

Treasury Board

Annual Report
2017–2018

**Treasury Board
Annual Report 2017-2018**

Province of New Brunswick
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Transmittal letters

From the President to the Lieutenant-Governor

The Honourable Jocelyne Roy Vienneau
Lieutenant-Governor of New Brunswick

May it please your Honour:

It is my privilege to submit the annual report of the Treasury Board, Province of New Brunswick, for the fiscal year April 1, 2017, to March 31, 2018.

Respectfully submitted,



Honourable Ernie L. Steeves
President

From the Deputy Minister to the President

Honourable Ernie Steeves
President of Treasury Board

Sir:

I am pleased to be able to present the annual report describing operations of the Treasury Board for the fiscal year April 1, 2017, to March 31, 2018.

Respectfully submitted,



Cheryl Hansen
Deputy Minister

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Minister's message

In my role as President of Treasury Board, I am pleased to present to you the second annual report for the department. This year is the second fiscal year of the department, which was established in 2016.

The Treasury Board has a vision of being seen as trusted, agile, and solutions-focused. Together, we will champion open data, focus on performance excellence, and lead the charge to making our government more accountable and transparent to taxpayers.

I would like to recognize the dedication and professionalism of all Treasury Board staff, who work hard every day in support of New Brunswick families and communities. I look forward to working with them as we serve the people of this beautiful province.

A handwritten signature in blue 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
President of Treasury Board

Deputy Minister's message

The 2017-2018 year was the second year of Treasury Board as its own department. This year has represented much laying of ground work necessary to launch strategies that will shape both the public service and New Brunswick for years to come.

Treasury Board has continued to direct the budget process, and successfully held to budget while meeting demand for many initiatives across government. Approval was received to develop records management as a centralized resource at Treasury Board in support of the enhanced *Right to Information and Protection of Privacy Act*.

Through the work done by our Strategic Services Division and the Office of the Chief Human Resources Officer, Treasury Board has also led initiatives to provide strategic direction and policy and program framework to improve the workplace health and safety culture across GNB.

The Digital New Brunswick Strategy which will shape our province's service delivery, bringing new digital solutions to personal identification, medical records and other areas to ensure the public service improves the lives of New Brunswickers every day is underway.

The People Strategy is also ongoing and will help government to create a healthy and productive workplace culture, enhance employee engagement and improve on organizational performance, all with the goal of delivering on citizen and taxpayer outcomes.

The success of Treasury Board is achieved through the hard work and ongoing commitment of our talented team, and I look forward to another great year ahead. We remain focused on our vision to be Trusted, Solutions-Focused and Agile in our operations, and to choose strategic priorities that reflect this vision.

A handwritten signature in black ink that reads "Cheryl Hansen". The signature is written in a cursive, flowing style.

Cheryl Hansen
Deputy Minister

Strategic priorities

Strategy 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 a strategic vision to move New Brunswick forward. This vision is anchored in five priority areas:

- *Jobs* – Creating the best environment for jobs to be generated by New Brunswickers, by businesses, by their ideas, by their entrepreneurial spirit, and by their hard work. Growth efforts will be guided by the *New Brunswick Economic Growth Plan*, which focuses on strengthening the workforce; expanding innovation capacity; increasing the agility of government; fostering public and private investment in strategic infrastructure; and growing capital investment from the private sector.
- *Education* – Improving education as guided by two 10-year plans, *Everyone at Their Best* for the anglophone sector and *Donnons à nos enfants une longueur d’avance* for the francophone sector, that identify objectives for the early learning and education system and establish clear expectations for standards and performance. The areas of focus are: ensuring children and other learners develop the competencies they need to be successful in school and life; improving both literacy and numeracy skills for all learners; and working to make post-secondary education more accessible and affordable.
- *Families* – Creating a healthier and stronger New Brunswick by focusing on seven key areas: improving access to primary and acute care; promoting wellness; supporting those with mental health challenges; fostering healthy aging and support for seniors; advancing women’s equality; reducing poverty; and providing support for persons living with a disability.
- *Federal and Aboriginal Relations* – Building stronger relationships with First Nations; strengthening action on climate change; and working with the federal government to maximize federal funding, including optimizing infrastructure funding and growing the workforce through immigration.
- *Smart Province* – Providing taxpayers with better value for their money by transforming the culture of government by eliminating duplication; adopting new innovations in technology to improve services and savings; and ensuring GNB has a ready workforce that has the skills, training, support, leadership and working environments it needs to thrive.

Highlights

During the 2017-2018 fiscal year, Treasury Board focused on these strategic priorities through:

People Strategy

The Office of the Chief Human Resources Officer continued work to establish a government-wide human resource strategy called the People Strategy. The strategy received approval in March 2018, and implementation is currently underway, beginning with the development of actions plans. This work directly supports the vision of a proud, productive and professional Public Service. The People Strategy, and supporting initiatives, are essential to GNB's success in delivering quality programs and services to New Brunswickers.

Digital New Brunswick Strategy

The Enterprise Information, Technology, Risk and Office of the Chief Information Officer headed the establishment of a government-wide digital strategy that was officially launched in 2017-2018. This collaborative transformation strategy facilitates the delivery of efficient citizen-centered services that will improve the lives of New Brunswickers every day by enabling changes to the way we work, the way we connect with each other, and the way we serve.

RTIPPA Centralization

Legislative and regulatory amendments took place in 2017-2018 to enable GNB to implement a centralized model for processing requests under the *Right to Information and Protection of Privacy Act* (RTIPPA). Implementation of Phase 1 is underway with a go-live scheduled for the fall of 2018. The centralized RTIPPA model will provide greater compliance with legislated privacy obligations, operational efficiencies, and consistency of responses.

