

Treasury Board

BUSINESS PLAN 2009-12

ACCOUNTABILITY STATEMENT

The business plan for the three years commencing April 1, 2009 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of March 12, 2009 with material economic or fiscal implications of which I am aware have been considered in preparing the business plan.

The Ministry's priorities outlined in the business plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this business plan.

Lloyd Snelgrove, *President of the Treasury Board*
March 17, 2009

THE MINISTRY

The Ministry of Treasury Board consists of the Department of Treasury Board and Corporate Human Resources, and includes the following areas:

- Spending Management and Planning provides advice and recommendations on ministries' operating and capital spending and provides management and administrative support to the Treasury Board Committee. This division also monitors ministries' activities to identify fiscal plan implications in conjunction with Finance and Enterprise, and finalizes the *Government Estimates* and *Ministry Business Plans* for publication as part of the Government's Accountability Framework.
- Strategic Capital Planning is responsible for leading the government's capital planning process, preparing the Capital Plan and providing advice and analysis on planning, construction costs and capital spending and operating government air transportation services. The Alternative Capital Financing Office identifies and analyzes options for financing capital projects and assists in executing public-private partnerships, where feasible.
- The Office of the Controller is responsible for government accounting standards, financial and performance reporting, financial management and control policies, and enterprise risk management.

- Corporate Internal Audit Services provides assurance and advisory services, on a risk prioritized basis, across the government aimed at identifying and recommending improvements to risk management, control and governance systems.
- The Oil Sands Sustainable Development Secretariat leads the implementation of a strategic plan for Alberta's oil sands to improve planning, communications and service delivery to the oil sands regions.
- Corporate Human Resources leads and collaborates with ministries to develop innovative human resource management policies and practices to attract, engage and develop employees to achieve government goals and priorities.

VISION

An open, accountable and fiscally responsible government.

MISSION

Leadership in accountability, strategic advice and services.

LINK TO THE GOVERNMENT OF ALBERTA STRATEGIC BUSINESS PLAN

The key linkages and contributions of the Ministry to the Government of Alberta goals and priorities are highlighted below:

Government of Alberta Goals

Treasury Board

Goal 4: Alberta will have a financially stable, open and accountable government and maintain its strong position nationally and internationally.

- Implement the *20-Year Strategic Capital Plan* to address Alberta's immediate and long-term growth needs, ensure the maintenance of existing infrastructure, explore options to fund capital projects, and recommend strategies to reduce infrastructure costs. This will provide the roads, schools, hospitals and other public infrastructure needed to meet future demands.
- Modernize and strengthen the business planning and budget development process, and provide direction on improving the Government of Alberta's public performance reporting.
- Strengthen the Government of Alberta's long-term fiscal position by improving expenditure management by leading ongoing reviews to identify opportunities for more effective spending and program delivery.

Goal 9: Alberta will have strong and effective municipalities and self-reliant Aboriginal communities.

- Coordinate the implementation of the Oil Sands Strategic Plan and the Fort McMurray Community Development Plan.

Government of Alberta Priorities

The Ministry will work with Energy and other ministries to achieve the following government priority:

- *Ensure Alberta's energy resources are developed in an environmentally sustainable way.*

The Ministry will take the lead in the government priority:

- *Provide the roads, schools, hospitals and other public infrastructure to meet the needs of a growing economy and population.*

SIGNIFICANT OPPORTUNITIES AND CHALLENGES

Key challenges and opportunities expected to influence the Ministry in the coming years include:

Public Values and Stewardship

Albertans expect the government to govern with integrity and transparency, to be fiscally responsible and to be accountable for results. The government has provided sound financial management and public performance reporting in the past. Albertans expect this to continue. In addition, Albertans expect ministries to work together in the stewardship of Alberta's financial resources by identifying cost-saving opportunities and sharing best practices.

Economic Changes

The past year has seen significant and rapid change in the world economy. After a prolonged period of economic growth, the financial credit crisis has led to global economic uncertainty and recession. Although economic growth is slowing, the provincial economy remains fundamentally strong because of fiscal prudence which positions Alberta well to withstand this period of economic instability. Recent growth has led to significant needs and public demand for increased government services and infrastructure. To respond to these demands and to a changing economy, the Government of Alberta has significant opportunities to create or build on existing policies and to be proactive, creative, innovative and responsive. The government must work to establish and build relationships and partner with other levels of government, industry and communities.

