellness across Part I of GNB.

Highlights

The majority of OCHRO's work during 2020-2021 was dedicated to supporting GNB's response to the COVID-19 pandemic including health and safety support and guidance, adapting human resource policies to support employees and government operations, deploying GNB employees to critical operations, working with unions for staffing mobility agreements and establishing a communication process to provide GNB employees with timely updates.

- ♦ Kept employees informed on several pandemic response topics and Public Health directives through distributing over 60 information bulletins and using the GNB Intranet as a communication tool.
- ♦ Provided critical health and safety support including the development of a process for COVID-19 operational plans across Part I, safety orientation for employees returning to the workplace during the pandemic, safe work procedures, an expedited work refusal process to support employees and managers with pandemic related safety concerns, guidance for active screening, guidance for responding to a positive COVID-19 case or potential exposure in the workplace, and guidance for implementing workplace safety protocols.
- ♦ Formed a Part I Health and Safety Community of Practice to support timely health and safety responses during the pandemic and champion initiatives to improve the health and safety culture in GNB.

- ◆ Developed and launched Mental Health Learning Opportunities and a COVID-19 Wellness Toolkit to support employee well-being.
- ◆ Developed a process to deploy GNB resources to critical roles such as border enforcement officers, travel registration clerks and on-site screeners. Over 370 employees were deployed to temporary roles in government departments, Parts II, III and IV, and to long-term care facilities.
- ◆ Launched a Health and Safety Dashboard for Part I departments to support them in monitoring workers' compensation claims, sick leave and long-term disability claims.
- ◆ Established a centralized disability management unit and initiated a disability management program to support a safe and earlier return to work for injured or ill employees. Launched a pilot with the departments of Justice and Public Safety and SNB Health Services for the centralized management of complex WorkSafe NB claims.
- ◆ In lieu of conducting the annual Employee Experience Survey for Part I, OCHRO launched the GNB Pandemic Engagement Pulse survey in June 2020. With a 40 per cent response rate, employees indicated overall that they felt supported by GNB, had the tools needed to do their jobs, and were kept well informed and supported by their managers.

GRIEVANCES

The Employee Relations Branch is responsible for receiving the referral of unresolved grievances to adjudication and further pursuing their resolution or, in cases where there is no resolution, their hearing at adjudication. The following table summarizes the adjudication activity in 2020-2021.

	Referral to adjudication carried from previous years	New referrals to adjudication	Grievances withdrawn or settled	Adjudication decisions rendered
Part I	204	55	67	5
Part II	80	24	43	13
Part III	277	126	99	5
Total	561	205	209	23

KEY PERFORMANCE INDICATORS

Measuring Safety Performance:

- Recordable Incident Rate.
- Average days lost per workers' compensation claim.

REVENUE ADMINISTRATION DIVISION

The Revenue Administration Division ensures fair, effective and efficient administration of tax and regulatory programs. It offers policy and information in respect to federal-provincial-territorial tax administration relations. It participates on several inter-jurisdictional committees on issues of common interest and works in close collaboration with the Canada Revenue Agency (CRA). The division also provides timely information pertaining to tax revenue forecasts and estimates for main estimates. Composed of 72 dedicated full-time employees, the division consists of the Research and Tax Administration Policy Branch, the Account Management Branch, the Audit and Investigation Services Branch and the Revenue Accounting Unit.

The **Research and Tax Administration Policy Branch** ensures legislative compliance of assigned revenue and taxation statutes associated with real property and consumption taxes. Key responsibilities include the analysis of tax application issues; provision of interpretations and advice; and the development of legislative amendment proposals.

The **Account Management Branch** is responsible for the effective delivery of assigned revenue and taxation programs associated with real property and consumption taxes. Key responsibilities include registration and licensing of businesses; billing and collection of real property taxes; processing of tax returns and refund claims; accounting functions related to rev-

enues; development and implementation of legislative amendments; and provision of critical program support and expert advice relative to the administration of tax programs.

The **Audit and Investigation Services Branch** provides audit, assurance and refund verification functions as well as education, inspection and information regarding program services. The branch provides compliance monitoring of business activities under the assigned acts, within the department and on behalf of other departments and agencies.

The **Revenue Accounting Unit** is responsible for forecasting and reporting for all revenue sources administered by the Revenue Administration Division as well as two expenditure programs related to revenues under General Government. The unit is also responsible for year-end activities, monitoring financial controls within the division and performing financial analysis on programs when required.

Highlights

- ♦ Implemented a new Call Center software and technology to assist the public more efficiently and added the ability to receive call-backs rather than waiting in a call queue.
- ♦ Updated the Property Tax website to include new forms, applications for programs, requests for statements and refunds for property taxes allowing the public to more easily find information and apply for services online.
- ♦ Updated the design of the annual property tax notice, separating it from the annual property assessment notice as per the recommendation from the Auditor General.
- ♦ Implemented a new process to provide vehicle tax estimates by the Call Center representatives which has increased the number of first call resolution.

