

Government of Alberta ■

BUDGET 2010

Striking the Right Balance

Treasury Board
BUSINESS PLAN 2010–13

Alberta ■

Treasury Board

BUSINESS PLAN 2010-13

ACCOUNTABILITY STATEMENT

The business plan for the three years commencing April 1, 2010 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 January 20, 2010 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.

Original signed by

Lloyd Snelgrove, *President of Treasury Board*
January 22, 2010

THE MINISTRY

The Ministry of Treasury Board consists of the Department of the 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 area 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. The Alternative Capital Financing Office identifies and analyzes options for financing capital projects and assists in implementing, where cost effective and feasible. This area also facilitates government air transportation services to government officials, departments, boards and agencies.
- **The Office of the Controller** is responsible for government accounting, financial and performance reporting, financial management and control policies, and enterprise risk management.

- **The Oil Sands Sustainable Development Secretariat** provides guidance and coordination to ministries and municipalities to address immediate and long-term needs related to infrastructure and community development in potential high growth oil sands areas. The Secretariat is also responsible for the development and implementation of *Responsible Actions: A Plan for Alberta's Oil Sands*, a 20-year strategy designed to address the social, environmental and economic impacts of oil sands development.
- **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.
- **Corporate Human Resources** collaborates with ministries and facilitates the development of government-wide strategic human resource policies, programs and initiatives to ensure that public service employees are positioned to do their best work on behalf of Albertans.

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 ministry is committed to the government's strategic business plan. The key linkages and contributions of the ministry to the Government of Alberta goals are highlighted below:

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

Treasury Board contributes to this government goal through:

- *20-Year Strategic Capital Plan* – lead and implement the government's long-term strategic capital plan to meet capital needs.
- Business Planning and Budget Development – strengthen and simplify the business planning and budget development process and provide direction on improving the Government of Alberta public performance reporting.
- Spending Discipline – strengthen the Government of Alberta's long-term fiscal position and take the lead to improve expenditure management and enhance the capital planning process.

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

Treasury Board contributes to this government goal through:

- Oil Sands Region Strategic Plan – Coordinate the implementation and report on progress of the Oil Sands Strategic Plan, *Responsible Actions: A Plan for Alberta's Oil Sands* and continue to work on the development of a Fort McMurray Community Development Plan and other regional planning initiatives.

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. Government continues to provide sound financial management and public performance reporting to Albertans. 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 and Fiscal Challenges

Alberta continues to feel the effects of changes to the world economy. However, Alberta's economic strength is its resources and there are indications that the Alberta economy is on track to benefit from several recovering sectors. Although economic growth has slowed in Alberta, the province will continue to attract people and businesses.

Alberta's oil sands will lead the long-term economic growth and energy security of Alberta and Canada. The ministry will continue in its strategic and collaborative efforts with industry and other government ministries to optimize economic growth, reduce the environmental footprint and increase the quality of life for Albertans.

The ministry will deal with fiscal challenges by limiting government spending, saving for the future and will have Alberta back into a surplus position in three years. To achieve the right balance and meet fiscal targets, government must continue on the road of restraint. This means ongoing attention to discretionary spending, finding efficiencies and careful hiring, while successfully delivering front-line services. It also means working toward a vision that will streamline, integrate and consolidate programs across ministries.

Infrastructure Demands

Albertans want to sustain their quality of life and expect continued investment in public services while supporting efforts to balance the budget. A persistent challenge has been the need to balance 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 ministry will continue to pursue new ways of providing cost effective infrastructure, such as public-private partnerships and other alternative financing opportunities. The ministry will also provide guidance and coordination to ministries and municipalities to address immediate and long-term needs related to infrastructure and community development.

STRATEGIC PRIORITIES

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

- 1. 20-Year Capital Plan**
Linkage:
Goal 2
Lead and implement the government's long-term strategic capital plan to meet capital needs.
- 2. Spending discipline**
Linkage:
Goal 1
In collaboration with Finance and Enterprise, 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.
- 3. Business planning and budget development**
Linkage:
Goal 1
Work in collaboration with Finance and Enterprise to strengthen and simplify the business planning and budget development process, and provide direction on improving the Government of Alberta public performance reporting.
- 4. Oil Sands Strategic Plan**
Linkage:
Goals 2 and 4
The oil sands strategic plan, *Responsible Actions: A Plan for Alberta's Oil Sands*, provides a platform to balance development and environmental protection, social responsibility and economic success.
Treasury Board, through the Oil Sands Sustainable Development Secretariat, will coordinate the implementation and report on progress of the oil sands strategic plan. In addition, the ministry will continue to work on the development of a Fort McMurray Community Development Plan and other regional planning initiatives.

