

A stylized graphic of a hand with fingers pointing to the right, rendered in a light pink color with a white outline, positioned on the left side of the page.

**Department of  
Finance**



**Business  
Plan**

*2003-2004*

## **TABLE OF CONTENTS**

### **INTRODUCTION**

Mission .....	1
Vision .....	1
Principles and Values .....	1

### **ENVIRONMENTAL SCAN .....**

3

Critical Issues .....	6
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### **CORE BUSINESS**

Advisory and Administrative .....	9
Fiscal Management .....	11
Information Management .....	13
Comptrollership .....	14
Centrally Administered Funds .....	16

### **APPENDICES**

A – Organizational Structure and Budget .....	18
B – Report on Decentralization .....	24
C – Departmental Focus Paper .....	25

## INTRODUCTION

Anchored on the principles of the Bathurst Mandate and the provisions of the Financial Administration Act (FAA) of Nunavut, the Department of Finance has set out, for the fiscal year 2003-04, a road map that will guide government in the management of the current fiscal situation of the territory. For the past four years, the Department has been responsible for the planning and allocation of government's financial resources. This business plan conveys the Department's current position, plans and strategies.

### Our Mission

The Department of Finance is committed:

*To provide policy direction and leadership to ensure fiscal responsibility and create a secure base for Nunavut's economic growth, while promoting and maintaining public confidence in the prudence, propriety and integrity of government financial operations and respecting the principles of Inuit Qaujimagatuqangit (IQ).*

### Our Vision

This mission emanates from a vision of a government that obtains and manages the financial resources necessary to meet its obligations, provides open, timely and accurate information on the territory's financial position, as well as the environmental dynamics affecting it. As such, a vision of:

*A Nunavut where priorities are developed and pursued to maximize the use of the territory's fiscal resources in harmony with the expectations of its citizens and where residents have productive choices for economic participation.*

### Our Principles and Values

The Department of Finance has adopted and will adhere to the following set of principles and values that flow naturally from the practice of responsible governance, and specifically integrate the guidelines set out in The Bathurst Mandate:

- Residents of Nunavut have the right to open and full disclosure regarding the government's financial position, transactions and expenditures, to the extent allowed and required by the FAA, and the Access to Information and Protection of Privacy Act.
- The Government of Nunavut (GN) is accountable, through the Legislative Assembly, to the residents of Nunavut for the conduct of its financial responsibilities.
- The GN will operate within its financial means.

- Nunavut residents should receive every opportunity to benefit from dollars spent by the government.
- The GN has a responsibility to acquire, utilize, protect and retire resources in the most effective and economic means available.
- Nunavut is committed to consensus leadership, public participation, and the incorporation of the IQ principles into the working environment.

## ENVIRONMENTAL SCAN

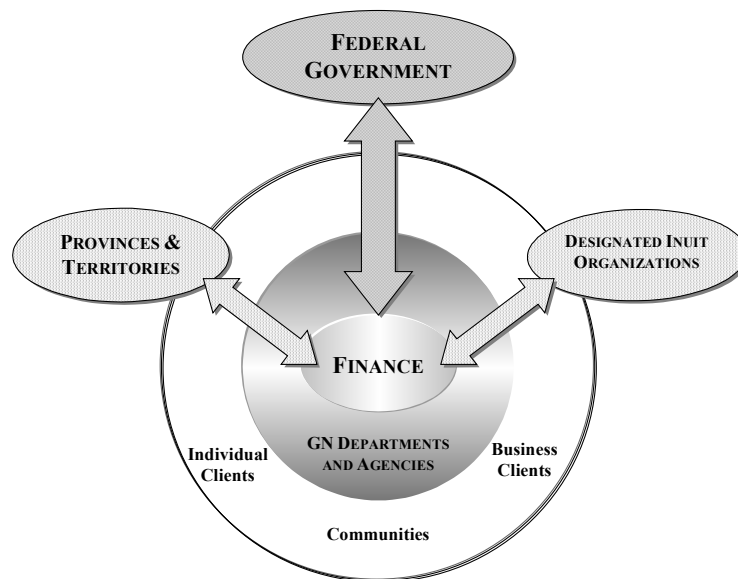
The management of financial resources within Nunavut is vital to the territory's prosperity and growth. The Department of Finance operates within this context, gathering and monitoring the allocation available resources for the purpose of planning and implementing programs and services for and in the territory.

Central to the operation of the Department of Finance is the understanding of its operating environment – the identification of its stakeholders and partners, understanding of the fiscal processes in which it operates, recognition of relationships it has with other GN departments, as well as understanding the current trends within the industry as it influence and/or impact current departmental ventures.

### Stakeholders and Partners

Understanding the operating environment of the Department of Finance means identifying and recognizing the key players - the stakeholders and partners. These players include the federal government, provinces and other territories, designated Inuit organizations, GN departments and agencies and, most importantly, Nunavummiut.

*Figure 1*  
STAKEHOLDERS AND PARTNERS



As a central agency, Department of Finance operates within a structure that enables and guides other departments and agencies within the GN to access resources for the implementation of their programs and services.

## **Fiscal Resources**

The environment in which the Department operates is best understood within the context of fiscal resources and the factors at play in its management within the Government of Nunavut.

### *Federal Transfers*

Since 1999, the Territorial Formula Financing Agreement and other fiscal transfers from the federal government continue to remain as the main source of the GN's revenue. The fiscal and economic position of the federal government directly affects the fiscal and economic position of the territory. The Department will monitor and negotiate the transfer payment arrangements with the federal government to ensure that GN has sufficient revenues to carry out its business.

### *Own Source Revenues*

Another, smaller but critical, source of government revenue – own-source revenues – is raised by taxing and/or charging fees to people who reside and/or do business in Nunavut. In an effort to stimulate economic development, our tax rates in Nunavut are among the lowest in Canada.