- ♦ Provided the research and tax interpretation required by the Tax Commissioner to render decisions on 191 tax objections and the Minister Designate to render decisions on eight tax appeals.
- ♦ Completed over 433 fuel tax audits, investigations, educational activities and refund reviews. These compliance activities resulted in an additional \$143,000 in fuel tax revenues.
- ♦ Completed 431 investigations and 940 audits during the year for the Tangible Personal Property Tax and the Provincial Vehicle Tax under the *Harmonized Sales Tax Act*. Based on these files, an additional tax amount of over \$1.2 million was assessed.
- ♦ Assisted in the implementation of carbon emitting product tax revenue source through both estimating, reporting and system changes.
- ♦ Implemented recommendation from the Auditor General's annual property tax audit to analyze and comprehensively document the provision for losses calculation process.

KEY PERFORMANCE INDICATORS

The division has implemented Daily Management approaches in all branches. Regular huddles or meetings are conducted, and a number of KPIs are measured and monitored. This approach provides staff with regular opportunities for bringing forward process improvement ideas. Most indicators report on incoming transactions and average processing time. This allows managers to adjust their resource allocation to maintain service level targets during peak periods. A number of indicators such as the following are monitored:

- Call center queue and call back times
- Processing time of transactions such as:
 - Refunds, rebates and adjustments
 - License applications
 - Tax returns and payments

OFFICE OF THE CHIEF INFORMATION OFFICER (OCIO)

OCIO is a division of Finance and Treasury Board that focuses on information as a valuable resource. It supports Finance and Treasury Board's vision by "Enabling the delivery of high-value personalized services through technology to citizens and other stakeholders in a seamless, secure, and cost-effective manner," offering services to clients within government and the public.

78 highly-skilled positions help OCIO support its mandate of "Government-wide strategic leadership, planning and oversight of the management of information, telecommunications, technology, risk, and digital innovation to enable the business of a smarter government."

The division consists of four distinct areas: Digital Office, Cyber Security, Telecommunications Strategy and Provincial Archives and Corporate Information Management.

The **Digital Office (DO)** includes the IT Strategy and Governance Unit, the Digital Transformation Team, and the Information Access and Privacy Unit. The branch oversees the Digital NB Strategy and provincial support for compliance with the *Right to Information and Protection of Privacy Act* (RTIPPA). The branch performs these functions through: the strategic alignment process, participation on project specific steering committees, as a champion for access, privacy and digital innovation within government, setting strategic direction, and developing partnered strategies with internal and external stakeholders. The specialized digital transformation team provides innovative digital solutions for GNB departments to improve and modernize the delivery of their services.

The **Cyber Security Branch** was formed as a direct result of the focus on Cyber Security in the Digital NB Strategy. The branch performs governance, monitoring and policy creation for GNB in information security while also offering operational services in the areas of forensics, vulnerability assessments, and incident response. A Cyber Security Strategy has been developed to support this work.

The **Telecommunications Strategy Unit** oversees Information Highway 2.0 which is an initiative to ensure that the requisite telecommunications infrastructure is in place so that New Brunswick residents can lead connected and productive lives, its businesses can participate in the modern economy, and its government can effectively and efficiently function online. Information Highway 2.0 priorities include faster rural broadband speeds and new services including fibre to the premises for many rural households and businesses. Improved cellular coverage in rural communities as well as the deployment of 5G technology are also priorities.

The unit is responsible for the following GNB commitments:

- Further increase rural broadband speeds in over 70,000 households to 100Mbps over three years.
- Pursue a province-wide 5G network by collaborating with service providers.
- Obtain funding for rural broadband projects from Government of Canada programs.

The **Provincial Archives and Corporate Information Management Branch** offers public-facing services to meet the government's obligations under the *Provincial*

Archives Act. To do so, it collects, preserves, and makes available for research, documents and records bearing upon the history of New Brunswick. The Provincial Archives provides information and authentication for Government and citizens of New Brunswick across a wide variety of sectors. Generally thought of as only serving heritage industries, the Archives is equally a supply chain for the legal, construction, tourism, local governments, non-profit, and media businesses.

The **Corporate Information Management Unit** provides advice and assistance in records and information management to all government departments, agencies, corporations, and commissions. Under provincial legislation, records management policies and procedures apply to all records, in any form, which are created or received in the administration of public business.