CORE BUSINESSES, GOALS, STRATEGIES & PERFORMANCE MEASURES

Core Business One: Government fiscal planning, management and accountability

GOAL ONE **1** Disciplined government spending

What It Means Part of the government's overall budgeting process is to ensure programs and services are provided to Albertans in the most cost effective and efficient manner.

The ministry is responsible for the development of ministry spending targets and provides advice and recommendations to Treasury Board Committee, Cabinet and Cabinet Policy Committees on program spending throughout the year. The ministry also works with other ministries on programs and initiatives that have operating and capital spending implications.

In addition, the ministry reviews ministry business plans, advising on compliance with business plan standards.

- Strategies**
- 1.1 Identify operating and capital spending issues associated with existing programs and capital projects 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 Coordinate government reengineering initiatives that will streamline, integrate and consolidate programs across ministries to reduce duplication and increase efficiency.
 - 1.3 Lead a cross-ministry steering committee to ensure consistency and strengthen the integration of planning, budgeting and reporting processes.
 - 1.4 Continue to develop and implement common policies, standards and processes that ensure a disciplined approach to the management and control of spending, including reporting and assessing performance results across all ministries.
 - 1.5 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.

Performance Measure	Last Actual 2008-09	Target 2010-11	Target 2011-12	Target 2012-13
1.a Percentage change in actual government operating expense from authorized budget	-0.4%	<1%	<1%	<1%

GOAL TWO **2** **Capital planning that supports Alberta's infrastructure requirements**

What It Means A good planning process will ensure that decision-makers have the information required to address Alberta's immediate and long-term infrastructure requirements. Although economic growth has slowed in Alberta, the province will continue to attract people creating a need for more and better roads, schools, post-secondary facilities, hospitals and other infrastructure.

The ministry is responsible for leading the implementation of the *20-Year Strategic Capital Plan* that addresses needs related to growth, ensures the maintenance of existing infrastructure, and explores options to fund capital projects and manage infrastructure costs.

- Strategies**
- 2.1 Lead the evaluation and prioritization of capital needs as part of the *20-Year Strategic Capital Plan*.
 - 2.2 In collaboration with capital program ministries, continue to improve the capital planning process to address new capital infrastructure needs and priorities and the maintenance of existing infrastructure.
 - 2.3 Lead the identification of capital, maintenance and renewal priorities across government, and make recommendations to Treasury Board Committee on allocating capital funding.
 - 2.4 Coordinate the implementation of the federal Building Canada Plan and Stimulus Fund programs for Alberta.

Performance Measure	Last Actual 2008-09	Target 2010-11	Target 2011-12	Target 2012-13
2.a A corporate standardized capital planning process ¹	Draft Alberta Capital Planning Manual completed and tested with 2010-15 capital planning process	Refine capital planning process and further develop capital maintenance and renewal plan and process	Implement capital maintenance and renewal plan and process	Develop infrastructure condition measures

Note:

1 The completion of this process will lead into the development of specific infrastructure measures.

GOAL THREE Accountability in government

What It Means The ministry coordinates the 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 under the *Government Accountability Act*.

In addition, the ministry supports all government departments and agencies to be accountable by providing advisory services for financial reporting. The ministry also provides risk management internal controls to improve the efficiency, effectiveness and accountability of government programs.

