

Treasury Board of Canada Secretariat

2007–08

A Report on Plans and Priorities

The Honourable Vic Toews
President of the Treasury Board

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Section I: Overview

Minister's Message



As President of the Treasury Board, I am pleased to present the Treasury Board of Canada Secretariat's *Report on Plans and Priorities* for 2007–08.

This report informs Parliament about the Treasury Board of Canada Secretariat's plans, over the next three fiscal years, to strengthen governance, accountability, and management practices; renew the government's expenditure management system; and enhance internal management. These activities will require the expertise and talents of the Secretariat's employees.

On April 11, 2006, Canada's New Government delivered on its number one priority by introducing the *Federal Accountability Act*, which received Royal Assent on December 12, 2006. My predecessor and the staff of the Secretariat worked hard to set a new and higher standard for accountability in government through this landmark piece of legislation. In the year ahead, my priority will be to ensure the seamless implementation of the Act and Action Plan across the government. This will include the government's response to the reviews of grants and contributions and of the government's financial management and procurement policies.

One of the cornerstones of accountability is responsible spending. That is why the government recently announced directions for a new expenditure management system focussed on the priorities of ordinary Canadians. As part of this new approach, ministers will have the tools and information to more rigorously oversee how the government spends the public's money to ensure that every taxpayer dollar spent is well spent. Going forward, this government will only approve spending required to achieve measurable results for Canadians.

In the coming year, we will continue to renew the Treasury Board's suite of policies to clarify the management responsibilities of ministers and deputy heads. We will also continue our efforts to improve Canada's regulatory framework as well as measure and report on management performance through the Management Accountability Framework. Collectively, these efforts will result in more focussed policies and clearer responsibilities, accountabilities, and consequences linked to performance.

There is no doubt that the management reforms the Secretariat is leading across government represent a major challenge. But I also have no doubt that the Secretariat is up to the challenge.

The stakes are high—Canadians deserve the opportunity and the means to succeed and to achieve the highest quality of life in the world.

By strengthening and streamlining how government works, we are making government work better for Canadians. I look forward to contributing to this process.

The Honourable Vic Toews, P.C., M.P.
President of the Treasury Board

Management Representation Statement

I submit for tabling in Parliament the 2007–08 *Report on Plans and Priorities* (RPP) for the Treasury Board of Canada Secretariat.

This document has been prepared based on the reporting principles contained in the *Guide for the Preparation of Part III of the 2007–08 Estimates: Reports on Plans and Priorities and Departmental Performance Reports*.

- ▶ It adheres to the specific reporting requirements outlined in the Treasury Board of Canada Secretariat guidance.
- ▶ It is based on the department's strategic outcome and Program Activity Architecture that were approved by the Treasury Board.
- ▶ It presents consistent, comprehensive, balanced, and reliable information.
- ▶ It provides a basis of accountability for the results achieved with the resources and authorities entrusted to it.
- ▶ It reports finances based on approved planned spending numbers from the Treasury Board of Canada Secretariat.

Wayne G. Wouters
Secretary of the Treasury Board

Program Activity Architecture Crosswalk

		2007–08 New Program Activity			
Old Program Activity	(\$ thousands)	Management Policy Development and Oversight	Expenditure Management and Financial Oversight	Revitalization of the Toronto Waterfront ¹	Total
	Management and Expenditure Performance		85,481.5	58,919.5	N/A
Comptrollership		39,418.5	6,259.3	N/A	45,677.8
Centrally Managed Funds		N/A	2,582,286.0	N/A	2,582,286.0
		N/A	N/A	235,104.1	235,104.1
Total		124,900.0	2,647,464.9	235,104.1	3,007,469.0

1. In accordance with the January 4, 2007, changes in ministers' responsibilities, this authority will be transferred from the Secretariat to Environment Canada through the 2007–08 Supplementary Estimates.

In 2006–07, the Treasury Board of Canada Secretariat amended its Program Activity Architecture to better reflect its management board and budget office support functions. The new Program Activity Architecture better captures the Secretariat's ongoing core business operations and better reflects the contribution of all organizational units in support of the Treasury Board's management board and budget office responsibilities.

Summary Information

Raison d'être: The raison d'être of the Treasury Board of Canada Secretariat (the Secretariat) is to ensure that government is well managed and accountable, and that resources are allocated to achieve results. The functions performed by the Secretariat have a direct impact on governance, accountability, and the quality of public-sector management, as well as an indirect impact on the efficiency and effectiveness with which the government's programs and services are delivered.

Financial Resources

(\$ thousands)	2007-08	2008-09	2009-10
Secretariat Operations	\$425,183.0 ¹	\$172,386.0	\$172,286.0
Centrally Managed Funds	\$2,582,286.0	\$2,801,440.0	\$2,974,840.0
Total	\$3,007,469.0	\$2,973,826.0	\$3,147,126.0

1. Planned spending includes funding for the Toronto Waterfront Revitalization Initiative. In accordance with the January 4, 2007, changes in ministers' responsibilities, this authority will be transferred from the Secretariat to Environment Canada through the 2007-08 Supplementary Estimates.

Human Resources (FTEs)

2007-08	2008-09	2009-10
1,340	1,323	1,322

Departmental Priorities

Name	Type
1. Strengthening governance, accountability, and management practices	Ongoing
2. Strengthening results-based expenditure management	Ongoing
3. Strengthening internal management	Ongoing

	Expected Results	Planned Spending (\$ thousands)			Contributes to the Following Priority
		2007–08	2008–09	2009–10	
Strategic Outcome: Government is well managed and accountable, and resources are allocated to achieve results					
Management Policy Development and Oversight					
Secretariat Operations	Government is well managed and accountable	\$124,900.0	\$119,896.1	\$119,804.1	Strengthening Governance, Accountability, and Management Practices
Expenditure Management and Financial Oversight					
Secretariat Operations	Government resources are allocated to achieve results	\$65,178.9	\$52,489.9	\$52,481.9	Strengthening Results-based Expenditure Management and Financial Oversight
Centrally Managed Funds		\$2,582,286.0	\$2,801,440.0	\$2,974,840.0	
Revitalization of the Toronto Waterfront					
Secretariat Operations	In accordance with the January 4, 2007, changes in ministers' responsibilities, this authority will be transferred from the Secretariat to Environment Canada through the 2007–08 Supplementary Estimates	\$235,104.1	\$0.0	\$0.0	
Corporate Strategy and Services	The Secretariat is well managed and accountable, and resources are allocated to achieve results	(allocated to Program Activities)	(allocated to Program Activities)	(allocated to Program Internal Activities)	Strengthening Management
Total					
Secretariat Operations		\$425,183.0	\$172,386.0	\$172,286.0	
Centrally Managed Funds		\$2,582,286.0	\$2,801,440.0	\$2,974,840.0	

Overview

This report is the Secretariat's key planning and priority-setting document for 2007–08. The report provides an overview of the role of the Treasury Board and its Secretariat and outlines the issues and challenges that the Treasury Board and the Secretariat are facing in delivering on their mandate to strengthen accountability and performance across government.

The Treasury Board

The Treasury Board is a Cabinet committee of the Queen's Privy Council for Canada. It was established in 1867 and given statutory powers in 1869.

As the general manager of the public service, the Treasury Board has three main roles:

- ▶ It acts as the government's management board by promoting improved management performance, and developing policies and priorities to support the prudent and effective management of the government's assets, human, financial, information, and technology resources, as well as the management and oversight of the government's regulatory function.
- ▶ It acts as the government's budget office by examining and approving the proposed spending plans of government departments and reviews the development of approved programs.
- ▶ It acts as the employer of the core public administration and is responsible for human resources management in the federal public administration, including the determination of terms and conditions of employment and the management of compensation.

The Treasury Board's powers and responsibilities are set out in various pieces of legislation, regulations, Orders in Council, policies, guidelines, and practices. While the primary statute setting out the legislative authorities of the Treasury Board is the *Financial Administration Act*, there are over 20 other contributing statutes.

The Treasury Board has a number of instruments at its disposal to fulfil its responsibilities. It oversees a suite of management policies that set the performance expectations of the government. The Treasury Board also sets standards for a range of reports to Parliament; determines the Compensation Policy Framework for the core public administration, Canadian Forces, and Royal Canadian Mounted Police; approves terms and conditions of employment; and manages various pension and benefit plans. In addition, the Treasury Board serves as the Committee of the Queen's Privy Council for purposes of scrutinizing and approving Governor-in-Council submissions for regulations and most Orders in Council.

The Treasury Board portfolio

A portfolio of organizations supports the Treasury Board in fulfilling its mandate.

- ▶ The **Treasury Board of Canada Secretariat** supports the Treasury Board by providing advice to Treasury Board ministers on the management and administration of government; by overseeing government management performance, and expenditure and financial management; by managing compensation, pensions, benefits, terms and conditions of employment, and labour relations; and by fulfilling the statutory responsibilities of a central government agency. The Secretariat also supports the Treasury Board by providing advice on Governor-in-Council submissions and on federal regulatory policy.
- ▶ The **Public Service Human Resources Management Agency of Canada** supports the Treasury Board by bringing together most human resources management functions, including human resources planning and accountability, the implementation and management of the *Public Service Modernization Act*, the management and reform of the classification system for the public service, the development and implementation of employment policies, leadership, values and ethics, employment equity and diversity, and official languages.
- ▶ The **Canada School of Public Service** supports the Treasury Board by ensuring that public service employees have access to the common learning tools they need to serve Canadians effectively.

For more information on the Public Service Human Resources Management Agency of Canada and the Canada School of Public Service, please consult their 2007–08 reports on plans and priorities.

The Secretariat

The mission of the Secretariat is to ensure that government is well managed and accountable, and that resources are allocated to achieve results. In fulfilling this mission, the Secretariat plays three key central agency roles in relation to the various government departments, agencies, and Crown corporations:

- ▶ an oversight role, which includes setting policies and standards, monitoring, and reporting on overall management and budgetary performance within government;
- ▶ an enabling role to help departments and agencies improve management performance across government; and
- ▶ a leadership role, leading by example in advancing an integrated management agenda.

Key responsibilities of the Secretariat include the following:

- ▶ **Management Policy Development and Oversight.** Through this activity, the Secretariat develops management policies, sets management expectations, and monitors compliance, including:
 - financial management and internal audit;
 - service, technology, and information management;
 - assets and acquired services (including contracting and procurement); and
 - human resources and compensation management.
- ▶ **Expenditure Management and Financial Oversight.** Through this activity, the Secretariat plays a role in ensuring efficiency and effectiveness in federal expenditure management and financial reporting and oversight by:
 - ensuring that departments and agencies employ sound financial management and control practices;
 - assessing government operations, programs, and services at the departmental and whole-of-government level;
 - advising the government on how to allocate and reallocate resources to achieve government priorities and objectives;
 - tracking and reporting expenditures, financial results, and program performance to Parliament; and
 - advising on whole-of-government compensation planning.

