
Finance and Treasury Board

ANNUAL REPORT

2021-2022

Finance and Treasury Board

Annual Report 2021-2022

Province of New Brunswick
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Transmittal letters

FROM THE MINISTER TO THE LIEUTENANT-GOVERNOR

Her Honour, the Honourable Brenda L. Murphy
Lieutenant-Governor of New Brunswick

May it please your Honour:

It is my privilege to submit the annual report of the Department of Finance and Treasury Board, Province of New Brunswick, for the fiscal year April 1, 2021, to March 31, 2022.

Respectfully submitted,



Honourable Ernie L. Steeves
Minister

FROM THE DEPUTY MINISTER TO THE MINISTER

Honourable Ernie L. Steeves
Minister of Finance and Treasury Board

Sir:

I am pleased to be able to present the annual report describing operations of the Department of Finance and Treasury Board for the fiscal year April 1, 2021, to March 31, 2022.

Respectfully submitted,



Cheryl Hansen
Deputy Minister

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Minister's message

This past year has taken us on a wild ride. The COVID-19 pandemic along with global unrest have led to inflation that our country has not seen in decades. It has brought uncertainty and many obstacles, yet staff have continued to step up to the challenge and have remained dedicated to deliver for New Brunswickers. During these unprecedented times, they have found creative solutions that will lead our province to a lasting recovery.

We made significant progress on the collective bargaining file and signed new collective agreements with 14 bargaining units. I am grateful to the bargaining and negotiating teams for their dedication and collaboration through these negotiations.

During a two-week strike in the fall, our department supported other government departments in maintaining their services. And we were able to work through the Labour Board to resolve non-compliance issues with essential services agreements.

During our pre-budget consultations we met with more than 50 stakeholders and then released the 2022-2023 Budget. Three taxation measures were introduced including a federally required carbon tax increase, provincial property tax rate reductions and income tax reduction. For the second year, a gender impact statement was included as part of the Budget.

This past year, the Local Governance Reform bill received Royal Assent. The department of Finance and Treasury Board participated on the local governance reform team, co-led a financing working group and provided input on property tax options and legislative changes.

Many more initiatives are outlined in the 2021-2022 Annual Report, and I would like to take this opportunity to thank my staff at the Department of Finance and Treasury Board for their dedication on these accomplishments. Their professionalism, diligence and *One Team One GNB* mindset have helped us reach a secure position financially.

I look forward to building on the progress we have made in the year ahead to create an even stronger economy for our province.



Honourable Ernie L. Steeves
Minister of Finance and Treasury Board

Deputy Minister's message

Throughout 2021-2022, staff at the department of Finance and Treasury Board have continued to go above and beyond in managing public finances in the best interests of New Brunswickers. With a *One Team One GNB* approach to doing business, teams have worked together across divisions to achieve departmental outcomes and ensure the needs of our residents are put first.

Finance and Treasury Board supports the Executive Branch of government in its decision-making and provides policy and strategic direction regarding government's human resources, finances, risk, technology, and information to client departments and organizations.

During the past couple of years, we fulfilled staffing needs by deploying GNB Free Agents through the Critical Staffing Team.

Formal training was provided to more than 1,000 employees in subjects including project management, human-centered design, Lean Six Sigma process improvement, and change management.

The Enterprise Resource Planning solution is now well underway to upgrade current systems and provide one solution for a variety of key government functions such as financial, human resources and procurement. We have successfully implemented an Oracle Fusion HR and Payroll solution for Finance and Treasury Board, our department's Human Resource's client group and parts of Service New Brunswick.

Staff are continually exploring ways to collaborate and innovate in the way we do our work, and this is at the heart of our vision as *One Team One GNB*. I am so proud of how staff at Finance and Treasury Board have taken this approach in everything they do while continuing to grow, adapt, and move forward the priorities of our department.

As I reflect on this past year, I am fortunate to lead such a dedicated team of individuals and I am proud of what we accomplish every day for the people of this province.



Cheryl Hansen
Deputy Minister

Government Priorities

Delivering for New Brunswickers - One Team One GNB

One Team One GNB is our vision as an organization and a collaborative approach to how we operate. It is our path forward, and it represents a civil service that is working collectively across departments, professions, and sectors. Together, we are learning, growing, and adapting, and discovering new and innovative ways of doing business. It is enabling us to achieve the outcomes needed for New Brunswickers, and we are working more efficiently and effectively than ever before.

As *One Team One GNB*, we are improving the way government departments:

- communicate with one another;
- work side-by-side on important projects; and
- drive focus and accountability.

STRATEGY AND OPERATIONS 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 our government's roadmap for the future of New Brunswick that focuses on key priorities and the importance of public accountability.

GOVERNMENT PRIORITIES

Our vision for 2021-2022 is a vibrant and sustainable New Brunswick. To make progress towards this vision, we must focus on our government's priorities.

- Energize private sector;
- Vibrant and sustainable communities;
- Affordable, responsive and high-performing government;
- Dependable public health care;

- World-class education; and
- Environment.

COVID RESPONSE

As part of GNB's priorities this past year, responding to the COVID-19 pandemic was at the forefront. Our department supported GNB in responding to the pandemic by:

- Partnering with Opportunities New Brunswick for the administration of the Small Business Recovery Grant Program, resulting in over \$6.4 million in grants to over 900 qualifying small businesses impacted by the pandemic between April 1, 2021 and March 31, 2022;
- Introducing GNB's COVID-19 Vaccination Policy, as well as human resource policies to support employees and government operations, developing a process for Communicable Disease Prevention Plans across Part I, including processes for active screening, responding to a positive COVID-19 case or potential exposure in the workplace, tracking of positive workplace cases, and implementing workplace safety protocols; and
- Deploying GNB employees to critical operations such as border enforcement officers, travel registration clerks and on-site screeners, creating talent pools to reduce the cycle time to hire, working with unions for staffing mobility agreements and providing GNB employees with timely updates. Over 1,000 employees were deployed to temporary roles in government departments, Parts II, III and IV, and to long-term care facilities.

HIGHLIGHTS

During the 2021-2022 fiscal year, Finance and Treasury Board focused on these government priorities:

- Officially launched the new GNB Intranet removing the beta tag and decommissioned the previous GNB intranet;

- Launched a multi-year program to measure broadband network performance;
- Measured and documented cellular service availability along the province's arterial and collector roadways;
- Provided formal training to over 1000 employees in subjects including project management, human-centred design, Lean Six Sigma process improvement, and change management;
- Developed and launched Mental Health Learning Opportunities to support employee well-being;
- Published quarterly reporting of senior executive travel on the Open Data portal;
- Approved 123 companies in the Small Business Investor Tax Credit program for projects totalling over \$36 million, creating a potential for over \$17 million in tax credits to be issued;
- Launched a well-being indicators dashboard which provides information on a selection of key indicators that affect poverty and social inclusion;
- Implemented tax legislation, including the 2021 personal income tax rate reduction, 2021 carbon tax rates, and property tax rate flexibility for local government for the 2023 taxation year; and
- Assisted the department of Education and Early Childhood Development by providing four websites for the launch of their Centres of Excellence.

Performance Outcomes

The information below outlines some of the department's priorities and how we measured our performance.

Outcome #1

ENTERPRISE RESOURCE PLANNING (ERP)

The ERP Project is a multi-year GNB initiative focused on the business areas of human resources and payroll, financial services, and procurement. The project was established to:

- Introduce common business processes;
- Implement a shared technology solution (Oracle Fusion); and
- Introduce common approaches to how we manage information.

ERP is being implemented in stages to departments and agencies, school districts, and the community colleges. The project is targeted for completion in 2025.