Highlights

- ♦ Established the GNB Protection of Privacy Policy (Part I)
- ♦ Rolled-out the MS Teams and SharePoint Online collaboration tools to multiple FTB employees to aid in business continuity
- ♦ Implemented foundational provincial broadband initiatives such as a gap analysis, provincial roadmap and planning for the expansion of rural broadband
- ♦ Produced "Integration of Indigenous Culture, Knowledge, and Tradition: A Guide for Understanding the Intersection of Archives and Indigenous History" for use in classrooms
- ♦ Rolled out mandatory cyber security awareness and training to all employees in Part I of government
- ♦ Provided monthly cyber security awareness updates to GNB employees
- ♦ Conducted major cyber security assessments
- ♦ Updated and published Cyber Security Directives and the New Brunswick Cyber Security Strategy online for GNB users and the public.
- ♦ Implemented the Explore NB Travel Incentive Program application for the department of Tourism, Heritage and Culture
- ♦ Implemented an Executive Dashboard for COVID-19 Vaccine Rollout information
- ♦ Redesigned the SNB.ca public-facing homepage

KEY PERFORMANCE INDICATORS

- Percentage of Digital NB activities completed
- Number of inquiries and service requests processed related to access to information and information privacy
- Number of Provincial Archives visitors
- Number of Provincial Archives research inquiries
- Number of boxes brought to Government Records Centre
- Number of Threat Risk Assessments

TREASURY MANAGEMENT AND FISCAL POLICY DIVISION

The Treasury Management and Fiscal Policy Division is responsible for financing GNB and Crown Corporations, managing the Consolidated Fund and the Service of the Public Debt, investing, and administering various dedicated funds as well as providing financial and risk management policy analysis and advice.

It provides policy advice, analysis, and information regarding taxation, fiscal and budget policy, intergovernmental fiscal relations and the economy. The division provides advice and recommendations, and is involved with the analysis, design and implementation of GNB's tax policies. It has responsibility in the development and monitoring of the budget plan and multi-year fiscal framework; coordinates the preparation and production of the annual budget speech, fiscal and economic reports; and monitors and reports on GNB's economic performance. The division also has responsibility for economic and revenue forecasting, provision of statistical data and analysis and federal-provincial consultations with respect to tax matters, programs under the *Federal-Provincial Fiscal Arrangements Act* and the Canada Pension Plan (CPP).

The division consists of the following branches: Fiscal, Economic and Statistical Analysis, Tax Policy, Capital Markets and Banking and Cash Management.

The **Fiscal, Economic and Statistical Analysis Branch** undertakes economic and revenue forecasting, monitoring and analysis and contributes to the protection of GNB's financial interests by providing policy advice, analysis and information. The branch also provides socio-economic and demographic research, analysis and information services to the government and departments. Key responsibilities of the branch include: management of the multi-year fiscal framework; preparation of the budget speech and related documents; fiscal and economic reports; monitoring and reporting on the budget plan; and coordinating GNB's overall revenue forecast. It is also involved in intergovernmental consultations on major federal transfer programs, including equalization, health and social program transfers and in the ongoing maintenance of such programs, as well as intergovernmental consultations on the CPP.

The **Tax Policy Branch** researches and analyzes tax policy issues. It develops options, provides information, advice and recommendations on tax matters, and implements legislative measures in support of the government's tax policy priorities. The policy work of the branch includes all areas of taxation: income tax; consumption taxes; property tax; and other taxes. The branch's responsibilities include federal-provincial consultations on tax matters; and negotiation with the federal government respecting Canada-New Brunswick taxation agreements.

The **Capital Markets Branch** is responsible for developing annual long-term debt borrowing strategies and securing, negotiating, executing, settling, and reporting of debenture debt. This includes execution and management of related instruments as necessary, such as interest rate and foreign currency hedges, derivatives and hedges. Integral to Debt Management are ongoing stakeholder and investor relations and communications. The branch is responsible for developing policies, strategies, investing and reporting for sinking and trust funds and providing financial and accounting policy analysis and advice.

The **Banking and Cash Management Branch** is responsible for the management and reconciliation of the cash flow for the Consolidated Fund and various dedicated funds. The branch acts as the receiver of revenue for GNB, initiates foreign exchange transactions, issues short-term debt in the form of Treasury bills, negotiates and manages banking arrangements, operates Crown financing corporations, forecasts Service of the Public Debt, ensures interest and principal payments on debt are made on a timely basis, liaises with credit rating agencies and provides financial policy analysis and advice.

Highlights

- ♦ Successful merger of the former Treasury and Fiscal Policy divisions into the new Treasury Management and Fiscal Policy Division.
- ♦ Provided weekly economic and fiscal updates to government during early months of COVID-19.

- ♦ Launched economic recovery dashboard.
- ♦ Implemented tax legislation including the New Brunswick carbon tax, gasoline and motive fuel tax reduction and a property tax exemption for local transit authorities.
- ♦ Released second annual tax expenditure summary report, increasing accountability and transparency.
- ♦ Completed 2020-2021 borrowing program at lowest yield ever.
- ♦ Successfully managed day-to-day banking and cash requirements in the face of the pandemic.
- ♦ Participated in the cross-departmental 90-day rental review.

BUDGET AND FINANCIAL MANAGEMENT

The mission of the Budget and Financial Management Division is to promote the effective and efficient use of the financial resources of government and to provide secretariat services to the Treasury Board. This is achieved through two core business areas: Budget Preparation and Expenditure Monitoring; and Treasury Board Secretariat services.

