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Government of Northwest Territories
Gouvernement des Territoires du Nord-Ouest

PLANNING AND ACCOUNTABILITY FRAMEWORK



Introduction

Over the years, the Government of the Northwest Territories (GNWT) has modernized its systems and processes to ensure the GNWT and its public agencies have a clear, consistent and prudent planning approach with timely reporting focused on transparency and accountability. The *Financial Administration Act (FAA)* requires the Financial Management Board (FMB) to establish a Planning and Accountability Framework (the Framework) for the GNWT and its public agencies. The Framework provides direction to ensure planning and accountability meets the expectations of the Members of the Legislative Assembly and the residents of the Northwest Territories.

What is the Planning and Accountability Framework?

The Framework is a document outlining the cycle of planning, implementing, monitoring, evaluating, reporting and improving for the GNWT and its public agencies.

Why use the Planning and Accountability Framework?

The Framework identifies the minimum planning and accountability requirements for the GNWT and its public agencies as required by the *FAA*.

Levels of Accountability

There are four categories included in the Framework; A, B, C, and D. Entities within each category were developing using the groupings in the *FAA*, as follows:

- Category A – All entities listed on Schedule A of the *FAA*
- Category B – All entities listed on Schedule B of the *FAA*
- Category C – All entities listed on Schedule C of the *FAA*
- Category D – Government as defined in the *FAA*

The following table sets out the minimum planning and accountability requirements for the GNWT and its public agencies. The Framework does not provide a detailed template that determines every requirement.

The Framework provides a consistent approach that can be modified or enhanced to meet specific needs or circumstances. The Framework therefore does not limit the inclusion of other relevant information the GNWT or a public agency may want to disclose. The enabling legislation of a public agency may require additional reporting above this minimum threshold.



REQUIREMENTS

	Category A	Category B	Category C	Category D
Planning				
Business Plan				•
Capital Budget	•	•	•	•
Corporate Plan		•	•	
Operating Budget	•	•	•	•
Accountability				
Annual Report	•	•	•	•
Mandate Review	•	•	•	

Note: All entities within each category are listing in Appendix A



PLANNING

Business Plan

I. Applicable to:

Category D

II. Frequency:

Annual

III. Submit to:

Financial Management Board

IV. Purpose:

The purpose of a government business plan is to inform Members of the Legislative Assembly and residents of the planned objectives for each department for the next fiscal year. The business plan shall be consistent with a department's establishment policy, support the priorities of the Legislative Assembly, and advance the commitments made in the mandate of the Executive Council. The business plan will also outline issues and challenges faced by a department, as well as the human and fiscal resources allocated to deliver the plan.

Standing Committees of the Legislative Assembly review the annual business plans which become the foundation for the annual Main Estimates.

V. Content:

The GNWT will consult with a Committee of the Legislative Assembly on an annual basis to determine the preferred requirements for Government business plans. At a minimum, they are to include:

- Links to the priorities of the current Legislative Assembly as well as the mandate of the Executive Council
- Context on the department's operating environment
- Detailed resource summaries, including changes from the preceding fiscal year (financial and human resources)
- Key activities overview, objectives and performance measures

VI. Amendments:

Any funding adjustments approved subsequent to the final business plans are to be incorporated into the Main Estimates and future year business plans.



Capital Budget

I. Applicable to:

Categories A, B, C and D, should that entity need to incur an infrastructure expenditure

Frequency:

Categories A, B and C – Annual: Approval prior to start of new fiscal year
Category D – Annual Capital Estimates

II. Submit to:

Categories A, B and C - Responsible Minister
Category D – Financial Management Board

III. Purpose:

A capital budget identifies infrastructure projects required for an entity to achieve its long-term strategic goals and objectives within the next fiscal year. Projects identified must meet the definition of a infrastructure expenditure according to the applicable Generally Accepted Accounting Principles for that particular entity.

In accordance with the *FAA*, public agency capital budgets must be approved by the responsible Minister and then tabled in the Legislative Assembly. The Government Capital Estimates are tabled for consideration and approval by the Legislative Assembly.

IV. Content:

At a minimum, capital budgets are to include:

- List of project names
- Community where the tangible capital asset is to be physically located
- Description and estimated year of completion
- Aggregate summary of all expected project costs for the fiscal year

Public entities are to implement the approved capital budget while ensuring to monitor and evaluate performance of each project.

V. Amendments:

Amendments to capital budgets for public agencies that result in a change of 20% of total infrastructure expenditures require submission to the responsible Minister for approval and tabling in the Legislative Assembly as soon as possible.

Capital Estimate amendments for Government are completed through the supplementary appropriation process. A quarterly capital budget adjustment report for Government is submitted to a Committee of the Legislative Assembly.



Corporate Plan

I. Applicable to:
Categories B and C

Frequency:
Annual: Approval prior to start of fiscal year

II. Submit to:
Responsible Minister

III. Purpose:
A corporate plan is a planning document for the larger public agencies (those identified in schedule B and C of the *FAA*). The corporate plan is a strategic document including discussion of business activities, strategic issues, previous performance and future objectives. The intent is to inform the Legislative Assembly and the public of measurable financial and strategic objectives for the upcoming fiscal year while incorporating results for the preceding year through the tabling of the corporate plan.