### *Planned Expenditures*

Currently, the GN is operating in a fiscal environment characterized by declining accumulated surpluses and increased expenditure pressures. A more than 30% growth in expenditures from 2000-01 to the 2003-04 fiscal year – accompanied by revenue growth of less than 9% during the same three-year period – indicates that current budgetary and expenditures trends are not sustainable. The GN is already facing projected annual deficits, for fiscal years 2002-03 and 2003-04.

### *Management of Fiscal Resources*

The improvement of overall financial management has been identified as crucial in the implementation of basic controls within government. The Department of Finance will play an important role in this process.

The issue of timeliness, in the release and/or submission of financial statements, has been identified as crucial in the overall management of fiscal resources.

A sound fiscal plan has been developed, and, considering upcoming cost pressures, the critical path for reviewing the annual financial milestones will continue to be refined to reflect the priorities and planning imperatives of the government. More effective revenue and expenditure strategies and processes need to be put in place.

Relationship between the Department of Finance and Crown corporations need to be defined. Crown corporations are a large part of the total government, and strong financial management in Crown corporations is important.

The management of fiscal resources also has been linked to the availability of human resources in Nunavut. Hence, training of Nunavummiut for future technical jobs in the field of finance, as well as recruitment for technical positions from other parts of Canada, has been both identified as necessary.

## **Current Departmental Ventures**

### *Program Review*

The Department has played a lead role, together with the Department of Executive and Intergovernmental Affairs, in the Program Review exercise, which was launched in the 2001-02 fiscal year. The information-gathering phase of the review has been completed, and an inventory document describing approximately 300 programs administered by the GN will be finalized before the end of 2002-03 fiscal year. Conclusions drawn from the initial phase of the review will assist the GN in developing strategies to ensure that programs are specifically tailored to best meeting the needs of Nunavummiut.

### *Financial Internship Program*

The Financial Internship Program has been launched, and it will be fully operational this fiscal year. This program will help meet the need to develop financial skills among beneficiaries and foster their interest in building careers in financial management.

### *New Financial Systems*

A new payroll system will become operational in 2003. The system will improve service in that area. Related to this is an emphasis on refining the data entry and retrieval capacities of central financial reporting systems, and increasing the training available to government departments for financial reporting and processing.

### *Information Management*

In order to better address and clearly define the issues of Information Management (IM) within the GN, it has been determined that there is a need for a more focused role for the Information Management Branch. Comprehensive plans for IM within the GN will be developed, to enable efficient gains in government programs and provide better service to Nunavummiut. Strategic information management (i.e., managing information and information technology to maximize performance) will assist all GN departments in focusing on results-oriented management.

### *Departmental Reorganization*

Within the Department, a realignment of the organizational structure and responsibilities has been done to ensure that staff and resources are deployed more effectively to better fulfill primary responsibilities.

## **Critical Issues**

The Department of Finance faces a number of critical issues in the next fiscal year.

- The Formula Financing Agreement with the federal government is due to be renewed for an additional five-year term, while other fiscal arrangements and transfer agreements need to be monitored to ensure that eligible claims are submitted, and that the implications of increases, decreases and terminations are fully understood.
- Options need to be explored for generating sufficient revenues to satisfy the needs of the Government of Nunavut through fiscal transfers and efficient administration of its own base revenues.
- The GN must choose wisely among expenditure options, to best meet the needs of and to invest in Nunavummiut, while living within our means.
- The Department's participation to the process of devolution of federal authorities over lands and resources in Nunavut is crucial. Along with Finance, the Department of Executive and Intergovernmental Affairs and Department of Sustainable Development play critical roles in this process.
- The strategies have to be implemented to expand a range of financial information provided to Members of the Legislative Assembly and the public (see Figure 2 on page 8).
- The Financial Administration Act (FAA) will be reviewed and the Financial Administration Manual (FAM) updated to produce effective legislation and financial procedures to govern the current financial processes of Nunavut.
- The Department needs to continue working closely with the Department of Human Resources to help foster the development of a positive labour relations environment for the GN and its employees.
- Training will remain crucial in various aspects of financial and expenditure management, especially among beneficiaries.
- A strategic plan for IT systems development needs to be implemented that: sets out the GN's position with respect to intellectual property; outlines an implementation process for new projects; and establishes a long-term GN plan, complete with budgetary implications.
- With a new broader business focus, the Information Management Branch faces the following critical issues in the upcoming fiscal year:
  - Establishment of a policy based authority and strategic planning model for IM that supports the budgetary/internal processes of the GN together with establishing policies, guidelines and standards to support the Department mandate.
  - Bringing forward the initiatives that support IM principles within the GN, including e-government, and delivery of an annual report evaluating the status of IM in serving the GN and the citizens of Nunavut.



- Establishment of systematic approaches to developing, maintaining and using information resources (information is available, accessible, accurate, complete, reliable and secure) to achieve current and future business and accountability objectives (the right program, the right information, the right technology).
- A communications strategy will be developed which will play a critical role in facilitating flow of information within the Department, across the government and with the public.