The **Budget and Expenditure Monitoring Branch** plays a key role in developing expenditure budgets and implementing multi-year expenditure plans in keeping with the stated fiscal objectives of the government. These plans are continually monitored so that changes in the fiscal forecast can be anticipated and responded to appropriately.

The **Treasury Board Secretariat Branch** provides secretariat services to the Treasury Board and acts as the liaison between the board and government departments and agencies. Employees of the division consult with departments and agencies on issues that are to be brought to the attention of the board. These issues are analyzed to assess financial and human resource implications, and to determine any additional information that board members may require to make informed decisions.

Highlights

- ♦ Coordinated the preparation of the 2021-2022 Capital Estimates tabled on December 15, 2020 and the Main Estimates tabled on March 16, 2021.
- ♦ Supported the Fiscal Policy and Treasury Management Division in the preparation of the budget speech.
- ♦ Provided weekly updates to government on COVID-19 expenditure projections.
- ♦ Prepared quarterly fiscal updates in cooperation with the Fiscal Policy and Treasury Management Division and the Office of the Comptroller; and completed the expenditure analysis to prepare the major variance section of the province's financial statements.
- ♦ Provided secretariat services to approximately 44 Treasury Board meetings, several of which were joint meetings with other Cabinet Committees. Due to the pandemic, Cabinet meetings took the place of Cabinet Committee meetings between April 2020 and October 2020. Treasury Board decisions were still issued related to these meetings. For 2020-2021 a total of 296 decisions were issued to departments and agencies. This compares to 90 Treasury Board meetings and 278 decisions being issued the previous year.

Financial information

	Total Budget	2020-2021 Actuals	Variance	% of Budget
OCHRO	4,307,475	3,816,097	491,378	89%
OOC	3,068,716	2,664,648	404,068	87%
OCIO	6,632,092	6,231,218	400,874	94%
Budgets and Financial Management	844,832	752,172	92,660	89%
Corporate Services	4,361,348	4,210,812	150,536	97%
Treasury Division	1,539,480	2,051,831	(512,351)	133%
Fiscal Policy	1,532,876	1,364,311	168,565	89%
Revenue Administration	5,459,854	5,005,430	454,424	92%
FINANCE & TREASURY BOARD	\$27,746,673	\$26,096,518	\$1,650,155	94%

Note: Although Treasury Management and Fiscal Policy divisions merged in the 2020-2021 fiscal year, financial reporting remained segregated until the new budget cycle.

Summary of staffing activity

Pursuant to section 4 of the *Civil Service Act*, the Secretary to Treasury Board delegates staffing to each Deputy Head for his or her respective department(s). The table below provides a summary of the staffing activity for 2020-2021 for Finance and Treasury Board:

Number of permanent and temporary employees as of Dec. 31 of each year		
Employee type	2020	2019
Permanent	287	403
Temporary	24	45
TOTAL	311	448

The department advertised 49 competitions, including 41 open (public) competitions and eight closed (internal) competitions.

Pursuant to sections 15 and 16 of the *Civil Service Act*, the department made the following appointments using processes to establish merit other than the competitive process:

Appointment type	Appointment description	Section of the <i>Civil Service Act</i>	Number
Specialized Professional, Scientific or Technical	An appointment may be made without competition when a position requires: <ul style="list-style-type: none"> - a high degree of expertise and training - a high degree of technical skill - recognized experts in their field 	15(1)	1
Equal Employment Opportunity Program	Provides Aboriginals, persons with disabilities and members of a visible minority group with equal access to employment, training and advancement opportunities.	16(1)(a)	2
Department Talent Management Program	Permanent employees identified in corporate and departmental talent pools, who meet the four-point criteria for assessing talent, namely performance, readiness, willingness and criticalness.	16(1)(b)	2
Lateral transfer	The GNB transfer process facilitates the transfer of employees from within Part I, II (school districts) and III (hospital authorities) of the Public Service.	16(1) or 16(1)(c)	7
Regular appointment of casual/temporary	An individual hired on a casual or temporary basis under section 17 may be appointed without competition to a regular properly classified position within the Civil Service.	16(1)(d)(i)	3
Regular appointment of students/ apprentices	Summer students, university or community college co-op students or apprentices may be appointed without competition to an entry level position within the Civil Service.	16(1)(d)(ii)	0

Pursuant to section 33 of the *Civil Service Act*, no complaints alleging favouritism were made to the Deputy Head of Finance and Treasury Board and no complaints were submitted to the Ombud.