Related to both these program activities is the work the Secretariat does to support the Treasury Board in its role as the employer of the core public administration and in human resources management in the federal public administration by conducting labour-management relations and compensation operations, managing pension and benefit policies and programs, and supporting and monitoring the labour-management components of the *Public Service Modernization Act* and the *Public Service Labour Relations Act*.

Also cutting across the two key activities of the Secretariat is the work of the Office of the Comptroller General. As a distinct office within the Secretariat, the Office of the Comptroller General is responsible for ensuring that departments and agencies employ sound financial management and control practices, and plays a lead role in supporting the government's commitment to strengthen financial management, controls, and internal audit.

Operating environment

The Canadian public demands increased accountability on the part of public officials and value for money. There are mounting expectations for faster delivery of more services for the same tax dollar, more efficient and effective use of public resources, greater transparency, and assurances that the decisions and actions of government officials meet a high standard of public service values and ethics. Resource allocations need to be better linked to government priorities.

Management excellence

An effective, high-performing public service is essential to achieving accountability and improved expenditure management. The Secretariat, and the Treasury Board portfolio as a whole, must work to ensure that the public service strives for excellence, remains connected to the needs and expectations of Canadians, and has a positive effect on their lives. In moving forward on these priorities, it is important for the Secretariat to demonstrate leadership with respect to improved management practices.

Accountability

Recent years have seen an erosion of trust and confidence in government initiatives, in part as a result of high-profile management failures. This has resulted in clear demands from Canadians for more accountability and transparency in government and has led to an unprecedented focus on improving management performance. It is, however, critical to ensure that the initiatives put in place to strengthen accountability are balanced with the need to ensure an environment that encourages innovation.

With the increased focus on accountability, it is critical that central agencies, which include the Secretariat, concentrate on setting the broad policy framework to guide policy development; the fiscal framework within which the government operates; the accountability regime that shapes how the government performs; and the human resources management framework based on public service values and ethics.

A key response to Canadians' demand for accountability was the *Federal Accountability Act*, which received Royal Assent on December 12, 2006. It makes substantive changes to over 45 statutes and creates two new ones while delivering on the government's promise to put in place a five-year lobbying ban, to eliminate corporate and union donations to political parties, and to protect "whistleblowers," among other reforms. Over the next year, the Secretariat will focus its efforts on coordinating the overall implementation of the *Federal Accountability Act* and Action Plan, including the development of regulations referred to in Table 7, as well as key reviews and policy renewal initiatives to continue to simplify and clarify accountabilities.

Improved expenditure management

At the same time, Canadians are concerned not only with how government functions, but also with value for their tax dollars. The government has put an emphasis on effective expenditure management in order to meet public demand for value for money and demonstrable results. This includes a focus on restraining growth in government spending and on results-based management. In accordance with Budget 2006, the Secretariat, in collaboration with the Privy Council Office and the Department of Finance Canada, undertook a fundamental reassessment of the expenditure planning, budgeting, and decision-making processes of the government.

From this assessment, an integrated package of measures has been developed to renew the Expenditure Management System to ensure that federal programs are effective, efficient, and focussed on results; provide value for money; and are aligned with the government's priorities and responsibilities. The new approach will strengthen the management of overall spending through measures to support managing for results by establishing clear responsibilities for departments to better define the expected outcomes of new and existing programs; decision making for results by ensuring that new programs are fully and effectively integrated with existing programs by reviewing spending to ensure efficiency, effectiveness, and ongoing value for money; and reporting for results by improving the quality of departmental and government-wide reporting to Parliament. Over the planning period, the Secretariat will begin implementation of the renewed Expenditure Management System to support the Treasury Board in its budget office role. The key elements of the new approach will be implemented through a phased-in plan that will require three to five years to reach full maturity.

The employer

As a central agency and as general manager of the federal public service, the Secretariat delivers on its mandate and responsibilities as the employer in a very complex operating environment. Like other large public- and private-sector organizations, the federal public service is facing significant challenges as it adapts to key trends shaping Canadian society, the economy, the labour market, and service delivery. The rapid pace of technological change is fuelling fundamental changes in the way we live, the way we work, and the way organizations collaborate to deliver goods and services. From the changing face of Canada to the aging of the population, demographic changes are creating pressures to improve recruitment and retention of public servants, mobility between the public and private sector, and the speed of transfer of needed knowledge and skills.

Service excellence

The Government of Canada exists to serve Canadians and is committed to service excellence. Excellent public services earn the trust and confidence of citizens, achieve high levels of client satisfaction, and demonstrate value for tax dollars. To achieve service excellence, the

Government of Canada continuously strives to design services around client needs and continuously adapt services in response to client feedback; make services easy to find and use and, where appropriate, seamless across organizational and jurisdictional boundaries; ensure that services respect individual privacy, are accessible to persons with disabilities, and are delivered securely to the right client in the official language of choice; and deliver high-quality internal services that promote a high-commitment workplace and support government employees to better serve Canadians.

Responding to these challenges

In this *Report on Plans and Priorities*, the Secretariat will focus its efforts on strengthening its support of the Treasury Board as the management board and budget office. This plan will also describe how the Secretariat, as a department, is working to become a leader in fostering management excellence and is ensuring greater accountability across government. This document also reflects changes made to the Treasury Board of Canada Secretariat Program Activity Architecture to ensure that its planning framework better reflects the work of the Secretariat and is better aligned to meet the challenges the Secretariat faces in its operating environment.

Section II: Analysis of Program Activities by Strategic Outcome

Treasury Board of Canada Secretariat Plans and Priorities

The Secretariat is working with the Treasury Board to focus its management agenda on strengthening the Board's management board and budget office functions. The Secretariat is also placing an emphasis on improving its internal management so that it can lead by example in demonstrating the standards it sets for all government departments and agencies.

This *Report on Plans and Priorities* reflects the Secretariat's efforts to plan and report in accordance with the *Management, Resources, and Results Structure Policy*. The three program areas of the Secretariat Program Activity Architecture are:

1. Management Policy Development and Oversight;
2. Expenditure Management and Financial Oversight; and
3. Corporate Strategy and Services.

Strategic Outcome

*Government is well managed and accountable, and resources are allocated to achieve results.*¹

Analysis by Program Activity

1. Management Policy Development and Oversight

Through the Management Policy Development and Oversight program activity, the Secretariat provides support to the Treasury Board in its role as the management board. This role includes responsibilities for promoting improved management performance, and developing policies and priorities to support the prudent and effective management of the government's assets and human, financial, information, and technology resources. To achieve its objectives under this program activity, the Secretariat also works closely with its portfolio partners, the Public Service Human Resources Management Agency of Canada and the Canada School of Public Service.

1. In 2006–07, the Secretariat revised its strategic outcome to better reflect its management board and budget office responsibilities. The previous strategic outcome—*rigorous stewardship of public resources to achieve results for Canadians*—was seen to be too narrowly focussed on the Secretariat's resource allocation activities and did not adequately reflect the Secretariat's increasing responsibilities for promoting accountable government, and effective and efficient management.

Key activities under the Management Policy Development and Oversight program activity include:

- ▶ setting management performance expectations through the Management Accountability Framework;
- ▶ articulating management rules, standards, and reporting requirements through the Treasury Board policy suite;
- ▶ defining the professional competencies required of key functional communities, including financial, information management, information technology, audit, procurement, materiel management, real property, and human resources specialists (i.e. labour relations, occupational health and safety, and compensation specialists);
- ▶ assessing departmental, agency, and Crown corporation performance against management standards and taking action to ensure weaknesses are addressed; and
- ▶ negotiating collective agreements, setting terms and conditions of employment, and promoting good labour-management practices.

Within this context, the objectives of the Management Policy Development and Oversight program activity are to ensure that:

- ▶ Treasury Board policies and management performance expectations are clear and understood;
- ▶ managers and functional specialists within departments and agencies are supported by the Secretariat and its portfolio partners in acquiring and developing the skills required to comply with Treasury Board policies and expectations;
- ▶ department and agency compliance with Treasury Board policies and performance expectations is monitored and assessed regularly;
- ▶ incentives, consequences, and reporting reinforce the achievement of management performance expectations; and
- ▶ labour-management relations and compensation operations are effective.

In the Treasury Board of Canada Secretariat Program Activity Architecture, there are five subactivities under the Management Policy Development and Oversight program activity:

1. Policy Coordination, Management Assessment, and Government of Canada Oversight;
2. Financial Management and Internal Audit;
3. Service, Technology, and Information Management;
4. Assets and Acquired Services; and
5. Human Resources and Compensation Management.

1.1 Policy Coordination, Management Assessment, and Government of Canada Oversight

Under the Policy Coordination, Management Assessment, and Government of Canada Oversight subactivity, the Secretariat aims to ensure a coherent set of management performance expectations through the Treasury Board policy suite and the Management Accountability Framework, and to assess performance against expectations across government, as well as across certain institutional groupings, such as Crown corporations. This includes policy coordination, Management Accountability Framework development, and oversight of management performance, including in areas requiring attention across government.

1.2 Financial Management and Internal Audit

The Secretariat sets performance expectations regarding effective financial management and internal audit. It assists departments in achieving performance expectations by providing them with advice on the interpretation of policies and standards, monitoring compliance, and facilitating capacity development within relevant functional communities. In addition, the Secretariat plans and conducts audits on horizontal risks and issues.

1.3 Service, Technology, and Information Management

Through the Service, Technology, and Information Management subactivity, the Secretariat sets performance expectations regarding service, information technology, information management, security, and communications. It facilitates their achievement by providing departments with advice on the interpretation of policies and standards, by monitoring compliance, and by facilitating capacity development within relevant functional communities. In addition, the Secretariat is responsible for establishing and leading strategies to support the horizontal management of information management and information technology operations and services across government.

1.4 Assets and Acquired Services

Under the Assets and Acquired Services subactivity, the Secretariat continues to monitor performance regarding the management of assets, acquired services, procurement, project management, and investment planning. In order to help departments achieve performance expectations, the Secretariat provides advice to departments on the interpretation of policies and standards, monitors compliance, and facilitates capacity development within relevant functional communities.

1.5 Human Resources and Compensation Management

Under the Human Resources and Compensation Management subactivity, the Secretariat sets performance expectations regarding its areas of responsibility for human resources management (such as labour relations, occupational health and safety, essential services, and discipline), which are set within a larger human resources management strategy for which the Public Service Human Resources Management Agency of Canada has primary responsibility. The Secretariat facilitates the achievement of its performance expectations by providing departments with advice on the interpretation of policies and standards, monitoring compliance, and facilitating capacity development within relevant functional communities. In support of the Treasury Board’s human resources management role, the Secretariat also elaborates the Compensation Policy Framework for the determination of compensation, including pension and benefits, in the core public administration, the Canadian Forces, and the Royal Canadian Mounted Police, and for the management of pensions and benefits; conducts collective bargaining for the core public administration; obtains negotiation mandates for agencies; and oversees pay administration.