Figure 2

MANAGEMENT OF GOVERNMENT FINANCES

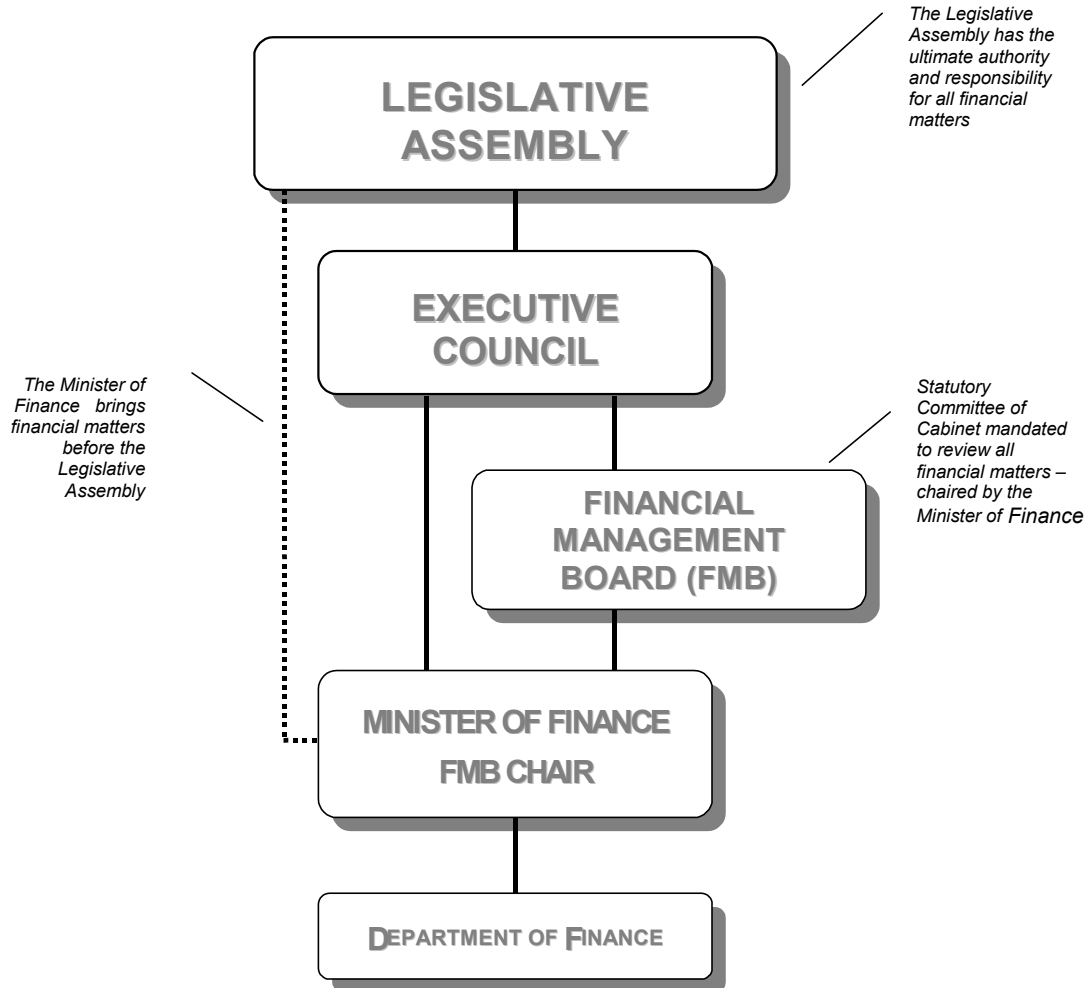
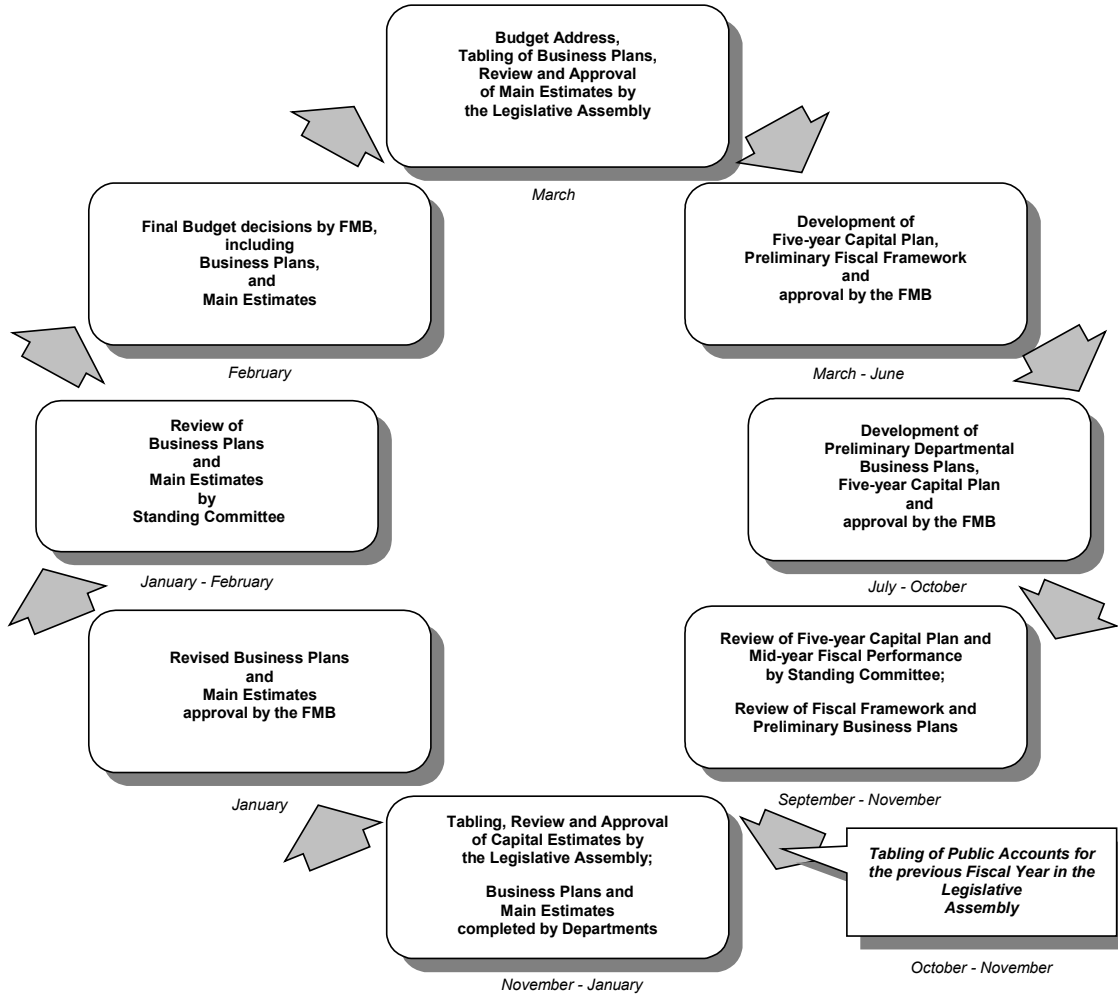