- Strategies**
- 3.1 Lead the financial business process review that will strengthen the government's central financial processing systems by adopting best practices, improving internal controls and risk management and delivering effective financial reporting.
 - 3.2 Lead the development of an effective, single corporate-wide enterprise risk management plan for the Government of Alberta that facilitates well-informed operational and strategic decisions.
 - 3.3 Pilot an easy-to-use, interactive public website that presents performance information using audio, video, text and graphics.
 - 3.4 Develop transparent and effective performance measurement systems to address the economic, social and environmental pillars in Alberta's high growth areas.
 - 3.5 Develop a plan to meet the needs of Government Agencies, Boards and Commissions that request internal audit services.
 - 3.6 Increase specialized forensics and technology audit services for government ministries.
 - 3.7 Lead the development of public-private partnerships guidelines to provide consistent standards, policies and accountabilities for capital projects across all ministries.
 - 3.8 Provide safe, efficient air services to the Province of Alberta, members of Executive Council, departments, boards and agencies.

Performance Measures	Last Actual 2008-09	Target 2010-11	Target 2011-12	Target 2012-13
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	100%	90%	90%	90%

Core Business Two: Responsible oil sands development

GOAL FOUR **4** Lead and support strategic planning, policy development and decision making for Alberta's oil sands regions

What It Means Alberta's oil sands regions contain the second largest petroleum reserves in the world and play a key role in the long-term economic growth and energy security for Alberta and Canada. The Government of Alberta's vision for responsible oil sands development involves responsible management of this valuable resource in a way that protects the environment, optimizes economic growth and future development and enhances the lives of Albertans now and in the future.

The ministry, through the leadership of the Oil Sands Sustainable Development Secretariat, collaborates with all levels of government, industry, communities and stakeholders to address the economic, social and environmental challenges and opportunities in the oil sands regions.

- Strategies**
- 4.1 Coordinate the implementation of *Responsible Actions: A Plan for Alberta's Oil Sands* to foster development while balancing economic growth with environmental stewardship and the needs of local communities.
 - 4.2 Continue to build on strong cross-ministry and stakeholder relationships that support responsible oil sands development in Alberta.
 - 4.3 Provide guidance and coordination to ministries and municipalities to address immediate and long-term needs related to infrastructure and community development in potential high growth oil sands areas.

Performance Measure Under Development:

A common reporting and monitoring tool is under development that will measure the implementation progress of *Responsible Actions* annually.

CORPORATE HUMAN RESOURCES

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 collaborates with ministries and facilitates the development of government-wide strategic human resource policies, programs and initiatives 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

The Government of Alberta has a strong public service to deliver high quality programs and services to 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 are highlighted below:

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

Corporate Human Resources contributes to this government goal by:

- Ensuring the Government of Alberta has the skilled workforce needed to provide important public services in the future by implementing attraction and retention strategies.

SIGNIFICANT OPPORTUNITIES AND CHALLENGES

As an employer, the Government of Alberta operates in an environment with changing demographics and economic trends. The following opportunities and challenges have been identified:

Right Skills at the Right Time

To ensure employees with the required knowledge, skills and competencies are available now and in the future, we will focus on learning and development, effective utilization of employees' skills and positioning the Government of Alberta as an attractive employer.

Healthy and Productive Work Environment

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 PRIORITY

Through Corporate Human Resources' 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 department.

- | | |
|---|---|
| 1. Implement Government of Alberta attraction and retention strategies | Corporate Human Resources facilitates a corporate approach 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, which guides cross-government human resource programs and initiatives, is developed and implemented in collaboration with Deputy Ministers, the human resource community and other stakeholders. |
| Linkage: | Further information on the plan and its initiatives can be found at |
| Goal 1 | www.chr.alberta.ca/apsworkforceplan . |

CORE BUSINESS, GOAL, STRATEGIES & PERFORMANCE MEASURES

Core Business One: Strategic leadership of human resource management for the Alberta public service

GOAL ONE **1 Effective cross-government human resource policies, programs, and initiatives**

What It Means Effective human resource policies ensure a corporate approach that is consistent, fair and transparent, and establish accountability for the management of human resources across the Alberta public service. Effective human resource programs and initiatives enable the Government of Alberta to have skilled employees to meet current and future needs, in a quality and productive work environment. Corporate Human Resources (CHR) works in collaboration with ministry stakeholders to develop strategic human resource policies, programs and initiatives, and promotes effective cross-government implementation through communication, education, consulting and direct service delivery.

