

Ms. Susan Ball Chairperson Nunavut Arctic College Box 600, Iqaluit, Nunavut X0A 0H0

## **Nunavut Arctic College Letter of Expectation 2020-21**

March 10, 2020

Dear Ms. Ball,

I am pleased to provide you with this Letter of Expectation for 2020-21. This letter outlines the priorities and goals intended to guide Nunavut Arctic College (NAC or the College) in the new fiscal year and ensure the College meets the expectation for its success, as set out in in the Government of Nunavut's (GN) mandate, *Turaaqtavut*.

This letter also outlines the important financial reporting requirements and responsibilities of the College, intended to promote transparency and accountability in operations and governance.

I look forward to working with the Board of Governors and Executive team as we strive to provide high quality educational opportunities for Nunavummiut, guided by the priorities set out in *Turaaqtavut*.

## **Expectations and Priorities for 2020-21**

NAC's 2020-21 business plan and budget outline several important priorities for the College, many of which align with *Turaaqtavut*, and should be implemented strategically, and with the overall well-being of Nunavummiut in mind.

#### Inuit Employment Plan

The recently released GN Master Inuit Employment plan and NAC's detailed plan should be guiding the Corporation's recruitment, and human resources activities to increase Inuit employment at all levels.

All departments and territorial corporations are accountable for implementing their respective Inuit Employment Plans, including effective use of training and development programs provided by the GN, particularly as the government works to enhance the opportunities available through the creation of a stand-alone Department of Human Resources.

As of September 2019, Inuit employment at NAC was 56%. I look forward to seeing the progress the College makes to implement strategic efforts to increase Inuit employment.

## Harassment Free Workplace

The Government of Nunavut is committed to supporting a safe work environment for all employees. In accordance with the Harassment Free Workplace Policy the GN has zero tolerance for harassment, bullying or reprisals of any type. To ensure this safe environment, it is imperative that all employees read, understand, and follow this policy, and the Human Resource Manual directives that complement the policy. The responsibility for ensuring a harassment-free workplace at the College falls on the organization's leadership, therefore, I direct the Board of Governors and the President to show leadership in this area.

#### Leasing & Procurement

As the Minister responsible for the Nunavut Arctic College, I understand that Nunavut is a unique territory. Competition may be limited, and actual or perceived conflicts of interests may occur, particularly when hiring, procuring local goods and services or leasing properties. Nonetheless, I expect ethical conduct in all day-to-day operations of the College. Therefore, I ask that you and your team reacquaints themselves with the Government of Nunavut's Code of Values and Ethics document. All employees should be required to review and acknowledge the Code of Values and Ethics upon initial hire as well as being periodically reminded of this important policy. Further, employees should be provided with clear guidance on how to report any concerns with respect to a breach of the Code of Values and Ethics, both within your organization and to the Ethics Officer. This guidance should clearly outline the protection from reprisals given to employees who report concerns to the Ethics Officer. The responsibility falls on you to ensure there are clear requirements throughout the hiring and procurement process, and to stress the opportunities available for disclosing potential conflicts of interest.

An area of concern that has been raised by the Standing Committee on Oversight of Government Operations and Public Accounts relates specifically to the leasing of properties. The Standing Committee is seeking confirmation that due diligence around leasing activities be consistently followed to ensure no conflict of interest is occurring. As part of your internal leasing process, each lease agreement entered into must include a validation of the registered title holder of the property and this information along with the landlord (which may be different). This practice should be clearly reported as part of the College's annual contract reporting. I further ask that your contracting policies and process clearly require disclosure to senior management of any situation where a contract being considered involves a board member, employee or their immediate family member. Any such situation should be exceedingly rare and should not be entered into without clear and full disclosure.

To ensure the integrity of the procurement process, senior management must review and approve leasing activities, and that management must be independent of any potential conflict of interest. I expect that entry into any such contracts be subsequently reported to the Board of Governors.

In accordance with the Leasing of Commercial Real Property – Consolidated Policy from the Department of Community & Government Services (CGS), the GN is committed to transparency and accountability in leasing activities. As such, the GN is

responsible to disclose any instances in the Lease Activity Report where Executive Council exercises prerogative. The GN ensures this transparency through the tabling of its annual contracting reports (CAR/PAR/LAR) which clearly identifies the various contracts entered by the GN as well as the procurement method used. This responsibility also falls to the College in their operations, therefore, I expect the College to adhere to the transparent and accountable leasing agreements practices by producing annual contracting reports that are consistent with the information produced and tabled by CGS on behalf of GN departments.

Furthermore, in accordance with the GN Contracting Procedures Manual (2<sup>nd</sup> Edition), the GN operates its procurement and contracting operations in a manner which is open, fair, and transparent. Our policies and procedures support the promotion of the competitive bidding process. The procurement officers who work for the GN all subscribe to the Code of Ethics as outlined by the Purchasing Management Association of Canada. Potential suppliers to the GN compete for our business and are notified through public advertisements on the GN's Request for Tenders/Proposals' web site and through northern newspapers. I appreciate your cooperation in ensuring that the College take accountable steps to procure contracts and lease properties for the College.

## Partnership and Collaboration

*Turaaqtavut*, through the *Katujjiqatigiinnivut* priority, calls for collaboration with key partners to improve the lives of Nunavummiut. In 2020-21, I expect NAC to work closely with Nunavut Tunngavik Inc., as well as the three regional Inuit associations to explore opportunities for partnership and cooperation. In addition, I look forward to reviewing the 2019-20 Annual Report highlighting these opportunities.

I also look forward to seeing the collaborative work between NAC and Memorial University. This partnership will be critical in ensuring that the College can continually improve the educational opportunities offered to students.

#### Long Term Strategic Planning

As we move forward together as a territory, long term planning and strategic objective setting will be crucial to the success of any organization serving the needs of Nunavummiut.

Congratulations to the College on formalizing the NAC-Memorial University partnership on November 8, 2019. The gift crafted by the Sanatuliqsarvik students in Rankin Inlet is a special gift to commemorate this partnership.

While the immediate needs of the College and its students often take priority, it is critical that these long-term goals be identified, with realistic and achievable mechanisms for implementation. Before the next fiscal year, 2020-21, I look forward to seeing the College's completed 10-year strategy, including a plan for implementation.

I ask that NAC finalize a long-term capital plan by March 31, 2020, which places priority on the territory's Community Learning Centers (CLCs). For too long, CLCs have not been prioritized and it is time to change this.

I also look forward to reviewing progress NAC makes in 2020-21 in fulfilling the commitment to open a Mine Training Centre in Rankin Inlet.