ERP Implementation

GNB provided direction for the procurement and implementation of an Enterprise Resource Planning (ERP) Solution. Co-led with Service New Brunswick, the ERP solution will support transformed business processes in Human Resource Management, Financial Resource Management, Procurement/Supply Chain, and Collections.

Official Languages Action Plan

In relation to the *Official Languages Act*, Treasury Board is responsible for the Language of Work and Language of Service policies. Baselineing of linguistic competencies has been completed for pay bands 5-7 and pay bands 8-12. A project was launched to review GNB's linguistic competency model and approach to training and evaluation.

Review of *Financial Administration Act* and *Civil Service Act*

The *Financial Administration Act* was amended to eliminate special pensions. The *Civil Service Act* was amended to ensure appropriate delegation was in place for Human Resources services to be provided through Service New Brunswick.

Workers Compensation Projects

The Employee Safety and Wellness Unit launched several initiatives. These initiatives provided strategic direction along with policy and program framework to improve the workplace health and safety culture across GNB, and reduce workplace accidents and time lost from work due to injury.

HST recovery project for WorkSafeNB expenditures has been completed by the Office of the Comptroller.

Performance measures

Smart Province	Measures
Balance the provincial budget by 2021-2022.	Ratio of actual to budgeted expenditures.
Cultivate a proud, productive and professional civil service.	Percentage of Performance Agreements established and aligned to priorities (Part 1).
	Total number of paid sick days used (Part 1).
Innovative delivery of government services.	Number of Alternative Service Delivery (ASD) engagements completed.
	Right to Information requests completed in 30/60 days.

Smart Province

Objective of the measure

Balance the Provincial Budget by 2021-2022.

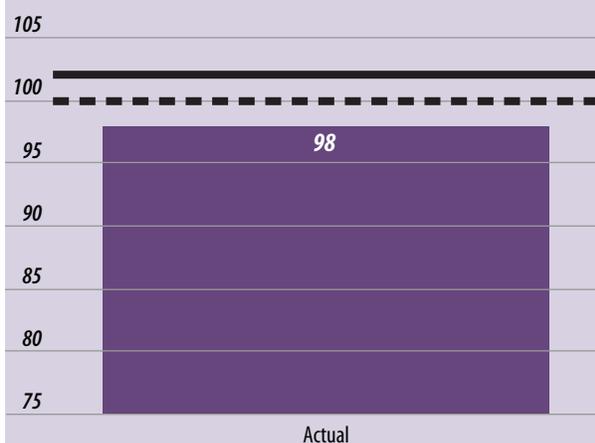
Measure

Ratio of actual to budgeted expenditures.

Description of measure

The ratio measures whether the department is over-budget or under-budget on expenditures. The ratio will exceed 100 per cent when expenses are over-budget and be less than 100 per cent when under-budget.

Ratio of actual to budgeted expenditures



Overall performance

The department was successful in managing expenditures to be under-budget.

— Baseline: 102%
- - - Target: 100%
Actual: 98%

Why do we measure this?

This indicator measures the ability of GNB to manage its overall expenses as compared to its budget. GNB must ensure that expenses are managed in accordance with the budget and be prepared to take corrective action if expenses are projected to be over-budget during the year.

What initiatives or projects were undertaken in the reporting year to achieve the outcome?

The department was diligent in monitoring spending to find administrative efficiencies and savings.

Smart Province

Objective of the measure

Enhance employee involvement, commitment and productivity.

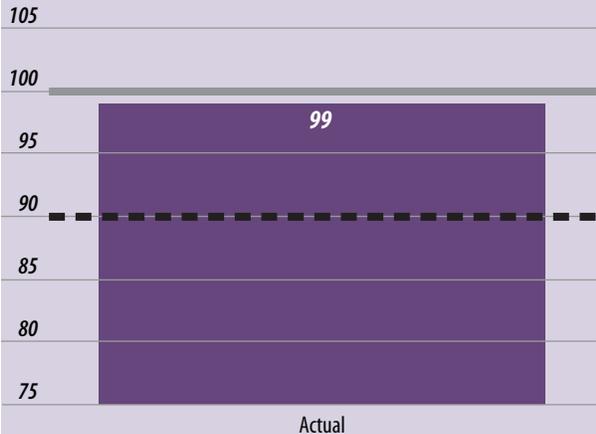
Measure

Percentage of Performance Agreements established and aligned to priorities (Part 1).

Description of measure

The preparation of an employee performance agreement, Section 1 of the “performance agreement”, at the beginning of the performance review period will provide an opportunity for managers and employees to identify, agree and set work objectives and measures based on priorities and overall business results.

Percentage of performance agreements completed



Overall performance

Treasury Board was successful in completing 99% of our employee performance agreements. This metric is calculated according to the number of performance agreements established each quarter divided by the total cumulative number of performance agreements eligible that quarter.

- Baseline: tbd
- - - Target: 90%
- Actual: 99%

Why do we measure this?

By preparing performance agreements both strategic and organizational objectives will be cascaded through the organization to increase both organizational and individual performance.

Smart Province

Objective of the measure

Enhance employee involvement, commitment and productivity.

Measure

Total number of paid sick days used (Part 1).

Description of measure

In 2012, GNB set a goal to reduce sick leave usage by 20 per cent in government by March 31, 2015.

Treasury Board continues to monitor this metric to ensure sustainability (and re-introduce improvement initiatives if needed) and ongoing comparison across jurisdictions.