Figure 3

BUDGET DEVELOPMENT CYCLE



## CORE BUSINESS

The programs of the Department of Finance are described, below, within five lines of business:

- Advisory and Administrative;
- Fiscal Management;
- Information Management;
- Comptrollership;
- Centrally Administered Funds.

### Advisory and Administrative

The *ADVISORY AND ADMINISTRATIVE* line of business includes Directorate, Corporate Policy and Planning, and Financial Capacity Development programs. This line of business provides overall direction in the delivery of Finance’s programs and services, oversees departmental policy development and planning, administrative and human resource management, as well as communications.

#### Objectives

- To provide the Minister of Finance and the FMB with advice to maintain a sound GN fiscal position while supporting Nunavut’s goal of self-reliance.
- Maintain a positive GN balance sheet, supporting departments in living within their means.
- Support financial capacity development across the GN, through efforts such as the addition of 12 financial internship positions.
- To provide day-to-day leadership and direction for all areas of departmental operations.

Programs	Main Estimates (\$000)	2002-03	2003-04
<b>Directorate</b>		1,222	2,387

The *Directorate* program coordinates the senior management of the Department and ensures that the Department fulfills its mandate. The Deputy Minister also serves as the Secretary of the Financial Management Board and as Comptroller General of Nunavut. The Directorate, through the Registrar, provides the FMB with administrative support. This program also coordinates the departmental human resource activities, and the development and monitoring of the departmental budget. This program also includes the functions of the Office of the Assistant Deputy Minister and the Office of the Assistant Comptroller General together with Senior Departmental Advisors.

*Department of Finance*

**Corporate Policy and Planning** 0 356

The *Corporate Policy and Planning* program coordinates the policy and planning processes of the Department of Finance, as well as its communication strategy.

**Financial Capacity Development** 1,131 1,405

The *Financial Capacity Development* program is responsible for Financial Management training and development. It also leads the IQ initiatives within the Department.

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**Total, Advisory and Administrative** 2,353 4,148

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**Accomplishments (2001 & 2002)**

- Implemented the HR plan for the Department;
- Improved departmental budget processes for the Department;
- Developed and implemented the Communications Strategy of the Department;
- Developed and implemented the Financial Internship Program, which targets a 20% increase in the number of Inuit hired within the Department in the next five years;
- Liaised with the Department of Human Resources in the successful planning and implementation of various Inuit Employment Plan (IEP) activities

**Priorities (2003-04)**

- Development of HR Procedures manual for the Department of Finance;
- Implement Communication Plans for Key Messages of the Department of Finance;
- Enhance the Department of Finance website;
- Improve budget tracking and reporting at the division level;
- Develop the capacity to monitor policy development strategies in the Department;
- Identify processes for the successful implementation of the Financial Internship Program;
- Develop and implement a Financial Management Program, in partnership with the Arctic College;
- Encourage the practice of IQ values in the workplace.

## Fiscal Management

The *FISCAL MANAGEMENT* line of business covers the Expenditure Management, Fiscal Policy, and the Taxation and Risk Management programs. This line of business develops GN's multi-year fiscal framework, manages the annual budget development process, provides analysis, recommendations to the FMB on financials and economic conditions affecting the government's fiscal priorities and policies, manages the territorial tax system, provides tax policy advice and manages the risk function.

### Objectives

- To monitor, manage and negotiate the Formula Financing Agreement and other fiscal transfer arrangements;
- To manage revenue and tax regimes as well as to advise on Canadian and Nunavut tax policies;
- To facilitate the evolution of GN revenue strategy;
- To ensure sound financial decision-making;
- To coordinate the GN's annual budget development process;
- To ensure public reporting of the government's fiscal year plans and financial position;
- To provide independent and objective advice on the fiscal implications of existing policies and proposed initiatives;
- To provide macro economic analysis and planning capacity;
- To provide the GN's risk management function.

Programs	Main Estimates (\$000)	2002-03	2003-04
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<b>Expenditure Management</b>		1,559	1,357
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The *Expenditure Management* program coordinates, facilitates and provides policy and financial direction to the GN business planning and budget development processes (i.e. Capital Estimates, Main Estimates and Supplementary Appropriation). In addition, financial management advice and policy and administration support are provided to the Financial Management Board and to GN departments and agencies.

<b>Fiscal Policy</b>		1,230	927
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The *Fiscal Policy* program administers, manages and negotiates the territory's Formula Financing Agreement with the federal government. The program develops Nunavut's overall strategic financial framework and monitors its performance relative to financial trends in jurisdictions that influence the government's current fiscal position. It provides advice on fiscal policy issues taking effectiveness, efficiency and affordability into consideration.