#### Expanding Opportunities for Teachers

Successful delivery of NAC's Teacher Education Program is critical to the wellbeing and economic development of the territory as a whole. Opportunities for Nunavummiut to take advantage of teacher training outside of Nunavut's regional centres are vital to the overall success of the program.

Following the signing of the Memorandum of Understanding with Memorial University, I look forward to seeing further expansion of bilingual education program options for Nunavummiut in 2020-21 and onwards.

Additionally, I look forward to reviewing the proposal for the pilot project of online distance education courses for the Nunavut Teacher Education program and Early Childhood Education program in 2020-21.

## Leadership in Research

The work of the College's Innovation and Research Institute is critical for not only ensuring that research in the territory aligns with the values of Nunavummiut, but also in creating opportunities for innovation and development.

In 2019-20, I expect the college to become a leader in creating opportunities for research related to energy resource development in Nunavut, particularly renewable energy. I understand this is a long and strategic process. Therefore, in 2020-21 I look forward to learning what progress has occurred for this initiative. As Canada moves towards prioritizing renewable energy, the college should be poised to lead the development of important energy technologies, and their applicability in the Arctic.

#### Law Program

The College's Law Degree Program is critical to increasing Nunavut's capacity as a territory by developing professionals who are sensitive to Nunavut's unique context and will remain in the territory to work. In 2020-21, I look forward to reviewing the feasibility study of the third delivery of the Law Program.

Following the second full year of its implementation, I am pleased at the high student retention rate of the program, and I look forward to regular updates as students continue to progress within the program.

#### Strategic Local Workforce Development

As NAC forms critical partnerships with other post-secondary institutions, the expansion of the College's program and course offerings should be done strategically, to create and support a stronger local workforce in a variety of key fields.

In 2020-21 and beyond, I expect the College to work closely with GN departments and other employers to identify specific opportunities for post-secondary education that can fill the gaps in service and increase local and Inuit employment in the territory.

As we work towards achieving the *Turaaqtavut* priority of *Sivummuaqpalliajjutivut*, the College plays a critical role in reducing Nunavut's dependence on imported labour by fostering, developing, and supporting the skills and abilities of Nunavummiut. Strategically aligning the training available locally with territory's public service needs requires a commitment to collaboration, and I look forward to seeing evidence of this in the coming year.

## Accountability and Financial Management Reporting Expectations for 2020-21

The Financial Administration Act (FAA), in Section IX, Public Agencies, outlines the minimum reporting responsibilities and timeframes for Nunavut's public agencies, including particular provisions for territorial corporations. Additionally, please be aware that in the interest of increased transparency, accountability, and effectiveness, Ministers responsible for territorial corporations may issue directives to provide additional important information to the GN and Nunavummiut.

Ongoing reporting responsibilities include tabling the following in the Legislative Assembly:

- The College's Business Plan, at the same time as the GN's Business Plan is tabled.
- A yearly comprehensive report on all procurement, contracting and leasing
  activities undertaken by the NAC. This report should contain, at a minimum, the
  information
  currently available in the GN Annual Procurement Activity Report, Lease Activity
  Report and Contract Activity Report. (In preparing the Lease Activity Report,
  please ensure that information which may provide an unfair business advantage
  to potential competitors is not disclosed).
- Formal responses to letters of expectation, letters of instruction and Ministerial directives at the first session of the Legislative Assembly subsequent to the College receiving such correspondence.

During 2020-21 you are again instructed to give attention to the following ongoing reporting responsibilities to the Department of Finance:

- Board-approved budget variance reports and expense projections for both operations and maintenance and capital on a monthly basis. This monthly reporting should be submitted on or before the 10<sup>th</sup> day of every month.
- Semi-annual presentation of college financials and operations to the DM Central Accountability Committee.
- All schedules and working papers required for the preparation of the consolidated public accounts at their earliest availability or as per the distributed requirement timetable.
- Management letters or other reporting (including the NAC's response) issued by the auditor (both the Auditor General of Canada and any other independent auditor) for all audits conducted on the NAC for the year.

• The NAC is asked to work with staff at the Department of Finance's Financial Reporting and Controls division to ensure Public Sector Accounting Standards are appropriately implemented in all financial reporting.

It is also important that dialogue and communication be ongoing throughout our government. In the spirit of strengthening our public agencies, I ask that the NAC continue its close working relationship with the Department of Finance at all levels.

I look forward to discussing with you the priorities and directions as stated in this Letter of Expectation. I also look forward to reviewing your response to this letter.

Sincerely,



Honourable Patterk Netser Minister Responsible for Nunavut Arctic College

CC: Pauloosie Suvega, President, Nunavut Arctic College Jeff Chown, Deputy Minister, Department of Finance



Ms. Marg Epp Chairperson Nunavut Business Credit Corporation PO Box 2548, Iqaluit NU X0A 0H0

Translations to Follow

**Nunavut Business Credit Corporation Letter of Expectation 2020-21** 

Dear Ms. Epp, Markor

March 30, 2020

I am pleased to provide you with this Letter of Expectation for 2020-21. This letter outlines the priorities and goals intended to guide Nunavut Business Credit Corporation (NBCC) in the new fiscal year, particularly in relation to the economic development priorities set out in the Government of Nunavut's mandate, *Turaaqtavut*.

This letter also outlines the important financial reporting requirements and responsibilities of the Corporation, intended to promote transparency and accountability in operations and governance.

I look forward to working with the Board of Directors and staff as we strive to support opportunities for economic development in the territory.

# **Expectations and Priorities for 2020-21**

NBCC's 2020-21 business plan and budget outline several important priorities for the Corporation, many of which align with *Turaaqtavut*, and should be implemented strategically, and with the overall well-being of Nunavummiut in mind.

For 2020-21, I encourage the Corporation to actively pursue high potential investment projects, with aim to reverse the decreasing value of NBCC's active loan portfolio.

In addition to these increased efforts, the Corporation would benefit from an expanded coordination with NDC and EDT, including sharing NBCC's due diligence process and outcomes.

## Inuit Employment Plan

The recently released GN Master Inuit Employment plan and NBCC's detailed plan should be guiding the Corporation's recruitment, and human resources activities to increase Inuit employment at all levels.

All departments and territorial corporations are accountable for implementing their respective Inuit Employment Plans, including effective use of training and development programs provided by the GN, particularly as the government works to enhance the opportunities available through the creation of a stand-alone Department of Human Resources.

As of September 2019, Inuit employment at NBCC is 25%. While I recognize that NBCC has a very small team, I look forward to seeing the progress the Corporation makes to implement strategic efforts to increase Inuit employment in 2020-21.

