DATE: November 21, 2005

SUBJECTS:

1. **Production of the 2006–2007 Main Estimates:**
   - **On-line Manuscripts**
   - **Standard Objects of Expenditure Reports**
2. **Explanation of Year-Over-Year Resource Changes (comparison between 2006–2007 and 2005–2006)**
3. **2006–2007 Interim Supply Requirements**

This letter identifies the key requirements and provides critical dates for the preparation of the above material.

Timelines

All documentation is due at the Treasury Board Secretariat (the Secretariat) **within one week of being notified** that your on-line manuscripts are ready to be reviewed and/or completed **(all to be completed by mid-December 2005).**

If your minister has not signed the Annual Reference Level Update (ARLU) submission, he or she must sign a paper copy of the Main Estimates on-line manuscript and forward it to the Secretariat no later than **January 26, 2006**.

According to Standing Order 81(4) Main Estimates must be tabled on or before **March 1, 2006.**

Access On-line:

The Secretariat has embarked on a process to modernize its management of government expenditures through the Expenditure Management Information System (EMIS).

One of the features of EMIS is the introduction of an on-line application for Main Estimates for the 2006-2007 exercise. The use of this application is mandatory and will be available in late November.

As a result organizations are to submit their Main Estimates manuscripts and other related material on-line via the EMIS Publiservice web site at http://publiservice.tbs-sct.gc.ca/emis-sigd/index_e.asp.

Organizations that do not have access to the Publiservice web site must contact the EMIS Help Centre by telephone at (613) 948-1901 or by e-mail at emis-sigd@tbs-sct.gc.ca.

Users of the Main Estimates on-line application are required to obtain a Government of Canada digital certificate. Information on how to obtain this certificate can be found in Annex E.

Training

Training for Main Estimates on-line will take place at

400 Cooper St.,
4th Floor,
Ottawa, Ontario

and is scheduled for the following dates:
English sessions for small to medium departments

Friday, November 25, 2005
9:00 a.m. to 11:00 a.m.
1:00 p.m. to 3:00 p.m.

Monday, November 28, 2005
9:00 a.m. to 11:00 a.m.
1:00 p.m. to 3:00 p.m.

Tuesday, November 29, 2005
1:00 p.m. to 3:00 p.m.

Wednesday, November 30, 2005
9:00 a.m. to 11:00 a.m.

Thursday, December 1, 2005
1:00 p.m. to 3:00 p.m.

Friday, December 2, 2005
9:00 a.m. to 11:00 a.m.

English sessions for large departments

Monday, December 5, 2005
9:00 a.m. to 12:00 p.m.
1:00 p.m. to 4:00 p.m.

Tuesday, December 6, 2005
9:00 a.m. to 12:00 p.m.
1:00 p.m. to 4:00 p.m.

Wednesday, December 7, 2005
1:00 p.m. to 4:00 p.m.

Thursday, December 8, 2005
9:00 a.m. to 12:00 p.m.

Friday, December 9, 2005
1:00 p.m. to 4:00 p.m.

French sessions for small to medium departments

Tuesday, November 29, 2005
9:00 a.m. to 11:00 a.m.

Wednesday, November 30, 2005
1:00 p.m. to 3:00 p.m.

Thursday, December 1, 2005
9:00 a.m. to 11:00 a.m.

French sessions for large departments

Wednesday, December 7, 2005
9:00 a.m. to 12:00 p.m.

Thursday, December 8, 2005
1:00 p.m. to 4:00 p.m.

Friday, December 9, 2005
9:00 a.m. to 12:00 p.m.

Small to medium sized departments will be invited to complete their Main Estimates online during the last portion of training. For those organizations that decide to take advantage of this, please bring a valid password (see Annex E for further details).

To reserve a place at one of the sessions, please register with the EMIS Help Centre by telephone at (613) 948-1901 or by e-mail at emis-sigd@tbs-sct.gc.ca.

Alternative Procedures

In the event that there is a disruption of service or that the functionality for the on-line application is unavailable, please contact the EMIS help centre by telephone at (613) 948-1901 or by e-mail at emis-siga@tbs-sct.gc.ca.

Instructions on how to complete and submit the Main Estimates on-line manuscripts are provided in the attached annexes.