- Strategies**
- 1.1 In partnership with ministry stakeholders, develop human resource policies, programs and initiatives to meet current and emerging business needs.
 - 1.2 Working with ministry stakeholders, promote consistent interpretation and application of human resource policies, and associated directives and guidelines across the Alberta public service.
 - 1.3 Through shared leadership with ministry stakeholders, promote effective implementation of cross-government human resource programs and initiatives.

Performance Measures	Last Actual 2009	Target 2010-11	Target 2011-12	Target 2012-13
1.a Stakeholder agreement that the Alberta public service has effective human resource policies	72%	74%	76%	78%
1.b Stakeholder satisfaction with working relationships with Corporate Human Resources	76%	78%	80%	82%
1.c Stakeholder agreement that the tools and supports for implementing cross-government human resource policies, programs and initiatives are useful	66%	69%	72%	75%

MINISTRY EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable					
	2008-09 Actual	2009-10 Budget	2009-10 Forecast	2010-11 Estimate	2011-12 Target	2012-13 Target
Government fiscal planning, management and accountability	18,713	216,453	21,409	30,540	40,540	46,015
Responsible oil sands development	3,411	4,210	3,443	3,611	3,611	3,697
Strategic leadership of human resource management for the Alberta public service	19,532	23,377	52,638	21,210	21,210	21,659
MINISTRY EXPENSE	41,656	244,040	77,490	55,361	65,361	71,371

MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable					
	2008-09 Actual	2009-10 Budget	2009-10 Forecast	2010-11 Estimate	2011-12 Target	2012-13 Target
REVENUE						
Transfer from the Government of Canada	-	290,000	-	-	-	-
Other Revenue	220	-	250	-	-	-
MINISTRY REVENUE	220	290,000	250	-	-	-
EXPENSE						
Program						
Ministry Support Services	2,124	2,282	2,312	2,274	2,274	2,327
Oil Sands Sustainable Development Secretariat	2,306	2,400	2,100	3,037	3,037	3,110
Corporate Internal Audit Services	4,189	4,803	4,321	3,928	3,928	4,022
Office of the Controller	2,805	3,205	3,700	2,971	2,971	3,042
Spending Management and Planning	3,210	3,915	3,700	3,585	3,585	3,671
Strategic Capital Planning	2,845	6,171	3,800	3,767	3,767	3,857
Capital Projects *	-	192,931	-	9,600	19,600	24,600
Air Services	4,912	5,248	5,216	5,280	5,280	5,382
Corporate Human Resources	19,276	21,035	50,105	18,619	18,619	19,060
Valuation Adjustments and Other Provisions	(11)	2,050	2,236	2,300	2,300	2,300
MINISTRY EXPENSE	41,656	244,040	77,490	55,361	65,361	71,371
Gain (Loss) on Disposal of Capital Assets	(221)	-	-	-	-	-
NET OPERATING RESULT	(41,657)	45,960	(77,240)	(55,361)	(65,361)	(71,371)

* The 2010-11 Estimate is for capital projects development and may be transferred to other ministries as projects are approved for capital planning and preliminary design.

CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable			2010-11 Estimate	2011-12 Target	2012-13 Target
	2008-09 Actual	2009-10 Budget	2009-10 Forecast			
Ministry Revenue	220	290,000	250	-	-	-
<i>Inter-ministry consolidation adjustments</i>	-	-	-	-	-	-
Consolidated Revenue	220	290,000	250	-	-	-
Ministry Expense	41,656	244,040	77,490	55,361	65,361	71,371
<i>Inter-ministry consolidation adjustments</i>	-	-	-	-	-	-
Consolidated Expense	41,656	244,040	77,490	55,361	65,361	71,371
Gain (Loss) on Disposal of Capital Assets	(221)	-	-	-	-	-
CONSOLIDATED NET OPERATING RESULT	(41,657)	45,960	(77,240)	(55,361)	(65,361)	(71,371)

CAPITAL INVESTMENT BY PROGRAM

(thousands of dollars)

	Comparable			2010-11 Estimate	2011-12 Target	2012-13 Target
	2008-09 Actual	2009-10 Budget	2009-10 Forecast			
Ministry Support Services	33	100	100	100	100	100
Capital Projects	-	-	-	62,200	250,800	169,800
Air Services	238	391	391	391	391	391
MINISTRY CAPITAL INVESTMENT	271	491	491	62,691	251,291	170,291