Why it is important

For several years, GNB has recognized the need for a single ERP solution. When the COVID-19 pandemic began in March 2020, there were challenges pulling together key employee and financial information from across government. It required pulling information from various systems, manual input and adjustments, and hours of staff effort.

Encountering these challenges during a critical time drove home the importance of government employees having access to accurate and up-to-date information, while ensuring leaders have reliable information to make decisions.

Overall Performance

Three releases have been successfully implemented with a transition to supporting operations. The transition from a project to operations has presented challenges and areas of improvement that the teams are working to better define.

GNB is now successfully paying suppliers and two departments' employees from the new solution.

Initiatives or projects undertaken to achieve this outcome

The functionality for Accounts Payable, Cash Management and General Ledger for all departments in Part 1 for invoices and financial transactions was implemented on July 19, 2021. The functionality for Projects and Fixed Assets was also implemented. New processes and a solution for Transportation and Infrastructure and Justice and Public Safety for tracking project costs was found. Transportation and Infrastructure, Tourism, Heritage and Culture, Finance and Treasury Board, Environment and Local Government, Education and Early Childhood Development, Health, Social Development, JPS, SNB, Agriculture, Aquaculture and Fisheries, Post-Secondary, Education Training and Labour and Natural Resources and Energy Development have new processes and a solution for tracking new assets.

The functionality for Human Resources Payroll/ Recruitment and self-serve expenses was implemented on November 1, 2021, for Finance and Treasury Board staff and clients and Service New Brunswick staff paid by HRIS. Following the implementation, successful pay runs have continued since the first one on November 10, 2021. Since implementation, the project team has been supporting Finance and Treasury Board and Service New Brunswick Human Resource and Payroll staff as they continue to learn the new solution and processes.

Key processes are being defined and implemented for the long-term support of the solution, data standards and processes.

Implementing these were a collaborative effort that required input and support from business and technical subject matter experts from across GNB, as well as external consultants and ERP's implementation partner, IBM. The ERP team led working groups, hosted a series of workshops to build how the future solution may work, and conducted extensive testing and training.

Planning for future-year deployments (i.e., what comes after 2022) also occurred, in consultation with leaders from all in-scope organizations and work has begun on the next six releases.

Outcome #2

POLICY ON FINANCIAL ASSISTANCE TO FOR-PROFITS

The Government of New Brunswick (GNB) offers multiple financial assistance programs to different for-profit entities in the form of loans, grants, guarantees and rebates, among others.

The purpose of the new GNB financial assistance policy to for-profit organizations is to provide a consistent and structured approach across GNB for gathering information, evaluating, supporting, and monitoring GNB investments in for-profit organizations.

Why this is important

The implementation of this policy is intended to generate the following benefits to New Brunswickers:

- Provide value for money to taxpayers on new investments;
- Energize the private sector by increasing New Brunswick's tax base; and
- Foster greater transparency to the public on investment criteria, decisions and returns; and greater accountability for results from recipients, program administrators and elected officials.

Overall Performance

The policy is being piloted for one year to test and finalize the criteria and processes. Once finalized and implemented across GNB, the policy will then be subject to an annual review and update, in coordination with departments and agencies issuing financial assistance.

Initiatives or projects undertaken to achieve this outcome

The Budget and Financial Management Division is responsible for central financial oversight, reviewing and reporting on financial assistance that has been provided, coordinating future revisions to the policy with departments and agencies, monitoring and receiving reports from departments and agencies on all financial assistance that are approved at the department level, and reporting on compliance with the new policy and process.

The policy has been implemented for funding requests under Opportunities New Brunswick, the Regional Development Corporation and the Department of Agriculture, Aquaculture and Fisheries and they are now reporting regularly on financial assistance activity as a part of the quarterly reporting process.

A year-end review is currently being conducted to evaluate overall results and ensure the process is working as intended. Recommendations on next steps will follow as appropriate.

Outcome #3

UNION NEGOTIATIONS/COLLECTIVE AGREEMENTS

Finance and Treasury Board is responsible for wage mandates for management and non-union employees, as well as leading collective bargaining for the 25 collective agreements across Parts I, II, and III of the Public Service. GNB was in a new bargaining cycle with the 25 bargaining units and the department was responsible for leading collective bargaining to an acceptable outcome for government.

Why is this important

GNB's annual wage bill is approximately \$2.8 billion, close to a quarter of all ordinary expenditures. Compensation increases have a significant impact on the province's finances.

Overall Performance

Finance and Treasury Board reached new collective agreements with 14 bargaining units with compensation settlements acceptable to the government. Some of the bargaining units represented approximately 20,000 workers in the education, health and public service sectors.

Collective agreements were reached with the following units:

- Correctional Officers, Part I (CUPE 1251);
- Highway Workers and Parks Officers, Part I (CUPE 1190);
- Social Workers, Part I (CUPE 1418);
- Educational Assistants & Administrative Support in Schools, Part II (CUPE 2745);
- Court Stenographers, Part I (CUPE 1840);
- Hospital Support Workers Part III (CUPE 1252);

- Specialized Health Care Professionals Part III (NBU);
- Crown Prosecutors, Part I (PIPSC);
- Nurses, Part III (NBNU);
- Nurse Managers and Nurse Supervisors Part III (NBNU);
- Professional Support in Schools PSPS Part II (NBU);
- Resource Services (NBU);
- School bus drivers, custodians and maintenance (CUPE 1253); and
- Administrative Assistants, Clerical and Regulatory (NBU).

Negotiations with the remaining 11 bargaining units, which include School Business Officials (PSAC), Crown Counsel Part I (PIPSC), Medical Science Professionals (NBU), Non-Instructional (NBU), Instructional (NBU), Industrial Training and Certification (NBU), Agriculture, Veterinary, Engineering, Land Surveying & Architecture (PIPSC), Laboratory and Medical, Technical Inspection (NBU), Highway Supervisors (NBU), Engineering & Field (NBU) and Teachers (NBTF), will take place in 2022-2023.