Number of sick days used (Part 1)



Overall performance

Overall performance is measured by the average number of paid sick days used in the fiscal year. GNB sustained reduced sick day usage with an average of 7.41 days.

- **Baseline:** maintain department average leave days
- - - - - **Target:** 7.8 days
- Actual:** 7.41 days

Why do we measure this?

Treasury Board will continue to monitor this metric to ensure sustainability and ongoing comparison across jurisdictions.

Smart Province

Objective of the measure

Innovative delivery of government services.

Measure

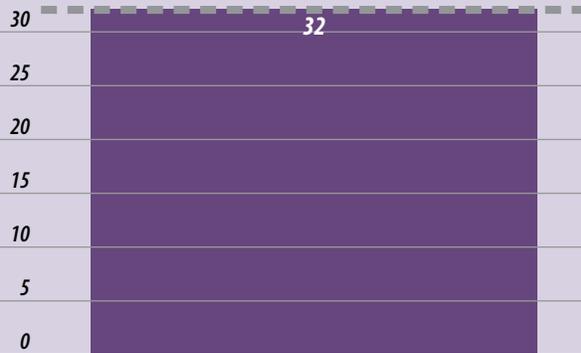
Number of Alternative Service Delivery (ASD) engagements completed.

Description of measure

This measure is a count of the number of ASD engagements completed annually across government.

Number of ASD engagements completed

35



Actual

Overall performance

Completion of 32 ASD engagements is considered successful performance for this measure, particularly when taking into consideration that two of four Senior Advisor positions were vacant during much of the fiscal year. Furthermore, client satisfaction was very positive based upon internal surveys.

- **Baseline:** n/a
- - - - - **Target:** Engagement targets were established in 2017-2018 for years going forward.
- Actual:** 32

Why do we measure this?

Measured by the Strategic Services division; ASD engagement/assessment benefits vary significantly by project, but typically lead to one or more of the following opportunities for government: cost savings, cost avoidance, revenue, risk mitigation, and/or improved program outcomes.

What initiatives or projects were undertaken in the reporting year to achieve the outcome?

Subject areas of ASD initiatives include, but are not limited to; nursing home services, autism training, early learning childcare assistance, cannabis, and infrastructure like the Centennial Building.

Smart Province

Objective of the measure

Innovative delivery of government services.

Measure

Right to Information (RTI) requests completed within 30/60 days.

Description of measure

A count of the number of RTI requests completed within the 30 days or 60 days (extension) deadlines determined by the *Right to Information and Protection of Privacy Act* (RTIPPA).

RTI requests completed

25

20

15

10

11

5

0

Actual

Overall performance

Treasury Board has undertaken initiatives to decrease the cycle-time for processing RTI requests, and improve our efforts to assist applicants in an open and accurate manner.

————— Baseline: n/a
- - - - - Target: 22
Actual: 11

Why do we measure this?

Under *Right to Information and Protection of Privacy Act*, all applicable public bodies shall respond to a written request for information within 30 days, unless there is reasonable cause (as determined by the Act) to extend that deadline for response to 60 days. The number of RTI requests received by government departments each year has tripled.

What initiatives or projects were undertaken in the reporting year to achieve the outcome?

A Lean Six Sigma Black Belt project focused on the centralization of RTI requests.

Overview of departmental operations

In April 2016, GNB announced its intent to merge the Department of Human Resources (DHR) and parts of the Department of Finance (FIN), the Executive Council Office (ECO) and Service New Brunswick (SNB) into one department. The resulting new department called Treasury Board is responsible for human resources; expenditure management and fiscal oversight; and the Enterprise Information, Technology, Risk and Office of the Chief Information Officer (EITROCIO) and information management.

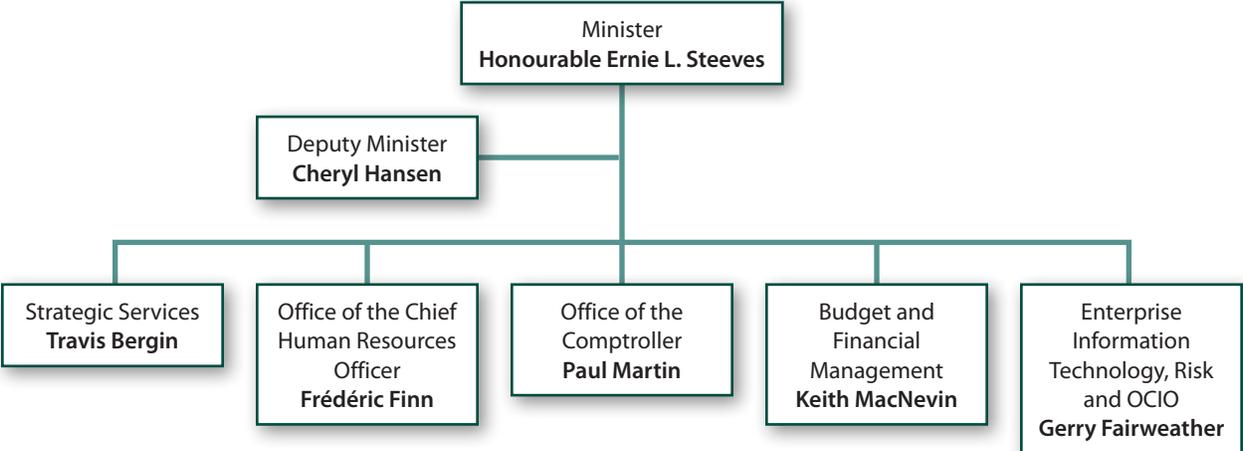
The President of the Treasury Board is also the Chair of the Treasury Board Cabinet Committee. The Deputy Minister of Treasury Board is also the Secretary to the

Treasury Board Cabinet Committee and holds the powers and duties assigned under the *Civil Service Act* held by the former Deputy Minister of Human Resources.