Priorities

The following table outlines key commitments and supporting initiatives in the Secretariat’s efforts to strengthen governance, accountability, and management practices.

1. Strengthening governance, accountability, and management practices	
Commitment: Trust and confidence in government are enhanced through the implementation of the <i>Federal Accountability Act</i> and through improved reporting to Parliament	
Subcommitment	Performance Measures for 2007–08
Implementation of the <i>Federal Accountability Act</i> is successfully coordinated under the leadership of the Treasury Board of Canada Secretariat	<i>Federal Accountability Act</i> commitments of all government departments are well coordinated and targets are monitored
Leadership is provided by the Secretariat in implementing Treasury Board of Canada Secretariat elements of the <i>Federal Accountability Act</i>	The <i>Lobbying Act</i> is brought into force and accompanying regulations are developed Guidance is developed and issued on the dispute resolution mechanisms for the accounting officer model <i>Federal Accountability Act</i> amendments to the <i>Access to Information Act</i> and the <i>Privacy Act</i> are implemented

1. Strengthening governance, accountability, and management practices	
Reporting to Parliament is improved	<p>A plan is developed for public reporting on planned spending and results at a whole-of-government level—linked to the whole-of-government framework</p> <p>Parliamentarians are provided with a whole-of-government view of actual spending linked to the results by including spending information in <i>Canada's Performance</i></p> <p>The guidance and reporting requirements for reports on plans and priorities and departmental performance reports and streamlined, in consultation with key stakeholders</p> <p>Support is provided in the development of proposals for the implementation of accrual budgeting and appropriations</p> <p>The form, content, and timelines of the Public Accounts of Canada continue to be improved</p>
<p>Commitment: Responsibilities of deputy heads are clarified in accordance with the Federal Accountability Action Plan—streamlining rules while strengthening accountability and efficiency—through the renewal of the Treasury Board policy suite</p>	
Subcommitment	Performance Measures for 2007–08
The Treasury Board policy suite is streamlined and policies are renewed and implemented	<p>The Treasury Board policy suite is streamlined, clear, and consistent, with a reduction in the number of policies by at least 50 per cent</p> <p>Treasury Board policies relating to service, information management and information technology, terms and conditions of employment, communications, and government security are renewed</p> <p>Policies are supported by sound implementation plans, as well as communications and training to support departments in meeting requirements</p>
Renewed policies are developed and implementation plans put in place in response to the Federal Accountability Action Plan reviews of three key policy areas—grants and contributions, procurement, and financial management	<p>Treasury Board approval of revised policies on grants and contributions is sought, in response to the recommendations of the Blue Ribbon Panel</p> <p>Treasury Board approval of revised policies on procurement is sought, in response to the recommendations of the Independent Procurement Review</p> <p>Treasury Board approval of revised financial management policies is sought, in response to the recommendations of the Senior Committee on the Review of the Financial Management Framework</p> <p>Policies are supported by sound implementation plans, as well as communications and training to support departments in meeting requirements</p> <p>Other recommendations from the Action Plan reviews, including legislative proposals, are reviewed and implemented as appropriate</p>

1. Strengthening governance, accountability, and management practices	
<p>Compliance with policies and legislation is strengthened through the development and implementation of a compliance framework</p>	<p>A compliance framework that includes consequences for non-compliance is developed for consideration by Treasury Board ministers</p> <p>Mechanisms are established to monitor compliance, and an appropriate range of measures is identified to address instances of poor management</p> <p>A broad approach to the management of compliance, including discipline, is supported by a committee of deputy ministers to ensure fair, equitable, and consistent practices</p>
<p>Commitment: Management oversight is improved across government through the use of better tools, processes, and information</p>	
Subcommitment	Performance Measures for 2007–08
<p>Departmental management practices are enhanced through better understanding, ownership, and use of the Management Accountability Framework (MAF) by deputy ministers</p>	<p>Guidance and support are provided to departments and agencies to strengthen self-assessment and encourage the use of MAF findings in departmental decision making</p>
<p>Treasury Board of Canada Secretariat management oversight is strengthened through better processes and instruments for assessing management performance</p>	<p>The MAF indicators and the methodologies for measuring and rating departmental performance are further refined in collaboration with the Treasury Board portfolio agencies and departments</p>
<p>Treasury Board of Canada Secretariat analysis and advice on departmental and government-wide management performance are enhanced through the application of MAF findings</p>	<p>Proposals are developed for reporting the results of MAF assessments to ministers and central agencies in support of decision making and parliamentary reporting</p>
<p>Commitment: Financial management and auditing policies, practices, and capacity across the Government of Canada are strengthened</p>	
Subcommitment	Performance Measures for 2007–08
<p>Leadership is provided in improving departmental financial management practices in support of renewed policies</p>	<p>Directives, standards, and other guidance are developed and issued and implementation of policy changes is commenced in the areas of grants and contributions and financial management</p> <p>Implementation of a comprehensive multi-year human resources strategy for the financial management and internal audit communities is under way through the development of methodologies and tools in support of enhanced professional capacity and community-based approaches</p>

1. Strengthening governance, accountability, and management practices	
Internal audit plans, operations, and practices across government are enhanced	<p>The Directive on Departmental Audit Committees is supported through leadership on the recruitment, qualification, selection, placement, and ongoing development of external members for departmental audit committees</p> <p>A program of horizontal audits of small and large departments and agencies is planned and initiated</p> <p>Technological and other enablers (e.g. an omnibus contracting arrangement) to leverage the internal audit resource base across government are developed</p> <p>A performance measurement and assessment strategy for the <i>Policy on Internal Audit</i> is developed and implemented</p> <p>Guidance is developed and issued to audit committees on monitoring and reporting on departmental commitments made in response to reports of the Auditor General of Canada</p>
Commitment: Management performance is strengthened through the development of strategies and tools to support service transformation	
Subcommitment	Performance Measures for 2007–08
Strategies are developed and implemented to address horizontal issues and improve alignment of service transformation initiatives	<p>Forums are created to promote leadership of service transformation and facilitate the sharing of leading practices among deputy ministers, assistant deputy ministers, and management communities</p> <p>A process is developed to enable senior officials to review, steer, align, and measure progress of service transformational initiatives under way</p> <p>Labour relations and change management issues are identified and discussed with affected collective bargaining agents</p>
Leadership is provided through collaboration with departments to move forward with Corporate Administrative Shared Services	A detailed approach and a plan for the implementation of a proof of concept for Corporate Administrative Shared Services are developed and brought forward to the Treasury Board for consideration
Leadership is provided on key Government of Canada initiatives to implement more effective approaches to technology, information, and service	<p>Strategies are developed on whole-of-government approaches to identification, authentication, and authorization; personalized web services; and inventory of direct external services</p> <p>A detailed examination of linkages between employee engagement, service quality, and citizen satisfaction in the public service value chain is undertaken and results are reported</p>

1. Strengthening governance, accountability, and management practices	
Enhanced capacity is built and supported to enable effective management of technology, information, and service in the Government of Canada	<p>A plan is developed to strengthen information management capacity in a manner that supports increased transparency of government operations and enables effective and efficient program and service delivery</p> <p>Services and products are developed to support the growth and development of leadership and human resources capacity in key service transformation communities</p>
Effectiveness of oversight of significant investments and projects in technology, information, and services is strengthened	Management expectations are clarified and guidance is strengthened in the oversight of information technology, information management, and service transformation projects
Commitment: Canada's regulatory management is improved through a modern approach to smart regulation	
Subcommitment	Performance Measures for 2007–08
A strengthened modern approach to regulating is implemented	<p>An action plan on the implementation of a new directive on regulating is developed by the Secretariat for internal and external use</p> <p>Mechanisms for monitoring and reporting are developed</p>
Support to regulatory departments to implement the regulatory policy is improved	<p>Guidance for the implementation of a new directive on regulating is developed</p> <p>A curriculum to strengthen the skills of the regulatory community is developed in collaboration with the Canada School of Public Service</p>
Regulatory cooperation is strengthened and coordinated	<p>A strategy for strengthening regulatory cooperation and coordination among departments is proposed</p> <p>Expert advice is provided on regulatory cooperation nationally and internationally</p>

Financial Resources

(\$ thousands)	2007–08	2008–09	2009–10
Secretariat Operations ¹	\$124,900.0	\$119,896.1	\$119,804.1

1. Includes funds allocated from Corporate Strategy and Services.

Human Resources (FTEs)

2007–08	2008–09	2009–10
628	614	613

2. Expenditure Management and Financial Oversight

The Treasury Board is often referred to as “the budget office” because of the important role it plays in managing and overseeing expenditures of the government, along with the minister of Finance and the prime minister. Supported by the Treasury Board of Canada Secretariat, the Treasury Board’s role is to ensure efficiency and effectiveness in federal expenditure management. The Expenditure Management and Financial Oversight program activity represents the Secretariat’s role in support of the budget office, with responsibilities for advising on financial, expenditure, and project authorities and resource allocation.

Key objectives for this program activity include:

- ▶ the preparation of the government’s Main and Supplementary Estimates, which are tabled annually in Parliament to obtain voted appropriations for departments and agencies;
- ▶ the cost and performance expectations of government programs are well defined and understood;
- ▶ departments and the Secretariat have the tools and information required to assess program spending and performance against government priorities on an ongoing, systematic basis;
- ▶ information on program spending, priorities, and performance is well integrated into expenditure management decision making by the government; and
- ▶ parliamentarians and Canadians are provided with timely, accurate, and complete financial and performance information on program plans and results.

In the Treasury Board of Canada Secretariat Program Activity Architecture, there are three subactivities that contribute to the Expenditure Management and Financial Oversight program activity:

1. Financial Oversight and Reporting;
2. Government of Canada Expenditure Management and Oversight; and
3. Departmental Expenditure Oversight.

2.1 Financial Oversight and Reporting

In undertaking its work under the Financial Oversight and Reporting subactivity, the Secretariat aims to ensure that appropriate financial information, controls, and sound resource stewardship are in place at all levels across government. The Secretariat will continue its efforts to ensure that appropriate frameworks, policies, and guidance on financial management are available, and that appropriate accounting standards are used for timely, complete, and accurate financial reporting.

The Secretariat also undertakes a number of accounting-related activities under this subactivity, including developing and maintaining the government-wide Chart of Accounts; monitoring and providing support on major litigation and contingent liabilities; and managing the preparation and maintenance of the Public Accounts of Canada and the government's financial statements.