## Harassment Free Workplace

In accordance with the Harassment Free Workplace Policy, the GN has zero tolerance for harassment, bullying or reprisals of any type. It is crucial that all employees read, understand and follow this policy, as well as the Human Resource Manual directives that complement the policy. Further, I expect you to ensure that that the CEO and Board of Directors take personal responsibility for ensuring a harassment-free workplace at NBCC.

## Leasing & Procurement

As the Minister responsible for the Nunavut Business Credit Corporation, I understand that Nunavut is a unique territory. Competition may be limited, and actual or perceived conflicts of interests may occur, particularly when hiring, as well as when locally procuring goods and services or leasing properties. Nonetheless, I expect ethical conduct in all day-to-day operations from all your team members. Therefore, I ask that you ensure that all your team reacquaints themselves with the <a href="Government of Nunavut's Code of Values and Ethics document">Government of Nunavut's Code of Values and Ethics and Ethics upon initial hire as well as being periodically reminded of this important policy. Further employees should be provided with clear guidance on how to report any concerns with respect to a breach of the Code of Values and Ethics, both within your organization and to the Ethics Officer. The guidance should clearly describe the protection from reprisals that is given to employees who report concerns to the Ethics Officer. I also expect you to ensure that as part of any of these hiring and procurement processes there are clear requirements and opportunities to disclose potential conflicts of interest.

An area of concern that has been raised by the Standing Committee on Oversight of Government Operations and Public Accounts relates specifically to the leasing of properties and the due diligence process surrounding these leasing activities to ensure no conflict of interest is occurring. I ask that you ensure as part of your internal leasing process that each lease agreement entered into includes a validation of the registered title holder of the property and this information along with the landlord (which may be

different) should be clearly reported as part of your annual contract reporting. I further ask that your contracting policies and process clearly require disclosure to senior management of any situation where a contract is being considered that involves a board member, employee or their immediate family member. Any such situation should be exceedingly rare and should not be entered into without clear and full disclosure.

Review and approval by senior management that is independent of the potential conflict of interest is imperative to ensuring the integrity of the procurement process. I expect that entry into any such contracts be subsequently reported to the Board of Directors.

In accordance with the Leasing of Commercial Real Property – Consolidated Policy from the Department of Community & Government Services (CGS), the GN is committed to transparency and accountability in leasing activities and as such shall disclose any instances in the Lease Activity Report where Executive Council exercises prerogative. The GN ensures this transparency through the tabling of its annual contracting reports (CAR/PAR/LAR) which clearly identifies the various contracts entered into by the GN as well as the procurement method used. I expect you to ensure that the President and Board of Directors take personal responsibility for ensuring transparent and accountable leasing agreements and produce annual contracting reports that are consistent with the information produced and tabled by CGS on behalf of GN departments.

Furthermore, in accordance with the GN Contracting Procedures Manual (2<sup>nd</sup> Edition), the GN operates its procurement and contracting operations in a manner which is open, fair, and transparent. Our policies and procedures support the promotion of the competitive bidding process. The procurement officers who work for the GN all subscribe to the Code of Ethics as outlined by the Purchasing Management Association of Canada. Potential suppliers to the GN compete for our business and are notified through public advertisements on the GN's Request for Tenders/Proposals' web site and through northern newspapers.

Finally, I appreciate your cooperation in ensuring that the CEO and Board of Directors take accountable steps to procure contracts and lease properties for the Corporation.

# Partnership and Collaboration

Turaaqtavut, through the Katujjiqatigiinnivut priority, calls for collaboration with key partners to improve the lives of Nunavummiut. To support economic development in Nunavut's unique context, it is important that NBCC continue to partner with other lending agencies with a focus on collaboratively serving clients.

I am pleased to hear that NBCC is working to establish a MOU with the Kivalliq Business Development Centre. Further, the continued MOU partnerships with Baffin Business Development Corporation, Kitikmeot Community Futures Inc, and Atutuarvik Corporation are critical to providing custom support required by growing businesses in the territory. In 2020-21, I expect to see these existing partnerships strengthened, and further relationships developed.

## Strategic Plan

As we move forward together as a territory, long term planning and strategic objective setting will be crucial to the success of any organization serving the needs of Nunavummiut.

The efforts of the Board of Directors on working to develop an updated strategic plan for 2019-22 are commendable. While the immediate operations of the Corporation in serving its clients often take priority, it is critical that these longer-term goals and objectives be identified with realistic and achievable mechanisms for implementation.

In 2020-21, I look forward to seeing how the implementation of the updated strategic plan supports the *Turaaqtavut* priority of *Pivaallirutivut* by creating economic opportunities for local businesses and encouraging self-reliance and local employment.

## Communications Plan

In his 2018-19 Letter of Expectation to NBCC, my predecessor, now Premier of Nunavut, identified the need to increase the use of Inuktut as the working language of the government. This important priority, as outlined in *Turaaqtavut*, is critical to strengthening Nunavut as a distinct territory. From an economic development perspective, offering lending services in all

official languages helps to tackle a key barrier to small business growth in the territory. I would like to see more small- to medium-sized Inuit-owned businesses being established.

I was pleased to see that the Corporation's updated website includes Inuktitut content, and that the Corporation is working to have online Inuinnaqtun content as well. I look forward to seeing the website available in Inuinnaqtun.

Further to the website updates, in 2020-21, I look forward to seeing the development of a communications plan for the Corporation, to ensure that NBCC continues to take full advantage of every opportunity to increase its portfolio and support to businesses across the territory.

# Transparency and Accountability

I was pleased to see that NBCC's 2017-18 Annual Report included a disclosure of recipients of NBCC financial assistance. As you know, this recommendation came not only in the 2018-19 Letter of Expectation, but also from the 2015 Standing Committee on Oversight of Government Operations and Public Accounts, as well from the Information and Privacy Commissioner.

I expect this practice to continue in 2020-21, and trust that the Board understands the importance of this disclosure from a perspective of transparency and accountability.

# Legislative Amendments

During the 4<sup>th</sup> Legislative Assembly, the Standing Committee on Oversight of Government Operations and Accounts recommended that NBCC formally submit to their Minister

recommendations for specific amendments to the *Nunavut Business Credit Corporation Act*.

It is my understanding that work has continued in bringing forward important amendments to the *Act*. I recognize that the process for legislative amendments is a lengthy one, and I expect the Corporation to provide an update on this process before the end of 2020-21.

# Accountability and Financial Management Reporting Expectations for the 2020-21 Fiscal Year

The Financial Admnistration Act (FAA), in Section IX, Public Agencies, outlines the minimum reporting responsibilities and timeframes for Nunavut's public agencies, including particular provisions for territorial corporations. Additionally, please be aware that in the interest of increased transparency, accountability and effectiveness, Ministers responsible for territorial corporations may issue directives to provide additional important information to the GN and Nunavummiut.