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.

Treasury Board consists of the following five divisions: Strategic Services; Office of the Chief Human Resources Officer; Office of the Comptroller; Budgets and Financial Management; and Enterprise, Information, Technology, Risk, and Office of the Chief Information Officer.

High-level organizational chart



Division overview and highlights

Strategic Services

Overview (mission, objective, staffing)

The Strategic Services division supports the development of GNB policies and long-term strategies for financial, human resource, technology and information management; leads departmental Performance Excellence activities; completes Alternate Service Delivery assessments of government programs and initiatives; and is responsible for employee experience and internal communications support.

The Strategic Services division is comprised of the three units: Policy and Performance Excellence; Alternative Service Delivery; and Employee Experience and Internal Communications.

The **Policy and Performance Excellence** unit is responsible for strategy development and implementation, as well as monitoring and reporting on strategic plans and government priorities. The unit also provides legislative coordination, policy and planning services, and process documentation coordination. In addition, the unit is responsible for providing guidance and coaching in the development and execution of the department’s strategic plan and to provide project facilitation expertise on continuous improvement projects.

The **Alternative Service Delivery** unit is responsible for identifying program and project assessment opportunities, reviewing unsolicited proposals, research, project management, group facilitation, and analysis. The unit facilitates high-level reviews of Alternative Service Delivery opportunities as well as comprehensive assessment reports including market sounding, financial, risk, value-for-money, and stakeholder analyses.

The **Employee Experience and Internal Communications** unit provides internal communications guidance and support, coordinates employee engagement events and activities, and develops associated strategies and

materials. The unit uses both traditional and modern communications tools to enhance understanding, support and adoption of strategic priorities.

Financial Information (Strategic Services)

Total Budget	Actuals	Variance	% of Budget
1,786,800	1,980,318	(193,518)	111%

HIGHLIGHTS

- ◆ Facilitated six Black Belt and Green Belt Projects and provided support to multiple process improvement initiatives on departmental strategic priorities, such as: Employee Health and Safety, RTIPPA Centralization, People Strategy, Daily Management and Waste Walks;
- ◆ Coordinated 22 requests under the Right to Information and Protection of Privacy Act;
- ◆ Coordinated 24 Memorandums to Executive Council (MECs); and
- ◆ Completed 32 Alternative Service Delivery engagements across GNB.

Key Performance Indicators

- Percent of legislative activities on track (includes legislation, MECs and house briefings);
- Improvement rate via continuous improvement; and
- Number of Alternative Service Delivery assessments completed.

Office of the Chief Human Resources Officer

Overview (mission, objective, staffing)

The Office of the Chief Human Resources Officer (OCHRO) provides the strategic direction and the 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 1, 2 and 3 of the Public Service under the authorities of the *Financial Administration Act* and the *Public Service Labour Relations Act*. In addition, the OCHRO oversees the human resource management functions in GNB.

OCHRO 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 34 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 1, 2 and 3 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 4 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 1, 2 and 3 of the Public Service and conducts job evaluation and pay equity studies. The branch is also responsible for pay plans; compensation and other HR 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 health and safety, and employee wellness across Part 1 of GNB.

Financial Information (OCHRO)

Total Budget	Actuals	Variance	% of Budget
3,067,217	2,662,635	404,582	87%

HIGHLIGHTS

- ◆ *Signed collective agreements with four bargaining units: Instructional Group (NBUPPE), Crown Prosecutors (PIPSC), Teachers (NBTF) and CUPE 1252 (Hospital Support Workers).*
- ◆ *The Employee Safety and Wellness Unit was staffed with specialists in health and safety, disability management and wellness, to provide strategic direction and the policy and program framework to support the People Strategy goal to build and sustain a safe, healthy and productive workplace culture.*
- ◆ *Completed an initiative to support all Part 1 departments in assuring compliance to the Occupational Health and Safety Act. Within the fiscal year, departments improved from an average 59 per cent compliance to 92 per cent.*
- ◆ *Completed a pilot of (transferable) incident prevention solutions from a Lean Six Sigma Project on Workplace Health and Safety.*
- ◆ *Developed a new People Strategy for Part 1 in support of the vision for a proud, productive and professional Public Service.*
- ◆ *Completed joint pay equity studies and implemented the results for three groups represented by the New Brunswick Union: Professional Support in Schools; Medical Science Professionals; and Specialized Health-Care Professionals.*

- ◆ Created a supplementary management toolkit/ resources to support flexible work arrangements.
- ◆ Updated the Non-Smoking Policy to reflect the changes to the Smoke-Free Places Act which expands the definition of the GNB work space.
- ◆ Launched a campaign (in partnership with Renaissance College) targeting millennials to join the Public Service.
- ◆ As host jurisdiction, lead the organization and delivery of the 54th Annual Public Service Commissioners Conference.
- ◆ Established a baseline of current middle (pay bands 5-7) and senior (pay bands 8-12) management positions and their linguistic capacity in the other Official Language as required by the strategic objectives 1.2 and 1.3 of the Plan on Official Languages – Official Bilingualism: A Fundamental Value.
- ◆ As part of the revitalization of the Equal Employment Opportunity program in 2016, the target of increasing the number of funded placements of program candidates from nine to 16 for 2017-2018 was achieved.

