

# Treasury Board

BUSINESS PLAN 2008-11

## ACCOUNTABILITY STATEMENT

The business plan for the three years commencing April 1, 2008 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 18, 2008 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 Treasury Board*  
April 4, 2008

## THE MINISTRY

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

- Spending Management and Planning provides advice and recommendations on ministries' operating and capital spending issues, and provides management and administrative support to Treasury Board Committee. This area also monitors ministries' activities to identify fiscal plan implications in conjunction with Finance and Enterprise, and finalizes the Estimates and ministry business plan volumes 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, providing advice and analysis on planning, construction costs and capital spending and facilitating government air transportation services. The Alternative Capital Financing Office identifies and analyzes options for financing capital projects and negotiates Public-Private Partnerships (P3s), where cost effective and feasible.
- The Office of the Controller is responsible for government accounting and business planning 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 short and long-term strategic plan to improve planning, communications and service delivery to the oil sands region.
- Corporate Human Resources, as part of the Ministry of Treasury Board, 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

The Ministry of Treasury Board provides a coordinated, disciplined and accountable approach to government spending on behalf of Alberta's taxpayers.

## LINK TO THE GOVERNMENT OF ALBERTA STRATEGIC BUSINESS PLAN

The Ministry of Treasury Board provides a coordinated and disciplined approach to the management of government spending and capital planning.

### Government of Alberta Goal

### Treasury Board

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

- Implementing the 20-year Strategic Capital Plan and pursuing alternative financing options, such as Public-Private Partnerships are critical to achieving this goal.

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

- The Ministry will work on developing and implementing a strategic plan that facilitates a common approach to respond to the unique challenges and pressures related to the development of oil sands.

### Government of Alberta Priorities

- The Ministry will take the lead in the government priority to *provide the roads, schools, hospitals and other public infrastructure to meet the needs of a growing economy and population.*
- The Ministry will also work with Energy and other ministries on the government priority to *ensure Alberta's energy resources are developed in an environmentally sustainable way.*

## **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.

### **Implications of Prosperity and Population Growth:**

Alberta's abundant natural resources provide the province with opportunities for a greater and more prosperous future. At the same time, Alberta's rapid growth has led to significant needs and public demands for increased government program and infrastructure spending. Meeting these growth demands are challenging due to labour and other shortages often leading to increased costs. In addition, adding new or expanding existing public facilities can lead to higher future operating costs.

### **Sustainable Program Spending:**

Ensuring program spending remains sustainable over the long-term is a challenge faced by all governments in Canada. Alberta's reliance on volatile natural resource revenues increases the risks that recent spending increases may not be sustainable. One of the challenges in managing the growth in Alberta will be ensuring that government spending required to address the demands for additional public services will be sustainable over the long term.

### **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 to accommodate population growth and economic development. The capital planning process needs to focus not only on providing new capital infrastructure but also on providing adequate maintenance and upgrades to preserve the province's existing capital infrastructure.

The Government of Alberta must work with stakeholders to address infrastructure 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 (P3s) and other alternative financing opportunities.

## STRATEGIC PRIORITIES 2008-11

Through a review of environmental factors, the following are strategic priorities for the Ministry of Treasury Board and are in addition to the important ongoing core activities.

### CREATING AND PROTECTING OUR OPPORTUNITIES

- 1. 20-year Strategic Capital Plan**  
**Linkage: Goal 2**
  - Treasury Board will implement the 20-year Strategic Capital Plan and an information management and technology strategy that addresses the needs related to Alberta's immediate and long-term growth, ensures the maintenance of existing infrastructure, explores options to fund capital projects, and recommends strategies that mitigate the impact of inflation on infrastructure costs. Treasury Board will work to provide the roads, schools, hospitals and other public infrastructure to meet the needs of a growing economy and population.
  