Attachments

Annex A: Main Estimates On-line Manuscripts

Annex B: Standard Objects of Expenditure Report and Expenditures Internal to the Government Report

Annex C: Explanation of Year-Over-Year Resource Changes

Annex D: Interim Supply Requirements

Annex E: Government of Canada Digital Certificate

Internet Services

This call letter and the detailed instructions are available on the Secretariat's Web site at http://www.tbs-sct.gc.ca/est-pre/estimE.asp.

Mail Services

If required, it is recommended that you send all material by messenger service or equivalent to:

Treasury Board of Canada Secretariat Mail and Messenger Services
300 Laurier Avenue West
Level P3 West
Ottawa, Ontario K1A 0R5

To the attention of:
Administrative Assistant
(Mail Stop # 4)
Expenditure Operations and Estimates Directorate
Expenditure Management Sector
7th Floor, East Tower
140 O'Connor Street
Ottawa, Ontario K1A 0R5

Comments

We value your feedback. Please send any **comments** about these instructions or about the process to: Purdy.Estelle@tbs-sct.gc.ca

David Moloney
Assistant Secretary
Expenditure Management Sector

Attachments

Annex A

MAIN ESTIMATES ON-LINE MANUSCRIPTS

Main Estimates information will continue to be presented using program activities from your approved departmental Program Activity Architecture (PAA), with the exception of the Corporate Services activity.

Corporate Services or its equivalent will not be displayed in Main Estimates; the funds associated with this activity will be distributed among the remaining program activities.

Distribution of the funds will be in accordance with the algorithm your organization supplied to the Secretariat last year. However, if your organization did not submit an algorithm, the Secretariat will continue to distribute the funding equally among the remaining activities.

Note that, while it is possible for departments to change their algorithm from one year to the next, departments should be aware that fluctuations in their program activity totals must be explained. Therefore, it is recommended that a consistent algorithm be applied each year. Any changes to the algorithm are to be provided to the Secretariat using the Main Estimates on-line comment box.

Main Estimates material must be completed and submitted on-line (in both official languages) to the Secretariat using the Expenditure Management Information System (EMIS) at http://publiservice.tbs-sct.gc.ca/emis-sigd/index_e.asp.

Organizations that do not have access to the Publiservice web site must contact the EMIS Help Centre by telephone at (613) 948-1901 or by e-mail at emis-sigd@tbs-sct.gc.ca.

Departments will be notified by the Secretariat (via e-mail) once their manuscripts are ready to be reviewed and/or completed on-line.

Once you submit your Main Estimates to the Secretariat, you will no longer be able to edit information. However, you can continue to view and print your Main Estimates data.

If your minister has not signed your ARLU submission, he or she must sign the Main Estimates manuscripts. Departments are to print a paper copy of the on-line material, obtain the minister's signature, and forward the original signed package to the Secretariat **no later than January 26, 2006.**

Since departments will submit their Main Estimates on-line, it will no longer be necessary for them to verify page proofs. As a result, departments will be notified (by e-mail) once their Main Estimates manuscripts have been finalized and are ready for publishing. At this stage, the vote numbering will be final and departments can view their final information on-line.

When the Senior Financial Officer (SFO) receives the final notification (by e-mail), he or she must confirm acceptance **within two days of receipt,** indicating that the Main Estimates data is correct and providing assurance that, if any major changes have been made since the 2006–2007 ARLU submission, the minister has been duly informed. Confirmation can be made by responding to the e-mail or by fax to
Jo-Anne Munro at (613) 954-1060.

Textual Information

Review and amend the on-line manuscripts to reflect the following:

- any minor changes to your program activity descriptions (these generally consist of editing for purposes of clarification; however, such changes should not significantly affect the department's responsibilities or accountabilities);
- any editorial changes, which may consist of grammatical corrections, the correction of misspelled words, or the updating of name changes previously approved by legislation or Cabinet;
- proposed vote wording changes—departments are to consult their legal services on

proposed vote wording changes before submitting these to the Secretariat; all changes must be made in the proposed schedule to the appropriation bill.