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 2017-2018.

	Part 1	Part 2	Part 3	Total
Referrals to adjudication carried from previous years	163	73	349	585
New referrals to adjudication	89	47	122	258
Grievances withdrawn or settled	86	61	168	315
Adjudication decisions rendered	5	3	7	15

Status of sick leave usage

Sick leave usage continues to be monitored with the goal to sustain the significant reductions made during 2012-2016. The Part 1 average decreased from 7.80 days to 7.41 days in 2017-2018.

Office of the Comptroller

Overview (mission, objective, staffing)

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

The Provincial Comptroller is the chief accountant and internal auditor for GNB. The Comptroller reports to the Deputy Minister of 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 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 Administrative Services, Accounting Services, and Audit and Consulting Services.

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 GNB, 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 GNB.

Accounting Services provides accounting advice to departments, Treasury Board, staff and government agencies; interpretation of emerging accounting standards and their impact on GNB; 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.

Financial Information (Office of the Comptroller)

Total Budget	Actuals	Variance	% of Budget
7,117,300	7,879,212	(761,912)	111%

HIGHLIGHTS

- ◆ Prepared annual reporting of the Public Accounts, Volumes I and II;
- ◆ 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 the Eastern Comptrollers conference; and
- ◆ Participated as a member on the CPA Canada, Public Sector Accounting Board Employment Benefits Task Force.

Key Performance Indicators

Issuance of the March 31, 2016, annual audited financial statements by Sept. 30 as set out in legislation.

Enterprise Information Technology, Risk, and Office of the Chief Information Officer (EITROCIO)

Overview (mission, objective, staffing)

EITROCIO is a division of Treasury Board that focuses on information as a valuable resource. It supports 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 and capabilities to both clients within government as well as to the public.

Approximately 90 staff members holding a variety of skills help EITROCIO support its mandate of “Government-wide strategic leadership, planning and oversight of the management of information, technology, risk, and digital innovation to enable the business of a smarter government.”

The division consists of three distinct branches: Digital Office Branch, Enterprise Risk Management Branch, and Provincial Archives and Corporate Information Management.

The **Digital Office Branch** focuses on providing GNB with strategic direction and oversight from an IT perspective. This branch focuses on gaining a broad view of IT across GNB’s public bodies using its strategic alignment process, and overseeing many significant projects through active participation on steering committees. This branch also champions digital innovation within GNB and works to set strategic direction through active engagement with internal and external stakeholders, and partnering to develop strategies such as Digital New Brunswick. Included in the Digital Office is the IT Strategy and Governance Unit that focus on maturing GNB’s IT governance, developing IT strategies and setting IT policies.

The **Enterprise Risk Management Branch** champions government taking a mature risk based approach to its decision making. Best practices in the use of risk management are being developed, and once matured, it is anticipated that these new processes will be shared across government, changing the way government views its projects and makes its business decisions. Also included in this branch is the Cybersecurity Unit. This

unit focuses on information security from a governance, monitoring and policy perspective while offering operational services in the areas of forensics, vulnerability assessments and incident response.

The **Provincial Archives** offers public facing services to meet the government obligations under the *Provincial Archives Act*. In doing so, it collects, preserves, and makes available for research, documents and records bearing upon the history of New Brunswick. A unit of the Provincial Archives— the **Corporate Information Management Unit** provides advice and assistance in records and information management to all GNB 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. The **Enterprise Access to Information and Protection of Privacy Unit** also falls under this branch. This group supports the *Right to Information and Protection of Privacy Act* (RTIPPA) legislation and works in the areas of privacy, access to information, and awareness.

Financial Information (EITROCIO)

Total Budget	Actuals	Variance	% of Budget
7,573,530	6,726,750	846,780	89%

HIGHLIGHTS

- ◆ *Digital ID project – In partnership with Service New Brunswick, EITROCIO developed and tested foundational capabilities in providing a single electronic identity to its clients. During 2017-2018 this project matured from proof of concept to a production pilot phase whereby digital services were developed using this technology.*
- ◆ *MyLabs project – A proof of concept digital service was developed to demonstrate the potential of strong identification validation, linked to an electronic credential. This project used modern application development concepts coupled with citizen engagement to design a mobile app whereby patients could gain access to their lab results in real-time. A working version was delivered at year-end and the value of both the mobile application and the Digital ID were proven.*
- ◆ *Enterprise Resource Planning (ERP) project – Significant work was done by EITROCIO to support GNB’s ERP project over 2017-2018. Highlights include: RFP development and evaluation, ERP architecture work, ERP data management, ERP integration, and project oversight.*
- ◆ *Digitization Services project – Treasury Board invested in hardware and software to move away from micro-filming, and towards scanning and digital preservation. This project worked to ensure GNB a scalable, secure cloud-based solution to build on in the years ahead. This new solution will enable the long-term storage and preservation of these digital assets.*
- ◆ *Cybersecurity policies – Significant work was done during the fiscal year to modernize GNB’s Cybersecurity policies and directives, by determining industry best practice and to creating new directives that align with GNB’s business needs.*
- ◆ *Hybrid Security Operations Centre (SOC) – EITROCIO, in partnership with a local computer security company, Bulletproof Solutions Inc, modernized the SOC environment, extended our onsite service and added capability. This partnership allows for 24/7 support and incident management, while also giving GNB access to highly trained resources.*
- ◆ *Digital New Brunswick Strategy – EITROCIO engaged over 7000 citizens in the development of this strategy which was presented to Treasury Board at year-end and approved for action in 2018-2019.*
- ◆ *RTIPPA legislation amendment – In support of enabling better service delivery and to address recognized gaps in the current legislation, the RTIPPA legislation was modernized to allow information sharing between public bodies when providing common or integrated services, programs or activities. New sections around information practices (policies), i.e., security arrangements (handling and safeguarding), with respect to personal information under public bodies custody and control were added.*
- ◆ *Cloud Services Policy – This policy and associated framework were developed to enable GNB’s use of cloud based services while addressing security and privacy concerns. This policy AD-7112 can be found in GNB’s Administration Manual.*

Key Performance Indicators

N/A

Budget and Financial Management

Overview (mission, objective, staffing)

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 GNB. 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.