- 2. Spending Discipline**  
**Linkage: Goals 1 and 2**
  - In collaboration with Finance and Enterprise the ministry will strengthen the Government of Alberta's Long Term fiscal position. The Ministry will lead the following initiatives:
    - Improve expenditure management. Treasury Board will ensure a disciplined approach to the management and control of government operating and capital spending and will lead ongoing reviews of government programs to identify opportunities for more effective spending and program delivery.
    - Enhance the capital planning process. Treasury Board will better integrate the capital planning process with the management of operating and capital spending.
    - Modernize and strengthen the business planning and budget development process.

### GREENING OUR GROWTH

- 3. Oil Sands Region Strategic Plan**  
**Linkage: Goal 5**
  - Create a strategic plan for developing the oil sands region. Manage and coordinate the infrastructure and services to support the development in the oil sands areas.
  - Treasury Board will work with Energy and in collaboration with ministries, industry, communities and other stakeholders to ensure that Alberta's energy resources are developed in an environmentally sustainable way.

# CORE BUSINESSES, GOALS, STRATEGIES & PERFORMANCE MEASURES

## Core Business One: Spending Management and Planning

### GOAL ONE **1** Disciplined Government Spending

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**What it means** As part of the government's overall budgeting process, the Ministry of Treasury Board provides advice and recommendations on ministry operating and capital spending to the Treasury Board Committee, Cabinet and Cabinet Policy Committees.

The Ministry consults with other ministries regarding all new programs and initiatives that have operating or capital spending implications.

#### Strategies

- 1.1 Consult with ministries to identify operating and capital spending issues associated with existing programs and significant new initiatives, and work with Finance and Enterprise to identify the potential impact on the government's fiscal plan.
- 1.2 Launch and lead ongoing reviews of ministry programs to identify opportunities for more effective spending and program delivery.
- 1.3 Assess the impact of proposed or approved capital projects on future ministry operating budgets.
- 1.4 Explore options to improve management of government operating and capital spending.
- 1.5 Work with stakeholders to modernize and strengthen the government's business planning and budgeting process.

#### Performance Measure Under Development

A new performance measure is under development which will measure government efficiencies achieved through performance reviews.

## Core Business Two: Strategic Capital Planning

GOAL TWO

# 2

## Capital planning that supports Alberta's immediate and long term economic growth

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**What it means** The Ministry of Treasury Board is responsible for developing the government's 20-year Strategic Capital Plan to meet the capital needs related to growth and assist in managing inflation in infrastructure costs. The capital planning process will focus not only on new capital infrastructure but will also address maintenance of existing infrastructure.

The Ministry will explore alternative financing options for capital projects, including Public-Private Partnerships (P3s). 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 20-year Strategic Capital Plan. In collaboration with capital program ministries, present recommendations to improve the capital planning process to Treasury Board Committee and Cabinet for approval.
- 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 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 Lead, in consultation with other government ministries, the provincial delivery of infrastructure and services to the Regional Municipality of Wood Buffalo and other areas supporting oil sands development (such as *Industrial Heartland*) to support sustainable oil sands development.
- 2.6 Coordinate and lead the identification of capital maintenance and renewal priorities across government, and make recommendations to Treasury Board Committee on allocation of capital funding under the Surplus Allocation Policy to address those priorities based on need and risk.

### Performance Measure Under Development

A new performance measure is being developed to measure an improved capital planning process. The measure is to have policies in place to govern:

- Corporate Capital Planning Process for all Ministries
  - Asset management/ Capital Planning-Budgeting System
- The targets: developed (2008-09); validated and tested (2009-10); implemented (2010-11)

## Core Business Three: Accountability in Government

GOAL THREE

# 3

## Government is financially well managed and accountable

**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's Strategic Business Plan, annual performance report (*Measuring Up*), audited financial statements and other supplementary financial information as required by the *Government Accountability Act*.

In addition, the Ministry reviews ministry business plans, advising on compliance with business plan standards, and finalizes the Estimates and ministry business plan volumes as part of the government's accountability framework.