Initiatives or projects undertaken to achieve this outcome

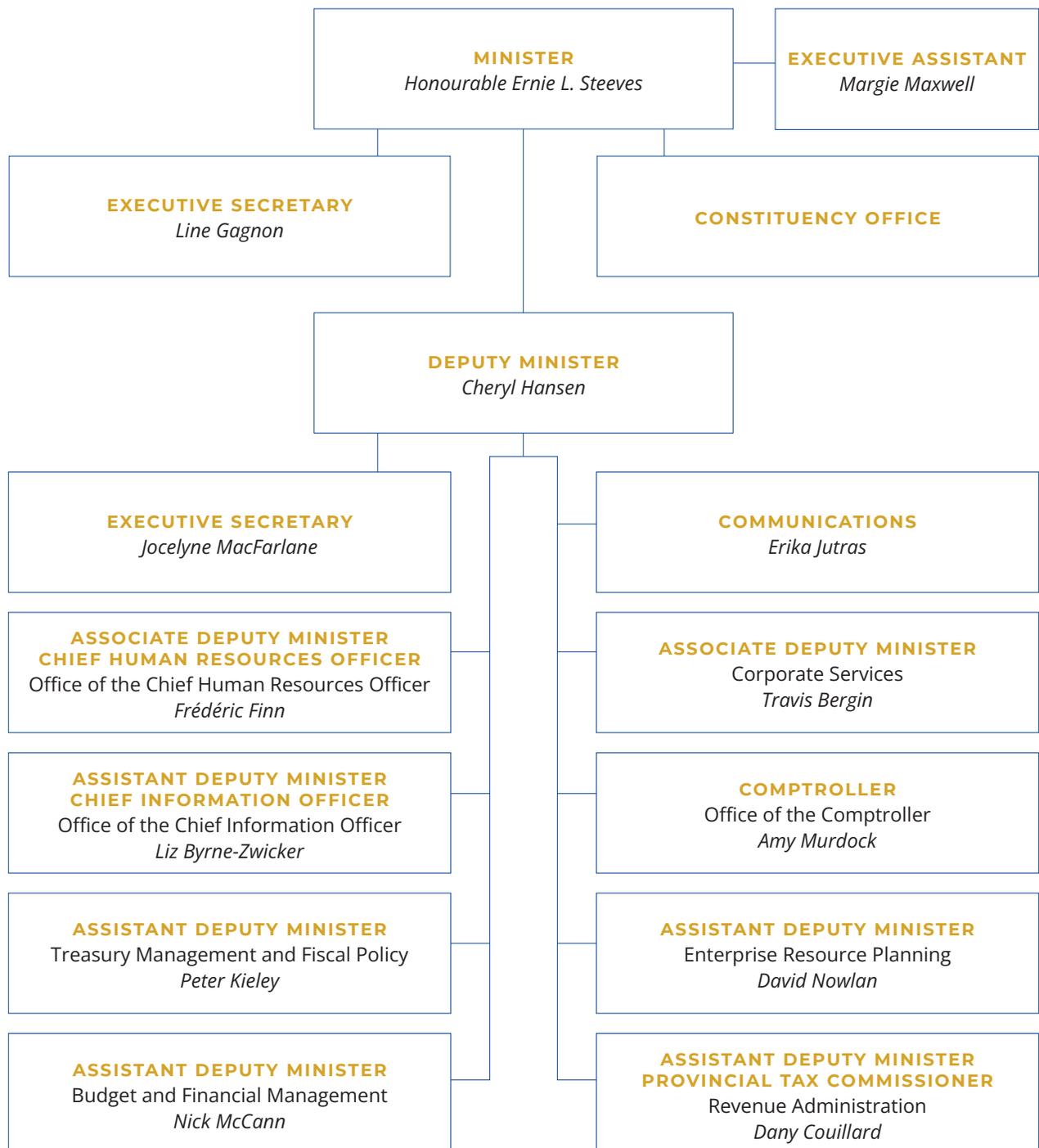
The collective bargaining process was undertaken to achieve this outcome. In addition, because the funding required for the new mandate and collective bargaining agreements settled exceeded the originally approved appropriation in Main Estimates, additional appropriations were requested through a Special Warrant. This was approved by the Legislative Assembly through a *Special Appropriations Act*.

Overview of departmental operations

The department of Finance and Treasury Board is a central agency of the Government of New Brunswick. It provides support to 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.

The Minister of Finance and Treasury Board is the Chair of the Treasury Board Cabinet Committee, and the Deputy Minister is the Secretary to the Treasury Board Cabinet Committee.

HIGH-LEVEL ORGANIZATIONAL CHART



Division overview and highlights

CORPORATE SERVICES

Overview

The **Corporate Services Division** is comprised of the Corporate Services Branch and the Project and Advisory Services Unit.

The **Corporate Services Branch** consists of 7 units including:

- **Human Resources Client Services** which provides human resource advice, council and coaching to multiple departments and agencies;
- **Financial Services and Records Management** which provides accounting services, financial advice, analysis, and financial monitoring and reporting services for multiple departments and agencies;
- **Policy** which provides legislative coordination, policy and planning services, and process documentation coordination;
- **Internal Communications** which provides guidance and support to both Finance and Treasury Board and the Executive Council Office;
- **GNB Intranet Team** which includes the development and implementation of a modern digital workplace;
- **Agency Relations** which is responsible for policy direction and oversight of the provincial agencies operating in the gaming, alcohol and retail cannabis sectors. The unit has operational responsibilities for two Crown corporations – the New Brunswick Lotteries and Gaming Corporation (NBLGC) and the Cannabis Management Corporation (CMC) which includes managing the casino service provider agreements with two private service providers, the relationship with Atlantic Lottery Corporation (ALC), gaming revenue sharing arrangements with First Nations, as well as the management of the service provider agreement with Cannabis NB for the operation of the retail cannabis network in the province; and
- **Regulatory Services** which provides support and manages the accountability relationship with agencies that report to the Minister of Finance and Treasury Board, including the Financial and

Consumer Services Commission of New Brunswick (FCNB).

The **Project and Advisory Services (PAS) Branch** works with clients across GNB to support priority projects and build knowledge and community in the fields of continuous improvement, human-centered design, advisory services, project management and change management. Since its inception in June 2020, PAS has provided support services to clients across GNB for over 243 project requests such as health services, organizational design, vaccine hesitancy, capital investment, and housing. PAS also provides training in various lines of business.

Highlights

- Provided formal training to over 1000 employees in subjects including project management, human-centered design, Lean Six Sigma process improvement, and change management;
- Coordinated 74 Memorandums to Executive Council (MECs);
- Responded to 45 requests under the *Right to Information and Protection of Privacy Act*;
- Supported the introduction of 12 Bills in the Legislative Assembly;
- Coordinated four successful virtual Rapid Fire Orientation training sessions with 98 per cent of eligible new hires to both Finance and Treasury Board and Executive Council Office. As of March 2022, the quarterly program has expanded as a pilot project to include participants from additional select departments; and
- Launched the new GNB Intranet which removed the beta tag and decommissioned the previous GNB Intranet in October 2021.

Key Performance Indicators

- Number of Right to Information requests that are completed in 30/60 days;

- Number of project reports completed and implemented;
- Percent participation in Rapid Fire Orientation; and
- Number of employees trained in project management, human-centred design, and Lean Six Sigma process improvement, and change management.

OFFICE OF THE COMPTROLLER

Overview

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

The Comptroller is the chief accountant and internal auditor for the Government of New Brunswick. The Comptroller reports to the Deputy Minister of Finance and 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 Finance and 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 Administration Services, Accounting, Reporting and Financial Systems, and Audit and Consulting Services.

Administration Services consists of the Comptroller and administrative support. This section provides 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.

Accounting, Reporting and Financial Systems consists of two units: Accounting and Financial Reporting, and Financial Business Systems.

A primary responsibility of the **Accounting and Financial Reporting Unit** is the preparation of the annual consolidated financial statements of the Government of New Brunswick, including the

publication of both volumes of Public Accounts, and supplemental information on the province's Open Data platform. This unit also provides accounting advice to departments, Finance and Treasury Board, government agencies; interpretation of emerging accounting standards and their impact on the Government of New Brunswick; and information for the prospectus for Government of New Brunswick bond issues.

The **Financial Business Systems Unit** is responsible for ongoing support of corporate financial systems used to record the transactions reported in the consolidated financial statements of the Government of New Brunswick.

The **Audit and Consulting Services Unit** assists GNB in managing public resources by providing various internal assurance and consulting services. Projects focus on value for money by identifying opportunities for operational efficiencies and cost savings. Assistance is provided to departments related to fraud identification, risk mitigation, process improvements, and compliance with legislation and policy.

Highlights

- Prepared annual reporting of Public Accounts Volumes 1 and 2;
- Published quarterly reporting of senior executive travel on Open Data;
- Prepared financial information in support of quarterly fiscal updates, in cooperation with Budget and Financial Management, and Fiscal Policy and Treasury Management divisions;
- Provided reporting and support to the government audit committee;
- Conducted performance audits in support of strategic priorities; and
- Participated in the annual federal, provincial and territorial Comptrollers' conference and Eastern Comptrollers' conference.

Key Performance Indicators

- Issuance of the annual audited financial statements by September 30 as set out in legislation.