Ongoing reporting responsibilities include tabling the following in the Legislative Assembly:

- The NBCC's Business Plan, at the same time as the GN's Business Plan is tabled.
- A yearly comprehensive report on all procurement, contracting and leasing activities undertaken by the NBCC. This report should contain at a minimum the information currently available in the GN Annual Procurement Activity Report, Lease Activity Report and Contract Activity report. This report may be most appropriately included within the NBCC's Annual Report. In preparing the Lease Activity Report, please ensure that information, which may provide an unfair business advantage to potential competitors, is not disclosed.
- Formal responses to letters of expectation, letters of instruction and Ministerial directives at the first session of the Legislative Assembly subsequent to the NBCC receiving such correspondence.

During 2020-21 you are again instructed to give attention to the following ongoing reporting responsibilities to the Department of Finance:

- Board-approved budget variance reports and expense projections for both operations and maintenance and capital on at least a quarterly basis and submitted within 30 days of the end of the quarter.
- Semi-annual presentation of budget variance reports to the DM Central Accountability Committee.
- All schedules and working papers required for the preparation of the consolidated public accounts at their earliest availability or as per the distributed requirement timetable.
- Management letters or other reporting (including the NBCC's response) issued by the auditor (both the Auditor General of Canada and any other independent auditor) for all audits conducted on the NBCC for the year.

 The NBCC is asked to work with staff at the Department of Finance's Financial Reporting and Controls division to ensure Public Sector Accounting Standards are implemented appropriately in all financial reporting.

It is also important that dialogue and communication be ongoing throughout our government. In the spirit of strengthening our public agencies, I ask that the NBCC continue its close working relationship with the Department of Finance at all levels.

I look forward to discussing with you the priorities and directions as stated in this Letter of Expectations. I also look forward to reviewing your response to this letter.

Sincerely,

Hon. David Akeeagok

Minister Responsible for Nunavut Business Credit Corporation

CC: Peter Ma, CEO, Nunavut Business Credit Corporation

Bernie MacIsaac Deputy Minister, Department of Economic Development and

Transportation

Jeff Chown, Deputy Minister, Department of Finance



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Mr. Donald Havioyak Chairperson Nunavut Development Corporation PO Box 249, Rankin Inlet NU X0C 0G0

Translations to Follow

**Nunavut Development Corporation Letter of Expectation 2020-21** 

March 30, 2020

Dear Mr. Havioyak,

I am pleased to provide you with this Letter of Expectation for 2020-21. This letter outlines the priorities and goals intended to guide Nunavut Development Corporation (NDC) in the new fiscal year, particularly in relation to the economic development priorities set out in the Government of Nunavut's mandate, *Turaaqtavut*.

This letter also outlines the important financial reporting requirements and responsibilities of the Corporation, intended to promote transparency and accountability in operations and governance.

I look forward to working with the Board of Directors and staff as we strive to support opportunities for economic development in the territory.

# **Expectations and Priorities for 2020-21**

NDC's 2019-20 business plan and budget outline several important priorities for the Corporation, many of which align with *Turaaqtavut*, and should be implemented strategically, and with the overall well-being of Nunavummiut in mind.

Recognizing the NDC has not created a new stand-alone subsidiary in the life of the territory, thoroughly explore opportunities for a subsidiary on investments in new sectors, including Housing and Health Service Delivery.

I also ask that you work to expand use of the Venture Investments Fund, including as a successor to the Department of Economic Development and Transportation's recently dissolved Nunavut Investment Fund.

## Harassment Free Workplace

The GN has zero tolerance for harassment, bullying or reprisals of any type in its departments and public agencies. Harassment in the workplace can have serious negative effects on an employee's well-being, with potential long-term consequences for individuals and the organization as a whole. I expect you to ensure that the President and Board of Directors take personal responsibility for ensuring a harassment-free workplace at NDC.

## Inuit Employment Plan

The recently released GN Master Inuit Employment plan and NDC's detailed plan should be guiding the Corporation's recruitment, and human resources activities to increase Inuit employment at all levels. All departments and territorial corporations are accountable for implementing their respective Inuit Employment Plans, including effective use of training and development programs provided by the GN, particularly as the government works to enhance the opportunities available through the creation of a stand-alone Department of Human Resources.

While I recognize that NDC has a very small team, I look forward to seeing the progress the Corporation makes to implement strategic efforts to increase Inuit employment in 2020-21.

## Leasing & Procurement

As the Minister responsible for the Nunavut Development Corporation, I understand that Nunavut is a unique territory. Competition may be limited, and actual or perceived conflicts of interests may occur, particularly when hiring, as well as when locally procuring goods and services or leasing properties. Nonetheless, I expect ethical conduct in all day-to-day operations from all your team members. Therefore, I ask that you ensure that all your team reacquaints themselves with the <u>Government of Nunavut's Code of Values and Ethics document</u>. All employees should be required to review and acknowledge the Code of Values and Ethics upon initial hire as well as being periodically reminded of this important policy. Further employees should be provided with clear guidance on how to report any concerns with respect to a breach of the Code of Values and Ethics, both within your organization and to the Ethics Officer. The guidance should clearly describe the protection from reprisals that is given to employees who report concerns to the Ethics Officer. I also expect you to ensure that as part of any of these hiring and procurement processes there are clear requirements and opportunities to disclose potential conflicts of interest.

An area of concern that has been raised by the Standing Committee on Oversight of Government Operations and Public Accounts relates specifically to the leasing of properties and the due diligence process surrounding these leasing activities to ensure no conflict of interest is occurring. I ask that you ensure as part of your internal leasing process that each lease agreement entered into includes a validation of the registered title holder of the property and this information along with the landlord (which may be

different) should be clearly reported as part of your annual contract reporting. I further ask that your contracting policies and process clearly require disclosure to senior management of any situation where a contract is being considered that involves a board member, employee or their immediate family member. Any such situation should be exceedingly rare and should not be entered into without clear and full disclosure.

Review and approval by senior management that is independent of the potential conflict of interest is imperative to ensuring the integrity of the procurement process. I expect that entry into any such contracts be subsequently reported to the Board of Directors.

In accordance with the Leasing of Commercial Real Property – Consolidated Policy from the Department of Community & Government Services (CGS), the GN is committed to transparency and accountability in leasing activities and as such shall disclose any instances in the Lease Activity Report where Executive Council exercises prerogative. The GN ensures this transparency through the tabling of its annual contracting reports (CAR/PAR/LAR) which clearly identifies the various contracts entered into by the GN as well as the procurement method used. I expect you to ensure that the President and Board of Directors take personal responsibility for ensuring transparent and accountable leasing agreements and produce annual contracting reports that are consistent with the information produced and tabled by CGS on behalf of GN departments.