Organizations should note that the Department of Justice Canada carries out an annual vote wording review and, as a result, some departments may have minor changes made to their vote wording. These changes have already been reflected in the manuscripts and should not be modified. Any questions concerning the changes should be directed to your program analyst.

- Statutory references (e.g. R.S.C. 1985, c. F-11) must be added or updated in the Statutory Items in Main Estimates table.
- Any other textual input errors must be corrected.

Numeric Information

Certain sections of the Main Estimates manuscripts may be completely or partially populated from your ARLU submission. In some cases, numeric totals have been inserted and cannot be changed. Should you wish to revise these totals, please contact your program analyst.

General Information

Caution: Coding symbols may appear anywhere in the on-line manuscripts or be inserted by you. These symbols should not be altered because they are linked to formatting commands. For example:

<N> indicates a non-breaking space (this is used when a word and/or figure is not to be extended to another line, e.g. a postal code: K1A<N>5A6)

<I> start italic type

<D> end italic type

<B> start bold type

<D> end bold type

<R> indicates that this is the end of the line

<$I starts an index entry

> ends an index entry

Submission to the Secretariat

Once you have completed your review and updated your Main Estimates data on-line, you need only submit the information to the Secretariat.

Once the Main Estimates data has been submitted, departments will no longer be able to edit the information on-line. However, you can continue to view and print the Main Estimates information.

Should you need to send paper copies to the Secretariat, we recommend that you send your material by messenger service or equivalent to:

Treasury Board of Canada Secretariat
Mail and Messenger Services
300 Laurier Avenue West
Level P3 West
Ottawa, Ontario K1A 0R5

To the attention of:
Administrative Assistant
(Mail Stop # 4)
Expenditure Operations and Estimates Directorate
Expenditure Management Sector
7th Floor, East Tower
140 O'Connor Street
Ottawa, Ontario K1A 0R5

Annex B

STANDARD OBJECTS OF EXPENDITURE REPORT AND EXPENDITURES INTERNAL TO THE GOVERNMENT REPORT

Both of these reports are due at the same time as your Main Estimates manuscripts.

Standard Objects of Expenditure Report

The purpose of this report is to provide a **budgetary** (voted and statutory) breakdown of standard objects of expenditure.

Please note that the grand totals (both voted and statutory) have been inserted using information provided through the ARLU and reflect the same numeric value as your Main Estimates manuscripts. Therefore, your standard object detail must add to these totals.

Insert an amount for each standard object in the voted, statutory, and total columns.

Please ensure that machinery and equipment, and attachments and accessories for such machinery costing less than $1,000, which were formerly included under Standard Object (7), are included in Standard Object (9).

For additional information, please refer to the December 10, 1998, information bulletin issued by the Government Accounting Policy Branch.

Budgetary payments to Crown corporations are always reported against Standard Object (12)—Other Subsidies and Payments.

Explanation of Standard Object (1) Terms

Because Standard Object (1) is broken down into subcomponents, the following explanations may be of assistance in extracting the required information from your ARLU reference levels to complete this report.

(1) Personnel

Salaries and wages: This refers to the amount identified in the Personnel operating input factors from the 2006–2007 ARLU reference level. It should be displayed under the voted column.

Note: Salaries associated with revolving funds must be displayed under the statutory column.

Contributions to Employee Benefit Plans (EBP): For most departments and agencies, a separate entry representing EBP is required. EBP funds must be displayed under the statutory column.

Capital Salaries and Wages: This refers to any personnel costs included in the “capital” input factor identified in the ARLU. This should be displayed under the voted column.

Expenditures Internal to the Government Report

This report provides an estimate of your organization’s transactions with other government entities. **The information provided is not in addition to the standard objects of expenditure report but part of it**. It is also recognized that the data provided will be tentative. Crown corporations are not required to complete this table.

To begin, you may wish to use the internal transactions breakdown reported or sent to Public Works and Government Services Canada for the purposes of the 2005–06 Public Accounts, along with adjustments to take into account any known significant changes.

This data will be accumulated on-line by department but will be displayed in the Main Estimates on a government-wide basis at the gross expenditure level as a supplementary entry in the “Budgetary Main Estimates by Standard Object of Expenditure” table.

