



**Territorial Corporations'
Responses to 2012-13
Letters of Expectation**

May 2, 2012

Hon. Daniel Shewchuk
Minister Responsible for Nunavut Arctic College
Legislative Assembly
Iqaluit, Nunavut

Re: Response to Letter of Expectation March 30, 2012

I would like to acknowledge receipt of the eighth annual Letter of Expectation, received March 30 2012, outlining priorities and desired outcomes for the fiscal year 2012-2013. I have had an opportunity to review and discuss the letter with my fellow Governors and the President at our recent Board Meeting in Kugluktuk April 24 2012.

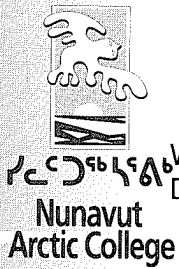
The Board of Governors and senior management of Nunavut Arctic College support the priorities and general direction for Nunavut Arctic College outlined in the Letter of Expectation. The following is a summary of our response as they relate to *Tamapta 2009-13*, particularly with increasing post-secondary opportunities for education, adult learning and training.

We acknowledge the priorities in our 2012-13 Business plan and are continuing to work on capacity to deliver the Applied Bachelor of Business Degree in Accounting, the Middle School Degree program as it relates to training teachers, and complete the University Transfer for the Social Work program. I would like to point out that the Pre Nursing Program is now being delivered as a pilot in Iqaluit.

The Board also has identified to college Management that Student Support Services and Learning Technologies will be strengthened in support of program delivery and the current direction of the college.

The Board of Governors and management of Nunavut Arctic College are committed to supporting the Government of Nunavut in increasing transparency, accountability and effectiveness. We spoke last week with the Office of the Auditor General regarding our annual audit plan and the new Public Service Accounting Standards. This letter is our assurance that Arctic College is addressing the reporting requirements you outlined. In particular;

- Reporting to Nunavummiut through tabling in the Legislative Assembly:
- Arctic College's Business Plan will be tabled at the same time as the GN's Business Plan is tabled.
- A comprehensive yearly report will be prepared on procurement, contracting and leasing activities undertaken by the college in line with the information in the annual GN Report and its requirements
- Preparing formal responses to letters of expectation, letters of instruction, and Ministerial Directives



We also acknowledge and support the ongoing reporting responsibilities through the Department of Finance, in particular

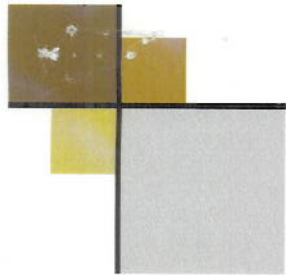
- All schedules and working papers required for the preparation of the consolidated public accounts
- Management letters (and the Corporations response) issued by the Auditor General of Canada
- A comprehensive list of leasing activities if different than the above
- Working with the Department of Finance to ensure changes from the OAG in Public Service Accounting Standards are implemented in all financial reporting and that we have close working relationships at all levels.

In closing, the Board of Governors looks forward to continuing to work with you so that Arctic College continues to grow and meet expectations of government and all Nunavummiut. We welcome any additional questions or further clarifications needed around these issues or any others pertaining to Nunavut Arctic College which you feel are important.

Sincerely

**Frank Pearce, Chairperson
Nunavut Arctic College Board of Governors**

cc: Mr. Michael Shouldice, President,
Mr. Chris D'Archy, Deputy Minister, Finance



Nunavut Business
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Credit Corporation
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“Lender of Northern Opportunity”

April 20, 2012

The Honourable Peter Taptuna
Minister Responsible for the Nunavut Business Credit Corporation
The Legislative Assembly of Nunavut
P.O. Box 1200, 926 Federal Road
Iqaluit, NU X0A 0H0

Dear Minister Taptuna:

Re: Nunavut Business Credit Corporation 2012-2013 Letter of Expectation

Please accept this letter as acknowledgement of the annual Letter of Expectation issued for Nunavut Business Credit Corporation (NBCC) for the 2012-2013 fiscal year.

NBCC’s Board of Directors and senior management acknowledge the broader context in which NBCC operates and its role in working with the Government of Nunavut (GN) to achieve its vision under *Tamapta*. Under its mandate, NBCC is also committed to foster economic development within the Territory and thereby create sustainable opportunities for Nunavummiut. It is through this primary focus that NBCC feels it can have its greatest impact in ensuring a bright future for the Territory and welcomes the opportunity to work closely with the GN to realize this objective.