### Strategies

- 3.1 Amend the financial management manual to refine the Government of Alberta's financial management policies.
- 3.2 Coordinate the implementation of accounting and performance reporting standards and policies to improve accountability.
- 3.3 Participate in the development and introduction of measures to benchmark improvements in the quality of life for all Albertans.
- 3.4 Provide ministries with independent and objective assurance services designed to improve the effectiveness, efficiency and economy of their programs and services.
- 3.5 Review, develop and implement options for improving public performance reporting.

Performance Measure	Last Actual (2006-07)	Target 2008-09	Target 2009-10	Target 2010-11
3.a Auditor General opinion on Government of Alberta Financial Statements	Unqualified	Unqualified	Unqualified	Unqualified

#### Performance Measures Under Development:

Percentage of corporate internal audit recommendations accepted.

The targets: 100% (2008-09); 100% (2009-10); 100% (2010-11)

Percentage of corporate internal audit recommendations of significance implemented.

The targets: 100% (2008-09); 100% (2009-10); 100% (2010-11)

## Core Business Four: Support strategic planning, policy development and decision-making for government

GOAL FOUR

# 4

## Well informed and supported decision making

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**What it means** The Ministry of Treasury Board provides analysis and advice to Treasury Board Committee on the management and administration of government and, in conjunction with Executive Council, to Cabinet and Cabinet Policy Committees. The policy unit provides strategic policy functions for the Ministry.

The Ministry also supports all government ministries and agencies by providing advice and assistance in developing risk management processes, accounting and financial management policy for government decision makers.

### Strategies

- 4.1 Provide strategic analysis and advice to Treasury Board Committee, Cabinet and Cabinet Policy Committees to assist in policy and program decisions.
- 4.2 Coordinate Treasury Board Committee meeting schedules, agendas, briefing materials and provide timely information on Treasury Board Committee decisions.
- 4.3 Consult with ministries to identify significant risks to the achievement of government's strategic priorities.
- 4.4 Provide advisory services to ministries on risk management, control and governance processes.

### Performance Measure Under Development

A new performance measure is under development which will measure Treasury Board Committee and Cabinet Policy Committee Chairs' satisfaction with the advice, analysis and support provided by the Ministry of Treasury Board.



## Coordinate the management of growth and development in areas supporting oil sands development

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**What it means** In February 2007, the Oil Sands Ministerial Strategy Committee issued its report on oil sands areas of the province, *Investing in Our Future: Responding to the Rapid Growth of Oil Sands Development*. This report provides 30 recommendations to address the current and anticipated challenges from growth and development in oil sands areas. The report recommended the government establish an Oil Sands Sustainable Development Secretariat. Through the leadership of the Secretariat and in collaboration with ministries, industry, community and other stakeholders, an integrated and coordinated approach to managing the oil sands areas will be developed.

### Strategies

- 5.1 Lead the development and implementation of a common approach to addressing the social, environmental and economic impacts of the oils sands areas by collaborating with ministries, industry, communities and other stakeholders.
- 5.2 Lead the development and coordinated implementation of the government's response to the Oil Sands Ministerial Strategy Committee Report, *Investing in Our Future: Responding to the Rapid Growth of Oil Sands Development*.
- 5.3 Lead the development and coordinated implementation of the government's response to the Oil Sands Consultation Multi-Stakeholder Report and the Oil Sands Consultation Aboriginal Report.

### Performance Measure Under Development

A new performance measure under development for this goal is a work plan for implementing "*Investing in Our Future*" recommendations.

The targets: developed (2008-09); completed (2009-10); implemented (2010-11)

# CORPORATE HUMAN RESOURCES

## BUSINESS PLAN 2008-11

Corporate Human Resources, as part of the Ministry of Treasury Board, is the corporate human resources arm of the Government of Alberta. Corporate Human Resources collaborates with other ministries to develop government-wide human resource strategies and policies so public service employees are inspired 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

Lead and collaborate with ministries to develop and deliver corporate human resource management policies, programs and practices to attract, engage and develop the employees needed to achieve government goals and priorities.