OFFICE OF THE CHIEF HUMAN RESOURCES OFFICER

Overview

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

OCHRO also 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 is 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 I, II and III 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 event of strikes 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 IV 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 I, II and III of the Public Service and

conducts job evaluation and pay equity studies. The branch is also responsible for pay plans, compensation and other human resources related policies (e.g., paid, and unpaid leaves), and for corporate research and business intelligence, such as wage bill, workforce size, and absenteeism. The branch is also responsible for policy regarding pension plans and employee benefit programs. The primary responsibilities include plan design, governance, policy development, program communications, vendor management and administration oversight.

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 talent acquisition, staffing, employee experience through leadership development, performance management, official languages, workplace equity and diversity, workplace accommodation and disability management, workplace health and safety, and employee wellness across Part I of GNB.

Highlights

- Developed a process to deploy GNB resources to critical roles such as border enforcement officers, travel registration clerks and on-site screeners, creating talent pools to reduce the cycle time to hire, working with unions for staffing mobility agreements and providing GNB employees with timely updates. Over 1,000 employees were deployed to temporary roles in government departments, Parts II, III and IV, and to long-term care facilities;
- Supported and led key components of GNB's COVID-19 response, including GNB's COVID-19 Vaccination Policy, its communications, vaccination clinics, policy interpretation and support to departments with application of the policy;
- Developed a process for Communicable Disease Prevention Plans across Part I, including processes for active screening, responding to a positive COVID-19 case or potential exposure in the workplace, tracking of positive workplace cases, implementing workplace safety protocols;

- Informed employees on several pandemic response topics and Public Health directives by issuing over 30 information bulletins and using the GNB Intranet as a communication tool;
- Led a Part I Health and Safety Community of Practice to support timely health and safety responses throughout the pandemic and champion program development to improve the health and safety culture in GNB;
- Developed and launched Mental Health Learning Opportunities to support employee well-being;
- Piloted new Applied Suicide Intervention Skills Training (ASIST) Mental Health Learning for Human Resources and the Health and Safety community to support in response; and
- Provided 92 students placements through the Future GNB program, aimed to engage students in experiential learning at GNB in preparation for future employment. All participants also attend training seminars and round tables and establish lasting connections with mentors and employees of GNB.

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 2021-2022.

	Referral to adjudication carried from previous years	New referrals to adjudication	Grievances withdrawn or settled	Adjudication decisions rendered
Part I	216	97	45	3
Part II	92	245	23	10
Part III	295	135	87	1
Total	603	477	155	14

Key Performance Indicators

- Recordable Incident Rate;
- Average days lost per workers' compensation claim;
- Annual sick leave use (average and median);
- Active long-term disability claims; and
- Total time lost to injury, illness or disability.

REVENUE ADMINISTRATION DIVISION

The **Revenue Administration Division** ensures fair, effective, and efficient administration of tax and regulatory programs. It offers policy and information in respect to federal-provincial-territorial tax administration relations. It participates on several inter-jurisdictional committees on issues of common interest and works in close collaboration with the Canada Revenue Agency (CRA). The division also provides timely information pertaining to tax revenue forecasts and estimates for main estimates. The division consists of the Research and Tax Administration Policy Branch, the Account Management Branch, the Audit and Investigation Services Branch and the Revenue Accounting Unit.

The **Research and Tax Administration Policy Branch** ensures legislative compliance of assigned revenue and taxation statutes associated with real property and consumption taxes. Key responsibilities include the analysis of tax application issues; provision of interpretations and advice; and the development of legislative amendment proposals.

The **Account Management Branch** is responsible for the effective delivery of assigned revenue and taxation programs associated with real property and consumption taxes. Key responsibilities include registration and licensing of businesses; billing and collection of real property taxes; processing of tax returns and refund claims; accounting functions related to revenues; development and implementation of legislative amendments; and provision of critical program support and expert advice relative to the administration of tax programs.

The **Audit and Investigation Services Branch** provides audit, assurance, and refund verification functions as well as education, inspection and information regarding program services. The branch provides compliance monitoring of business activities under the assigned acts, within the department and on behalf of other departments and agencies.

The **Revenue Accounting Unit** is responsible for forecasting and reporting for all revenue sources administered by the Revenue Administration Division as well as two expenditure programs related to revenues under General Government. The unit is also responsible for year-end activities, monitoring financial controls within the division and performing financial analysis on programs when required.

Highlights

- Established the application modernization project to replace three obsolete applications. The Revenue Management System will improve processes for reporting and monitoring tax collection;
- Conducted an in-person Property Tax Sales event in October 2021 (the lift of some COVID-19 restrictions allowed sales in three large locations). All three sales were well attended and venues with greater capacity limits were required. A total of 527 accounts were closed, including 132 properties sold during the sales for a total tax receivable recovery of over \$4.3 million;
- Implemented new technology to automate and streamline the approval process for online applications for the Low-Income Seniors' Benefit that Finance and Treasury Board administers on behalf of Social Development;
- Optimized the design and clarity of the annual Property Tax Notice which included an information insert to bring awareness of the Equalized Payment Plan program;
- Provided the research and tax interpretation required by the Tax Commissioner to render decisions on 229 tax objections and the Minister Designate to render decisions on 10 tax appeals;
- Approved 123 companies in the Small Business Investor Tax Credit (SBITC) program for projects totalling over \$36 million, creating a potential for over \$17 million in tax credits to be issued. The Audit unit also completed 578 SBITC annual restricted audits;
- Completed 591 investigations and 1,049 audits during the year for the Tangible Personal Property Tax and the Provincial Vehicle Tax under the *Harmonized Sales Tax Act*. As a result of this work, \$1.5 million in additional tax was assessed;
- Assisted in the development, testing and implementation of a new interface for the Integrated Rebate System with the new ERP solution, Fusion, for all refunds administered by the division; and
- Partnered with Opportunities New Brunswick for the administration of the Small Business Recovery Grant Program, resulting in over \$6.4 million in grants to over 900 qualifying small businesses impacted by

the pandemic between April 1, 2021 and March 31, 2022.

OFFICE OF THE CHIEF INFORMATION OFFICER

The **Office of the Chief Information Officer (OCIO)** focuses on information as a valuable resource. It supports Finance and 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 to clients within government and the public.

OCIO's mandate is "Government-wide strategic leadership, planning and oversight of the management of information, telecommunications, technology, risk, and digital innovation to enable the business of a smarter government."

The division consists of four distinct areas: Digital Office, Cyber Security, Telecommunications Strategy and Provincial Archives and Corporate Information Management.

The **Digital Office (DO)** includes the IT Strategy and Governance Unit, the Digital Transformation Team, and the Information Access and Privacy Unit. The branch oversees the Digital NB Strategy and provincial support for compliance with the *Right to Information and Protection of Privacy Act (RTIPPA)*. The branch performs these functions through the strategic alignment process, participation on project specific steering committees, as a champion for access, privacy and digital innovation within government, setting strategic direction, advising on and administering policy and developing strategic partnerships with internal and external stakeholders. The specialized digital transformation team provides innovative digital solutions for GNB departments to improve and modernize the delivery of their services.

The **Cyber Security Branch** was formed as a direct result of the focus on Cyber Security in the Digital NB Strategy. The branch performs cyber security governance, monitoring and policy creation for GNB while also offering operational services in the areas of cyber risk assessment, forensics investigation and vulnerability analysis. As well, the team manages the GNB Security Operations Centre (SOC), which is responsible for continuous protection against cyber attacks 24 hours a day, 7 days a week. A Cyber Security Strategy was developed to support this work.

The **Telecommunications Strategy Unit** oversees Information Highway 2.0 which is an initiative to improve rural broadband service to New Brunswickers. Working with the federal government and internet service providers, the unit supports rural internet programs to help New Brunswick residents lead connected and productive lives, ensuring businesses can participate in the modern economy, and its government can effectively and efficiently function online.