Furthermore, in accordance with the GN Contracting Procedures Manual (2<sup>nd</sup> Edition), the GN operates its procurement and contracting operations in a manner which is open, fair, and transparent. Our policies and procedures support the promotion of the competitive bidding process. The procurement officers who work for the GN all subscribe to the Code of Ethics as outlined by the Purchasing Management Association of Canada. Potential suppliers to the GN compete for our business and are notified through public advertisements on the GN's Request for Tenders/Proposals' web site and through northern newspapers.

Finally, I appreciate your cooperation ensuring that the President, CEO, and Board of Directors take accountable steps to procure contracts and lease properties for the Corporation.

# Fostering Strong Partnerships

*Turaaqtavut*, through the *Katujjiqatigiinnivut* priority, calls for collaboration with key partners to improve the lives of Nunavummiut. Much of the important work of NDC is centred around strong business partnerships that allow the Corporation to offer varied economic development opportunities for Nunavummiut.

Innovative partnerships such as Ivalu based in Rankin Inlet, Taluq Designs Ltd based in Taloyoak, and the Christmas market for Agnico Eagle's Meliadine and Meadowbank gold mine workers, as well as supply partnerships with artists and enterprises will be key to expanding Nunavut's economic future.

In 2020-21, I expect the NDC to continue to foster these important existing partnerships, as well as working to develop new partnership opportunities

# Opportunities through Community Banking

I am pleased to hear of Uqqurmiut Arts and Crafts in Pangnirtung partnering with the Royal Bank of Canada to provide banking services through establishment of agency banking, offering enhanced banking opportunities for Pangnirtung residents.

The economic development and overall wellbeing of the territory is limited by the inability of many Nunavummiut to access banking services in their respective communities. Access to services of a financial institution not only means more opportunity for investment in businesses or homeownership, but also the increased potential for savings, financial literacy, and increased self-reliance.

To support the *Turaaqtavut* priority of *Inuusivut*, in 2020-21, I expect NDC to continue its discussions and negotiations towards achieving an agreement for community banking that can be of meaningful benefit to Nunavummiut living in underserved communities.

## Economic Diversification

*Turaaqtavut* calls for the diversification and improvement of economic opportunities to encourage self-reliance and local employment. I look forward to learning more about the implementation plan for the Capital Fund, Subsidy Fund, Capital Reserve Fund as well as the Venture Investment Fund, Venture Reserve Fund. In 2020-21, I expect NDC, through its Venture Investment Fund, to seek new investments of at least \$500,000, with an emphasis on local harvesting and tourism sectors.

# Accountability and Financial Management Reporting Expectations for the 2020-21 Fiscal Year

The Financial Administration Act (FAA), in Section IX, Public Agencies, outlines the minimum reporting responsibilities and timeframes for Nunavut's public agencies including particular provisions for territorial corporations. Additionally, please be aware that in the interest of increased transparency, accountability and effectiveness, Ministers responsible for territorial corporations may issue directives to provide additional important information to the GN and Nunavummiut.

Ongoing reporting responsibilities include tabling the following in the Legislative Assembly:

- Tabling the NDC's Business Plan, at the same time as the GN's Business Plan is tabled.
- A yearly comprehensive report on all procurement, contracting and leasing activities undertaken by the NDC. This report should contain at a minimum the information currently available in the GN Annual Procurement Activity Report, Lease Activity Report and Contract Activity report. (In preparing the Lease Activity Report, please ensure that information, which may provide an unfair business advantage to potential competitors, is not disclosed). This report may be most appropriately included within the NDC's Annual Report.

 Formal responses to letters of expectation, letters of instruction, and Ministerial directives at the first session of the Assembly subsequent to the NDC receiving such correspondence.

During 2020-21 you are again instructed to give attention to the following ongoing reporting responsibilities to the Department of Finance:

- Board-approved budget variance reports and expense projections for both operations and maintenance and capital on at least a quarterly basis and submitted within 30 days of the end of the quarter and including a year-end fiscal forecast with surplus/deficit reporting.
- Semi-annual presentation of budget variance reports to the DM Central Accountability Committee.
- All schedules and working papers required for the preparation of the consolidated public accounts at their earliest availability or as per the distributed requirement timetable.
- Management letters or other reporting (including the NDC's response) issued by the auditor (both the Auditor General of Canada and any other independent auditor) for all audits conducted on the NDC for the year.
- The NDC is asked to work with staff at the Department of Finance's Financial Reporting and Controls division to ensure Public Sector Accounting Standards are appropriately implemented in all financial reporting.

It is also essential that dialogue and communication be ongoing throughout our government. In the spirit of strengthening our public agencies, I ask that the NDC continue its close working relationship with the Department of Finance at all levels.

I look forward to discussing with you the priorities and directions as stated in this Letter of Expectation. I also look forward to reviewing your response to this letter.

Sincerely,

Hon. David Akeeagok

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Minister Responsible for Nunavut Development Corporation

CC: Goretti Kakuktinniq, Interim-President, Nunavut Development Corporation Bernie MacIsaac, Deputy Minister, Department of Economic Development and Transportation Jeff Chown, Deputy Minister, Department of Finance



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Ms. Kathy Hanson Vice-Chairperson, Nunavut Housing Corporation PO Box 1000, Station 1400 Igaluit, Nunavut X0A 0H0

## **Nunavut Housing Corporation Letter of Expectation, 2020-21**

March 16, 2020

Dear Ms. Hanson,

I am pleased to provide you with this Letter of Expectation for 2020-21. This letter outlines the priorities and goals intended to guide the Nunavut Housing Corporation (NHC) in the new fiscal year, set out in the Government of Nunavut's (GN) mandate, *Turaaqtavut*.

This letter also outlines the essential financial reporting requirements and responsibilities of the Corporation, intended to promote transparency and accountability in operations and governance.

I look forward to working with the Board of Directors and Executive Team as we strive to address the territory's housing crisis and improve the adequacy, availability and affordability of housing for Nunavummiut.

## **Expectations and Priorities for 2020-21**

The NHC's 2020-21 business plan and budget outline several important priorities for the Corporation, many of which align with *Turaaqtavut*, and should be implemented strategically, and with the overall well-being of Nunavummiut in mind.

As you are aware, I committed to MLAs and to the public to undertake an extensive and independent review of the Corporation and many of its programs and practices. Work on this review shall commence April 1, 2020, as laid out in the scope of the review. The final

report is required to be presented April 1, 2021. Once the report is approved by cabinet, it will be tabled in the Legislative Assembly for all MLAs.