NBCC continues to make improvements in its reporting practices. As Chair, I am pleased to report that NBCC has succeeded in preparing its 2011-12 financial statements for audit much earlier than in the past. I would like to add that it achieved this milestone while at the same time implementing the transition to Public Sector Accounting Standards and restating its 2010-11 financial results on the same basis. This speaks to NBCC’s enhanced internal capacity to address its reporting responsibilities.


As you know, NBCC received a positive audit opinion from the Auditor General of Canada with respect to its 2010-11 reporting after several years of denied opinion. The Board was also pleased that the 2008 Directive issued by the Minister of Finance was revoked in 2011 in recognition of NBCC’s strengthened capacity and internal improvements. The Board intends to ensure NBCC’s maintains its good standing. Further, NBCC is committed to the priorities as set out in its Business Plan and, in particular, aims to meet its statutory reporting deadline for the 2012-13 fiscal year.

NBCC has emerged a much stronger organization than it was a few short years ago. With a solid foundation now in place, NBCC is now well positioned to broaden its reach across Nunavut's business sector and work with new and existing clients to expand its loan portfolio and fulfill its mandate.

On behalf of the NBCC Board and senior management, we look forward to working closely with the Departments of Finance and Economic Development and Transportation in the year ahead and appreciate the support and advice offered by the GN as well as the oversight provided by the Public Agencies Council over the past year.

We agree to comply with the requirements as set out under the Letter of Expectation for the 2012-13 fiscal year and strive to build on NBCC's successes from 2011-2012.

Sincerely,


Greg Cayen, FCA
NBCC Chair

cc: Chris D'Arcy, Deputy Minister, Department of Finance

cc: Robert Long, Deputy Minister, Department of Economic Development and Transportation



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NUNAVUT DEVELOPMENT CORPORATION
LA CORPORATION DE DÉVELOPPEMENT DU NUNAVUT
NUNAVUNMI PIVALLIAJJUTIKHALIRINIRMUT KUAPURIISINGAT

April 28th, 2012

The Honourable Peter Taptuna
Minister Responsible for the Nunavut Development Corporation
PO Box 2410 Government of Nunavut
Iqaluit NU X0A-0H0

Dear Mr. Taptuna: *Peter*

I have carefully reviewed the Nunavut Development Corporation's (the Corporation) 2012-13 Letter of Expectation and have discussed the priorities and objectives set out therein with my senior staff.

I can assure you that I share the vision established under Tamapta and through the successful delivery of our core programs, built to achieve the legislated mandate of the Corporation, we will continue to contribute to the advancement of these important principles. The ongoing generation of income earning opportunities for Nunavut's harvesters, artists and seamstresses, fostering direct employment opportunities at our subsidiaries, targeting new investments in key sectors such as tourism and the fishery and ensuring all of the Corporation's programs and services are built to serve Nunavummiut first, the Corporation's activities will help advance these essential Tamapta objectives.

In terms of the Priority items set out in the Letter of Expectation, I am committed to advancing these important initiatives and providing you and staff at the Department of Economic Development and Transportation with progress updates on these matters over the coming year. I can also tell you that work on many of these items is already well underway.

As the Chairperson, I am also keenly aware of the financial management reporting requirements and expectations established under Part IX of the Financial Administration Act. I along with my staff will endeavour to work closely with staff at the Department of Finance and the Public Agencies Council to ensure the requirements are met and that additional reporting information is provided in a timely manner.

Nancy-Karetak Lindell

Nancy-Karetak Lindell
Chairperson

C.c.: Chris D'Arcy, Deputy Minister, Department of Finance
Robert Long, Deputy Minister, Economic Development & transportation



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Nunavut Housing Corporation
Nunavutmi Iglulirijirjuarkut
Société d'habitation du Nunavut

Date: September 18, 2012

Honourable Peter Taptuna
Minister Responsible for the Nunavut Housing Corporation
PO Box 1200,
Iqaluit NU X0A 0H0

Nunavut Housing Corporation Letter of Expectation 2012-2013

Dear Minister Taptuna:

Please find herein my response to the Nunavut Housing Corporation's Letter of Expectation for 2012-13, which provided direction concerning the reporting responsibilities of the Corporation and outlined the priorities and desired outcomes for the 2012-13 fiscal year. On behalf of the Board of Directors and myself, I confirm the acceptance of the Nunavut Housing Corporation's 2012-13 letter of expectation.