Alberta's oil sands are a critical component of the long-term economic growth and energy security of Alberta and Canada but this does not come without challenges, especially when considering the current economic uncertainty. Treasury Board will work in collaboration with industry and other government ministries to optimize economic growth, reduce the environmental footprint and increase the quality of life for Albertans today and in the future.

Sustainable Program Spending

Ensuring program spending remains sustainable over the long term is a challenge faced by all governments in Canada. One of the challenges in Alberta will be ensuring that government spending on public services is efficient and effective. Treasury Board will continue to work with other ministries to improve expenditure management.

Infrastructure Demands

A persistent challenge has been to balance the need for ongoing maintenance and rehabilitation of existing capital infrastructure with the need to invest in new infrastructure that will accommodate Alberta's long-term requirements.

The Government of Alberta must work with stakeholders to address infrastructure deficits and demands in a timely and affordable manner. The Ministry will continue to pursue new ways of providing cost effective infrastructure, such as public-private partnerships and other alternative financing opportunities.

STRATEGIC PRIORITIES 2009-12

Through the Ministry's review of environmental factors, the strategic priorities described below have been identified. These are in addition to the important ongoing core activities of the Ministry.

CREATING AND PROTECTING OUR OPPORTUNITIES

- 1. 20-Year Capital Plan** Treasury Board will continue to implement the government's *20-Year Strategic Capital Plan* to meet capital needs.
Linkage:
Goals 2 and 4
- 2. Spending discipline** In collaboration with Finance and Enterprise, Treasury Board will work to strengthen the Government of Alberta's long-term fiscal position. Treasury Board will take the lead to improve expenditure management and enhance the capital planning process.
Linkage:
Goals 1 and 2
- 3. Business planning and budget development** In collaboration with Finance and Enterprise, Treasury Board will modernize and strengthen the business planning and budget development process and provide direction on improving the Government of Alberta public performance reporting.
Linkage:
Goals 1 and 3

GREENING OUR GROWTH

- 4. Oil Sands Strategic Plan** The Oil Sand's Sustainable Development Secretariat will coordinate the implementation of the Oil Sands Strategic Plan, *Responsible Actions: A Plan for Alberta's Oil Sands*, and develop the Fort McMurray Community Development Plan. This plan provides a platform to balance development with environmental protection, social responsibility and economic success.
Linkage:
Goals 2 and 4

CORE BUSINESSES, GOALS, STRATEGIES & PERFORMANCE MEASURES

Core Business One: Spending management and planning

GOAL ONE **1** Disciplined government spending

What it means

Government decisions are made as part of a comprehensive budget and business planning process in accordance with government-wide strategic priorities. As part of the government's overall budgeting process, the Ministry provides advice and recommendations on ministry operating and capital spending to the Treasury Board Committee, Cabinet and Cabinet Policy Committees.

In addition, Treasury Board consults with other ministries regarding all new programs and initiatives that have operating or capital spending implications.

Strategies

- 1.1 Identify operating and capital spending issues associated with existing programs and significant new initiatives in collaboration with other ministries, and work with the Ministry of Finance and Enterprise to determine the potential impact on the government's fiscal plan.
- 1.2 Lead and coordinate the identification of opportunities for more effective spending and program delivery through ongoing reviews of ministry programs.
- 1.3 Assess the impact of proposed or approved capital projects on future ministry budgets, and explore options to better align operating and capital budgets.
- 1.4 Modernize and strengthen the government's business planning and budgeting process.
- 1.5 Provide strategic analysis and advice to the Treasury Board Committee, Cabinet and Cabinet Policy Committees to assist in fiscal, policy and program decisions.

Performance Measure	Last Actual 2007-08	Target 2009-10	Target 2010-11	Target 2011-12
1.a Percentage change in actual government operating expense from authorized budget	0.4% decrease	<1%	<1%	<1%

Core Business Two: Strategic capital planning

GOAL TWO

2

Capital planning that supports Alberta's economy

What it means

The Ministry of Treasury Board works with other ministries to implement the government's *20-Year Strategic Capital Plan* to meet capital needs. The capital planning process will focus not only on new capital infrastructure but will also address the maintenance of existing infrastructure.

The Ministry will continue to explore alternative financing options for capital projects, including public-private partnerships. The Ministry will develop relationships with other jurisdictions to build on their experience in alternative capital financing.