#### Inuit Employment Plan

The recently released GN Master Inuit Employment plan and NHC's detailed plan should be guiding the Corporation's recruitment, and human resources activities to increase Inuit employment at all levels.

All departments and territorial corporations are responsible for implementing their respective Inuit Employment Plans, including effective use of training and development programs provided

by the GN, mainly as the government works to enhance the opportunities available through the creation of a stand-alone Department of Human Resources.

While the Local Housing Organizations employ hundreds of Inuit staff and have very high Inuit employment rates, in September 2019, Inuit employment within the Corporation was 38%.

I look forward to seeing the progress the Corporation makes to implement strategic efforts to increase Inuit employment in 2020-21.

## Harassment-Free Workplace

In accordance with the Harassment-Free Workplace Policy, our government has zero-tolerance for harassment, bullying or reprisals of any type. It is crucial that all employees read, understand and follow this policy, as well as the Human Resource Manual directives that complement the policy. Further, I expect you to ensure that that the President and Board of Directors take personal responsibility for ensuring a harassment-free workplace at the Corporation.

## Leasing & Procurement

As the Minister responsible for the Nunavut Housing Corporation, I understand that Nunavut is a unique territory. Competition may be limited, and actual or perceived conflicts of interests may occur, particularly when hiring, as well as when locally procuring goods and services or leasing properties. Nonetheless, I expect ethical conduct in all day-to-day operations from all your team members. Therefore, I ask that you ensure that all your team reacquaints themselves with the <a href="Government of Nunavut's Code of Values and Ethics document">Government of Nunavut's Code of Values and Ethics document</a>. All employees should be required to review and acknowledge the Code

of Values and Ethics upon initial hire as well as being periodically reminded of this important policy.

Further employees should be provided with clear guidance on how to report any concerns with respect to a breach of the Code of Values and Ethics, both within your organization and to the Ethics Officer. The guidance should clearly describe the protection from reprisals that are given to employees who report concerns to the Ethics Officer. I also expect you to ensure that as part of any of these hiring and procurement processes, there are precise requirements and opportunities to disclose potential conflicts of interest.

An area of concern that has been raised by the Standing Committee on Oversight of Government Operations and Public Accounts relates specifically to the leasing of properties and the due diligence process surrounding these leasing activities to ensure no conflict of interest is occurring. I ask that you provide as part of your internal leasing process that each lease agreement entered into includes a validation of the registered titleholder of the property

and this information along with the landlord (which may be different) should be reported as part of your annual contract reporting.

I further ask that your contracting policies and process require disclosure to senior management of any situation where a contract is being considered that involves a board member, employee or their immediate family member. Any such situation should be exceedingly rare and should not be entered into without clear and full disclosure. Review and approval by senior management that is independent of the potential conflict of interest is imperative to ensuring the integrity of the procurement process. I expect that entry into any such contracts be subsequently reported to the Board of Governors.

Under the Leasing of Commercial Real Property – Consolidated Policy from the Department of Community & Government Services (CGS), the GN is committed to transparency and accountability in leasing activities and, as such, shall disclose any instances in the Lease Activity Report where Executive Council exercises prerogative. The GN ensures this transparency through the tabling of its annual contracting reports (CAR/PAR/LAR), which clearly identifies the various contracts entered into by the GN as well as the procurement method used. I expect you to ensure that the President and Board of Governors take personal responsibility for ensuring transparent and accountable leasing agreements and produce annual contracting reports that are consistent with the information provided and tabled by CGS on behalf of GN departments.

Furthermore, in accordance with the GN Contracting Procedures Manual (2<sup>nd</sup> Edition), the GN operates its procurement and contracting operations in a manner that is open, fair, and transparent. Our policies and procedures support the promotion of the competitive bidding process. The procurement officers who work for the GN all subscribe to the Code of Ethics as outlined by the Purchasing Management Association of Canada. Potential suppliers to the GN compete for our business and are notified through public advertisements on the GN's Request for Tenders/Proposals' web site and through northern newspapers.

Finally, I appreciate your cooperation in ensuring that the President and Board of Directors take accountable steps to procure contracts and lease properties for the Corporation.

## National Housing Strategy

Congratulations on signing a nine-year bilateral agreement with the federal government's Canada Mortgage and Housing Corporation on April 1, 2019, for funding associated with the National Housing Strategy.

The funding flexibilities that the NHC has secured will be critical to ensuring that investments in housing can truly benefit the territory and meet the diverse housing needs of Nunavummiut.

I expect that the bilateral agreement will be efficiently and effectively implemented in accordance with the Corporation's 3-year Action Plan. In addition, in 2020-21, I look forward to receiving updates on the Canada Housing Benefit's progress.

I also expect that the critical partnership with the Canada Mortgage and Housing Corporation continues to be fostered, and the *Turaaqtavut*, priority, *Katujjiqatigiinnivut*, met through this collaboration.

#### Blueprint for Action on Housing

As we enter the fourth year of implementation of the Blueprint for Action on housing, I expect to see continued progress on the critical actions identified in the Blueprint, including increased collaboration with other departments and agencies to achieve specific actions and activities a reality.

The Blueprint for Action is a complex document that requires continuous participation from across the government, and beyond. I encourage the Board of Directors to ensure that the Corporation works to maintain the momentum of the Blueprint in its fourth year, as the medium and longer-term actions become more relevant.

In 2019-20, I expect the Corporation to continue to devote the required resources to the Blueprint's implementation, and I look forward to tabling the Annual Status of Housing report in the Spring session.

In 2020-21 I look forward to reviewing the preliminary plans for the Nunavut Housing Needs and Demand study.

## Partnership with Local Housing Organizations

In keeping with the *Turaaqtavut*, priority, *Katujjiqatigiinnivut*, I expect the NHC, in 2020-21, to continue to work diligently at maintaining and strengthening its most important partnership, that with the Local Housing Organizations (LHOs).

The relationship with LHOs is critical to the operations of the Corporation and the provision of housing to tenants, and I hope to see revised and improved Management Agreements signed with LHOs and implemented this year.

I am confident that the commitments and requirements set out in these agreements will significantly improve housing operations in communities, including ensuring that critical modernization and improvement work is completed on the territory's public housing stock.

## Staff Housing

Congratulations on receiving approval for the staff housing policy. These are important first step. In developing a program that will support recruitment, retention, and Inuit employment within the public service.

I expect the Corporation to work very closely with the Departments of Finance and Human Resources in 2020-21 to ensure that the recommended changes to the program are properly implemented as soon as possible.