Summary of legislation and legislative activity

Bill #	Name of legislation	Date of Royal Assent	Summary of changes
4	<i>An Act to Amend the Assessment Act</i> https://www2.gnb.ca/content/dam/gnb/Departments/ag-pg/PDF/ActsLois/2020/Chap-21.pdf	December 18, 2020	Amendments to the <i>Assessment Act</i> were made to exempt prescribed local government transit facilities from property taxation, effective January 1, 2020.
30	<i>Supplementary Appropriations Act 2018-2019</i> https://www2.gnb.ca/content/dam/gnb/Departments/ag-pg/PDF/ActsLois/2020/Chap-37.pdf	December 18, 2020	There may be paid out of the Consolidated Fund a sum not exceeding in the whole \$113,260,800.68 to be applied towards defraying the several charges and expenses of the public service, not otherwise provided for, from April 1, 2018, to March 31, 2019.
31	<i>Supplementary Appropriations Act 2020-2021</i> https://www2.gnb.ca/content/dam/gnb/Departments/ag-pg/PDF/ActsLois/2020/Chap-38.pdf	December 18, 2020	There may be paid out of the Consolidated Fund a sum not exceeding in the whole \$334,300,000 to be applied towards defraying the several charges and expenses of the public service, not otherwise provided for, from April 1, 2020, to March 31, 2021.

Name of regulation	Effective date	Summary of changes
General Regulation under the <i>Pension Benefits Act</i> https://www2.gnb.ca/content/dam/gnb/Departments/ag-pg/PDF/RegulationsReglements/2020/2020-51.pdf	October 22, 2020	This amendment to the General Regulation under the <i>Pension Benefits Act</i> provides flexibility in pension valuations in order to balance the financial security of plan members with sponsors' opportunity to invest in their business.

The acts for which the department was responsible in 2020-2021 may be found at:
[http:// laws.gnb.ca/en/deplinks?subjectnumber=9](http://laws.gnb.ca/en/deplinks?subjectnumber=9)

Summary of Official Languages activities

INTRODUCTION

The Department of Finance and Treasury Board has many initiatives at the corporate level in addition to departmental initiatives. The department works in partnership with the Department of Intergovernmental Affairs on the implementation of strategies and plans on Official Languages. GNB's *Plan on Official Languages – Official Bilingualism: A Fundamental Value* was launched in July 2015.

FOCUS ONE

Ensure access to service of equal quality in English and French throughout the province.

- GNB's Onboarding program launched in October 2019 where Official Languages information is included in the "Orientation Checklist for New Employee" – to be signed and held in the employee's file.
- OCHRO supports departments in maintaining their language profiles to ensure services are offered to clients in their language of choice.
- OCHRO facilitates language evaluations for all bilingual positions in Part I (reading/comprehension, writing, and oral). Language evaluations for GNB employees attending language training were implemented in 2020. Pretesting occurred in 2020 but post training testing was canceled due to the pandemic. It has been reinstated in 2021.

FOCUS TWO

For all employees, an environment and climate that encourages the use of the Official Language of their choice in their workplace.

- Updates to the *Policy and Guidelines on the Language of Work* were completed May 2019. Updates include clarifying responsibility areas for Official Languages such as interdepartmental communications, communications within departments and agencies, and adding a link to the toolkit which contains detailed information on Official Languages such as the *Guide on Conducting Effective Bilingual Meetings*.
- The initiative called "Le Café de Paris" continued in 2020-2021 to support Finance and Treasury Board employees in maintaining French at work. Le Café de Paris is an informal space that enables employees to interact orally in French, and to obtain tools and resources in a relaxed, non-traditional environment under the guidance of volunteers who are also Finance and Treasury Board employees. This initiative was put on hold due to the pandemic.
- The GNB Employee Experience Survey asks employees their satisfaction level with feeling comfortable to use their language of choice at work. The GNB Employee Experience Survey was replaced in 2020 with a pandemic response survey. Results on satisfaction around language will be measured again in 2021-2022.

FOCUS THREE

Strategic means to ensure that new and revised government programs and policies consider the realities of the province's Official Language communities.

- Government continues to ensure that official bilingualism is included as a fundamental value of the public service and is clearly included in the Code of Conduct of the employees of the Public Service.

FOCUS FOUR

Ensure Public Service employees have a thorough knowledge and understanding of the *Official Languages Act*, relevant policies, regulations, and GNB's obligations with respect to Official Languages.

- Updates to the Policy and Guidelines on the Language of Service were completed May 2019. Updates include delineating responsibility for the development and maintenance of linguistic profiles, illustrating examples of active offer for services in both Official Languages, and adding a link to the toolkit which contains detailed examples of active offer on voice mail greetings, mail box set-up, correspondence, electronic services, service in person, etc.
- The community of practice for Official Languages Coordinators as well as the community of practice for Second Languages Coordinators met and communicated regularly on Official Languages.

CONCLUSION

Official Languages continues to be a priority of Finance and Treasury Board. Discussions with the Department of Intergovernmental Affairs continue to identify priorities associated with Official Languages.

Summary of recommendations from the Office of the Auditor General

NEW: Section 1 – Includes the current reporting year and the previous year.