We agree that Nunavut's housing needs are indeed staggering, and that they become even more acute when considering the housing stock's age and condition and Nunavut's rapidly growing young population. However, the Board and staff of the Nunavut Housing Corporation firmly believe that the challenge of meeting the sheltering needs of Nunavummiut is not insurmountable and the vision of the future, as outlined in *Tamapta*, attainable.

We recognize the critical function that housing plays in the health and well being of Nunavummiut. Adequate housing is intimately linked to the physical and mental health of residents and enables people to direct their energies toward education, employment, child-raising and other important activities. Consequently, the Nunavut Housing Corporation has a responsibility to align the strategic goals of the Corporation for 2012-13 with our mandate. In so doing, we endorse the following *Tamapta* priorities:

- Nunavummiut will continue to have a highly valued quality of life, and a much better standard of living for those in need;
- Individuals and families will be active, healthy and happy;
- Communities will be self-reliant, based on Inuit societal values, with reduced dependence on government;
- Nunavut will be recognized for our unique culture, our ability to help one another, and for our useful contributions to Canadian and global issues.

As the Chairperson of NHC, I recognize the Board's commitment to *Tamapta* priorities is critical to the continuing development of Nunavut especially as relates to the first two of these priorities.

I also acknowledge my responsibility to implement priorities that touch upon all Public Agencies and GN departments. In particular, those policies aimed at enhancing the GN's efforts to incorporate Inuit Societal Values in the government's programs and services as well as increasing beneficiary employment to the representative level mandated by the Nunavut Land Claims Agreement. A major element of these efforts naturally includes developing an action plan for the implementation of Inuit Language Protection Act (ILPA) and Official Languages Act (OLA).

Expectations and Priorities for 2012-2013

I have discussed with senior management the direction set out in your letter to ensure the expectations, priorities and principles stated in the Corporations approved 2012-2013 business plan and budget are adhered to, in a manner consistent with the GN's ongoing goal of improving accountability and transparency.

Minister, expect regular updates on our entire list of 2012-13 business plan priorities, and in particular those outlined in your letter pertaining to:

- Strengthening the Public Service;
- Increasing the Availability and Affordability of Housing;
- Public Housing;
- GN Staff Housing;
- Promoting Self-Reliance; and
- Combating Homelessness.

Our main priority, Minister, will be the completion of a comprehensive long term strategy for housing and homelessness, as a way forward to increase the needed housing stock for Nunavut. The Board's belief in the attainability of Tamapta's vision of the future rests squarely on the production of a straightforward and frank strategic framework outlining the dimension of the housing challenge in Nunavut and the development of a realistic and achievable complimentary action plan.

The Board fully commits to providing both the strategic direction and the critical path needed to ensure the level of decision making required to fully meet the sheltering needs of Nunavummiut is sufficiently informed.

Accountability and Financial Management Reporting Expectations for 2012-13 Fiscal Year

The Board will ensure the Corporation continues to satisfy its tabling requirements, including submission of its Business Plan for inclusion in the GN's Business Plan; its Annual Contracting Report and the Corporation's Annual Report as per Part IX of the *Financial Administration Act*. As well, this response to the NHC's 2012-13 Letter of Expectation will be tabled as required at the first session of the Assembly subsequent to my having received it.

The Nunavut Housing Corporation remains committed to fulfilling its reporting responsibilities through the Department of Finance, including the financial and management reporting as required by the Minister of Finance's April 16, 2010 Directive, and in maintaining and nurturing its close working relationship with the Department of Finance . As well, the NHC is making good progress in its conversion to Public Service Accounting Standards for its financial reporting.

In the spirit of strengthening ongoing important dialogue and communication throughout government to support the advancement of the GN's priorities, I have instructed Alain Barriault, President and CEO of the Nunavut Housing Corporation to pursue opportunities for supportive collaboration with GN Departments and Agencies and ensure the Corporation continues its close working relationship with the Department of Finance at all levels.