These activities are ultimately intended to improve the Secretariat's capacity for oversight, analysis, and forecasting of expenditures through the timely provision and consolidation of actual spending data and thus provide more detailed and reliable information to parliamentarians and to Canadians on the state of government-wide financial results.

2.2 Government of Canada Expenditure Management and Oversight

The Secretariat supports its budget office role by undertaking activities related to Government of Canada Expenditure Management and Oversight. The activities in this subactivity are targeted at optimizing government-wide expenditure allocation, providing analytical support to the oversight of expenditures and determination of compensation within the federal government, and reporting to Parliament in order to achieve results for Canadians. Key activities that support this are:

- ▶ the tabling in Parliament of the Estimates documents in support of supply legislation;
- ▶ the supply process by which the government seeks parliamentary spending authority for the portion of overall expenditures that is appropriated annually as part of the fiscal plan; and
- ▶ the tabling of the *Canada's Performance* report, which tracks the federal government's contribution to comprehensive outcomes.

Reporting to Parliament is an important responsibility, given Canadians' expectations of accountability and transparency. The Secretariat will continue to place emphasis on improving reporting to Parliament under the subactivity of Government of Canada Expenditure Management.

2.3 Departmental Expenditure Oversight

In undertaking activities related to Departmental Expenditure Oversight, the Secretariat aims to ensure that program spending by departments and related performance information is well integrated and analyzed to support advice, informed decision making, oversight, and reporting to the Treasury Board and Parliament.

Key activities include:

- ▶ providing advice on departmental submissions to Cabinet focussed primarily (but not exclusively) on expenditure risk, including funding pressures and mitigation strategies;
- ▶ providing advice on strategic resource allocation and effective program design for departments and agencies;

- ▶ reviewing, monitoring, and assessing programs from the horizontal or government-wide perspective;
- ▶ improving results-based information and management of programs and spending to ensure that decisions on allocation and reallocation are made on the basis of performance and value for money;
- ▶ providing timely direction and advice to departments and agencies on estimates and alignment of spending, priorities, and results for improved accountability, transparency, and performance reporting to Parliament and Canadians; and
- ▶ enhancing departmental financial analysis and reporting through improved standards and the move to audited departmental financial statements.

These activities are intended to strengthen results-based information on programs and spending to ensure that better information and advice are provided to Cabinet and the Treasury Board on new and existing programs to support decision making on resource allocation and, ultimately, to provide value for money.

Priorities

The following table outlines key commitments and supporting initiatives in the Secretariat’s efforts to strengthen results-based expenditure management and financial oversight.

2. Strengthening results-based expenditure management and financial oversight	
Commitment: Better information and advice are provided to Cabinet and the Treasury Board on new and existing programs to support decision making on resource allocation	
Subcommitment	Performance Measures for 2007–08
Treasury Board submission requirements are strengthened and support provided to the Privy Council Office to strengthen requirements for memoranda to Cabinet to ensure they provide more detail and context to support resource allocation decisions	The Privy Council Office is supported in the development of proposals for strengthening the information content of memoranda to Cabinet in conjunction with the requirements for Treasury Board submissions being strengthened to better support Cabinet review of new spending proposals The requirements of the new expenditure management system regime are communicated to client departments and agencies
The first round of systematic reviews of program spending is conducted	A process and a methodology are developed for strategic periodic reviews of spending programs and include the development of selection and sequencing criteria for reviews and the selection of candidates for and launching of the first year of reviews
Advice to the Treasury Board on resource allocation is strengthened using improved financial and expenditure information, as well as audit and evaluation information	The quality of financial, management, and program performance information in the departmental Management, Resources, and Results Structure is improved and the information made available Active oversight of evaluation reports is increased and the use of evaluation findings is enhanced to inform Treasury Board policy and expenditure management decision making Progressive implementation of an enhanced sign-off role in departments and the Office of the Comptroller General is commenced
Commitment: Capacity is strengthened to provide clear and timely information on expenditures to support oversight and reporting	
Subcommitment	Performance Measures for 2007–08
Treasury Board of Canada Secretariat capacity for oversight, analysis, and forecasting of expenditures is improved through the timely provision and consolidation of actual spending data	Use of administrative data systems is enhanced to track expenditures during the year to support the management of parliamentary authorities and to better forecast year-end spending Data and methodologies to support total compensation planning approach are improved A strategic planning approach for National Joint Council employee reimbursement policies, which includes formulating key principles for decision making, is developed

2. Strengthening results-based expenditure management and financial oversight	
More detailed and reliable information provided to parliamentarians and the public on government spending	Standards are developed for departmental financial analysis, and internal and external results Tools, training, and guidance to support enhanced departmental financial analysis and reporting are developed and under way
Commitment: Results-based management is strengthened and information on programs and spending is improved	
Subcommitment	Performance Measures for 2007–08
The quality of program performance information is improved through Treasury Board of Canada Secretariat leadership in the implementation of the <i>Management, Resources, and Results Structure (MRRS) Policy</i>	Departmental program activity architectures reflecting all programs as per the MRRS Policy are developed in order to provide a comprehensive inventory of the government's programs Client departments and agencies are supported in the development of their Program Activity Architecture and performance indicators Business requirements for the Budget Office System Renewal project are identified by users
Treasury Board of Canada Secretariat capacity is strengthened to collect and analyze audit and evaluation information to support decision making	Internal audit reporting requirements, strategies, and mechanisms are defined A registry of evaluation reports is maintained and the ability of the Secretariat to use evaluation information to inform decision making is enhanced
Commitment: Strengthening the evaluation function	
Subcommitment	Performance Measures for 2007–08
The <i>Evaluation Policy</i> is renewed and an implementation plan developed	The <i>Evaluation Policy</i> is renewed along with supporting directive and standards The Evaluation Implementation Action Plan is developed
Evaluation tools are developed and improved in support of broadened evaluation coverage	New evaluation standards and guidelines are established to support use of new evaluation tools and implementation of the new <i>Evaluation Policy</i> A new suite of evaluation approaches is introduced to support more timely and broader evaluation coverage, and to tailor the chosen evaluation approach to an assessment of program risk
New tools and other support are provided to improve competencies and increased capacity	Core evaluation competencies are developed in collaboration with stakeholders and delivery agents A certification process is developed and a professional development program for government evaluators is launched

Financial Resources

(\$ thousands)	2007–08	2008–09	2009–10
Secretariat Operations ¹	\$65,178.9	\$52,489.9	\$52,481.9
Centrally Managed Funds	\$2,582,286.0	\$2,801,440.0	\$2,974,840.0
Total	\$2,647,464.9	\$2,853,929.9	\$3,027,321.9

1. Includes funds allocated from Corporate Strategy and Services.

Human Resources (FTEs)

2007–08	2008–09	2009–10
298	297	297

Centrally Managed Funds

The Secretariat has responsibility for managing access to the central funds, and the expected result is that these funds are administered in accordance with applicable legislation, Treasury Board policies, and Treasury Board standards.

(\$ thousands)	2007–08	2008–09	2009–10
Government Contingencies (Secretariat Vote 5)	\$750,000.0	\$750,000.0	\$750,000.0
Government-wide Initiatives (Secretariat Vote 10)	\$2,520.0	\$8,320.0	\$8,320.0
Public Service Compensation (Secretariat Vote 15)	\$0	\$0	\$0
Public Service Insurance (Secretariat Vote 20)	\$1,829,746.0	\$2,043,100.0	\$2,216,500.0
Payments under the <i>Public Service Pension Adjustment Act</i> (Statutory)	\$20.0	\$20.0	\$20.0
Total	\$2,582,286.0	\$2,801,440.0	\$2,974,840.0

► **Government Contingencies (Secretariat Vote 5)**

Government contingencies consist of funds used to supplement other appropriations to provide the government with the flexibility to meet unforeseen expenditures until parliamentary approval can be obtained and to meet additional payroll costs, such as severance pay and parental benefits, that are not provided for in the estimates of other government departments.

▶ **Government-wide initiatives (Secretariat Vote 10)**

Government-wide initiatives consist of funds used to supplement budgets in other departments and agencies in support of the implementation of strategic management initiatives across the public service.

▶ **Public Service Compensation (Secretariat Vote 15)**

This vote is used to compensate departments, agencies, and appropriation-dependent Crown corporations for the impact of collective bargaining agreements and other related adjustments to terms and conditions of service or employment. Funds are appropriated in Vote 15 through Supplementary Estimates and subsequently transferred to other government departments and agencies.

▶ **Public Service Insurance (Secretariat Vote 20)**

These funds are used in support of the Treasury Board's role as employer for public service pensions, benefits, and insurance including:

- the payment of the employer's share of health, income maintenance, and life insurance premiums;
- the payments to or in respect of provincial health insurance plans;
- the payment of provincial payroll taxes and Quebec sales tax on insurance premiums;
- the pension, benefit, and insurance plans for employees engaged locally outside Canada; and
- the return to certain employees of their share of the employment insurance premium reduction.

3. Corporate Strategy and Services

The Corporate Strategy and Services program activity includes key functions related to supporting the Treasury Board and the internal management of the Secretariat.

Key objectives of this program activity are:

- ▶ providing integrated support to the Treasury Board;
- ▶ ensuring effective corporate governance and accountability of the Secretariat as a department;
- ▶ reinforcing and supporting relationships with key stakeholders; and
- ▶ ensuring effective and efficient internal management.

In the Treasury Board of Canada Secretariat Program Activity Architecture, there are four subactivities that feed into the program activity. They are:

1. Corporate Priorities and Planning;
2. Strategic Communications and Ministerial Affairs;
3. Corporate Services; and
4. Legal Services.

3.1 Corporate Priorities and Planning

The Corporate Priorities and Planning subactivity represents the efforts of the Secretariat to ensure a coherent and integrated management agenda for the Government of Canada and in leading the development and implementation of key ministerial and corporate priorities. This subactivity also represents the work of the Secretariat's leadership to position itself as a model in the areas of strategic management, planning, reporting, and governance. Corporate Priorities and Planning leads the Secretariat's departmental integrated business planning and priority-setting processes. Efforts will build on progress to date to further strengthen governance. This includes the implementation of the corporate risk profile and the development of a performance measurement framework in line with the *Management, Resources, and Results Structure Policy*.

3.2 Strategic Communications and Ministerial Affairs

Under the Strategic Communications and Ministerial Affairs subactivity, key advice and service are provided to every sub-subactivity in the Treasury Board of Canada Secretariat.

The Strategic Communications and Ministerial Affairs subactivity represents Secretariat support provided to the Treasury Board, its subcommittees, and ad hoc committees. Through this subactivity, the Treasury Board agenda is managed, and formal Treasury Board decisions are recorded and issued.