Strategies

- 2.1 Coordinate and lead the evaluation and prioritization of capital needs as part of the long-term government Capital Plan. In collaboration with capital program ministries, continue to improve the capital planning process.
- 2.2 Further develop and implement policies, standards and processes that ensure a disciplined approach to the management and control of capital spending, including reporting and assessing price, scope changes and performance results.
- 2.3 Collaborate with stakeholders and other ministries and jurisdictions to develop opportunities to pursue alternative financing options, such as public-private partnerships, and implement where cost effective and feasible.
- 2.4 Lead the development of public-private partnerships guidelines to provide consistent standards, policies and accountabilities across capital projects and ministries.
- 2.5 Coordinate, in consultation with other government ministries and municipalities, the provincial delivery of infrastructure and services to the Regional Municipality of Wood Buffalo and other areas supporting sustainable oil sands development (such as the Industrial Heartland).
- 2.6 Coordinate and lead the identification of capital maintenance and renewal priorities across government, and make recommendations to Treasury Board Committee on allocating capital funding.
- 2.7 Coordinate and lead the delivery of the federal infrastructure funding within Alberta.
- 2.8 The Air Transportation Services will use innovation and apply industry best practices to provide safe, efficient air service to the Province of Alberta, members of Executive Council, departments, boards and agencies.

Performance Measures Under Development:

A policy in place to govern corporate capital planning process for all ministries and a policy in place to govern capital asset management for existing owned and supported infrastructure.

The targets: developed (2009-10); implemented (2010-11); implemented (2011-12)

Core Business Three: Accountability in government

GOAL THREE **3** An accountable and financially well managed government

What it means

The Ministry of Treasury Board coordinates the government's legislated commitment to be accountable to Albertans through publishing the *Government of Alberta Strategic Business Plan*, annual performance report (*Measuring Up*), audited financial statements and other supplementary financial information as required by the *Government Accountability Act*. The Ministry continues to refine the Government of Alberta's financial management policies.

In addition, the Ministry reviews ministry business plans, advising on compliance with business plan standards, and finalizes the *Government Estimates* and *Ministry Business Plans* as part of the Government's Accountability Framework.

The Ministry also supports all government ministries and agencies by providing advisory services on risk management control and governance processes, and through independent and objective assurance services designed to improve the effectiveness and efficiency of their programs and services.

Strategies

- 3.1 Lead the enhancement of financial management and reporting policies.
- 3.2 Draft a corporate enterprise risk management plan for the Government of Alberta.
- 3.3 Create and implement an audit centre for excellence that will include technical training and expert advice to ministries.
- 3.4 Establish specialized forensics and information technology audit services.
- 3.5 Implement accepted recommendations from the "Improving Public Performance Reporting in Alberta" report.

Performance Measures	Last Actual 2007-08	Target 2009-10	Target 2010-11	Target 2011-12
3.a Auditor General opinion on Government of Alberta Financial Statements	Unqualified	Unqualified	Unqualified	Unqualified
3.b Percentage of corporate internal audit recommendations implemented from engagements rated as significant	90%	90%	90%	90%

Core Business Four: Responsible oil sands development

GOAL FOUR

4

Lead and support strategic planning, policy development and government decision making for Alberta's oil sands regions

What it means

Through the leadership of the Oil Sands Sustainable Development Secretariat and in collaboration with ministries, industry, community and other stakeholders, an integrated and coordinated approach in the oil sands regions will be implemented through immediate actions and long term integrated planning.

This will be reflective of the following Government of Alberta vision for responsible development for Alberta oil sands:

“Alberta is a global leader in the innovative, responsible, and collaborative development of oil sands. The benefits of development continue to support clean, healthy, and vibrant communities for Albertans and future generations. Communities and developments reside together in a manner that balances progress with environmental stewardship.”

Strategies

- 4.1 Support the development of healthy communities to provide a quality of life that attracts individuals, families and businesses.
- 4.2 Implement the long-term oil sands strategic plan, *Responsible Actions: A Plan for Alberta's Oil Sands*, that will foster development while balancing economic growth with environmental stewardship and the needs of local communities.
- 4.3 Encourage cooperation, participation and partnership with all stakeholders and all government jurisdictions through a collaborative process and effective communication.
- 4.4 Establish strong cross-ministry relationships for effective coordination.
- 4.5 Develop measurement systems to increase accountability in management of the oil sands.
- 4.6 Provide guidance and coordination to Government of Alberta ministries and the Regional Municipality of Wood Buffalo to assist them with addressing the immediate housing shortage and infrastructure gaps by developing a Community Development Plan for the Fort McMurray region.

Performance Measure Under Development:

New performance measures are under development that will measure accountability and implementation of the long-term oil sands strategic plan.