The unit is responsible for the support of the following GNB commitments:

- Further increase rural broadband speeds in over 70,000 households to 100Mbps over three years;
- Pursue a province-wide 5G network by collaborating with service providers; and
- Obtain funding for rural broadband projects from Government of Canada programs.

The **Provincial Archives and Corporate Information Management Branch** offers public-facing services to meet the government's obligations under the *Provincial Archives Act*. To do so, it collects, preserves, and makes available for research, documents and records bearing upon the history of New Brunswick. The Provincial Archives provides information and authentication for Government and citizens of New Brunswick across a wide variety of sectors. Generally thought of as only serving heritage industries, the Archives is equally a supply chain for the legal, construction, tourism, local governments, non-profit, and media businesses.

The **Corporate Information Management Unit** provides advice and assistance in records and information management to all government 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.

Highlights

- Launched a multi-year program to measure broadband network performance;
- Measured and documented cellular service availability along the province's arterial and collector roadways;
- Added 22,172 vital statistics records to the Provincial Archives website;

- Acquired over 700 glass negatives of historic photographs of the province;
- Developed a Privacy Breach Management Guide for Part I Privacy Officers;
- Developed and rolled-out mandatory online Privacy Awareness training for Part I;
- Rolled out online Cyber Security training for Part III employees;
- Established a Cyber Risk Management Program;
- Developed a Cyber Incident Response Playbook;
- Worked with Service New Brunswick to provide website and content support for the new Renting in New Brunswick site; and
- Assisted the Department of Education and Early Childhood Development by providing four websites for the launch of their Centres of Excellence.

Key Performance Indicators

- Percentage of Digital NB activities completed;
- Number of inquiries and service requests processed related to access to information and information privacy;
- Number of Provincial Archives visitors;
- Number of Provincial Archives research inquiries;
- Number of records received at the Government Records Centre;
- Number of Cyber Security Assessments;
- Number of users trained in cyber safety; and
- Number of users trained in privacy.

TREASURY MANAGEMENT AND FISCAL POLICY DIVISION

The **Treasury Management and Fiscal Policy Division** is responsible for financing GNB and Crown Corporations, managing the Consolidated Fund and the Service of the Public Debt, investing, administering various dedicated funds as well as providing financial and risk management policy analysis and advice.

It provides policy advice, analysis, and information regarding taxation, fiscal and budget policy, intergovernmental fiscal relations and the economy. The division provides advice and recommendations, and is

involved with the analysis, design and implementation of GNB's tax policies. It has responsibility in the development and monitoring of the budget plan and multi-year fiscal framework; coordinates the preparation and production of the annual budget speech, fiscal and economic reports; and monitors and reports on GNB's economic performance. The division also has responsibility for economic and revenue forecasting, provision of statistical data and analysis and federal-provincial consultations with respect to tax matters, programs under the *Federal-Provincial Fiscal Arrangements Act* and the Canada Pension Plan (CPP).

The division consists of the following branches: Fiscal, Economic and Statistical Analysis, Tax Policy, Capital Markets and Banking and Cash Management.

The **Fiscal, Economic and Statistical Analysis Branch** undertakes economic and revenue forecasting, monitoring and analysis and contributes to the protection of GNB's financial interests by providing policy advice, analysis and information. The branch also provides socio-economic and demographic research, analysis and information services to the government and departments. Key responsibilities of the branch include management of the multi-year fiscal framework; preparation of the budget speech and related documents; fiscal and economic reports; monitoring and reporting on the budget plan; and coordinating GNB's overall revenue forecast. It is also involved in intergovernmental consultations on major federal transfer programs, including equalization, health and social program transfers and in the ongoing maintenance of such programs, as well as intergovernmental consultations on the CPP.

The **Tax Policy Branch** researches and analyzes tax policy issues. It develops options, provides information, advice and recommendations on tax matters, and implements legislative measures in support of the government's tax policy priorities. The policy work of the branch includes income tax; consumption taxes; property tax; and other taxes. The branch's responsibilities include federal-provincial consultations on tax matters; and negotiation with the federal government respecting Canada-New Brunswick taxation agreements.

The **Capital Markets Branch** is responsible for developing annual long-term debt borrowing strategies and securing, negotiating, executing, settling, and reporting of debenture debt. This includes execution and management of related instruments as necessary, such as interest rate and foreign currency hedges,

derivatives, and hedges. Integral to Debt Management are ongoing stakeholder and investor relations and communications. The branch is responsible for developing policies, strategies, investing and reporting for sinking and trust funds and providing financial and accounting policy analysis and advice. The branch is also the liaison with credit rating agencies.

The **Banking and Cash Management Branch** is responsible for the management and reconciliation of the cash flow for the Consolidated Fund and various dedicated funds. The branch acts as the receiver of revenue for GNB, initiates foreign exchange transactions, issues short-term debt in the form of Treasury bills, negotiates and manages banking arrangements, operates Crown financing corporations, forecasts and monitors Service of the Public Debt, ensures interest and principal payments on debt are made on a timely basis, and provides financial policy analysis and advice.

Highlights

- Launched a well-being indicators dashboard;
- Involved with the Local Governance Reform process including financing working group and property tax amendments;
- Implemented tax legislation including the 2021 personal income tax rate reduction, 2021 carbon tax rates and local government property tax rate flexibility effective for the 2023 taxation year;
- Introduced Budget 2022-2023 tax measures including provincial property tax rate reductions, 2022 personal income tax reduction and 2022 carbon tax rates;
- Established a risk management committee, with approval of debt management policies;
- Executed 2021-2022 borrowing plan below budgeted amount and yield; and
- Collaborated with Enterprise Resource Planning (ERP) and Service New Brunswick on the rollout of Fusion.

BUDGET AND FINANCIAL MANAGEMENT

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 the government. 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.

Highlights

- Coordinated the preparation of the 2021-2022 Capital Estimates tabled on December 7, 2021, and the Main Estimates tabled on March 22, 2022;
- Supported the Treasury Management and Fiscal Policy Division in the preparation of the budget speech;
- Prepared quarterly fiscal updates in cooperation with the Treasury Management and Fiscal Policy Division and the Office of the Comptroller; 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 276 decisions being issued to departments and agencies. This compares to 44 Treasury Board meetings and 296 decisions being issued the previous year. In 2020-2021, due to the pandemic, Cabinet meetings took the place of Cabinet committee meetings between April 2020 and October 2020.

Financial information

	TOTAL BUDGET	2021-22 ACTUALS	VARIANCE	% OF BUDGET
OCHRO	5,108,714	5,871,151	(762,437)	115%
OOC	3,254,376	2,590,214	664,162	80%
OCIO	7,665,263	6,980,899	684,364	91%
Budget and Financial Management	909,900	864,650	45,250	95%
Corporate Services	5,842,833	5,910,667	(67,834)	101%
Treasury Management & Fiscal Policy	2,856,086	2,493,620	362,466	87%
Revenue Administration	5,793,528	5,456,748	336,780	94%
FINANCE & TREASURY BOARD	\$31,430,700	\$30,167,948	\$1,262,752	96%

Summary of staffing activity

Pursuant to section 4 of the *Civil Service Act*, the Secretary to Treasury Board delegates staffing to each Deputy Head for his or her respective department(s). The table below provides a summary of the staffing activity for 2020-2021 for Finance and Treasury Board:

NUMBER OF PERMANENT AND TEMPORARY EMPLOYEES AS OF DEC. 31 OF EACH YEAR		
Employee type	2021	2020
Permanent	276	287
Temporary	29	24
TOTAL	305	311

The department advertised 71 competitions, including 62 open (public) competitions and 9 closed (internal) competitions.