Name and year of audit area with link to online document	Recommendations
	Total
Volume II – Performance Audit (February 2021) https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2020V2/Agrepe.pdf	4
Volume III – Financial Audit (February 2021) https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2020V3/Agrepe.pdf	9
Volume I - Performance Audit (June 2019) https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2019V1/Agrepe.pdf	8
Volume III - Financial Audit (December 2019) https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2019V3/Agrepe.pdf	8

Implemented Recommendations	Actions Taken
<p>Volume II – Performance Audit (February 2021) – Chapter 4</p> <p>4.45 We recommend the Department of Finance and Treasury Board revise the ASD Advisory Services unit’s Standard Operating Procedures to include formal documentation standards for financial models and other analyses completed by the unit.</p> <p>The standards should, at a minimum, require retaining documentation of:</p> <ul style="list-style-type: none"> – roles and responsibilities of individuals involved; – all sources of inputs and assumptions used; – the review of financial models; and adherence to the Standard Operating Procedures. 	<p>The ASD Advisory Services Standard Operating Procedures have been revised to include documentation for the following:</p> <ul style="list-style-type: none"> – additional details on the roles and responsibilities of individuals involved; – additional details for sources of inputs and – assumptions used; – the review process for verifying financial models; and a post-project checklist and process to verify that the Standard Operating Procedures were adhered to.
<p>Volume I - Performance Audit (June 2019) – Chapter 4</p> <p>4.34 We recommend the Department of Finance develop a policy for its use of section 25 of the Real Property Tax Act to improve collections of overdue property tax. This section states that a person in whose name real property is assessed, who fails to pay the taxes on that real property, commits an offence punishable under part II of the <i>Provincial Offences Procedure Act</i></p>	<p>The policy was developed and implemented in fiscal 2019-2020.</p>
<p>Volume I - Performance Audit (June 2019) – Chapter 4</p> <p>4.35 We recommend the Department of Finance calculate and track the impact of forgiven municipal property tax on the Province’s expenses.</p>	<p>The tracking and analysis of the impacts were started in fiscal 2019-2020 and will be performed on a go-forward basis.</p>
<p>Volume I - Performance Audit (June 2019) – Chapter 4</p> <p>We recommend the Department of Finance:</p> <ul style="list-style-type: none"> – clarify performance expectations of Service New Brunswick in collecting overdue property tax; and – monitor Service New Brunswick’s performance against pre-defined performance indicators and targets. 	<p>Performance expectations were defined in fiscal 2019-2020 and meetings are held to monitor the performance.</p>
<p>Volume I - Performance Audit (June 2019) – Chapter 4</p> <p>4.51 We further recommend the Department of Finance set detailed eligibility criteria for property tax forgiveness to ensure consistency of forgiveness decisions.</p>	<p>Eligibility criteria were further defined in a written policy in fiscal 2019-2020</p>

Implemented Recommendations	Actions Taken
<p>Volume I - Performance Audit (June 2019) – Chapter 4</p> <p>4.52 We recommend the Department of Finance request the Office of the Comptroller internal audit group perform periodic reviews of system controls.</p>	<p>The Revenue Administration division will work with the OoC following large system changes to determine when/if a system control review is recommended</p>
<p>Volume I - Performance Audit (June 2019) – Chapter 4</p> <p>4.53 We recommend the Department of Finance consult with Treasury Board to determine whether the 2014 directive to review the Real Property Tax Act is still appropriate</p>	<p>The Department continues to review each situation on a case by case basis, prepare analysis and where appropriate provides recommendations to Treasury Board.</p>
<p>Volume I - Performance Audit (June 2019) – Chapter 5</p> <p>5.54 We recommend the Executive Council Office/Treasury Board Secretariat ensures:</p> <ul style="list-style-type: none"> - funding agreements do not effectively override the spirit and intent of legislation, such as: <ul style="list-style-type: none"> - subsection 100(8) of the <i>Local Governance Act</i> discouraging ongoing deficits; - and the need for an appropriation in advance of expending provincial funds as per the <i>Financial Administration Act</i>; - a detailed risk analysis is completed when developing funding agreements and necessary clauses are included to address identified risks to the Province; including: <ul style="list-style-type: none"> - an appropriations clause based on legal advice to ensure proper budget authority is obtained; and - a clause requiring financial reports follow Public Sector Accounting Standards; - a sufficient multi-year appropriation is obtained to cover all legally committed funding over the life of the agreement. 	<p>The Executive Council Office and Department of Finance and Treasury Board will ensure that funding agreements are aligned with applicable legislative provisions; that best practice is employed with respect to analysis including due diligence and legal review; and that multi-year appropriations are considered where appropriate, recognizing that clauses in most agreements enable alterations to those agreements, including cancellation.</p>
<p>Volume III - Financial Audit (December 2019) – Chapter 6</p> <p>6.11 We recommend the Department of Finance and Treasury Board publicly report each year the nature and amount of tax expenditures so that the Province is in line with most other Canadian provinces.</p>	<p>The Department publicly released <i>Summary of New Brunswick Tax Expenditures</i> in November 2019 and intends to update this annually.</p>
<p>Volume III - Financial Audit (December 2019) – Chapter 13</p> <p>13.11 We recommend the Office of the Comptroller break out financial statement lines reported as “General” and “Other” to provide for more transparent and useful financial information to the reader.</p>	<p>Complete</p>