**Our Values:                      Respect, Accountability, Integrity, Excellence**

## LINK TO THE GOVERNMENT OF ALBERTA STRATEGIC BUSINESS PLAN

### Government of Alberta Goal

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

### Corporate Human Resources

Corporate Human Resources supports an open and accountable government by ensuring the Alberta Public Service has:

- an effective human resource policy framework, and
- a cross-government workforce plan that ensures an engaged public service positioned to attract employees and meet emerging and diverse government goals.

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## SIGNIFICANT OPPORTUNITIES AND CHALLENGES

As an employer, the Government of Alberta operates in an environment with changing demographics and economic trends, as well as a competitive labour market.

Corporate Human Resources provides leadership in human resource management and works with other ministries to develop innovative and leading human resource practices designed to support the delivery of quality service to Albertans. 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:

### Attract Talent

The Alberta Public Service needs to attract talent in a competitive labour market where the demand for skilled and knowledgeable workers is high.

## Develop Employees

The demographics of the Alberta Public Service indicate a significant number of employees are eligible to retire in the next 10 years. A strong emphasis is needed on learning and development to ensure employees with the knowledge, skills and competencies required to achieve the government's goals will be continuously available in the future.

## Engage Employees

A dedicated workforce is needed to provide high quality services to Albertans. Continuously developing employees, building strong and positive workplace relationships, ensuring a safe and healthy work environment to support employee well being, and valuing employee contributions are examples of what the Alberta Government is doing to engage and retain employees.

# STRATEGIC PRIORITIES 2008-11

Through the Ministry's review of external and internal challenges, 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. Implement Government of Alberta Attraction and Retention Strategies**  
**Linkage: Goals 1 and 2**  
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 (APS) Workforce Plan* is developed and implemented in collaboration with Deputy Ministers, the human resource community, and other key stakeholders. Initiatives under the plan are focused on attracting, developing and engaging our employees. Further information on the plan and its initiatives can be found at [www.chr.alberta.ca/apsworforceplan](http://www.chr.alberta.ca/apsworforceplan).

# CORE BUSINESSES, GOALS, STRATEGIES & PERFORMANCE MEASURES

## Core Business One: Corporate Human Resources

*Providing strategic leadership of human resource management in the Alberta public service.*

### GOAL ONE **1** An effective human resource policy framework for the Alberta public service

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**What it means** A comprehensive policy framework for human resource management supports a quality and productive work environment and accountability for the management of human resources in the Alberta Public Service. The policy framework provides a corporate approach and includes the *Public Service Act* and associated Regulations, Human Resource Directives and the Collective Agreement. Corporate Human Resources provides support to ministries and the human resource community to ensure implementation of the human resource policy framework, through communication, education, consulting, service delivery and ongoing quality assurance.

#### 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 Under Development

New performance measures will be developed for this goal. Baseline data for the new measures will be gathered by the 2008 CHR Stakeholder Survey. Baseline data will then be used to set targets for future business plans.

The new measures will be:

"Agreement that we have an effective human resource policy framework for the Alberta Public Service" and "Agreement that support was provided to implement common human resource policies."

GOAL TWO

# 2

## A cross-government Workforce Plan that ensures an engaged public service positioned to attract employees and meet emerging and diverse 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. The overall productivity and success of employees is supported through providing a positive and healthy work environment, with the Alberta Public Service values of respect, accountability, integrity and excellence as the foundation. Corporate Human Resources, in collaboration with ministries, provides leadership in the development of the *Alberta Public Service Workforce Plan*, and in the development and implementation of resulting initiatives. Our strong commitment to addressing human resource trends and issues across the public service contributes to ensuring there are talented employees to meet current and future challenges.

### Strategies

- 2.1 Working with key stakeholders, develop a cross-government workforce plan that identifies effective strategies to build a stronger public service by attracting, developing and engaging talent.
- 2.2 Facilitate the development, implementation and communication of specific cross-government initiatives from the *Workforce Plan*, in collaboration with key stakeholders.