Financial Information (Budget and Financial Management)

Total Budget	Actuals	Variance	% of Budget
908,100	791,886	116,214	87%

HIGHLIGHTS

- ◆ Coordinated the preparation of the 2018-2019 capital estimates tabled on Nov. 8, 2017 and the main estimates tabled on Jan. 30, 2018;
- ◆ Supported the Department of Finance in the preparation of the budget speech;
- ◆ Prepared quarterly Fiscal updates in cooperation with the Department of Finance and completed the expenditure analysis to prepare the major variance section of the province's financial statements; and
- ◆ Provided secretariat services to approximately 90 Treasury Board meetings, several of which were joint meetings with other Cabinet Committees, resulting in more than 210 decisions being issued to departments and agencies.

Financial information

	Total Budget	2017-2018 Actuals	Variance	% of Budget
Office of the Chief Human Resources Officer	3,067,217	2,662,635	404,582	87%
Office of the Comptroller	7,117,300	7,879,212	(761,912)	111%
Enterprise Information Technology, Risk and Office of the Chief Information Officer	7,573,530	6,726,750	846,780	89%
Budget and Financial Management	908,100	791,886	116,214	87%
Strategic Services	1,786,800	1,980,318	(193,518)	111%
Treasury Board	\$20,452,947	\$20,040,801	\$412,146	98%

Summary of staffing activity

Pursuant to section 4 of the *Civil Service Act*, the Deputy Minister of the Treasury Board delegates staffing to each Deputy Head for his or her respective department(s). Please find below a summary of the staffing activity for 2017-2018 for Treasury Board.

The department advertised 35 competitions, including 30 open (public) competitions and five closed (internal) competitions.

Number of permanent and temporary employees as of Dec. 31 of each year		
Employee type	2017	2016
Permanent	142	164
Temporary	17	5
TOTAL	159	169

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)	0
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)	0
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)	0
Lateral transfer	The GNB transfer process facilitates the transfer of employees from within Part 1, 2 (school boards) and 3 (hospital corporations) of the Public Service.	16(1) or 16(1)(c)	5
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)	0
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*, zero complaints alleging favouritism were made to the Deputy Head of Treasury Board and zero complaints were submitted to the Ombud.

Summary of legislation and legislative activity

Bill #	Name of legislation	Date of Royal Assent	Summary of changes
27	An Act to Amend the <i>Financial Administration Act</i>	December 20, 2017	The Act was amended to eliminate special pensions
32	An Act Respecting Government Reorganization	December 20, 2017	The <i>Civil Service Act</i> was amended to delegate staffing authority to Service New Brunswick
47	<i>Supplementary Appropriations Act 2016-2017 (1)</i> http://www.gnb.ca/legis/bill/pdf/58/4/Bill-47.pdf	March 16, 2018	The Act provided legislative authority for moneys spent in the fiscal year 2016-2017. Twelve departments required additional funding in 2016-2017.

Name of regulation	Effective date	Summary of changes
New Brunswick Regulation 2010-111, under the General Regulation – <i>Right to Information and Protection of Privacy Act</i> http://www.gnb.ca/0062/acts/BBR-2018/2018-24.pdf	April 1, 2018 (filed March 26, 2018)	Amended by adding after section 4; Agreements for common or integrated services, programs or activities. It enables the sharing of personal information for purposes of providing integrated services.
New Brunswick Regulation 2017-48, under the <i>Financial Administration Act</i> (O.C. 2017-310) http://www.gnb.ca/0062/acts/BBR-2017/2017-48.pdf	December 14, 2017	New Brunswick Regulation 84-18 under the <i>Financial Administration Act</i> is repealed.
New Brunswick Regulation 2017-47 under the <i>Financial Administration Act</i> (O.C. 2017-309) http://www.gnb.ca/0062/acts/BBR-2017/2017-47.pdf	December 14, 2017	New Brunswick Regulation 2001-5 under the <i>Financial Administration Act</i> is repealed.

The acts for which the department was responsible in 2017-2018 may be found at:
<http://laws.gnb.ca/en/deplinks?subjectnumber=18>

Summary of Official Languages activities

Introduction

Treasury Board has many initiatives at the corporate level in addition to departmental initiatives. Treasury Board works in partnership with the Executive Council Office, 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 and work is ongoing to support individual departmental action plans.

Focus 1

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

- A practical guide on Official Languages was developed for employees establishing timelines for Human Resources staff to ensure that the guide is received and reviewed by employees.

Focus 2

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

- Treasury Board compiled the list of training service providers and indicated if they provide bilingual training. A list of service providers including their list of course offerings was developed. The list includes the language ability of the provider to offer services in English, French or in both Official Languages.

Focus 3

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

- The 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 4

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.