**Taxation and Risk Management** 1,493 1,659

The *Taxation and Risk Management* program develops and implements tax policies (income – personal and corporate, payroll, property, petroleum, and tobacco) for Nunavut. The program co-manages the Nunavut Child Tax Benefit Program and manages both the Liquor Licensing Board and the Nunavut Liquor Commission. It implements risk and cash management initiatives, ensuring that the government's banking, borrowing and investment activities are developed to reflect industry standards and territorial needs

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**Total, Fiscal Management** 4,282 3,943

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**Accomplishments (2001 & 2002)**

- Developed and delivered the GN compensation program for tainted fuel;
- Implemented the tax measures announced in the 2002-03 Budget Address;
- Implemented a Fall Capital Estimates approval process;
- Improved budget control procedures in the financial management system;
- Improved efficiency and effectiveness of the FMB approval process;
- Coordinated the GN-wide Business Planning process;
- Designed, developed and implemented, together with the Department of Executive and Intergovernmental Affairs (EIA), the GN-wide Program Review processes;
- Reinitiated and coordinated, with EIA, the GN Business Planning process;
- Coordinated the development of the annual Budget Address.

**Priorities (2003-04)**

- Renegotiate the Formula Financing Agreement with the federal government;
- Further develop and manage the GN's revenue strategy;
- Review Expenditure Management policies and revise Financial Administrations Manual sections specific to the program;
- Consider and plan for a process for reporting the Main Estimates at the program level beginning in 2004-05;
- Improve the overall expenditure management process for FMB by implementing a medium-term expenditure forecast; improving the budgeting process to allow more strategic allocation of resources and providing better information and analysis for decision making;
- Review of the capital planning process and develop an asset inventory for planning purposes;
- Deliver information/training workshops to departments on FMB processes;
- Develop processes in tax administration; place more emphasis on tax enforcement and compliance.

## Information Management

The *INFORMATION MANAGEMENT* line of business includes the Policy, Planning and Evaluation programs. This line of business establishes and ensures the continuing evolution of GN-wide information management policy, plans and evaluation methods to support efficient information management practices and service delivery to the people of Nunavut.

### Objectives

- To develop policy and standards for GN surrounding information management impacting both internal operations and external service delivery to the people of Nunavut;
- To develop the IM practices ensuring cost efficiencies for the entire GN;
- To evaluate the GN-wide information use and management, and make recommendations aimed at increasing the efficiency of IM practices.

<b>Programs</b>	<b>Main Estimates (\$000)</b>	<b>2002-03</b>	<b>2003-04</b>
<b>IM Policy</b>		523	523
The <i>IM Policy</i> program is centered on developing new policies and standards for IM within GN.			
<b>IM Planning</b>		435	435
The <i>IM Planning</i> program is centered on developing, in concert with departments, agencies and crown corporations, the strategic IM plans for the GN. As well, this program will address strategic initiatives centered on the delivery of services to the people of Nunavut.			
<b>IM Evaluation</b>		382	382
The <i>IM Evaluation</i> program is centered on developing an evaluation framework for IM, and applying it to GN activities in order to measure the outcomes of IM activities and make recommendations to ensure IM efficiencies within the GN.			
<b>Information Systems Development</b>		2,801	0
The <i>Information Systems Development</i> program was a part of former Informatics Policy and Planning Branch. The function of information systems development has been transferred to the Department of Public Works & Services, along with the budget and three positions formerly allocated to this function.			
<b>Total, Information Management</b>		<b>4,141</b>	<b>1,340</b>

### Accomplishments (2001 & 2002)

- Contributed to the drafting of information-related legislation;
- An enhanced IM planning process for the GN has been developed and approved;
- A model for evaluation of IM for the GN is being developed.

### Priorities (2003-04)

- Drafting of an initial IM policy framework, and establishment of standards, guidelines and evaluation metrics for IM;
- Input to the drafting of information-related legislation;
- Determining the kinds of software tools required to support effective IM in the GN, and ensuring that they are procured and made universally available;
- Completion, together with the Departments of Sustainable Development and Public Works and Services, of the Government's IM business needs analysis;
- Government-wide IM training;
- Evaluation of current government IM-related activities in the light of defined strategy and recommendation of measures needed to ensure efficiencies;
- Evaluation of IT related initiatives within government and recommendation of means of improving service delivery to the citizens of Nunavut.

## Comptrollership

The *COMPTROLLERSHIP* line of business includes Government Accounting, Financial Operations, Financial Audit, Compensation and Benefits, and Regional Financial Services programs. This line of business provides an accounting management framework and systems that support GN mandates, establishes and manages the form and content of the financial records.

### Objectives

- To manage and operate the government-wide accounting framework and systems, and to provide accounting support services to GN departments and agencies;
- To prepare annual Statement of Public Accounts;
- To provide compensation and payroll services, as well as to address compensation policy issues and support collective bargaining process.

<b>Programs</b>	<b>Main Estimates (\$000)</b>	<b>2002-03</b>	<b>2003-04</b>
<b>Government Accounting</b>		1,961	1,793

The *Government Accounting* program maintains the government-wide accounting framework and provides accounting support services to GN departments and agencies. This includes maintaining the government's financial accounting records and internal



controls, ensuring accuracy and confidentiality, as well as the preparation and publication of the annual Public Accounts for Nunavut.

**Financial Operations** 2,136 1,731

The *Financial Operations* program maintains the operational functionality of the financial accounting system, as well as manages and provides operational support to the following GN financial systems: FreeBalance, Visa “First View” (Corporate and individual credit cards), Crystal Reports, Personality 2000 (database table maintenance and technical support) and User Defined Report (UDR) system. This program also manages the Accounts Payable function of the government and has the responsibility for the Financial Administration Manual (FAM).