Through this subactivity, Strategic Communications and Ministerial Affairs also supports the President of the Treasury Board and the senior executive of the Treasury Board of Canada Secretariat by delivering sound communications, advice, plans, and products. Through these services, Treasury Board policies, initiatives, and accomplishments are communicated to external, internal, and interdepartmental audiences through multiple media channels, including the web.

Strategic Communications and Ministerial Affairs also facilitates the Secretariat's effective working relationships with key federal partners and stakeholders by providing national support to regional federal councils and their secretariats.

3.3 Corporate Services

Under the Corporate Services subactivity, service and support are provided to the Treasury Board of Canada Secretariat in the areas of human resources, financial and administrative management, information management and information technology, audit and evaluation, and security.

3.4 Legal Services

Under the Legal Services subactivity, legal services are provided to the Treasury Board in its roles as employer, management board, and budget office, as well as to the President, the Secretariat, and the other organizations within the Treasury Board portfolio (the Public Service Human Resources Management Agency of Canada and the Canada School of Public Service).

Through this subactivity, the Legal Services Unit provides strategic legal advice and litigation support, scans and tracks legal trends, and provides training on legal subjects. In addition, the Unit is responsible for representing public service employers before entities such as the Public Service Labour Relations Board, Public Service Staffing Tribunal, Federal Court, and Federal Court of Appeal.

Priorities

The Secretariat's current efforts to improve internal management are focussed in two key areas. The Secretariat is working to ensure that:

1. enabling strategies are developed and implemented within the Secretariat and across departments to support implementation of priority management initiatives; and
2. internal management practices continue to be improved in response to the Treasury Board of Canada Secretariat Management Accountability Framework (MAF) assessment and workplace surveys.

The following table outlines key related initiatives in each of these areas for the planning period and performance measures for 2007–08.

3. Strengthening internal management	
Commitment: Corporate enabling strategies are developed and implemented within the Secretariat and across departments, consistent with the renewed role of the Treasury Board	
Subcommitment	Performance Measures for 2007–08
Internal and interdepartmental engagement strategies are developed and implemented to support the government’s management agenda	<p>An action plan is developed and implemented within the Secretariat, focussed on key management initiatives and on new approaches to working with the Treasury Board, other departments, and central agencies</p> <p>Learning strategies are developed and implemented in support of the action plan</p> <p>Results of the action plan are communicated and outreach plans are developed to support the engagement strategy</p>
Treasury Board operations are strengthened through implementation of new approaches and tools	<p>An updated Treasury Board submission guide is posted on the Secretariat website</p> <p>Internal processes to improve support to the Treasury Board are updated to meet the requirements of a new directive on regulating</p>
The Treasury Board of Canada Secretariat’s Sustainable Development Strategy for 2007–09 is implemented	<p>Departmental progress contributes to improved management of and accountability for sustainable development within the Government of Canada</p> <p>The Secretariat contributes to progress on federal priorities related to sustainable development</p> <p>Environmental stewardship of Treasury Board of Canada Secretariat operations is improved</p>
Commitment: Internal management practices continue to be improved in response to the Treasury Board of Canada Secretariat Management Accountability Framework assessment and workplace surveys	
Subcommitment	Performance Measures for 2007–08
Human resources management is improved, with progress on an open and transparent process for staffing, strengthened linkages to Treasury Board of Canada Secretariat business planning, and implementation of a human resources plan	<p>A human resources plan is completed in accordance with the <i>Public Service Modernization Act</i></p> <p>A corporate resourcing and recruitment plan that is aligned with the Secretariat’s business requirements is developed, implemented, and integrated within the business planning process</p> <p>The Secretariat’s career development programs for key communities are strengthened and expanded</p> <p>Bilingualism continues to be strengthened and public service values promoted in the workplace</p>

3. Strengthening internal management	
Internal stewardship is improved, with continuing emphasis on improving financial reporting and strengthening information management	<p>Significant progress is made in the documentation of key controls to support control-based audit</p> <p>A risk-based audit plan and a risk-based evaluation plan are developed to identify the audits and evaluations that should be undertaken over the planning period</p> <p>A departmental information management policy is developed and a pilot project is completed to support development of information management directives and standards</p>
Continued progress is made in efforts to strengthen governance and strategic direction, including continued integration of strategic, human resources, and business planning; the implementation of a corporate risk profile; and development of a performance measurement framework	<p>Interim directives are developed for the Secretariat based on the <i>Management of Information Technology Policy</i></p> <p>Secretariat strategic planning processes are further refined in accordance with the <i>Management, Resources, and Results Structure (MRRS) Policy</i> and Management Accountability Framework expectations</p> <p>A Secretariat corporate risk profile is used to support senior management discussions and to guide strategic and business planning</p> <p>A Secretariat performance measurement framework is developed in accordance with timelines established for all departments</p>

Financial Resources

(\$ thousands)	2007–08	2008–09	2009–10
Allocated Corporate Strategy and Services	\$54,095.0	\$53,490.0	\$53,464.0

Human Resources FTEs

2007–08	2008–09	2009–10
414	412	412

4. Toronto Waterfront Revitalization Initiative

The Treasury Board of Canada Secretariat's *Report on Plans and Priorities* will not discuss the activities of the Toronto Waterfront Revitalization Initiative, as this initiative was transferred to Environment Canada as part of the machinery of government changes announced on January 4, 2007. Financial resources related to the Toronto Waterfront Revitalization Initiative will be transferred from the Secretariat to Environment Canada through the 2007–08 Supplementary Estimates.

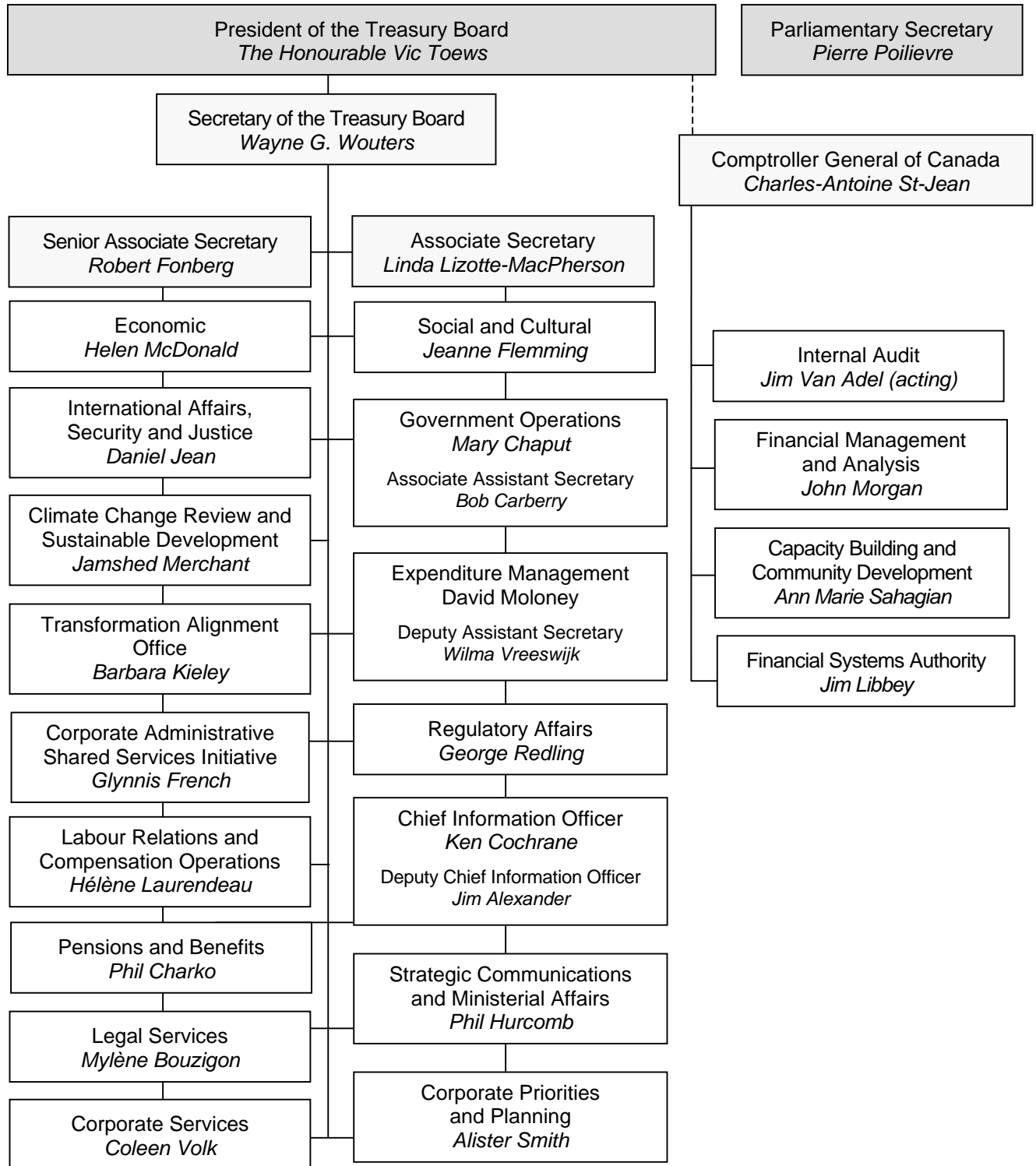
Financial Resources

(\$ thousands)	2007–08	2008–09	2009–10
	\$253,104.1	\$0.0	\$0.0

Section III: Supplementary Information

Organizational Information

Treasury Board of Canada Secretariat Organization



Departmental Links to Government of Canada Outcomes

2007-08									
(\$ thousands)	Budgetary								
Program Activity	Operating	Contributions and Other Transfer Payments	Gross Budgetary Expenditures	Less: Respendable Revenue	Net Budgetary Expenditures	Total Main Estimates	Adjustments (Planned Spending not in Main Estimates)	Total Planned Spending	
Strategic Outcome: Government is well managed and accountable, and resources are allocated to achieve results									
Management Policy Development and Oversight									
Secretariat Operations	118,878.0	200.0	119,078.0	–	119,078.0	119,078.0	5,822.0	124,900.0	
Expenditure Management and Financial Oversight									
Secretariat Operations	65,178.9	–	65,178.9	–	65,178.9	65,178.9	–	65,178.9	
Centrally Managed Funds	2,722,466.0	520.0	2,722,986.0	(142,200.0)	2,580,786.0	2,580,786.0	1,500.0	2,582,286.0	
Strategic Outcome: Sustainable urban development and infrastructure renewal in the Toronto Waterfront area									
Revitalization of the Toronto Waterfront									
Secretariat Operations	2,294.1	232,810.0	235,104.1	–	235,104.1	235,104.1	–	235,104.1	
Total	2,908,817.0	233,530.0	3,142,347.0	(142,200.0)	3,000,147.0	3,000,147.0	7,322.0	3,007,469.0	

The Treasury Board of Canada Secretariat's Strategic Outcome "Government is well managed and accountable, and resources are allocated to achieve results" contributes to the achievement of the Government of Canada's "Government Affairs" outcome.