Recommendations not implemented	Considerations
<p>Volume II – Performance Audit (February 2021) – Chapter 5</p> <p>5.9 We recommend the Minister of Finance and Treasury Board: propose the <i>Auditor General Act</i> be amended to list Vestcor (and all related entities) as auditable entities to ensure the Auditor General has unrestricted access to conduct both performance and financial audits as the Auditor General deems necessary.</p>	<p>The Department of Finance and Treasury Board will work closely with the Office of the Auditor General and Vestcor Inc. to review access requirements and determine if an amendment to the <i>Act</i> is required.</p>
<p>Volume II – Performance Audit (February 2021) – Chapter 5</p> <p>5.10 We recommend the Minister of Finance and Treasury Board: under section 12 of the <i>Auditor General Act</i>, request the Auditor General conduct a performance audit of Vestcor (and all related entities) that includes unrestricted access to Vestcor by the Auditor General.</p>	<p>The Department of Finance and Treasury Board will consider the need for a Vestcor Inc. performance audit.</p>
<p>Volume II – Performance Audit (February 2021) – Chapter 5</p> <p>5.12 We recommend the Minister of Finance and Treasury Board: propose the <i>Vestcor Act</i> be amended to require Vestcor (and all related entities) to:</p> <ul style="list-style-type: none"> – file an annual report with the Clerk of the Legislative Assembly; and – appear before the Public Accounts Committee. 	<p>The Department of Finance and Treasury Board will work closely with the Office of the Auditor General and Vestcor Inc. to determine if an amendment to the <i>Act</i> is required.</p>
<p>Volume III – Financial Audit (February 2021)</p> <p>5.14 We recommend the OOC work with Vestcor to ensure the Auditor General has unrestricted access to pension plan information. Access is needed to obtain sufficient and appropriate audit evidence in order to express an opinion on the Province’s financial statements as required under the Auditor General Act sections 11 and 13.</p> <p>5.15 In addition, we recommend the OOC work with Vestcor to find a permanent solution to obtain audit evidence at March 31 for plan assets of the Public Service and Teachers’ pension plans before the 2020-21 public accounts audit.</p>	<p>The Office of the Comptroller will review the situation and consider possible solutions to address the Auditor General’s concerns regarding access to Vestcor, as it relates to obtaining sufficient and appropriate audit evidence for the pension plan assets recorded in the Province’s financial statements.</p>
<p>Volume III – Financial Audit (February 2021)</p> <p>5.21 We recommend the Comptroller take the lead to amend the Financial Administration Act and develop a timeline for completion in 2021.</p>	<p>Finance and Treasury Board, Office of the Comptroller has commenced a project to update the <i>Financial Administration Act</i>.</p>
<p>Volume III – Financial Audit (February 2021)</p> <p>5.33 We again recommend the Office of the Comptroller (Internal Audit) develop a formal fraud policy to include in the Province’s Administration Manual.</p>	<p>The Office of the Comptroller (Internal Audit) will develop a formal fraud policy for inclusion in the Province’s Administration Manual.</p>
<p>Volume III – Financial Audit (February 2021)</p> <p>5.39 We again recommend the Department of Education and Early Childhood Development evaluate the current use of online revenue collection and the use of the school cash computerized system. As part of this process, the Department, in collaboration with the Office of the Comptroller should determine the optimal online cash handling process. A consistent Province-wide system should be implemented.</p> <p>5.40 We recommend the Department and the OOC ensure the Province-wide online system can produce school raised funds reports at both the school and district levels. The Department should require schools and districts make these reports publicly available.</p> <p>5.41 In addition, the OOC should set up specified coding in Oracle exclusively for school raised funds so that expenses and revenues can easily be distinguished.</p>	<p>The Office of the Comptroller understands that coding related to school raised funds is being reviewed and updated as part of the Enterprise Resource Planning project</p>