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 CIVIL SERVICE ACT	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; and • 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)	1
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)	2
Lateral transfer	The GNB transfer process facilitates the transfer of employees from within Part I, II (school districts) and III (hospital authorities) of the Public Service.	16(1) or 16(1)(c)	9
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)	3
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)	1

Pursuant to section 33 of the *Civil Service Act*, no complaints alleging favouritism were made to the Deputy Head of Finance and Treasury Board and no complaints were submitted to the Ombud.

Summary of legislation and legislative activity

BILL #	NAME OF LEGISLATION	DATE OF ROYAL ASSENT	SUMMARY OF CHANGES
32	<i>An Act to Amend the Gasoline and Motive Fuel Tax Act</i> Chap-7.pdf (gnb.ca)	June 11, 2021	Amendments to the <i>Gasoline and Motive Fuel Tax Act</i> were made to increase tax on carbon emitting products from the previous existing \$40 per tonne to \$50, effective April 1, 2022.
33	<i>An Act to Amend the Insurance Act</i> Chap-8.pdf (gnb.ca)	June 11, 2021	Amendments to the <i>Insurance Act</i> to modernize the framework for insurance licensing, to update other provisions to keep up with changes in industry practices, and to clarify certain licensing practices.
34	An Act to Amend the New Brunswick Income Tax Act Chap-9.pdf (gnb.ca)	June 11, 2021	Amendments to the <i>New Brunswick Income Tax Act</i> to amend multiple sections including transfer of tax credit and low-income tax reduction to the first income tax bracket.
47	<i>Loan Act 2021</i> Chap-19.pdf (gnb.ca)	June 11, 2021	Lieutenant-Governor in Council authorize the Minister of Finance and Treasury Board to raise money for the Province of New Brunswick by issuing securities with a term to maturity of more than one-year subject to terms and conditions.
48	<i>An Act to Amend the New Brunswick Income Tax Act</i> Chap-20.pdf (gnb.ca)	June 11, 2021	Amendments to the <i>New Brunswick Income Tax Act</i> to reduce the personal income tax rate applied to the first income tax bracket.
59	<i>Appropriations Act 2021-2022</i> Chap-31.pdf (gnb.ca)	June 11, 2021	There may be paid out of the Consolidated Fund a sum not exceeding \$9,384,587,000 to be applied towards defraying the several charges and expenses of the public service, not otherwise provided for, from April 1, 2021, to March 31, 2022.
60	<i>Supplementary Appropriations Act 2019-2020 (1)</i> Chap-32.pdf (gnb.ca)	June 11, 2021	There may be paid out of the Consolidated Fund a sum not exceeding in the whole \$133,626,480.91 to be applied towards defraying the several charges and expenses of the public service, not otherwise provided for, from April 1, 2019, to March 31, 2020.
71	<i>An Act to Amend the Pension Benefits Act</i> Chap-41.pdf (gnb.ca)	December 17, 2021	Amendments to the <i>Pension Benefits Act</i> to modernize certain sections and grant rule-making authority to Financial and Consumer Services Commission

NAME OF REGULATION	EFFECTIVE DATE	SUMMARY OF CHANGES
Regulation 2021-45 under the <i>Gasoline and Motive Fuel Tax Act</i> 2021-45.pdf (gnb.ca)	June 1, 2021	Amendments to ensure New Brunswick's large emitters continue to receive an exemption from the provincial carbon tax.
Regulation 2021-47 under the <i>Real Property Tax Act</i> 2021-47.pdf (gnb.ca)	June 7, 2021	Amendment to clarify that deferred taxes must be paid for all properties that subdivide, regardless of when they registered in the Farm Land Identification Program.
Regulation 2021-62 under the <i>Civil Service Act</i> 2021-62.pdf (gnb.ca)	August 24, 2021	Amendments to reinstate the time limits (that had been suspended during the early pandemic response) for casual and temporary workers employed by GNB.
Regulation 2021-72 under the <i>Insurance Act</i> 2021-72.pdf (gnb.ca)	September 22, 2021	Amendments to capture recent additions made to the Criminal Code of Canada and ensure drug impaired driving offences are treated equally to alcohol impaired driving offences under insurance contracts.
Regulation 2021-82 under the <i>Civil Service Act</i> 2021-82.pdf (gnb.ca)	November 9, 2021	Amendments to suspend time limits for casual and temporary employees employed by GNB in order to avoid staffing pressures in critical pandemic response operations.
Regulation 2022-12 under the <i>Insurance Act</i> 2022-12.pdf (gnb.ca)	March 16, 2022	Amendments to include serious driving offences, such as distracted driving, that have been added to the <i>Motor Vehicle Act</i> .

The acts for which the department was responsible in 2021-2022 may be found at:
<https://laws.gnb.ca/en/deplinks?subjectnumber=9>

Summary of Official Languages activities

INTRODUCTION

The Department of Finance and Treasury Board has many initiatives at the corporate level in addition to departmental initiatives. The department works in partnership with the Department of 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.

FOCUS ONE

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

- GNB's Onboarding program includes Official Languages information which is included in the "Orientation Checklist for New Employee" – to be signed and held in the employee's file;
- The Office of the Chief Human Resources Officer (OCHRO) supports departments in maintaining their language profiles to ensure services are offered to clients in their language of choice; and
- OCHRO facilitates language evaluations for all bilingual positions in Part I (reading/comprehension, writing and oral). Language evaluations are also completed for all GNB employees attending language training (beginning and end of term) to monitor success of students' progress.

FOCUS TWO

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

- Policy and Guidelines on the Language of Work are available to all employees and includes detailed information on Official Languages such as the Guide on Conducting Effective Bilingual Meetings; and
- The annual GNB Employee Experience Survey asks employees their satisfaction level with feeling comfortable in using their language of choice at work.

FOCUS THREE

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

- 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 FOUR

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.

- Policy and Guidelines on the Language of Service are available to all GNB employees. This includes examples of active offer for services in both Official Languages on voice mail greetings, mailbox set-up, correspondence, electronic services, service in person, etc.; and
- In partnership with the Department of Intergovernmental Affairs, the community of practice for Official Languages Coordinators and the community of practice for Second Languages Coordinators met and communicated regularly on Official Languages.

CONCLUSION

Official Languages continues to be a priority of Finance and Treasury Board. Discussions with the Department of Intergovernmental Affairs continue to identify priorities 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
Volume III – Financial Audit 2021 (issued February 2022) https://www2.gnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2021v3/agrepe.pdf	9
Volume II – Performance Audit 2021 (issued February 2022) https://www2.gnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2021v2/agrepe.pdf	1
Volume I – Performance Audit 2021 (issued October 2021) https://www2.gnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2021v1/Agrepe.pdf	1
Volume II – Performance Audit 2020 (issued February 2021) https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2020V2/Agrepe.pdf	4
Volume III – Financial Audit 2020 (issued February 2021) https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2020V3/Agrepe.pdf	9

IMPLEMENTED RECOMMENDATIONS	ACTIONS TAKEN
<p>Volume III – Financial Audit 2021 (issued February 2022) – Chapter 4</p> <p>4.16 We recommend the Office of the Comptroller update and improve its accounting analysis for NB Power to include items such as:</p> <ul style="list-style-type: none"> • Information reported in the 2020 Report of the Auditor General, Volume II, Chapter 3; • significant business and operations events in the year; • government involvement in NB Power’s operations; and • activity and decisions from the EUB. 	<p>The Office of the Comptroller’s accounting analysis for NB Power’s classification as a Government Business Enterprise continues to consider the characteristics of a Government Business Enterprise definition, as per <i>Public Sector Accounting Standards PS 1300 – Government Reporting Entity</i>. The items identified by the Auditor General were taken into consideration in the preparation of the analysis for 2021-2022.</p> <p>This recommendation is complete.</p>
<p>Volume III – Financial Audit 2021 (issued February 2022) – Chapter 4</p> <p>4.25 We recommend the Office of the Comptroller obtain audit assurance on controls in place at Vestcor (such as a CSAE 3416 report) before the 2021-2022 public accounts audit.</p>	<p>The Office of the Comptroller obtained a CSAE 3416 report from Vestcor as part of the 2021-2022 public accounts audit.</p> <p>This recommendation is complete.</p>