The Treasury Board of Canada Secretariat's Strategic Outcome "Sustainable urban development and infrastructure renewal in the Toronto Waterfront area" contributes to the achievement of the Government of Canada's "Strong Economic Growth" outcome.

Table 1: Departmental Planned Spending and Full-time Equivalents

(\$ thousands)	Forecast Spending ¹ 2006–07	Planned Spending ² 2007–08	Planned Spending 2008–09	Planned Spending 2009–10
Management Policy Development and Oversight				
Secretariat Operations ³	125,821.2	119,078.0	117,899.1	117,803.1
Expenditure Management and Financial Oversight				
Secretariat Operations ⁴	48,794.8	65,178.9	52,489.9	52,481.9
Centrally Managed Funds	2,559,020.0	2,722,986.0	2,948,440.0	3,123,140.0
Revitalization of the Toronto Waterfront				
Secretariat Operations ^{5,6}	–	235,104.1	0.0	0.0
Budgetary Main Estimates (gross)	2,733,636.0	3,142,347.0	3,118,829.0	3,293,425.0
Less: Respendable revenue ⁷	(135,410.0)	(142,200.0)	(149,100.0)	(151,100.0)
Total Main Estimates	2,598,226.0	3,000,147.0	2,969,729.0	3,142,325.0
Adjustments ⁸				
Supplementary Estimates A	502,542.4			
– Veterans Charter pension and benefit program		1,500.0	2,100.0	2,800.0
– Internal Audit Policy		3,097.0		
– Federal Accountability Action Plan (pending approval)		2,725.0	1,997.0	2,001.0
Supplementary Estimates B	111,863.3			
Other				
Treasury Board Vote 15	(508,549.0)			
Employee Benefit Plan (EBP)				
Total Adjustments	105,795.0	7,322.0	4,097.0	4,801.0
Total Planned Spending	2,704,082.7	3,007,469.0	2,973,826.0	3,147,126.0
Total Planned Spending	2,704,082.7	3,007,469.0	2,973,826.0	3,147,126.0
Less: Non-respendable revenue	(10,000.0)	(10,000.0)	(10,000.0)	(10,000.0)
Plus: Cost of services received without charge	13,419.3	18,103.7	19,242.1	20,386.0
Total Departmental Spending	2,707,502.0	3,015,572.7	2,983,068.1	3,157,512.0
Full-time Equivalents	1,359	1,340	1,323	1,322

- The Program Activity Architecture (PAA) approved for the Treasury Board of Canada Secretariat takes effect in 2007–08. Forecast spending was restated to reflect resource allocation under the new PAA.

2006–07 Main Estimates Crosswalk to New PAA (Excluding Respendable Revenue)				
(\$ thousands)	Management Policy Development and Oversight	Expenditure Management and Financial Oversight	Revitalization of the Toronto Waterfront ¹	Total
Management and Expenditure Performance	90,211.3	42,510.7		132,722.0
Comptrollership	35,609.9	6,284.1		41,894.0
Centrally Managed Funds		2,559,020.0		2,559,020.0
Total	125,821.2	2,607,814.8		2,733,636.0

- Planned Spending by PAA was redistributed to more appropriately reflect the spending restraint reduction.
- Includes a portion of Corporate Strategy and Services resources: \$46.4 million in 2006–07, \$34.5 million in 2007–08, \$37.0 million in 2008–09, and \$37.0 million in 2009–10.
- Includes a portion of Corporate Strategy and Services resources: \$17.4 million in 2006–07, \$18.9 million in 2007–08, \$16.5 million in 2008–09, and \$16.5 million in 2009–10.
- Includes a portion of Corporate Strategy and Services resources: \$0.6 million in 2007–08.
- Planned spending includes funding for the Toronto Waterfront Revitalization Initiative. In accordance with the January 4, 2007, changes in ministers' responsibilities, this authority will be transferred from the Secretariat to Environment Canada through the 2007–08 Supplementary Estimates.
- Respendable Revenue is used to cover the costs incurred by the Secretariat on behalf of other government departments for shared initiatives such as the Public Service Superannuation Account Pension Fund (Vote 1) and Public Service Insurance (Vote 20).
- 2006–07 Adjustments:
 - Supplementary Estimates A adjustments include the following initiatives:
 - Vote 1—Expenditure Management Information System (\$7.29 million), Operating Budget Carry Forward (\$7.18 million), Federal Accountability Action Plan (\$2.53 million), Pension Account Litigation (\$1.96 million), Changes to the Public Service Health Care Plan (\$1.38 million), Revised Cost of the New Ministry (\$0.15 million), Expenditure Review Committee Savings (–\$0.88 million), Expenditure Restraint (–\$10.1 million), transfers from and to other departments (\$6.42 million), and transfers to the Grants and Contributions Vote (–\$0.23 million).
 - Vote 2—Transfer from Citizenship and Immigration Canada of the Toronto Waterfront Revitalization Initiative (\$86.04 million) and transfers from the Operating Vote (\$0.23 million).
 - Vote 10—Expenditure Restraint (–\$10.48 million).
 - Vote 15—Compensation adjustments for transfers to departments and agencies for salary adjustments (\$407.994 million).
 - Vote 20—Collective Agreements—Public Service Alliance of Canada and Public Service Human Resources Management Agency of Canada Joint Learning Program (\$3.05 million).
 - Supplementary Estimates B adjustments include the following initiatives:
 - Vote 1—Corporate Administrative Services (\$8.1 million), *Policy on Internal Audit* (\$1.6 million), transfer to Foreign Affairs and International Trade (\$0.34 million), and transfers to the Grants and Contributions Vote (–\$0.02 million).
 - Vote 2—Harbourfront Corporation (\$1.0 million) and transfer to Parks Canada (\$0.86 million).
 - Vote 10—*Policy on Internal Audit* (\$11.15 million) and Expenditure Restraint (–\$10.48 million).
 - Vote 15—Compensation adjustments for transfers to departments and agencies for salary adjustments (\$101.6 million).
 - Other—Transfers from Vote 15 to departments (–\$509.6 million less \$1.045 million to Secretariat Vote 1).

The Expenditure Management and Financial Oversight planned expenditures show a decrease in 2008–09 due to the sunset of the two-year funding related to the Expenditure Management Information System (\$7.29 million in 2006–07 Supplementary Estimates and \$11.0 million in 2007–08 Main Estimates). This decrease results in a redistribution of the Corporate Strategy and Services costs and, consequently, a higher proportion of costs allocated to the Management Policy Development and Oversight program activity.

The Centrally Managed Funds show a growth in expenditures over the three-year planning period for Public Service Insurance, representing increases to payments of the employer’s share of health income maintenance, life insurance premiums, payments in respect of provincial health insurance plans, and provincial payroll taxes, as well as pensions, benefits, and insurance plans for employees engaged locally (i.e. outside Canada).

In Budget 2006, the government committed to identifying \$1 billion in savings this year and next through a combination of savings from the review of programs. As a result of the review, the government decided to eliminate \$13.5 million over two years from Secretariat Vote 10, Government-wide Initiatives. It also decided not to go ahead with the Federal Regional Presence Initiative, reducing the Secretariat’s funding by \$10 million in 2006–07 and future years.

Table 2: Voted and Statutory Items Listed in Main Estimates

(\$ thousands)			
Vote or Statutory Item	Truncated Vote or Statutory Wording	2007–08	2006–07
		Main Estimates	Main Estimates
1	Operating Expenditures	165,899	150,649
2	Grants and Contributions	233,010	0
5	Government Contingencies	750,000	750,000
10	Government-wide Initiatives	2,520	13,000
20	Public Service Insurance	1,828,246	1,663,800
(S)	President of the Treasury Board—Salary and Motor Car Allowance	75	73
(S)	Contributions to Employee Benefit Plans	20,377	20,684
(S)	Payments Under the <i>Public Service Pension Adjustment Act</i>	20	20
Total Treasury Board of Canada Secretariat		3,000,147	2,598,226

Table 3: Services Received Without Charge

(\$ thousands)	2007–08
Accommodation provided by Public Works and Government Services Canada	14,692.5
Salary and associated expenditures of legal services provided by the Department of Justice Canada	3,411.2
Total Services Received Without Charge	18,103.7

Table 4: Sources of Respendable and Non-respendable Revenue

Respendable Revenue

(\$ thousands)	Forecast Revenue 2006–07	Planned Revenue 2007–08	Planned Revenue 2008–09	Planned Revenue 2009–10
Management Policy Development and Oversight				
Secretariat Operations ¹	3,210.0	–	–	–
Expenditure Management and Financial Oversight				
Centrally Managed Funds ²	132,200.0	142,200.0	149,100.0	151,100.0
Total Respendable Revenue	135,410.0	142,200.0	149,100.0	151,100.0

1. Respendable revenue is used to cover salaries and operating costs from Public Works and Government Services Canada (Public Service Superannuation) in respect of chargeable costs associated with administering the *Public Service Superannuation Act*. Treasury Board approval to renew the respendable revenue authority will be sought by 2007–08.
2. Respendable revenue is used to cover health care insurance plan costs from revolving funds and from departments and agencies that pay for employee benefit plans from a non-statutory appropriation. The recovery is based on 8 per cent of the total monthly personnel costs. This account is also used to record the pensioners' share of Pensioners' Dental Services Plan (PDSP) contributions.

Non-respendable Revenue

(\$ thousands)	Forecast Revenue 2006–07	Planned Revenue 2007–08	Planned Revenue 2008–09	Planned Revenue 2009–10
Revenue from parking fees ¹	10,000.0	10,000.0	10,000.0	10,000.0
Total Non-respendable Revenue	10,000.0	10,000.0	10,000.0	10,000.0
Total Respendable and Non-respendable Revenue	145,410.0	152,200.0	159,100.0	161,100.0

1. This represents the parking fees collected from public servants in government-owned or -leased facilities. This revenue is deposited directly to the Consolidated Revenue Fund and cannot be used to offset operating expenditures.