- Official Languages Coordinators in departments and agencies met regularly as part of a community of practice on Official Languages.
- Treasury Board worked to develop a guide on Official Languages to support initiatives within the Plan on Official Languages and improve knowledge and understanding of the Act.

Conclusion

The results achieved by various initiatives stemming from GNB's *Plan on Official Languages – Official Bilingualism: A Fundamental Value* is a testament to the positive effects in raising awareness and acceptance of Official Languages both from a lead as well as partner perspective by Treasury Board. Official Languages continues to be a priority of Treasury Board and efforts continue to raise individual and departmental awareness about obligations and requirements associated with Official Languages.

Summary of recommendations from the Office of the Auditor General

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

Name and year of audit area with link to online document	Recommendations
	Total
Office of the Comptroller – Matters Arising from our Audit of the Financial Statements of the Province. Volume IV (November 2017), Chapter 3, pages 66 to 69 http://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2017V4/Agrepe.pdf	3
Office of the Chief Human Resources Officer – Matters Arising from our Audit of the Financial Statements of the Province. Volume IV (November 2017), Chapter 3, page 67 http://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2017V4/Agrepe.pdf	1
Office of the Comptroller - Performance report completed during 2017 on School District Purchase Cards, as well as our Follow up on Recommendations from Prior Years' Performance Audit Chapters. Volume V (November 2017) Chapter 2 pages 13 and 14 http://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2017V5/Agrepe.pdf	2
Office of the Comptroller – Matters Arising from our Audit of the Financial Statements of the Province Volume IV (November 2016) Chapter 4, pages 89 to 100 http://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2016V4/Agrepe.pdf	12

Adopted Recommendations Volume IV (November 2017), Chapter 3	Actions Taken
3.44 We recommend the Office of the Comptroller disclose on a plan-by-plan basis, pension and retirement allowance information in the financial statements.	Complete. On a go forward basis, the Office of the Comptroller has committed to disclosing pension and retirement allowance information on a plan by plan basis in the consolidated financial statements.
3.45 We recommend the Treasury Board – Office of the Human Resources Officer sign service level agreements with Vestcor for the administration of the Province's employee benefit programs.	Recommendation partially adopted. Agreement preparation in progress; pending final vetting and approval by both parties.
3.46 We recommend the Office of the Comptroller communicate strict audit completion deadlines to Crown corporations and other government entities in advance of next year's audit.	Complete. The Office of the Comptroller will communicate audit completion deadlines to crown corporations and other government entities in advance of next year's audit.
3.47 We recommend the Office of the Comptroller perform an accounting assessment of NB Power's classification as a Government Business Enterprise on an annual basis. This assessment should be retained for audit purposes, and be available in advance of next year's audit. The analysis should include a discussion of accounting criteria, and updated model calculations for the reasonability model on an annual basis to ensure the deferred regulatory asset remains collectible.	Complete. The Office of the Comptroller will perform the accounting assessment in accordance with the recommendation.

Adopted Recommendations Volume IV (November 2016) Chapter 4	Actions Taken
4.72 We recommend the Office of the Comptroller review the accounting records to determine if other instances of netting exist relating to either assets and liabilities or revenues and expenses. This review should be documented and available for our review.	Complete. As part of the year end process for March 31, 2017, the Office of the Comptroller asked all departmental accounting staff to review their various programs for instances of netting and report the results of that review to the Office of the Comptroller. This dialogue was made available to the Office of the Auditor General as the March 31, 2017 audit was being performed.
4.73 We recommend the Office of the Comptroller review the budget numbers reported on the financial statements to determine if the budget is reported on a basis consistent with the actual current year figures. Any differences as required by PSAS, should be explained in the notes to the financial statements.	Complete. The Office of the Comptroller reviewed this issue to ensure reporting is in accordance with PSAS.
4.75 We recommend the Department of Finance formally document its process for reviewing and approving estimates provided by the Federal government to calculate Corporate Income Tax revenue. Documented evidence of the approval should be retained for audit purposes. We recommend the Office of the Comptroller disclose the sensitivity of the corporate income tax revenue in accordance with PS2130.	Complete. The Office of the Comptroller reviewed the reporting of income tax revenue as it relates to PS2130.
4.76 We recommend the OOC prepare a detailed analysis which supports and rationalizes the classification of the Pension Plan for General and Service Employees of New Brunswick Nursing Homes as a joint defined benefit plan. Public Sector Handbook criteria should be supported with evidence in the analysis.	Complete. The Office of the Comptroller prepared the detailed analysis requested.
4.77 We recommend the OOC investigate whether the Department of Social Development is using the special purpose account appropriately and if the use is not appropriate, the OOC should revise the accounting records so that CMHC amounts are recorded appropriately	Complete. The Office of the Comptroller worked directly with staff at the Department of Social Development to ensure revenues and expenditures relating to the identified program are properly reported.
4.80 We recommend the OOC review the assumptions approved by the AVC to ensure they are accurate and complete. The assumptions should be based on current relevant data and revised as changes in events occur including significant payroll and economic changes. If the AVC sets assumptions early in the fiscal year, the OOC should review the assumptions to ensure they are still appropriate and consistent at year end.	Complete. Assumptions approved by the AVC were accurate, complete, and based on current relevant data as at the date of the AVC meeting on March 23, 2016. Changes in circumstances subsequent to year-end resulted in the items 1 and 4 identified above. The assumptions approved by the AVC were within acceptable ranges. Going forward, the OOC will review circumstances closer to the financial statement release date to determine if the approved assumptions remain appropriate.
4.85 We recommend the Office of the Comptroller finalize the purchase card policy in fiscal 2017.	Complete. The OOC has, after consultation with stakeholders, prepared a draft Purchase Card Policy.