IV. Content:
At a minimum, a corporate plan must include:

- Objectives of the agency for the planning period
- Strategies the agency intends to employ to achieve identified objectives
- Performance measures and expected results for the agency for the planning period
- An evaluation of prior results with respect to achievement of objectives, performance measures and expected results
- Information according to its major businesses and activities in a format that is clear and understandable.

A corporate plan may include both operating and capital Budgets.

V. Amendments:
An amendment to the corporate plan is required before any business or activity is carried out inconsistent with the current approved plan. Amendments are submitted to the responsible Minister for approval and tabling in the Legislative Assembly.



Operating Budget

I. Applicable to

Categories A, B, C and D

II. Frequency

Categories A, B and C – Annual: Approval prior to start of new fiscal year

Category D – Annual: Main Estimates

III. Submit to

Categories A, B and C - Responsible Minister

Category D – Financial Management Board

IV. Purpose

An operating budget is the projected allocation of financial resources to ensure the achievement of the stated goals and objectives for the upcoming fiscal year. In accordance with the *FAA*, all operating budgets of public agencies are approved and tabled in the Legislative Assembly by the responsible Minister.

Pursuant to the *FAA*, the Minister of Finance tables the Main Estimates for consideration and approval by the Legislative Assembly.

V. Content

An operating budget includes estimates of revenue and expenditures for the entire entity. Also included are prior year performance figures. Revenue estimates must include all potential income sources; for example, contribution agreements, third party funding, fees and service revenue, royalties and other applicable revenue. Expenditure estimates are to be categorized and reported for each functional unit and amalgamated for the entire entity; for example, salaries and benefits, interest, amortization, rent, etc.

At a minimum, an operating budget must:

- Include estimates of all revenues and expenditures for the fiscal year
- Encompass all its business and activities
- Budget information in a format that is clear and understandable according to its major businesses and activities

VI. Amendments

Amendments to the operating budget of a public agency that result in a change of 20% of either total operating expenditures or total revenue require submission to the responsible Minister for tabling in the Legislative Assembly at the earliest opportunity.

Main Estimate amendments are approved through the supplementary appropriation process, as well as the annual business planning process.



ACCOUNTABILITY

Annual Report

I. Applicable to:

Categories A, B and C and D

II. Frequency:

Annually in accordance with the *Financial Administration Act*

III. Submit to:

Categories A, B and C - Responsible Minister

Category D (Public Accounts) – Minister of Finance

IV. Purpose:

An annual report provides public entities the opportunity to report on its operations and financial position of the preceding year. This comprehensive report contains analysis of the activities conducted throughout the year, both financial and non-financial. In accordance with the *FAA*, the annual reports are tabled in the Legislative Assembly.

V. Content:

At a minimum, annual reports of public agencies must:

- State the activities of the public agency
- Include financial statements prepared in accordance with applicable Generally Accepted Accounting Principles
- Include an auditor's report
- Include management discussion and analysis providing an overview of the previous year operations and how the year will influence decisions in the future

The GNWT Public Accounts must be prepared in accordance with the *FAA*.

VI. Amendments:

Any amendments to a tabled Annual Report must be captured in the subsequent year audit and Annual Report.



Mandate Review

I. Applicable to:

Categories A, B and C

II. Frequency:

Minimum of once every five years

III. Submit to:

Responsible Minister

IV. Purpose:

A mandate and operations review provides a periodic review of the entity's operations with respect to legislated requirements, mandate, roles and responsibilities, as well as Legislative Assembly priorities.

V. Content:

At a minimum, a mandate and operations review must include:

- An assessment of operations compared to legislation and overall mandate
- An assessment of the effectiveness of the entity, performance of measures and expected results
- A plan to address any identified discrepancies between mandate and operations



For further information, please contact:

Management Board Secretariat
Department of Finance



Appendix A

Listing of Public Agencies by Category as per the schedules to the *Financial Administration Act*.

Category A

1. A *commission scolaire francophone de division* established under the *Education Act*
2. All District Education Authorities established under the *Education Act*
3. All Divisional Education Councils established under the *Education Act*
4. All Boards of Management established or continued under the *Hospital Insurance and Health and Social Services Administration Act*
5. The Northwest Territories Human Rights Commission established by the *Human Rights Act*
6. The Northwest Territories Legal Aid Commission continued under the *Legal Aid Act*
 - 6.1 The Legal Services Board of the Northwest Territories established by the *Legal Services Act*
7. The Liquor Commission continued under the *Liquor Act*
8. The Liquor Licensing Board continued under the *Liquor Act*
9. The Status of Women Council of the Northwest Territories, established by the *Status of Woman Council Act*
10. The Surface Rights Board continued under the *Surface Rights Board Act*
11. The Tlicho Community Services Agency established by the *Tlicho Community Services Agency Act*
12. The Inuvialuit Water Board continued under the *Waters Act*

Category B

1. Aurora College continued under the *Aurora College Act*
2. The Northwest Territories Business Development and Investment Corporation established by the *Northwest Territories Business Development and Investment Corporation Act*
3. The Northwest Territories Housing Corporation established by the *Northwest Territories Housing Corporation Act*, excluding subsidiaries of the Northwest Territories Housing Corporation
4. The Northwest Territories Hydro Corporation established by the *Northwest Territories Hydro Corporation Act*
5. The Northwest Territories Power Corporation established by the *Northwest Territories Power Corporation Act*

Category C

1. The Workers' Safety and Compensation Commission continued under the *Workers' Compensation Act*

Category D

1. All Government of the Northwest Territories Departments