Table 5: Resource Requirement by Branch or Sector

2007–08							
(\$ thousands)	Management Policy Development and Oversight	Expenditure Management and Financial Oversight		Revitalization of the Toronto Waterfront	Total Planned Spending		
	Secretariat Operations	Secretariat Operations	Centrally Managed Funds	Secretariat Operations	Secretariat Operations	Centrally Managed Funds	TOTAL
Chief Information Officer Branch	23,356.5	–			23,356.5	–	23,356.5
Labour Relations and Compensation Operations	9,235.3	958.3			10,193.6	–	10,193.6
Pension and Benefits Branch	8,462.8	–	1,829,766.0		8,462.8	1,829,766.0	1,838,228.8
Office of the Comptroller General	28,568.7	4,495.4			33,064.1	–	33,064.1
Expenditure Management Sector	1,342.5	28,652.3	752,520.0		29,994.8	752,520.0	782,514.8
Government Operations Sector	8,893.1	1,569.3			10,462.4	–	10,462.4
Economic Sector	1,577.1	3,681.1			5,258.2	–	5,258.2
International Affairs, Security and Justice Sector	1,569.4	3,661.8			5,231.2	–	5,231.2
Social and Cultural Sector	1,460.5	3,409.2			4,869.7	–	4,869.7
Corporate Priorities and Planning	534.8				534.8	–	534.8
Strategic Communications and Ministerial Affairs	947.3				947.3	–	947.3
Special Initiatives ¹	4,573.8	383.7			4,957.5	–	4,957.5
Toronto Waterfront Revitalization Initiative				234,455.0	234,455.0	–	234,455.0
Branches under Corporate Strategy and Services ²	34,678.2	18,367.8		649.1	53,395.1	–	53,395.1
Total	124,900.0	65,178.9	2,582,286.0	235,104.1	425,183.0	2,582,286.0	3,007,469.0

1. Includes Transformation Alignment Office, Sustainable Development, and funding for the *Federal Accountability Act*.

2. Includes executive offices, Strategic Communications and Ministerial Affairs, Regulatory Affairs Sector, Corporate Priorities and Planning, Legal Services Branch, Corporate Services Branch, and other central costs.

Table 6: User Fees

Name of User Fee	Fee Type	Fee-setting Authority	Reason for Fee Introduction or Amendment	Effective Date of Planned Change	Planned Consultation and Review Process
Fees charged for processing access requests filed under the <i>Access to Information Act</i>	Other products and services (O)	<i>Access to Information Act</i>	N/A	N/A	N/A

The Treasury Board of Canada Secretariat does not charge user fees other than those related to processing access requests filed under the *Access to Information Act*. The Secretariat's Access to Information and Privacy Office does not plan user fees. Fees charged are based on requestors applying under the *Access to Information Act*. The Act sets out the fee structure.

Table 7: Regulatory Initiatives

The *Federal Accountability Act* provides for regulation-making authority in several areas. In 2007–08, the Secretariat will be developing regulations to achieve the objectives outlined below.

Regulations	Expected Results
1. Set out the administrative measures for complying with the <i>Lobbying Act</i> .	Lobbyist registration requirements are clear and understood
2. Prescribe limitations to the format in which records can be requested under the <i>Access to Information Act</i> .	Increased efficiency and effectiveness in the process for making requests under the <i>Access to Information Act</i>
3. Prescribe criteria for adding institutions to Schedule I of the <i>Access to Information Act</i> .	A streamlined, transparent process for the addition of new institutions to the coverage of the <i>Access to Information Act</i>
<p>4. As per the <i>Financial Administration Act</i>, fix terms that are deemed to be expressly set out in contracts, or classes of contracts, that provide for the payment of any money by Her Majesty or a Crown corporation, including terms:</p> <ul style="list-style-type: none"> a. prohibiting the payment of contingency fees; b. respecting corruption and collusion in the bidding process for contracts; c. requiring a declaration from bidders on contracts that offences have not been committed under section 121, 124, or 418 of the <i>Criminal Code</i>; and d. respecting the provision of information or records to enable the Auditor General of Canada to enquire into the use of funds provided under funding agreements. 	<p>A bidding and administration process for contracts that respects the government’s commitment to fairness, openness, and transparency</p> <p>Provisions in funding agreements that will support the Auditor General of Canada in fulfilling her mandate</p>
5. Prescribe the form, content, and public release of public opinion research contracts and reports.	Increased transparency and rigour in the procurement and management of public opinion research contracts

Table 8: Details on Project Spending

(\$ millions)	Current Estimated Total Cost	Forecast Spending to March 31, 2007	Planned Spending 2007–08	Planned Spending 2008–09	Planned Spending 2009–10	Future Years' Spending Requirement
Expenditure Management and Financial Oversight						
Phase B— Budget Office Systems Renewal (BOSR)	14,942.0	5,075.0	9,867.0	0.0	0.0	0.0

In March 2004, the Treasury Board granted effective project approval for the implementation of the Expenditure Management Information System (EMIS) project. A scheduled internal audit in late 2004 found a number of project-related deficiencies. In response to this audit, all project activities were suspended and subsequently redefined through the development of the new Governance Structure, Strategic Plan, Project Charter, and Business Case.

The new Strategic Plan divides work into four distinct phases:

- A. Conceptual Architecture and Design;
- B. Budget Office Systems Renewal (BOSR);
- C. Results Information Integration (RII); and
- D. Actual Expenditures Information Integration (AEII).

Phase A, Conceptual Architecture and Design, was completed in early 2006.

Phase B, Budget Office Systems Renewal (BOSR), focusses on the replacement of existing at-risk budget office functionality with a single integrated solution. As a result of this integration, internal Secretariat business processes will also be streamlined and rationalized.

Preliminary project approval for phases C and D will be requested upon completion of Phase B.

Table 9: Sustainable Development Strategy

The Treasury Board of Canada Secretariat (Secretariat) Sustainable Development Strategy (SDS) for 2007–09 is built on ways to support greater accountability to Canadians in both the short and long terms.

The following table outlines the Secretariat’s commitments to implementing its sustainable development strategy for 2007–09. While some of these commitments will be met within 2007–08, most will require a longer term approach to ensure appropriate engagement and effective implementation. The Treasury Board of Canada Secretariat’s 2007–09 SDS may be found at http://www.tbs-sct.gc.ca/report/orp/2006/sds_e.asp.

Federal SD Goal*	Performance Measure from Current SDS	Expected Departmental SDS Results for 2007–08
Departmental SDS Goal 1: Contribute to improved management of and accountability for sustainable development within the Government of Canada		
Strengthen federal governance and decision making to support sustainable development (SD)	Improved guidance on SD for RPPs/DPRs, increased linkages to federal SD goals in reporting, and improved SD reporting from a whole-of-government perspective are provided <i>By 2008</i>	Engage Environment Canada (EC) to establish reporting priorities, to identify ways to improve guidance, and to provide guidance on reporting on horizontal initiatives and reporting from a Government of Canada (GC) perspective
	Guidance material for policy writing includes SD as a consideration in the Policy Suite Renewal Initiative <i>By March 2007</i>	Include SD in the Secretariat’s and PSHRMAC’s <i>Policy Development Challenge Questions</i>
	Revised guidance materials for submissions are developed <i>By December 2007</i>	Produce revised guides, tools, and approaches for assessing these
	Learning opportunities about managing SD for the Secretariat are offered <i>By December 2008</i>	Support the Canada School of Public Service (CSPS) government-wide SD training course and explore other opportunities
	EC is supported by the Secretariat, where appropriate, in leading efforts to improve management tools <i>By 2008</i>	Support EC, as appropriate, in addressing management issues raised in the 2006 Report of the Commissioner of the Environment and Sustainable Development

Federal SD Goal*	Performance Measure from Current SDS	Expected Departmental SDS Results for 2007–08
	PWGSC is supported, where appropriate, in leading and improving management of greening of government operations (GGO) for the GC through the development of management tools <i>By 2008</i>	Support PWGSC in updating the GGO performance management framework and the performance management desktop
Departmental SDS Goal 2: Make progress on federal priorities related to sustainable development		
Reduce greenhouse gas (GHG) emissions	Improved learning opportunities through workshops, sessions, and symposia <i>Ongoing</i>	Hold the annual Federal Fleet Workshop
Communities enjoy a prosperous economy, a vibrant and equitable society, and a healthy environment for current and future generations	The administration of the Federal Contaminated Sites Action Plan (FCSAP) program is monitored <i>Ongoing</i> The Federal Contaminated Sites Inventory (FCSI) is maintained based on data provided and certified by custodians <i>Ongoing</i> FCSAP reports and plans are prepared annually and a formative program evaluation is conducted, with EC <i>Ongoing</i> The Federal Contaminated Sites web portal is launched <i>By March 2007</i>	Maintain the FCSI and supporting guidance documents on an ongoing basis Perform annual certification of FCSI data completeness and accuracy Review departmental expenditure proposals As requested by EC, analyze annual custodian expenditure and performance data and draft the annual report for the FCSAP program Participate in planning and conducting the FCSAP formative evaluation With EC, implement Federal Contaminated Sites web portal design
Departmental SDS Goal 3: Improve environmental stewardship of Treasury Board of Canada Secretariat operations		
Reduce GHG emissions GGO: Tenant departments will work with their facilities provider to establish meaningful targets towards the reduction of GHG emissions	The percentage reduction in GHG emissions is reported annually (based on 2005–06 utility figures for L'Esplanade Laurier) <i>By 2007–09</i>	Document the baseline, assess opportunities for energy savings, develop a strategy with stakeholders, and implement the strategy

Federal SD Goal*	Performance Measure from Current SDS	Expected Departmental SDS Results for 2007–08
<p>Reduce GHG emissions</p> <p>GGO: Reduce, by 15 per cent from 2005 calendar-year levels, GHG emissions per vehicle kilometre from the departmental fleet by 2010</p> <p>GGO: All gasoline purchased for federal road vehicles will be ethanol blended, where available</p> <p>GGO: Reduce, by 15 per cent from 2002–03 levels, GHG emissions per vehicle kilometre from the departmental fleet</p>	<p>Annual average GHG emissions per vehicle kilometre (based on 2005 fleet composition baseline) <i>By 2009</i></p> <p>Percentage of gasoline purchased for federal road vehicles that is ethanol blended (based on 2005–06 baseline) <i>By 2007</i></p> <p>One hundred per cent of drivers are given green driver training (based on 2005–06 baseline) <i>By December 2007</i></p>	<p>Document the baseline and advise the fleet manager; monitor the fleet composition yearly, document the baseline, and provide information for drivers; monitor purchases; and schedule training opportunities</p>
<p>Communities enjoy a prosperous economy, a vibrant and equitable society, and a healthy environment for current and future generations</p> <p>GGO: other opportunities: green stewardship</p>	<p>Green Citizenship Network (GCN) membership is increase by 25 per cent</p> <p>Environmental initiatives are implemented and associated environmental outcomes identified <i>By 2009</i></p>	<p>Document the baseline and evaluate opportunities, and develop and implement a strategy with the GCN</p>
<p>Strengthen federal governance and decision making to support SD</p>	<p>Corporate Services Branch undergoes a successful internal Environmental Management System (EMS) audit <i>By September 2009</i></p>	<p>Produce a first draft of the EMS blueprint, set up a committee, evaluate opportunities, and develop and implement the EMS</p>
<p>GGO: One hundred per cent of materiel managers and procurement personnel take green procurement training</p>	<p>The Secretariat reports annually on the percentage of its materiel managers, procurement staff, and acquisition card holders trained</p> <p>One hundred per cent of materiel managers and procurement staff are trained <i>By 2008</i></p> <p>Sixty per cent of acquisition card holders are trained in green procurement <i>By 2009</i></p>	<p>Document the baseline, develop a green procurement e-learning course with the CSPS, ensure materiel managers and procurement staff complete the new e-learning course, and ensure that acquisition card holders complete the new course</p>