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	Adopted
Office of the Comptroller – Matters Arising from our Audit of the Financial Statements of the Province (2015) Volume III, Chapter 6, pages 136 to 146 http://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2015V3/Agrepe.pdf	9	6
Office of the Chief Information Officer – Matters Arising from our Audit of the Financial Statements of the Province (2015) Volume III, Chapter 3, Page 131 http://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2015V3/Agrepe.pdf	1	1
Province of New Brunswick: Observations on Pension Plan (2015) Volume III, Chapter 3, pages 65 to 69 http://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2015V3/Agrepe.pdf	5	4
Office of the Chief Information Officer - Data Centre Power Interruption – Performance Audits (2014) Volume II, Chapter 2, pages 62 to 63 http://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2014V2/Agrepe.pdf	3	3 <i>implementation is underway</i>
Office of the Comptroller – Matters Arising from our Audit of the Financial Statements of the Province (2014) Volume I, Chapter 4, pages 86 to 96 http://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2014V1/Agrepe.pdf	10	6
Office of the Comptroller – Matters Arising from our Audit of the Financial Statements of the Province (2013) Chapter 4, pages 71 to 80, 81 to 82 http://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2013V1/Agrepe.pdf	19	17

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. The Treasury Board received no disclosures of wrongdoing in the 2017-2018 fiscal year.

Appendix A: Pension plans

Plan	Year ending	* Number of members	Employee contributions	Employer contributions	** Number of pensioners-in-pay	Pension payroll	Pension Fund
<i>Members' Pension Act and Members' Superannuation Act</i>	31 March 2018	-	-	3,278,000	87	3,278,000	N/A
<i>Provincial Court Act and Provincial Court Judges' Pension Act</i>	31 March 2018	33	561,000	566,000	30	1,558,000	48,713,000
<i>Ombudsman Act</i>	31 March 2018	-	-	-	1	160,000	N/A
Pension Plan for management employees of NB School Districts	31 December 2017	-	-	-	105	1,300,000	4,794,000
Pension Plan for general labour, trades and services of NB School Districts	31 December 2017	2,166	3,800,000	19,097,000	1,691	19,946,000	394,883,000
Pension Plan for full time CUPE 2745 employees of NB School Districts	31 December 2017	1,032	1,240,000	1,666,000	495	4,229,000	93,429,000
Pension Plan for part-time and seasonal employees of the Province of NB	31 December 2017	9,310	2,568,000	2,425,000	N/A	NA	182,713,000

The following plans are no longer being reported as they are now the responsibility of independent Board of Trustees.

- New Brunswick Public Service Pension Plan
- New Brunswick Teachers' Pension Plan
- Shared Risk Plan for certain bargaining employees of New Brunswick hospitals
- Shared Risk Plan for CUPE employees of New Brunswick hospitals

* Number of members includes active, inactive and members on leave.

** Number of pensioners-in-pay excludes deferred pensioners.

Appendix B: Employee benefits summary

	Long-term Disability		Health and Dental		Deferred salary		
	General	Nurses and CUPE 1251	Health	Dental			
Plan year ending	30 June 2018	30 June 2018	30 June 2018	30 June 2018	31 Dec 2017		
Number covered *	13,320	6,429	42,316	38,538	32		
Number of claims	405	431	N/A	N/A	N/A		
Amount of claims	\$8,943,575	\$9,297,578	\$92,013,535	\$20,893,417	N/A		
Disability reserves **	\$35,330,000	\$35,294,000	N/A	N/A	N/A		
Disability waivers this year ***	117	140	341	339	N/A		
Disability waivers total	446	466	427	420	N/A		
Number of conversions †	N/A	N/A	N/A	N/A	N/A		
Conversions charges ††	N/A	N/A	N/A	N/A	N/A		
Group Life Insurance			Accidental Death and Dismemberment			Employee and Family Assistance Program	
Basic	Supplementary	Dependent	Basic	Supplementary	Voluntary	Employees	Dependents
30 April 2018	30 April 2018	30 April 2018	30 April 2018	30 April 2018	30 April 2018	31 March 2018	
37,216	14,272	16,327	37,216	14,272	15,536	45,742 ⁽¹⁾	
59	29	44	112	0	8	3,002 ⁽²⁾	519 ⁽²⁾
\$2,801,316	\$2,386,507	\$528,000	\$257,429	\$0	\$578,510	\$1,993,410 ⁽³⁾	
\$118,028	\$349,373	N/A	N/A	N/A	N/A	N/A	N/A
402	184	214	402	184	189	N/A	N/A
1,454	650	745	1,454	650	722	N/A	N/A
45	7	0	N/A	N/A	N/A	N/A	N/A
\$165,143	\$23,874	\$0	N/A	N/A	N/A	N/A	N/A

Notes:

* Number covered: Number of employee participants covered, i.e., does not include spousal or child dependents. Health and Dental includes retiree participants.

** Disability reserves: Estimated reserves to fund the future cost for those participants who are deemed disabled.

*** Disability waivers: Participants for whom premium contributions were waived due to disability.

† Conversions: At retirement, participants may convert their group life insurance coverage to an individual life insurance policy without the medical evidence requirement.

†† Conversion charge: A charge to the Group Life Plan when a participant elects to convert insurance.

(1) Number of participants covered for EFAP – includes eligible employees of Part 1, 2, 3 and other approved employer groups.

(2) EFAP claims are expressed in terms of accesses to the services.

(3) Program costs are calculated as rate per employee, per month.