### Performance Measures Under Development

New performance measures will be developed for this goal. Baseline data for the new measures will be gathered by the 2008 CHR Stakeholder Survey. Baseline data will then be used to set targets for future business plans.

The new measures will be:

"Agreement that, overall, the Workforce Plan identifies effective strategies to attract, develop and engage APS employees" and

"Agreement that, overall, effective support was provided to develop, implement and communicate specific cross-government initiatives from the Workforce Plan."

## EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable			2008-09 Estimate	2009-10 Target	2010-11 Target
	2006-07 Actual	2007-08 Budget	2007-08 Forecast			
Spending Management and Planning	2,653	4,381	3,894	4,839	4,932	5,050
Strategic Capital Planning	6,282	13,978	8,295	29,770	34,228	41,593
Accountability in Government	3,094	6,113	4,880	6,404	6,640	6,777
Support Strategic Planning, Policy Development and Decision Making for Government	1,227	3,515	2,918	4,004	4,888	5,185
Corporate Human Resources	24,714	22,140	22,510	23,347	24,098	24,746
<b>MINISTRY EXPENSE</b>	<b>37,970</b>	<b>50,127</b>	<b>42,497</b>	<b>68,364</b>	<b>74,786</b>	<b>83,351</b>

## MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable			2008-09 Estimate	2009-10 Target	2010-11 Target
	2006-07 Actual	2007-08 Budget	2007-08 Forecast			
<b>REVENUE</b>						
Other Revenue	132	-	19	-	-	-
<b>MINISTRY REVENUE</b>	132	-	19	-	-	-
<b>EXPENSE</b>						
<b>Program</b>						
Ministry Support Services	414	1,616	1,795	2,260	2,304	2,343
Oil Sands Sustainable Development Secretariat	17	1,332	1,057	1,931	3,508	3,983
Corporate Internal Audit Services	2,238	4,906	3,823	4,855	5,097	5,185
Office of the Controller	1,884	3,033	2,269	3,237	3,311	3,399
Spending Management and Planning	2,445	3,825	3,278	4,100	4,178	4,282
Strategic Capital Planning *	753	6,884	1,995	17,968	21,529	27,247
Alternative Capital Financing Office	5	1,707	691	5,796	5,786	7,111
Air Services	5,458	4,684	4,863	4,820	4,925	5,005
Corporate Human Resources	23,827	20,140	20,510	21,347	22,098	22,746
Valuation Adjustments and Other Provisions	929	2,000	2,216	2,050	2,050	2,050
<b>MINISTRY EXPENSE</b>	37,970	50,127	42,497	68,364	74,786	83,351
Gain (Loss) on Disposal of Capital Assets	(300)	-	(201)	-	-	-
<b>NET OPERATING RESULT</b>	(38,138)	(50,127)	(42,679)	(68,364)	(74,786)	(83,351)

## CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable			2008-09 Estimate	2009-10 Target	2010-11 Target
	2006-07 Actual	2007-08 Budget	2007-08 Forecast			
Ministry Revenue	132	-	19	-	-	-
<i>Inter-ministry consolidation adjustments</i>	(132)	-	-	-	-	-
<b>Consolidated Revenue</b>	-	-	19	-	-	-
Ministry Expense	37,970	50,127	42,497	68,364	74,786	83,351
<i>Inter-ministry consolidation adjustments</i>	(132)	-	-	-	-	-
<b>Consolidated Expense</b>	37,838	50,127	42,497	68,364	74,786	83,351
Gain (Loss) on Disposal of Capital Assets	(300)	-	(201)	-	-	-
<b>CONSOLIDATED NET OPERATING RESULT</b>	(38,138)	(50,127)	(42,679)	(68,364)	(74,786)	(83,351)

\* This program includes Capital Planning Funds which are transferred to other ministries as projects are approved for capital planning and preliminary design. In 2008-09, \$15,372,000 is available for this purpose.