**Financial Audit** 775 741

The *Financial Audit* program supports GN departments and agencies by providing independent audit, assurance and consulting activities in a manner designed to add value and improve operations. This program helps the GN accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

**Compensation and Benefits** 1,929 2,062

The *Compensation and Benefits* program provides comprehensive payroll and benefit services to government employees at the headquarters and functional support to payroll and benefit operations carried out by the three Regional Financial Services offices. Compensation and Benefits has the overall responsibility for the maintenance and management of the pay system used by the government. The program also addresses compensation policy issues and supports the collective bargaining process.

**Regional Financial Services** 4,017 4,203

The *Regional Financial Services* program implements the GN accounting framework while providing financial operations and payroll services in three offices located in Igloolik, Rankin Inlet and Cambridge Bay.

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**Total, Comptrollership** 10,818 10,530

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**Accomplishments (2001 & 2002)**

- Decreased processing period from 64 to 25 business days by improving payment procedures and developing staff skills;
- Implemented upgrades on the systems to accommodate increasing workload;
- A new integrated Human Resources Information and Payroll System selected, together with the Department of Human Resources;
- Progress in the delivery of payroll and benefit services to GN employees through improved staff retention and selected training initiatives;

- Instrumental in providing initial pay officer training to the staff of the Regional Financial Services in Igloolik, in support of the GN's decentralization commitment;
- Support to and participation in the successful negotiations for a new three-year collective agreement with the Nunavut Federation of Teachers;
- Carried out many compliance and operational audits, and responded to many enquiries from GN departments and agencies;
- Established forensic audit investigations capacity and recruited audit staff;
- Produced and published 2000-01 fiscal year Public Accounts for GN;
- Improved integrity of data in the accounting systems through enhanced control over procedures

### **Priorities (2003-04)**

- Complete the review of FAM;
- Implement regular training programs on a variety of financial operations functions to GN staff;
- Upgrade and enhance the FreeBalance system to better meet government business requirements;
- Identify a common platform to link together FreeBalance and Personality 2000 financial systems to provide shared and secured database for the government;
- Complete *Phase I* of the implementation of the new integrated payroll and HR system;
- Implement systems to continue to improve payment procedures;
- Enhance reporting of payroll and benefits related management information to GN departments;
- Increase the number and expand the scope of training workshops aimed at improving staff financial skills and professional development;
- Improve the communication of employee benefits information, including workshops with the Department of Human Resources;
- Provide audit and consulting support for GN departments and agencies, prioritized by risk and vulnerability;
- Expand the disclosure of detail in the Public Accounts.