#### Homeownership

Successfully transitioning from subsidized public or staff housing to homeownership is a critical step in improving one's housing situation and increasing self-reliance and well-being. Grant and loan programs offered through the NHC can play a key role in supporting the transition, as well as maintaining successful homeowners in the future.

In 2020-21, I expect the NHC to refurbish and revamp, and increase the relevancy of its homeownership programs, including certain changes to eligibility criteria, in keeping with the Homeownership Program Review report.

As directed in last year's Letter of Expectation, I expect the Corporation to complete exploration and development of a Homeownership Assistance Program with the goal of submitting a Request for Decision to consider approving program policy and design to cabinet in spring 2020.

Accountability and Financial Management Reporting Expectations for 2020-21

The Financial Administration Act (FAA), in Section IX, Public Agencies, outlines the minimum reporting responsibilities and timeframes for Nunavut's public agencies, including particular provisions for territorial corporations. Additionally, please be aware that in the interest of increased transparency, accountability and effectiveness, Ministers responsible for territorial corporations may issue directives to provide additional important information to the GN and Nunavummiut.

Ongoing reporting responsibilities, through tabling in the Legislative Assembly, include:

- The Corporation's Business Plan, at the same time as the GN's Business Plan, is tabled.
- A comprehensive yearly report on all procurement, contracting and leasing activities undertaken by the Corporation. This report, or reports, should contain, at a minimum, the information currently available in the government's Annual Procurement Activity Report, Lease Activity Report and Contract Activity report. (In preparing the Lease Activity Report, please ensure that information which may provide an unfair business advantage to potential competitors is not disclosed).
- Formal responses to letters of expectation, letters of instruction, and Ministerial directives at the first session of the Assembly subsequent to the Corporation receiving such correspondence.

For 2020-21, you are once again instructed to give attention to the following ongoing reporting responsibilities to the Department of Finance:

- Board-approved budget variance reports and expense projections for both operations and maintenance and capital monthly. This monthly reporting should be submitted on or before the 10th day of every month.
- Semi-annual presentation of corporate financials and operations to the DM Central Accountability Committee.
- All schedules and working papers required for the preparation of the consolidated public accounts at their earliest availability or as per the distributed requirement timetable.
- Management letters or other reporting (including the Corporation's response) issued by the auditor (both the Auditor General of Canada and any other independent auditor) for all audits conducted on the Corporation for the year.
- The Corporation is asked to work with staff at the Department of Finance's Financial Reporting and Controls division to ensure Public Sector Accounting Standards are appropriately implemented in all financial reporting.

It is also important that dialogue and communication be ongoing throughout our government. In the spirit of strengthening our public agencies, I ask that the Corporation continue its close working relationship with the Department of Finance at all levels.

I look forward to discussing with you the priorities and directions, as stated in this Letter of Expectation, along with your response.

Sincerely,



Hon. Patterk Netser Minister Responsible for Nunavut Housing Corporation

CC: Terry Audla, President & CEO, Nunavut Housing Corporation Jeff Chown, Deputy Minister, Department of Finance



「のく bL いっちょう くしょう くしょう しょう Minister responsible for Qulliq Energy Corporation Minista Kamayiuyuq Qulliq Umaqqutit Kuapurisankunik Ministre responsable de la Société d'énergie Qulliq

# The Honourable Jeannie Ehaloak

MAR 3 0 2020

Mr. Simeonie Akpalialuk Chairperson Qulliq Energy Corporation PO Box 250 IQALUIT, NU X0A 0H0

Dear Mr. Akpalialuk;

I am pleased to provide you with this Letter of Expectation for 2020-21. This letter outlines the priorities and goals intended to guide the Qulliq Energy Corporation (QEC) in the new fiscal year, as set out in the Government of Nunavut's (GN) mandate, *Turaaqtavut*.

This letter also outlines the important financial reporting requirements and responsibilities of the corporation, intended to promote transparency and accountability in operations and governance. I look forward to strengthening relationships with the QEC board and senior management team as we work closely to provide safe, reliable, and efficient electricity to Nunavummiut.

## **Expectations and Priorities for 2020-21**

QEC's 2020-21 business plan and budget outline several important priorities for the corporation, many of which align with *Turaaqtavut*, and should be implemented strategically, and with the overall well-being of Nunavummiut in mind.

## Inuit Employment Plan

As we enter the second full fiscal year of its implementation, the GN's master Inuit Employment Plan and QEC's specific plan should be guiding the corporation's recruitment, and human resource activities to increase Inuit employment at all levels.

All departments and territorial corporations are accountable for implementing their respective Inuit Employment Plans, including effective use of training and development programs provided by the GN, particularly as the government works to enhance the opportunities available through the creation of a stand-alone Department of Human Resources.

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As of September 2019, Inuit employment at QEC is 49%. I look forward to seeing the progress the corporation makes to implement strategic efforts to increase Inuit employment in 2020-21.

## Harassment Free Workplace

In accordance with the *Harassment Free Workplace Policy*, the GN has zero tolerance for harassment, bullying or reprisals of any type. It is crucial that all employees read, understand and follow this policy, as well as the Human Resource Manual directives that complement the policy. Further, I expect you to ensure that the president and board of directors take personal responsibility for ensuring a harassment-free workplace at QEC.

## Code of Values and Ethics

As the Minister responsible for the Qulliq Energy Corporation, I understand that Nunavut is a unique territory. Competition may be limited, and actual or perceived conflicts of interests may occur, particularly when hiring, as well as when locally procuring goods and services or leasing properties. Nonetheless, as a public agency I expect ethical conduct in all day-to-day operations from all your team members. Therefore, I ask that you continue to ensure that all your team reacquaints themselves with the <a href="Government of Nunavut's Code of Values and Ethics document">Government of Nunavut's Code of Values and Ethics document</a>. Upon initial hire, all employees should be required to review and acknowledge this important document.

Further employees should be provided with clear guidance on how to report any concerns with respect to a breach of the Code of Values and Ethics, both within your organization and to the ethics officer. The guidance should clearly describe the protection from reprisals that is given to employees who report concerns to the ethics officer. I also expect you to ensure that as part of any of these hiring and procurement processes there are clear requirements and opportunities to disclose potential conflicts of interest.

Furthermore, the GN operates its procurement and contracting operations in a manner which is open, fair, and transparent. Our policies and procedures (GN Contracting Procedures Manual, 2<sup>nd</sup> Edition) supports the promotion of the competitive bidding process. The procurement officers who work for the GN all subscribe to the Code of Ethics as outlined by the Purchasing Management Association of Canada. Potential suppliers to the GN compete for our business and are notified through public advertisements on the GN's Request for Tenders/Proposals' web site and through northern newspapers. Review and approval by senior management that is independent of the potential conflict of interest is imperative to ensuring the integrity of the procurement process.