CORPORATE HUMAN RESOURCES

BUSINESS PLAN 2009-12

Corporate Human Resources, as part of the Ministry of Treasury Board, is the central human resources department of the Government of Alberta. Corporate Human Resources leads the development of government-wide human resource policies and collaborates with ministries on strategies to ensure that public service employees are positioned to do their best work on behalf of Albertans.

VISION

Alberta's Public Service – Proudly working together to build a stronger province for current and future generations.

MISSION

Attract, develop and engage a strong Alberta Public Service to deliver high-quality programs and services for Albertans.

Our Values: Respect, Accountability, Integrity, Excellence

LINK TO THE GOVERNMENT OF ALBERTA STRATEGIC BUSINESS PLAN

The key linkages and contributions of Corporate Human Resources to the Government of Alberta goals and priorities are highlighted below:

Government of Alberta Goal	Corporate Human Resources
Goal 4: Alberta will have a financially stable, open and accountable government and maintain its strong position nationally and internationally.	<ul style="list-style-type: none"> • Ensure the Government of Alberta has the skilled workforce needed to provide important public services in the future by implementing attraction and retention strategies.

Government of Alberta Priority

Corporate Human Resources will work with other ministries to achieve the following government priority:

- *Enhance value-added activity, increase innovation, and build a skilled workforce to improve the long-run sustainability of Alberta's economy.*

SIGNIFICANT OPPORTUNITIES AND CHALLENGES

As an employer, the Government of Alberta operates in an environment with changing demographics and economic trends. To effectively position the Alberta Public Service as an employer that offers a challenging, diverse and rewarding team environment, a number of opportunities and challenges have been identified:

Attracting Talent

The Alberta Public Service needs to attract the best talent to develop progressive and proactive public policy, and provide efficient and effective service delivery.

Developing Employees

Since a significant number of employees are eligible to retire in the next 10 years, a strong emphasis on learning and development is needed to ensure employees with the required knowledge, skills and competencies are available now and in the future.

Engaging Employees

To sustain a dedicated workforce, it is important to build strong and positive workplace relationships, provide a safe and healthy work environment, support employee well-being and development, and recognize employee contributions.

STRATEGIC PRIORITIES 2009-12

Through the Ministry's review of external and internal challenges, the strategic priority described below has been identified. This is in addition to the important ongoing core activities of the Ministry.

CREATING AND PROTECTING OUR OPPORTUNITIES

- 1. Implement Government of Alberta attraction and retention strategies**
Linkage:
Goals 1 and 2
- Corporate Human Resources will take the lead to ensure the Government of Alberta has the skilled workforce needed to provide important public services in the future by implementing attraction and retention strategies. The Alberta Public Service Workforce Plan, developed and implemented in collaboration with Deputy Ministers, the human resource community, and other key stakeholders, focuses on attracting, developing and engaging our employees. Further information on the plan and its initiatives can be found at www.chr.alberta.ca/apsworkforceplan.

CORE BUSINESSES, GOALS, STRATEGIES & PERFORMANCE MEASURES

Core Business One: Strategic leadership of human resource management in the Alberta Public Service

1 Effective human resource policies to build and sustain the Alberta Public Service

GOAL ONE

What it means

Corporate Human Resources (CHR) leads the development of human resource policies and provides implementation support to ministries and the human resource community through communication, education, consulting, service delivery and ongoing quality assurance. Human resource policies help to ensure a quality and productive work environment, and accountability for the management of human resources in the Alberta Public Service.

Strategies

- 1.1 Working with key stakeholders, develop human resource policies to meet current and emerging business needs.
- 1.2 Support and promote implementation of common human resource policies across the public service.

Performance Measures	Last Actual 2008-09	Target 2009-10	Target 2010-11	Target 2011-12
1.a The Alberta Public Service has effective human resource policies	61%	64%	67%	75%
1.b Support is provided by CHR to implement cross-government human resources policies	49%	52%	61%	75%
1.c The tools and supports provided to implement cross-government human resource policies and initiatives are useful	63%	65%	67%	75%

Notes:

- 1.a 13 per cent of the stakeholders surveyed stated that they neither agreed nor disagreed with this statement.
- 1.b 30 per cent of the stakeholders surveyed stated that they neither agreed nor disagreed with this statement.
- 1.c 17 per cent of the stakeholders surveyed stated that they neither agreed nor disagreed with this statement.