Recommendations not implemented	Considerations
<p>Volume III – Financial Audit (February 2021)</p> <p>7.14 We recommend the Office of the Comptroller continue to work with departments and agencies to improve tracking of the financial impacts relating to the COVID-19 global pandemic on the Province which could include:</p> <ul style="list-style-type: none"> – program funding (funding that has been approved – indication of what could be spent) and what has been spent to date; – other financial relief measures (such as revenue reductions, deferrals, etc.); and – Federal Assistance (such as the Canada Health Transfer). <p>7.15 We recommend the OOC publicly report on their tracking of the financial impacts of the COVID-19 global pandemic.</p>	<p>The financial impacts of the COVID-19 global pandemic are recorded by the Province in its accounting system, along with all other revenues and expenses. The Fiscal and Economic Update published quarterly by the Department of Finance and Treasury Board reports the Province’s financial results and includes the impacts of the COVID-19 global pandemic on the Province’s projected and actual results.</p>
<p>Volume I - Performance Audit (June 2019) – Chapter 5</p> <p>5.85 We recommend Treasury Board Secretariat/ provincial Comptroller review and update the Financial Administration Act to:</p> <ul style="list-style-type: none"> – modernize the Act with respect to payments, accruals and conformance with Public Sector Accounting Standards; – increase clarity for key financial officers processing payments throughout government to know if proper budget authority exists; and – provide for budget appropriations for multi-year agreements at the time in which funds are legally committed. 	<p>Finance and Treasury Board, Office of the Comptroller has commenced a project to update the <i>Financial Administration Act</i>.</p>
<p>Volume III - Financial Audit (December 2019) – Chapter 5</p> <p>5.12 We recommend the Office of the Comptroller (Internal Audit) develop a formal fraud policy, to include in the Province’s Administration Manual.</p>	<p>The Office of the Comptroller (Internal Audit) will develop a formal fraud policy for inclusion in the Province’s Administration Manual.</p>
<p>Volume III - Financial Audit (December 2019) – Chapter 5</p> <p>5.39 We recommend the Department of Finance and Treasury Board:</p> <ul style="list-style-type: none"> – evaluate the purpose and benefit of combining the financial statements of NB Liquor and Cannabis NB; and – amend the New Brunswick Liquor Corporation Act to remove the need for combining the financial statements if they have no purpose and benefit. 	<p>The Office of the Comptroller agrees that only the individual audited financial statements for NB Liquor and for Cannabis NB are required for preparation of the Province’s annual consolidated financial statements. The Department of Finance and Treasury Board will review the Act and bring forward recommendations regarding the current requirement to produce a combined statement.</p>
<p>Volume III - Financial Audit (December 2019) – Chapter 6</p> <p>6.19 We recommend the Department of Finance and Treasury Board develop a policy for reviewing tax expenditure programs. This policy will help to formalize the process for reviewing, approving and reporting tax expenditure programs for the Province.</p>	<p>The Department will develop a formal policy for tax expenditures including the review, approval and reporting processes for future releases of <i>Summary of New Brunswick Tax Expenditures</i>.</p>
<p>Volume III - Financial Audit (December 2019) – Chapter 8</p> <p>8.44 We again recommend the Department of Finance and Treasury Board and NBLGC resolve recovery of the unauthorized overpayments that were made to First Nations prior to January 1, 2016 as a result of an error in the calculation of gaming revenue.</p>	<p>Finance and Treasury Board will ensure this item is considered as part of the larger First Nations Strategy.</p>
<p>Volume III - Financial Audit (December 2019) – Chapter 8</p> <p>8.50 We recommend Treasury Board review requests from Departments, and write-off accounts receivable, in accordance with policy AD-6307</p> <ul style="list-style-type: none"> – Deletion of Debts. At a minimum, accounts receivable and loans receivable balances beyond the limitations specified in the Limitations of Actions Act should be written off. 	<p>The Office of the Comptroller will review guidance currently provided to departments to ensure that it is accordance with policy AD-6307.</p>
<p>Volume III - Financial Audit (December 2019) – Chapter 12</p> <p>12.16 We recommend the OOC take the lead in promoting change to the Financial Administration Act. We recommend in particular the OOC focus on changes recommended in past Auditor General reports and develop a timeline for completion.</p>	<p>Finance and Treasury Board, Office of the Comptroller has commenced a project to update the <i>Financial Administration Act</i>.</p>

*Note the addition of the recommendations not implemented table is discretionary.

Section 2 – Includes the reporting periods for years three, four and five.

Name and year of audit area with link to online document	Recommendations	
	Total	Implemented
Volume 1 – Chapter 4 (June 2018) https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2018V1/Agrepe.pdf	2	1
Auditor General Report - Volume III (November 2017) https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2017V3/Agrepe.pdf	2	2
Auditor General Report – Volume IV (November 2017) https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2017V4/Agrepe.pdf	4	4
Auditor General Report – Volume V (November 2017) https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2017V5/Agrepe.pdf	2	2
Auditor General Report – Volume IV (November 2016) https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2016V4/Agrepe.pdf	13	9

Report on the *Public Interest Disclosure Act*

As provided under section 18(1) of the *Public Interest Disclosure Act*, the chief executive shall prepare a report of any disclosures of wrongdoing that have been made to a supervisor or designated officer of the portion of the public service for which the chief executive officer is responsible. Finance and Treasury Board received 0 disclosure(s) of wrongdoing in the 2020-2021 fiscal year.