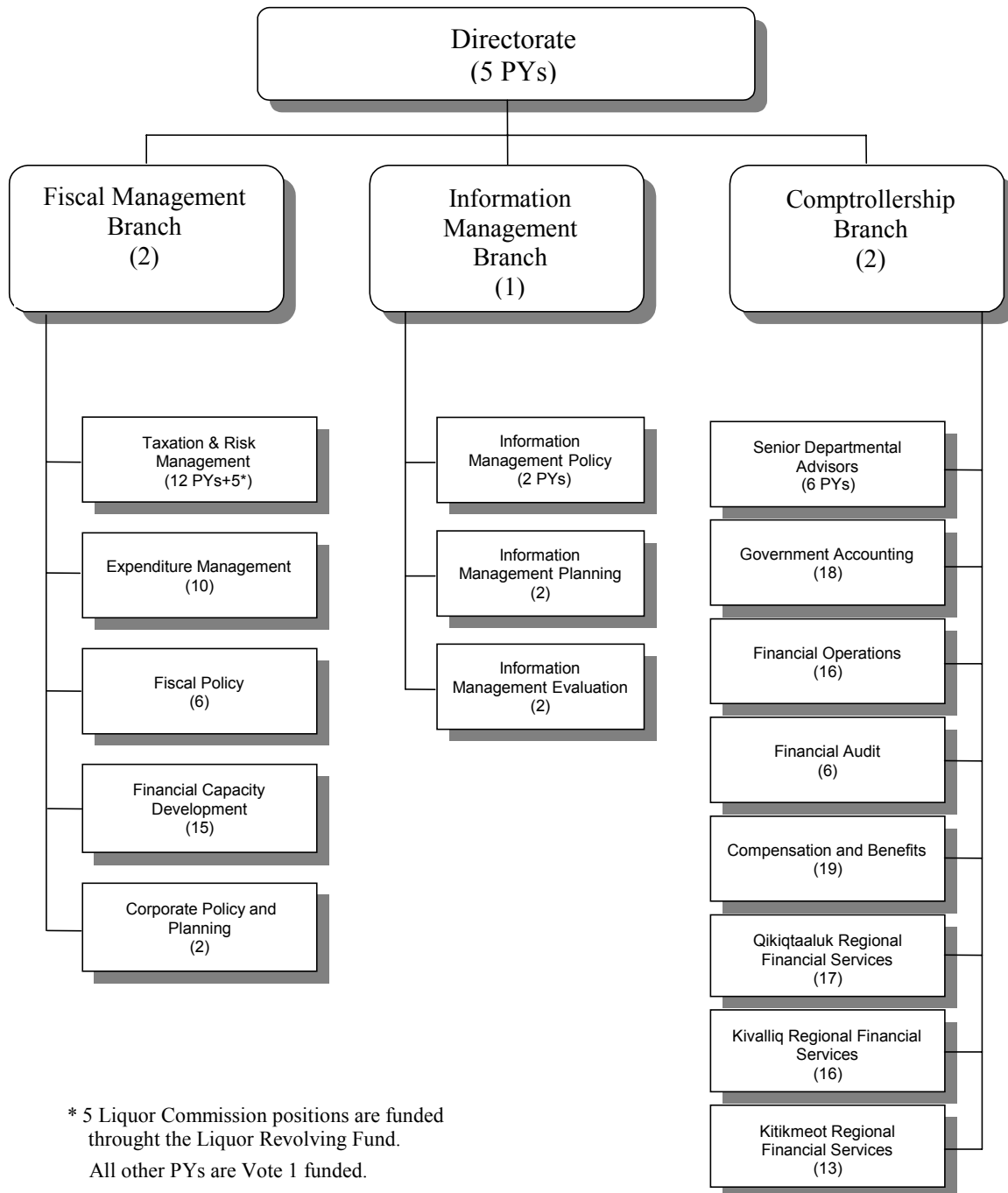
### **Centrally Administered Funds**

The *CENTRALLY ADMINISTERED FUNDS* line of business includes Employee Benefits, Insurance, Power Subsidy, and Commercial Lease programs. This line of business ensures that a number of GN activities, assets and commitments are honoured and protected. The objectives for this line of business also include provision of some benefits and subsidies to GN employees under the agreement between the public service and the government.

<b>Programs</b>	<b>Main Estimates (\$000)</b>	<b>2002-03</b>	<b>2003-04</b>
<b>Employee Benefits</b>		10,158	8,916
<p>The <i>Employee Benefits</i> program provides funding for medical travel, dental premiums, leave and termination, parental leave, WCB funding, and other benefits for GN employees.</p>			
<b>Insurance</b>		1,505	1,505
<p>The Insurance program provides liability insurance coverage for GN activities.</p>			
<b>Power Subsidy</b>		4,750	4,750
<p>The Power Subsidy program provides subsidies to reduce electrical power rates for individuals and small businesses in all Nunavut communities.</p>			
<b>Commercial Lease</b>		9,373	9,373
<p>The Commercial Lease program provides the payment for GN leased office buildings, acquired as part of the Nunavut Incremental Infrastructure program.</p>			
<b>Total, Centrally Administered Funds</b>		<b>25,786</b>	<b>24,544</b>

## APPENDIX A – Organizational Structure and Budget

### Part 1 – Organizational Structure



## **APPENDIX A**

### **Part 2 – Departmental Roles**

Finance has a budget of \$44.5 million dollars, for the 2003-04 fiscal year, and an approved staff complement of 172 positions. The Department is comprised of a Directorate and four (4) branches - Fiscal Management; Information Management; Comptrollership and Centrally Administered Funds.

Key departmental responsibilities include coordinating the budget development process for the GN, and reporting on the revenue and expenditure positions of the government; providing financial advice to the FMB and Cabinet; managing an accounting framework for government, including the payroll and financial systems; and developing policy direction in financial administration and information management.

#### **Directorate**

The Directorate Branch is responsible for the senior management of the Department and ensures that Finance fulfills its mandate according to specified goals, objectives and priorities. The Deputy Minister also serves as the Secretary of the Financial Management Board (FMB) and as the Comptroller General for the GN. The Directorate, through the Registrar, provides the FMB with administrative support

#### Key functions

- Providing senior management capacity for the Department in order to ensure Finance meets its goals, objectives and priorities.
- Management of the departmental budget and departmental administrative services.
- Acts as a liaison between the Government of Nunavut and the Government of Canada's Department of Finance and Treasury Board.

#### **Fiscal Management**

The Fiscal Management Branch develops the multi-year fiscal framework for the GN; manages the annual budget development process; provides analysis and recommendations to the FMB on financial and economic conditions that affect the government's fiscal priorities and policies.

The branch coordinates the departments and the government's annual budget development process culminating in the presentation of the Main Estimates, Capital and Supplementary Estimates, and ensures that an appropriate framework exists for the public reporting of the government's fiscal year plans and financial position.

## *Department of Finance*

The branch provides policy direction to the GN to ensure that financial resources are managed in an effective and efficient manner, and provides independent and objective advice on the financial consequences of proposed and existing policies and initiatives.

The branch provides analysis and advice on tax policy; manages the GN's self-administered taxes; administers the Formula Financing Agreement and monitors other transfer arrangements and cost-shared funding arrangements. In addition, the branch ensures the government's banking and investment programs are in accordance with industry standards and reflect territorial needs.

The branch also provides the GN's risk management function.

The branch is responsible for the Financial Internship Program and the IEP initiatives of the Department of Finance.

### Key functions

- Developing internal policies, procedures, and providing policy advice.
- Consolidate, review and make recommendations with respect to the approval of Main, Capital and Supplementary Estimates, and prepare the Budget Address and other fiscal reports to support the presentation of the GN's fiscal requirements;
- Manage the GN's five year Capital Plan and refine and adjust the government's long term capital planning strategy as additional requirements are known and as fiscal resources will allow;
- Coordinate the review and delivery of the annual departmental business plans, with the Department of the Executive and Intergovernmental Affairs;
- Develop fiscal planning techniques and modeling scenarios to project the future financial position of the GN;
- Monitor and evaluate departmental expenditures in specific relation to departmental budgets and mandates;
- Coordinate the presentation of submissions to the FMB, providing recommendations, and clarifying the financial and economic implications of new initiatives;
- Provide training on developing FMB submissions, preparing budgets, producing variance reports and monitoring yearly allocations;
- Manage existing tax and revenue programs, as well as provide analysis and recommendations regarding future policy options;
- Negotiate the devolution of powers and rights with federal authorities, and provide advice on federal, provincial and territorial fiscal policy issues;
- Maintain effective working relationships with the financial services community to meet the government's banking needs;
- Manage the risk management and WCB functions for the GN;
- Prepare the Department's business plan;
- Implements the communications strategy of the Department;

- Manage the Financial Internship Program, aimed at development of financial staff capacity in GN.
- Taking a leading role in coordinating the implementation of Inuit Qaujimajatuqangit principles in the departmental planning as well as day-to-day operations.