GOAL TWO **2** Attract, develop and engage employees needed to achieve government goals

What it means

The ability to attract, develop and engage skilled and knowledgeable employees within the public service is critical to achieving government goals. Corporate Human Resources, in collaboration with ministries, leads the development and implementation of corporate initiatives to ensure there are talented employees to meet current and future needs.

Strategies

- 2.1 Lead and facilitate the identification, development, implementation and communication of cross-government human resource initiatives and programs to attract, develop and engage talent, in collaboration with key stakeholders.

Performance Measures	Last Actual 2008-09	Target 2009-10	Target 2010-11	Target 2011-12
2.a Overall, the Alberta Public Service has effective strategies to attract, develop and engage employees	57%	60%	65%	75%
2.b Overall, effective support is provided by CHR to develop, implement and communicate cross-government human resource initiatives	52%	55%	62%	75%
2.c Stakeholder satisfaction with working relationships with CHR	78%	80%	82%	84%

Notes:

- 2.a 19 per cent of the stakeholders surveyed stated that they neither agreed nor disagreed with this statement.
- 2.b 21 per cent of the stakeholders surveyed stated that they neither agreed nor disagreed with this statement.
- 2.c 10 per cent of the stakeholders surveyed stated that they neither agreed nor disagreed with this statement.

EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable			2009-10 Estimate	2010-11 Target	2011-12 Target
	2007-08 Actual	2008-09 Budget	2008-09 Forecast			
Spending management and planning	3,727	4,724	4,352	4,542	4,737	4,737
Strategic capital planning	7,975	29,691	12,902	205,577	27,492	37,492
Accountability in government	5,878	8,068	7,656	7,994	8,274	8,274
Responsible oil sands development	1,313	2,072	2,269	2,427	2,510	2,510
Strategic leadership of human resource management in the Alberta public service	19,678	23,809	24,574	23,500	24,196	24,196
MINISTRY EXPENSE	38,571	68,364	51,753	244,040	67,209	77,209

MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable			2009-10 Estimate	2010-11 Target	2011-12 Target
	2007-08 Actual	2008-09 Budget	2008-09 Forecast			
REVENUE						
Transfer from Government of Canada	-	-	-	290,000	413,000	-
Other Revenue	16	-	200	-	-	-
MINISTRY REVENUE	16	-	200	290,000	413,000	-
EXPENSE						
Program						
Ministry Support Services	1,691	2,260	2,332	2,282	2,420	2,420
Oil Sands Sustainable Development Secretariat	974	1,931	2,188	2,400	2,466	2,466
Corporate Internal Audit Services	3,695	4,855	4,598	4,803	4,944	4,944
Office of the Controller	2,000	3,237	3,037	3,205	3,336	3,336
Spending Management and Planning	3,143	4,100	3,724	3,915	4,076	4,076
Strategic Capital Planning	2,205	8,392	6,498	6,171	6,286	6,286
Capital Projects *	-	15,372	-	192,931	14,600	24,600
Air Services	4,944	4,820	5,229	5,248	5,329	5,329
Corporate Human Resources	19,328	21,347	20,647	21,035	21,702	21,702
Valuation Adjustments and Other Provisions	591	2,050	3,500	2,050	2,050	2,050
MINISTRY EXPENSE	38,571	68,364	51,753	244,040	67,209	77,209
Gain (Loss) on Disposal of Capital Assets	(11)	-	(221)	-	-	-
NET OPERATING RESULT	(38,566)	(68,364)	(51,774)	45,960	345,791	(77,209)

CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable			2009-10 Estimate	2010-11 Target	2011-12 Target
	2007-08 Actual	2008-09 Budget	2008-09 Forecast			
Ministry Revenue	16	-	200	290,000	413,000	-
<i>Inter-ministry consolidation adjustments</i>	-	-	-	-	-	-
Consolidated Revenue	16	-	200	290,000	413,000	-
Ministry Expense	38,571	68,364	51,753	244,040	67,209	77,209
<i>Inter-ministry consolidation adjustments</i>	-	-	-	-	-	-
Consolidated Expense	38,571	68,364	51,753	244,040	67,209	77,209
Gain (Loss) on Disposal of Capital Assets	(11)	-	(221)	-	-	-
CONSOLIDATED NET OPERATING RESULT	(38,566)	(68,364)	(51,774)	45,960	345,791	(77,209)

* The Estimate for this program includes \$175,000,000 which will be transferred to other ministries as required to match federal stimulus funds as received. The remaining \$17,931,000 is for capital project development and will be transferred to other ministries as projects are approved for capital planning and preliminary design.