Annex C

EXPLANATION OF YEAR-OVER-YEAR RESOURCE CHANGES

Your explanations of year-over-year resource changes are due at the same time as your Main Estimates manuscripts.

The information requested will be used to prepare news releases and briefing material.

With EMIS on-line, the Secretariat has provided departments with a "Program by Activity" table that displays current and past year resources, as well as variances. This allows departments to quickly identify areas of major change by program activity and by category (i.e. operating, capital, grants, contributions and other transfer payments, etc.) that must be explained.

The total of the resources shown in the explanation may not balance exactly with the year-over-year change, due to rounding, and given that only individual changes of $1 million or more are reported. Any funding relating to horizontal initiatives should be identified as such, since this information will be presented on a government-wide basis in the Main Estimates news release or related briefing materials. You may wish to work with your program analyst to ensure consistent wording is used in highlighting these horizontal issues.

All explanations should be comprehensive and explain not only what the increase or decrease is for but why there was a change in the resource level.

In providing the explanations, you should reconcile the variances being reflected to a program activity and/or budgetary or non-budgetary category. This is particularly important when large changes are being reflected, since the information you provide will form the basis for news releases and background information relating to the Main Estimates.

List major increases first, in descending order, followed by major decreases.

References to any legislation should be displayed in italics.

Please note that, if additional information is required to prepare the news release or briefing material for the Senate Standing Committee on National Finance, your department may be informally approached by the Secretariat.

Annex D

INTERIM SUPPLY REQUIREMENTS

Parliamentary supply procedure calls for the introduction of an interim supply bill in early March to cover financial requirements during the first three months of the new fiscal year until full supply can be obtained in June 2006.

All departments, agencies, and Crown corporations must submit an interim supply requirement, whether it be a confirmation that you are seeking the normal requirement (3/12ths) or that you are requesting additional proportions.

Each vote requiring additional proportions or twelfths beyond the normal 3/12ths **must be supported by an explanation** (in both official languages). You are reminded that 11/12ths is the maximum number of proportions that can be obtained through interim supply.
Note that additional proportions can be requested only for items that are included in the Main Estimates and that your requirement and explanation(s) are due at the same time as your Main Estimates manuscripts.

Explanations

Each explanation should consist of no more than one or two paragraphs. The following samples of explanation notes may be used in the preparation of your submission. These examples may be revised or supplemented as required.

- To provide for payments to territorial governments in accordance with the agreed to financial arrangements.
- To cover the cost of completing the construction of an administration building in Manitoba. This project was originally scheduled for completion in early fall but will now be completed in late summer, due to greater than expected progress being made during the spring months. As a result, the construction contract should be paid before we receive full supply and incur interest costs.
- To provide for the payment of $313,160 of the $400,000 included in the Estimates for payment of research grants. It is customary to pay these grants to the various universities once the awards have been made by the University Grants Committee, which usually meets in early spring.

GOVERNMENT OF CANADA DIGITAL CERTIFICATE

Departments, agencies, and Crown corporations are required to submit their 2006–2007 Main Estimates manuscripts and other related documentation on-line via the Expenditure Management Information System (EMIS) Publiservice Web site at http://publiservice.tbs-sct.gc.ca/emis-sigd.
Departments, agencies, and Crown corporations that do not have access to Publiservice web site must contact the EMIS Help Centre by telephone at (613) 948-1901 or by e-mail at emis-sigd@tbs-sct.gc.ca.

User Authentication

Users of the Main Estimates application must obtain a Government of Canada digital certificate.

Users who have previously accessed the ARLU application on EMIS may continue using the same user name and password to access the Main Estimates application.

New users are requested to contact the EMIS Help Centre to obtain a valid user name and password. User located in the National Capital Region (NCR) must make the request through the EMIS Help Centre by telephone at (613) 948-1901 or by e-mail at emis-sigd@tbs-sct.gc.ca.

Users outside the NCR must contact their departmental/agency security division Local Registration Authority (LRA) for the cost and process associated with obtaining a digital certificate. Organizations that do not have an LRA are advised to contact the EMIS Help Centre, which will take steps to assist them in obtaining a certificate.

New users are advised to contact the EMIS Help Centre as soon as possible, as a minimum of 48 hours will be required to generate both a digital certificate and a new user name and password.