### **Information Management**

The Information Management Branch is responsible for the establishment and continuing development of IM policies, plans and evaluation within the GN. This iterative process involves establishing an IM framework and developing, together with the departments, plans, initiatives and programs to support efficient IM practices within the GN to support service delivery to the people of Nunavut.

The Branch supports a vision where essential management information will be routinely held, shared, and used electronically by all government departments to support high quality leadership and service delivery. Electronic management information will be part of day-to-day government business, and will help to raise government standards.

Strategic IM is a critical, integrated part of any general management framework. It involves identifying core processes that aid missions within an enterprise, understanding key decisions that guide these processes, supporting those decisions with the right information available to the right people at the right time and using information technology to achieve this.

#### **Key functions**

- Development of policy and standards for the GN surrounding information management in general support of a range of overall government objectives that impact both internal operations and external service delivery to the people of Nunavut.
- Development of the framework for the implementation of information management practices in support of a range of overall government objectives.

### **Comptrollership**

The Comptrollership Branch establishes and manages the financial recording and accounting systems for the GN.

Branch operations include the provision of the systems, processes and procedures for government accounting, payroll and expenditures; maintenance of a Chart of Accounts for government operations; and the preparation of the annual public reporting of assets and liabilities through the Statement of Public Accounts. The branch provides an accounting management framework that supports government mandates and ensures that effective policies governing regulatory functions are in place.

## *Department of Finance*

The branch manages the finance and payroll management systems that supply all departments with the specific and government-wide information necessary for all internal management and external reporting needs. Central financial systems provide financial control and expenditure management to ensure effective monitoring, timely payment and collection of revenues, while meeting managerial needs for flexibility.

### Key functions

- Manage the Consolidated Revenue Fund;
- Prepare the Public Accounts for the Government of Nunavut;
- Maintain a policy framework to guide the regulatory initiatives of the GN, and a policy and accountability framework for public corporations and boards;
- Conduct internal and forensic audits that respect the principles of integrity and value for money as the basis for verifying compliance with financial policies, systems, processes, and standards;
- Manage the accounts payable and receivable systems of government;
- Conduct compensation analysis as well as participate in collective bargaining and equal pay processes;
- Conduct training on all aspects of the ADP payroll system and the FreeBalance system; and,
- Administer and up-date the FAA and the FAM to produce appropriate legislation and financial procedures to govern the financial processes of the GN.



**APPENDIX A**

**Part 3 – Financial Summary**

Branch	2002 - 2003 Main Estimates		2003 - 2004 Main Estimates	
	(\$000)	PYs	(\$000)	PYs
<b>Directorate</b>				
Salary	938	9	538	5
Grants & Contributions	0		0	
Other O&M	284		415	
<b>Subtotal</b>	<b>1,222</b>		<b>953</b>	
<b>Fiscal Management</b>				
Salary	3,498	37	4,743	47
Grants & Contributions	--		--	
Other O&M	1,915		1,295	
<b>Subtotal</b>	<b>5,413</b>		<b>6,038</b>	
<b>Information Management</b>				
Salary	659	7	740	7
Grants & Contributions	--		--	
Other O&M	3,482		600	
<b>Subtotal</b>	<b>4,141</b>		<b>1,340</b>	
<b>Comptrollership</b>				
Salary	9,588	101	10,210	113
Grants & Contributions	0		0	
Other O&M	1,230		1,420	
<b>Subtotal</b>	<b>10,818</b>		<b>11,630</b>	
<b>Centrally Administered Funds</b>				
Salary *	2,630	0	2,630	0
Grants & Contributions	4,750		4,750	
Other O&M	18,406		17,164	
<b>Subtotal</b>	<b>25,786</b>		<b>24,544</b>	
<b>TOTAL</b>	<b>47,380</b>	<b>154</b>	<b>44,505</b>	<b>172</b>

\* Note: Funding for GN-wide employee benefits, not Department of Finance positions.

## APPENDIX B – Report On Decentralization

The Department of Finance offers *Regional Financial Services* through its operations in Igloolik, Rankin Inlet and Cambridge Bay.

The mandate of the regional offices is to implement the GN accounting framework while providing financial operations and payroll services throughout Nunavut.

<b>Community</b>	<b>Positions</b>	<b>Beneficiaries</b>	<b>Vacancies</b>
Igloolik	17	13	3
Rankin Inlet	16	8	4
Cambridge Bay	13	4	3

Within the *Financial Internship Program* designed to foster the financial capacity development within GN, four Inuit interns will be assigned to training at the Regional Financial Services offices.

<b>Community</b>	<b>Interns</b>
Igloolik	2
Rankin Inlet	1
Cambridge Bay	1

## **APPENDIX C – Departmental Focus Paper**

The Department of Finance has improved its organizational structure, to ensure success in meeting its mandate, goals and objectives.

The overall objective of the reorganization is to enhance the Department of Finance' role as a central agency tasked to lead in the management of the territory's financial resources. The reorganization further emphasized the principles of effectiveness and efficiency.

The reorganization reflected the creation of six Senior Departmental Advisors positions added to strengthen financial management capacity across the GN, as proposed by the Office of the Auditor General of Canada.

Consistent with the Bathurst Mandate, the reorganization reflected the launching of the Financial Internship Program and the establishment of 12 internship positions for beneficiaries interested in pursuing finance careers.

Also, information management has been identified as a crucial and vital element to the development and maturity of the Nunavut public service. In order to ensure the development of this key area, the mandate of former Informatics Branch has been refocused to *Information Management*. The information technology and systems development function has been transferred to the Department of Public Works and Services. The Information Management Branch will be responsible for policy development, planning, and the evaluation of information resources throughout Nunavut.