Federal SD Goal*	Performance Measure from Current SDS	Expected Departmental SDS Results for 2007–08
GGO: Set a minimum of three procurement targets over three years	<p>The Secretariat reports annually on the number of contracts issued, quantities purchased, and dollar value of contracts, and identifies environmental outcomes (including total furniture purchases) <i>By 2009</i></p> <p>The Secretariat reports on the pilot program (information technology and management savings, client satisfaction) <i>By 2008</i></p>	Document the baselines, assess opportunities and acquisition processes, develop strategies, implement and assess a green procurement tracking measure, develop a pilot program with TriNet, and implement and assess the pilot program
GGO: other opportunities: waste management	<p>The Secretariat reports on the percentage of waste diversion from landfill (based on the waste audit baseline of 2004 for L'Esplanade Laurier) <i>By 2007</i></p> <p>A composting program that meets PWGSC guidelines is in place <i>By 2007</i></p>	<p>Document the baseline, assess recycling opportunities, and develop a strategy with PWGSC; implement a recycling system</p> <p>Document the baseline, assess composting opportunities, and develop a strategy with PWGSC; implement a composting system</p>

Note: Since SD strategies are established on a calendar-year rather than a fiscal-year basis, the work undertaken in the last quarters of 2006–07 is included, as it lays the foundation for the work of 2007–08.

* Includes Greening of Government Operations.

Table 10: Internal Audits and Evaluations

To comply with the Treasury Board *Policy on Internal Audit*, the Secretariat is undertaking significant efforts to strengthen internal audit capacity and delivery processes. Specifically, the Secretariat has developed a comprehensive three-year plan to implement the structure and activities required in the Policy. The Secretariat will continue to build this capacity to ensure that it has a sufficient, competent, professional internal audit function in place.

Internal audits will be undertaken as required under the three-year Risk-based Audit Plan being developed, which is to be approved by the Internal Audit and Evaluation Committee in early 2007–08.

Development of the Risk-based Evaluation Plan, which will identify evaluations to be undertaken in 2007–08, 2008–09, and 2009–10, is planned for 2007–08.

The nature of the audits and evaluations to be undertaken will be reported in the Secretariat’s 2008–09 report on plans and priorities.

1. Name of Internal Audit / Evaluation	2. Audit/ Evaluation Type	3. Status	4. Expected Completion Date	5. Electronic Link to Report
Audit of Management Reserve	Assurance	In Progress	September 2007	N/A

Section IV: Office of the Comptroller General

In 2004, the Office of the Comptroller General (OCG) was established as a distinct organization within the Secretariat. The OCG is focussed on strengthening financial management and internal audit across the federal government through a wide range of activities to improve the quality of financial information, oversight, systems, and reporting; attract and retain a professional cadre of financial management and internal audit personnel; oversee government spending; provide leadership across the public service to the financial management and internal audit communities; and ensure financial management and internal audit policies are set and observed.

The OCG's activities are centred around the following four areas.

Strengthening financial management

The Financial Management and Analysis Sector plays a lead role in supporting the OCG's commitment to strengthen financial management, oversight, and reporting within the Government of Canada. The Sector continues to lead efforts to ensure availability of appropriate frameworks, policies, and guidance on financial management across the federal public service and also ensure the use of appropriate accounting standards for timely, complete, and accurate financial reporting across government. To this end, the Sector continues its efforts to strengthen the financial management policy suite and improve financial operations, practices, and reporting across government to support better decision making.

The Sector's core ongoing activities related to strengthening financial management include:

- ▶ developing and maintaining financial management and accounting frameworks, policies, directives, standards, and guides;
- ▶ providing professional leadership, advice, and support to others, including departments, senior officials, ministers, and Parliament, in all areas of financial management and accounting;
- ▶ supporting the development of professional accounting standards;
- ▶ monitoring and providing support on major litigation and contingent liabilities;
- ▶ monitoring departmental financial activity and reporting for compliance with legislative authorities and policies;
- ▶ reviewing and providing advice and sign-off, as required, on new initiatives, including spending and charging;
- ▶ managing the preparation and maintenance of the Public Accounts of Canada and the government's financial statements;

- ▶ analyzing and reporting government-wide financial results on a regular basis; and
- ▶ developing and maintaining the Chart of Accounts for government as a whole.

Strengthening internal audit

The Internal Audit Sector provides primary support to the Comptroller General in strengthening the internal audit function, thereby contributing to public-sector accountability, risk management, and internal control within departments and agencies and across government. The Sector's mandate is centred on implementation of the Treasury Board's *Policy on Internal Audit*. This Policy, approved in October 2005, bolsters and redefines the delivery model for the internal audit function, principally by featuring greater independence and professionalism, as well as clarity of related responsibilities between deputy heads and the Comptroller General. Implementation of the *Policy on Internal Audit* is a component of the Federal Accountability Action Plan and will support deputy heads in addressing their role as accounting officers.

The Sector's core ongoing activities include:

- ▶ providing policy and functional leadership, guidance, standards, and enablers;
- ▶ monitoring and assessing implementation of the *Policy on Internal Audit*;
- ▶ performing professional practice inspections;
- ▶ coordinating, accumulating, and analyzing audit intelligence and holistic assurance reporting across government;
- ▶ performing regular liaison with departments and agencies;
- ▶ maintaining frameworks for risk analyses;
- ▶ attending established audit committee meetings and providing guidance and tools;
- ▶ maintaining a functional reporting relationship with chief audit executives;
- ▶ developing government-wide risk profiles, customized to large and small departments and agencies;
- ▶ providing forensic and informatics audit advice, assistance, and interventions; and
- ▶ providing secretariat support to the Audit Committee for small departments and agencies.

Capacity building and community development for the financial management and internal audit communities

As part of the Comptroller General's efforts to strengthen internal audit and financial management across the federal government, the Capacity Building and Community Development Sector has been mandated to lead the development and implementation of government-wide capacity building, community development, and transformation strategies, programs, and tools for the financial management and internal audit communities.

The Sector's ongoing activities are mainly externally focussed in support of developing financial management and internal audit capacities and include:

- ▶ leading government-wide and external initiatives respecting recruitment, professional development programs, guidance and support, tools, and information for the financial management and internal audit communities; and
- ▶ playing a lead role in supporting departments in the implementation of the Directive on Departmental Audit Committees.

Strengthening financial systems

The Financial Systems Authority supports robust financial management by ensuring that the Government of Canada has effective and efficient business processes and financial systems and quality financial information.

The Directorate's core ongoing activities include:

- ▶ facilitating quality financial information by enhancing definitions and standards for key financial data and information requirements;
- ▶ promoting efficient and standardized business processes; and
- ▶ planning and facilitating the evolution and deployment of effective business systems.

Priorities

The following table outlines where the Office of the Comptroller General takes a lead or co-lead role in supporting the Secretariat’s key priority commitments and initiatives in efforts to strengthen governance, accountability, and management practices.

1. Strengthening governance, accountability, and management practices	
Commitment: Trust and confidence in government is enhanced through the implementation of the <i>Federal Accountability Act</i> and through improved reporting to Parliament	
Subcommitment	Performance Measures for 2007–08
Reporting to Parliament is improved	The form, content, and timeliness of the Public Accounts of Canada continue to be improved
Commitment: Responsibilities of deputy heads are clarified in accordance with the Federal Accountability Action Plan—streamlining rules while strengthening accountability and efficiency—through the renewal of the Treasury Board policy suite	
Subcommitment	Performance Measures for 2007–08
Renewed policies are developed and implementation plans put in place in response to Federal Accountability Action Plan reviews of three key policy areas—grants and contributions, procurement, and financial management	Treasury Board approval of revised financial management policies is sought, in response to the recommendations of the Senior Committee on the Review of the Financial Management Framework
Commitment: Financial management and auditing policies, practices, and capacity across the Government of Canada are strengthened	
Subcommitment	Performance Measures for 2007–08
Leadership is provided in improving departmental financial management practices in support of renewed policies	<p>Directives, standards, and other guidance are developed and issued and implementation of policy changes is commenced in the areas of grants and contributions and financial management</p> <p>Implementation of a comprehensive multi-year human resources strategy for the financial management and internal audit communities is under way through the development of methodologies and tools in support of enhanced professional capacity and community-based approaches</p>

1. Strengthening governance, accountability, and management practices	
Internal audit plans, operations, and practices across government are enhanced	<p>The Directive on Departmental Audit Committees is supported through leadership on the recruitment, qualification, selection, placement, and ongoing development of external members for departmental audit committees</p> <p>A program of horizontal audits of small and large departments and agencies is planned and initiated</p> <p>Technological and other enablers (e.g. an omnibus contracting arrangement) to leverage the internal audit resource base across government are developed</p> <p>A performance measurement and assessment strategy for the <i>Policy on Internal Audit</i> is developed and implemented</p> <p>Guidance is developed and issued to audit committees on monitoring and reporting on departmental commitments made in response to reports of the Auditor General of Canada</p>
2. Strengthening results-based expenditure management and financial oversight	
Commitment: Better information and advice is provided to Cabinet and the Treasury Board on new and existing programs to support decision making on resource allocation	
Subcommitment	Performance Measures for 2007–08
Advice to the Treasury Board on resource allocation is strengthened using improved financial and expenditure information, as well as audit and evaluation information	Progressive implementation of an enhanced sign-off role in departments and the Office of the Comptroller General is commenced
Commitment: Capacity is strengthened to provide clear and timely information on expenditures to support oversight and reporting	
Subcommitment	Performance Measures for 2007–08
More detailed and reliable information is provided to parliamentarians and the public on government spending	<p>Standards are developed for departmental financial analysis and internal and external results</p> <p>Tools, training, and guidance to support enhanced departmental financial analysis and reporting are developed and under way</p>
Commitment: Results-based management is strengthened and information on programs and spending is improved	
Subcommitment	Performance Measures for 2007–08
Treasury Board of Canada Secretariat capacity to collect and analyze audit and evaluation information to support decision making is strengthened	Internal audit reporting requirements, strategies, and mechanisms are defined