## Leasing

An area of concern that has been raised by the Standing Committee on Oversight of Government Operations and Public Accounts relates specifically to the leasing of properties and the due diligence process surrounding these leasing activities to ensure no conflict of interest is occurring. I ask that you ensure as part of your internal leasing process that each lease agreement entered into includes a validation of the registered title holder of the property and this information along with the landlord (which may be different) should be clearly reported as part of your annual contract reporting. I further ask that your contracting policies and process clearly require disclosure to senior management of any situation where a contract is being considered that involves a board member, employee or their immediate family member. Any such situation should be exceedingly rare and should not be entered without clear and full disclosure.

Finally, I appreciate your ongoing cooperation in ensuring that the president, CEO, and board of directors take accountable steps to procure contracts and lease properties for the corporation.

## Plant Upgrades

As the territory grows in both population size and infrastructure, the demand for upgraded power plants will continue to increase. This need for increased power generation will only grow as the federal government's Investing in Canada's Infrastructure Program (ICIP) brings new infrastructure projects to communities over the next 10 years.

As part of the ICIP funding, the Artic Energy Fund will help support critical upgrades to power plants, including rebuilds and generator set replacements to help the corporation keep up with growth and increased demand.

I look forward to further updates on the plan for spending under the Arctic Energy Fund and in 2019-20 I expect the corporation to work closely with the Department of Community and Government Services to ensure the requirements under the ICIP and its associated Integrated Bilateral Agreement are met.

## Customer-Focused Operations

As a territorial corporation, QEC does not receive any appropriations from the GN and its revenue is dependent on the money it collects from its customers. Nunavummiut pay some of the highest electricity rates in the country. Therefore, it is crucial that the corporation maintains its focus on providing excellent service and ensuring all customers are getting the best value for their money. I look forward to reviewing the new Corporate Communications Policy. It is critically important that any new program(s) that the corporation develops will not result in an increase in customers' electricity rates, such as the net metering program. Ensuring timely and effective communication of QEC's projects, initiatives, and programs for all customers is important.

In 2020-21, I expect QEC to review its customer service processes and develop a plan for ways to improve its engagement with and service to customers.

## Alternative Energy Programs

As governments across Canada attempt to reduce emissions and improve energy efficiency in all areas, there is recognition that Nunavut is unique in the challenges it faces related to developing alternative energy opportunities.

That said, I expect QEC to continue its efforts to reduce Nunavut's reliance on diesel power in a way that is feasible. Important work has already been done in 2018-19 to develop an Independent Power Producer Policy and Commercial and Institutional Power Producers Policy and continue working towards implementing these programs.

## Net Metering

The launch of QEC's net metering program is an important step for the corporation, and it aligns with several *Turaaqtavut* priorities. By reducing QEC's power demand and reliance on diesel fuel, the program supports the priority of *Pivaallirutivut* and specifically managing renewable and non-renewable resources for the long-term benefit of Nunavummiut. Further, by allowing customers to produce their own power, the program contributes to increasing the self-reliance of Nunavummiut, and aligns with the priority *Inuusivut*.

I look forward to receiving updates on QEC's progress.

#### New Office in Baker Lake

Congratulations on receiving approval for the new head office in Baker Lake. This is a significant step for the corporation.

I recognize the importance of improving and expanding the working environment for QEC staff as the corporation continues to increase its capacity.

I look forward to regular updates on the progress of this project in 2020-21.

# Accountability and Financial Management Reporting Expectations for 2019-20

• The Financial Administration Act (FAA) in Section IX, Public Agencies, outlines the minimum reporting responsibilities and timeframes for Nunavut's public agencies including provisions for territorial corporations. Additionally, please be aware that in the interest of increased transparency, accountability and effectiveness, Ministers responsible for territorial corporations may issue directives to provide additional important information to the GN and Nunavummiut. Ongoing reporting responsibilities through tabling in the Legislative Assembly include:

- QEC's Corporate Plan, at the same time as the GN's Business Plan is tabled
- A yearly comprehensive report on all procurement, contracting and leasing activities undertaken by QEC. This report, or reports, should contain at a minimum the information currently available in the GN Annual Procurement Activity Report, Lease Activity Report and Contract Activity Report. (In preparing the Lease Activity Report, please ensure that information, which may provide an unfair business advantage to potential competitors, is not disclosed)
- Formal responses to letters of expectation, letters of instruction, and Ministerial directives at the first session of the Assembly subsequent to the Corporation receiving such correspondence.

During 2020-21, you are once again instructed to give attention to the following ongoing reporting responsibilities to the Department of Finance:

- Board approved budget variance reports and expense projections for both operations and maintenance and capital on at least a quarterly basis, submitted within 60 days of the end of the quarter, and including a year-end fiscal forecast with surplus/deficit reporting.
  - The 60-day submission deadline, requested by QEC, will be revisited in the future, and may be reduced to 30 days to align with other public agency reporting.
- Semi-annual presentation of corporation financials and operations to the DM Central Accountability Committee.
- All schedules and working papers required for the preparation of the consolidated public accounts at their earliest availability or as per the distributed requirement timetable.
- Management letters (and the Corporation's response) issued by the auditor (both the Auditor General of Canada and any other independent auditor) for all audits conducted on the Corporation for the year. Based on last year's audit, QEC should ensure monitoring and control processes are in place to support the existence, accuracy and completeness of spare part and lubricants inventory.
- QEC is asked to work with staff at the Department of Finance's Financial Reporting and Controls to ensure Public Sector Accounting Standards are implemented in all financial reporting.
- QEC will direct its auditors to copy the Comptroller General on the annual audit plan, annual audit results, and management letters and/or other reporting.

 QEC will enable the Internal Audit Services, Department of Finance, to carry out its audit duties and responsibilities and shall ensure that the Internal Audit Services has full, unrestricted, and timely access to all organizational activities, records, property, and personnel.

It is also important that dialogue and communication be ongoing throughout our government. In the spirit of strengthening our public agencies, I ask that QEC continue its close working relationship with the Department of Finance at all levels.

I look forward to discussing with you the priorities and directions as stated in this Letter of Expectations. I also look forward to reviewing your response to this letter.

Sincerely,

Jeannie Ehaloak

Thaloal

Minister responsible for Qulliq Energy Corporation

cc: Mr. Bruno Pereira, President and CEO, Qulliq Energy Corporation

Mr. Jeff Chown, Deputy Minister, Department of Finance