IMPLEMENTED RECOMMENDATIONS	ACTIONS TAKEN
<p>Volume III – Financial Audit 2021 (issued February 2022) – Chapter 4</p> <p>4.33 We recommend the Office of the Comptroller work with the Department of Social Development to ensure:</p> <ul style="list-style-type: none"> • revenue for the Healthy Seniors Pilot Project is recognized for accounting purposes only when the terms specified in the agreement with the Public Health Agency of Canada have been met; and • the deferred revenue balance for the Healthy Seniors Pilot Project is properly recorded. 	<p>The Department of Social Development is reviewing the agreement to ensure revenue with respect to this one-time funding is recognized in accordance with <i>Public Sector Accounting Standards PS 3410 – Government Transfers</i>.</p> <p>This recommendation is underway.</p>
<p>Volume III – Financial Audit 2021 (issued February 2022) – Chapter 4</p> <p>4.36 We recommend the Office of the Comptroller work with departments to improve the quality of estimates in the consolidated financial statements.</p> <p>We also recommend estimates, at a minimum, are supported by historical data and include review of results of previous periods where appropriate.</p>	<p>The Office of the Comptroller continues to work with departments and to provide guidance with respect to the preparation of estimates used in the consolidated financial statements.</p> <p>As estimates are prepared, departments and the Office of the Comptroller will continue to determine these amounts using relevant and reliable data that is available.</p> <p>Efforts will continue to be made to improve the documentation of the information considered in preparing estimates.</p> <p>This recommendation is underway.</p>
<p>Volume III – Financial Audit 2021 (issued February 2022) – Chapter 4</p> <p>4.39 We again recommend the Office of the Comptroller take the lead to amend the <i>Financial Administration Act</i> and develop a timeline to complete this work in 2022.</p>	<p>The Office of the Comptroller has assembled a project team with the objective of updating the <i>Financial Administration Act</i></p> <p>This recommendation is underway.</p>
<p>Volume III – Financial Audit 2021 (issued February 2022) – Chapter 5</p> <p>5.41 We recommend Cannabis Management Corporation (CMC) develop and implement a process to verify the accuracy and completeness of Cannabis Education and Awareness Fund revenue. We recommend evidence of this work be retained for audit purposes.</p>	<p>The Cannabis Management Corporation (CMC) worked with its auditors to determine where the current process of verifying the accuracy and completeness of Cannabis Education and Awareness Fund Revenue fell short of their requirements and the staff at Cannabis NB have agreed to provide additional reporting.</p> <p>This recommendation is complete.</p>
<p>Volume III – Financial Audit 2021 (issued February 2022) – Chapter 5</p> <p>5.43 We recommend CMC work with the Cannabis Education and Awareness Fund Advisory Committee to resume meetings as soon as possible to ensure there is active management and direction of the fund.</p>	<p>Meetings to actively manage the fund resumed in Q3 of 2021-22.</p> <p>This recommendation is complete.</p>
<p>Volume III – Financial Audit 2020 (issued February 2021) – Chapter 5</p> <p>5.15 In addition, we recommend the OOC work with Vestcor to find a permanent solution to obtain audit evidence at March 31st for plan assets of the Public Service and Teachers’ pension plans before the 2020-21 public accounts audit.</p>	<p>The Office of the Comptroller worked with Vestcor and the Auditor General to obtain sufficient and appropriate audit evidence for the pension plan assets recorded in the Province’s 2020-21 financial statements.</p> <p>This recommendation is complete.</p>

IMPLEMENTED RECOMMENDATIONS	ACTIONS TAKEN
<p>Volume III – Financial Audit 2020 (issued February 2021) – Chapter 5</p> <p>5.21 We recommend the Comptroller take the lead to amend the Financial Administration Act and develop a timeline for completion in 2021.</p>	<p>Finance and Treasury Board, Office of the Comptroller has commenced a project to update the <i>Financial Administration Act</i>.</p> <p>This recommendation is underway.</p>
<p>Volume III – Financial Audit 2020 (issued February 2021)</p> <p>5.33 We again recommend the Office of the Comptroller (Internal Audit) develop a formal fraud policy to include in the Province’s Administration Manual.</p>	<p>A new Fraud Policy was finalized in the Fall of 2021 and added to the Province’s Administration Manual.</p> <p>This recommendation is complete.</p>
<p>Volume III – Financial Audit 2020 (issued February 2021) – Chapter 5</p> <p>5.41 In addition, the OOC should set up specified coding in Oracle exclusively for school raised funds so that expenses and revenues can easily be distinguished.</p>	<p>Coding related to school raised funds is being reviewed and updated as part of the Enterprise Resource Planning project.</p> <p>This recommendation is underway.</p>
<p>Volume II – Performance Audit 2021 (issued February 2022) – Chapter 3</p> <p>3.49 We recommend that Finance and Treasury Board revise Pay Administration Policy AD-2404 Performance Pay and Re-earnable Increments to reflect government practices.</p>	<p>The Department revised Administration Policy AD-2404 (Performance Pay and Re-earnable Increments) in March 2022 to reflect government practices.</p> <p>This recommendation is complete.</p>
<p>Volume I – Performance Audit 2021 (issued October 2021) – Chapter 2</p> <p>2.116 Opportunities New Brunswick and Regional Development Corporation define specific metrics for the rural internet service and publicly report on progress to ensure accountability.</p>	<p>ONB and RDC are working to define specific metrics for rural internet service and will coordinate proper public reporting is in place. OCIO provides technical support.</p> <p>This recommendation is complete.</p>
<p>Volume I – Performance Audit 2021 (issued October 2021) – Chapter 2</p> <p>2.127 Regional Development Corporation implement a review process for rural internet upgrade phase two funding to ensure claims submitted to the Federal government are accurate and compliant with the Integrated Bilateral Agreement and no costs are claimed related to phase one work.</p>	<p>RDC has a robust project management process in place for phase two. A project manager along with a technical expert has been assigned to the project to monitor progress and evaluate claims. RDC senior staff, project manager, technical expert and Office of the Chief Information Officer (OCIO) staff meet applicants project manager monthly.</p> <p>RDC project manager and technical expert report on project progress at a weekly meeting with OCIO broadband technical group. Implementation issues are discussed and support for solutions is procured.</p> <p>This recommendation is complete.</p>

IMPLEMENTED RECOMMENDATIONS	ACTIONS TAKEN
<p>Volume I – Performance Audit 2021 (issued October 2021) – Chapter 2</p> <p>2.52 Executive Council Office ensure responsibility for government policy commitments, including funding for rural internet, be clearly assigned to specific government entities to ensure accountability and transparency for government programs and services</p>	<p>The Executive Council Office has dedicated human resources responsible to provide oversight and guidance regarding commitments. This specific project being audited was approved by government and assigned to ED/ONB.</p> <p>ECO has a mandate to work with departments to ensure commitments are appropriately monitored, measured, and reported on as part of the accountability process. Departments must report monthly to central government regarding the progress of their priorities.</p> <p>Going forward, the file related to rural internet broadband infrastructure strategy is the responsibility of Finance and Treasury Board's Office of the Chief Information Officer division.</p> <p>This recommendation is complete.</p>
<p>Volume I – Performance Audit 2021 (issued October 2021) – Chapter 2</p> <p>2.53 Executive Council Office direct the responsible department or agency to ensure:</p> <ul style="list-style-type: none"> • Any future funding for rural internet is delivered via a program which identifies appropriate outcomes and performance metrics; • A needs assessment is conducted to determine the service gap before providing any future funding; and • Future applications for rural internet funding be validated to ensure they address service gaps identified through a needs assessment. 	<p>Office of the Chief Information Officer (OCIO) in Finance and Treasury Board has identified high-level targets and continue to work with the service providers to align their work with desired outcomes. Future funding decisions will be aligned to specific outcome metrics and service gaps that are to be addressed.</p> <p>The OCIO continues to establish processes to identify gaps in rural broadband service for households and businesses. This work is ongoing and will inform future decisions.</p> <p>This recommendation is underway.</p>
<p>Volume I – Performance Audit 2021 (issued October 2021) – Chapter 2</p> <p>2.63. We recommend that Executive Council Office direct the responsible department or agency to ensure any future funding for rural internet is delivered through a competitive and transparent process by:</p> <ul style="list-style-type: none"> • issuing public tender; or • adhering to the terms and conditions of funding guidelines. 	<p>Government recently approved a financial assistance policy that will apply to for-profit organizations that will soon be fully implemented. Finance and Treasury Board will be responsible to provide the central financial oversight on this new policy. Organizations will be put through a rigorous process and will meet the approved criteria.</p> <p>This recommendation is underway.</p>

IMPLEMENTED RECOMMENDATIONS	ACTIONS TAKEN
<p>Volume II – Performance Audit 2020 (issued February 2021) – Chapter 4</p> <p>4.45 We recommend the Department of Finance and Treasury Board revise the ASD Advisory Services unit’s Standard Operating Procedures to include formal documentation standards for financial models and other analyses completed by the unit.</p> <p>The standards should, at a minimum, require retaining documentation of:</p> <ul style="list-style-type: none"> • roles and responsibilities of individuals involved; • all sources of inputs and assumptions used; and • the review of financial models; and adherence to the Standard Operating Procedures. 	<p>The ASD Advisory Services Standard Operating Procedures have been revised to include documentation for the following:</p> <ul style="list-style-type: none"> • additional details on the roles and responsibilities of individuals involved; • additional details for sources of inputs and assumptions used; • the review process for verifying financial models; and • a post-project checklist and process to verify that the Standard Operating Procedures were adhered to. <p>This recommendation is complete.</p>

RECOMMENDATIONS NOT IMPLEMENTED	CONSIDERATIONS
<p>Volume III – Financial Audit 2021 (issued February 2022) – Chapter 4</p> <p>4.26 We again recommend the Office of the Comptroller work with Vestcor to allow the Auditor General unrestricted access to pension plan information including access to Vestcor Investment Entities.</p>	<p>Through legislation, Vestcor is not an agent of the Crown and was established to operate independently of government. There is no plan to change legislation to allow the Auditor General unrestricted access to Vestcor.</p>
<p>Volume III – Financial Audit 2021 (issued February 2022) – Chapter 5</p> <p>5.37 We again recommend the Department of Finance and Treasury Board and NBLGC resolve recovery of the unauthorized overpayments that were made to First Nations prior to January 1, 2016, as a result of an error in the calculation of gaming revenue.</p>	<p>Direction has been provided from Government for the Department of Finance and Treasury Board to ensure the overpayment issue is considered as part of the larger First Nations strategy.</p>
<p>Volume III – Financial Audit 2020 (issued February 2021) – Chapter 5</p> <p>5.39 We again recommend the Department of Education and Early Childhood Development evaluate the current use of online revenue collection and the use of the school cash computerized system. As part of this process, the Department, in collaboration with the Office of the Comptroller should determine the optimal online cash handling process. A consistent Province-wide system should be implemented.</p>	<p>Under the <i>Education Act</i>, districts must follow Department of Education and Early Childhood Development (EECD) policies. Under the governance structure, each superintendent reports to the District Education Council for their school district. Policy 101 states that the superintendent has the overall responsibility for ensuring minimum controls as provided in Appendix A are followed for school raised funds. The policies apply to all school-raised funds, including any revenues collected through online processes. A single Province-wide online system has not been identified that can meet the needs of both the Anglophone and Francophone school districts.</p>
<p>Volume III – Financial Audit 2020 (issued February 2021) – Chapter 5</p> <p>5.40 We recommend the Department and the OOC ensure the Province-wide online system can produce school raised funds reports at both the school and district levels. The Department should require schools and districts make these reports publicly available.</p>	<p>Both Policy 101 and Policy 132 specify that school principals are to provide financial reports related to the school raised funds to their parent school support committee. These reports would include any revenues collected through an online platform.</p>

RECOMMENDATIONS NOT IMPLEMENTED	CONSIDERATIONS
<p>Volume III – Financial Audit 2020 (issued February 2021) – Chapter 7</p> <p>7.14 We recommend the Office of the Comptroller continue to work with departments and agencies to improve tracking of the financial impacts relating to the Covid-19 global pandemic on the Province which could include:</p> <ul style="list-style-type: none"> • program funding (funding that has been approved – indication of what could be spent) and what has been spent to date; • other financial relief measures (such as revenue reductions, deferrals, etc.); and • Federal Assistance (such as the Canada Health Transfer). <p>7.15 We recommend the OOC publicly report on their tracking of the financial impacts of the Covid-19 global pandemic.</p>	<p>The financial impacts of the COVID-19 global pandemic are recorded by the Province in its accounting system, along with all other revenues and expenses.</p> <p>The Fiscal and Economic Update published quarterly by the Department of Finance and Treasury Board reports the Province’s financial results and includes the impacts of the COVID-19 global pandemic on the Province’s projected and actual results.</p>
<p>Volume II – Performance Audit 2020 (issued February 2021) – Chapter 5</p> <p>5.9 We recommend the Minister of Finance and Treasury Board: propose the <i>Auditor General Act</i> be amended to list Vestcor (and all related entities) as auditable entities to ensure the Auditor General has unrestricted access to conduct both performance and financial audits as the Auditor General deems necessary.</p>	<p>There is no plan to change legislation.</p>
<p>Volume II – Performance Audit 2020 (issued February 2021) – Chapter 5</p> <p>5.10 We recommend the Minister of Finance and Treasury Board: under section 12 of the <i>Auditor General Act</i>, request the Auditor General conduct a performance audit of Vestcor (and all related entities) that includes unrestricted access to Vestcor by the Auditor General.</p>	<p>There is no plan to request a performance audit of Vestcor.</p>
<p>Volume II – Performance Audit 2020 (issued February 2021) – Chapter 5</p> <p>5.12 We recommend the Minister of Finance and Treasury Board: propose the <i>Vestcor Act</i> be amended to require Vestcor (and all related entities) to:</p> <ul style="list-style-type: none"> • file an annual report with the Clerk of the Legislative Assembly; and • appear before the Public Accounts Committee. 	<p>There is no plan to change legislation</p>

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	IMPLEMENTED
Volume I - Performance Audit 2019 (issued June 2019) https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2019V1/Agrepe.pdf	8	7
Volume III - Financial Audit 2019 (issued December 2019) https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2019V3/Agrepe.pdf	8	6
Auditor General Report 2018 - Volume I (issued June 2018) https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2018V1/Agrepe.pdf	2	2
Auditor General Report 2017 - Volume III (issued November 2017) https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2017V3/Agrepe.pdf	2	2
Auditor General Report 2017 – Volume IV (issued November 2017) https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2017V4/Agrepe.pdf	4	4
Auditor General Report 2017 – Volume V (issued November 2017) https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2017V5/Agrepe.pdf	2	2

Report on the *Public Interest Disclosure Act*

As provided under section 18(1) of the *Public Interest Disclosure Act*, the chief executive officer 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 Finance and Treasury Board received no disclosure of wrongdoing in the 2021-2022 fiscal year.