I look forward to discussing with you the NHC's progress in addressing the priorities and directions as stated in the 2012-13 Letter of Expectations.

Sincerely,

A handwritten signature in black ink, appearing to read 'E. Lysy', with a long horizontal line extending to the right.

Eugene Lysy,
Chairman, Nunavut Housing Corporation

C.c. Chris D'Arcy, Deputy Minister, Department of Finance
Alain Barriault, President and CEO, Nunavut Housing Corporation



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Qulliq Energy Corporation
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P.O. Box 580, Iqaluit, Nunavut, XOA OHO

November 8, 2011

Hon. Lorne Kusugak
Minister responsible for Qulliq Energy Corporation
Iqaluit, NU

Dear Minister Kusugak,

RE: Response to QEC 2012-2013 Letter of Expectation

I was pleased to receive the 2012-2013 Letter of Expectation of Qulliq Energy Corporation (QEC), dated October 31, 2011. I have had an opportunity to share it with the Board of Directors, and have discussed it with QEC's President/CEO and Senior Management Team.

Tamapta Priorities

QEC's mission is to provide safe, reliable and efficient electricity while planning long-term affordable energy for Nunavummiut. A reliable and fairly priced supply of electricity is important in supporting community-based sustainable economies which, in turn, will help to reduce poverty, both which are priorities under *Tamapta: 2009-2013*.

Producing reasonably priced electricity while maintaining an appropriate long-term capital plan is a challenging proposition that requires the combined efforts of QEC and the GN. The Board of Directors is acutely aware of the current state of electrical infrastructure across Nunavut. There is an immediate need to replace 17 power plants in the next decade. The limited customer rate base in Nunavut cannot bear this capital cost on its own.

Opportunities to improve energy conservation require the collaboration of both QEC and government. Furthering the education of QEC customers and Nunavummiut about the true cost of electricity production and delivery in the north is one step towards an energy conserving society. We also need to ensure that energy subsidies are meeting the needs of Nunavummiut, while having a positive impact on the economy.

QEC is continuing to pursue alternative energy options for Nunavut. We have submitted numerous applications to various Federal departments and agencies seeking funds to move alternative energy projects forward. The Board of Directors believe that an efficient, reliable energy infrastructure including non-oil resources is imperative for Nunavut and we encourage the GN to have energy



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Qulliq Energy Corporation
Société d'énergie Qulliq
Qulliq Alruyaktuqtunik Ikumatjutiit

infrastructure, and especially renewable energy infrastructure, as a priority in future discussions with the Federal government.

QEC will continue with our efforts to incorporate Inuit Societal Values into our programs and services. QEC continues to be a leader in providing Inuit employment as evidenced by our having one of the highest Inuit Employment Percentages in the GN, and we will continue with our Beneficiary Development Program as we strive to fully implement Article 23 of the *Nunavut Land Claims Agreement*.

Expectations and Priorities for 2012-2013

The Board of Director's has given QEC's Senior Management the following directives in order to address the initiatives that you outlined in your 2012-2013 Letter of Expectation:

- Complete the 25kV distribution upgrade for the City of Iqaluit, improving power quality while reducing operating costs;
- Continue with the program to expand the Iqaluit Power Plant and replace aging gensets, ensuring the ability to meet power demand for the long term;
- In conjunction with the Infrastructure Renewal Program continue with the design and construction of new power plants for Cape Dorset, Qikiqtarjuaq and Taloyoak;
- Find and develop appropriate funding for the 2012-2013 capital plan and for any anticipated additional need for operating capital;
- Complete a comprehensive review and update of the Corporation's Strategic Plan;
- Continue with the improvements to the reporting and working relationship with the Office of the Auditor General of Canada, in order to complete their annual audits on time;
- Continue the efforts to recruit and fill vacancies within Senior Management;
- Continue with the implementation of the Corporate Performance Management Program for all employees;
- In partnership with the Energy Secretariat and other relevant GN departments, strive to implement *Ikummatiit*, the energy strategy of the Government of Nunavut; and
- Continue to strengthen the reporting and working relationship with the Government of Nunavut.



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Accountability and Financial Management Reporting Expectations for 2012-2013 Fiscal Year

The Board and Management of QEC look to continue the recent improvements we have made in our timely reporting to the Government of Nunavut. Expanding our reporting to both the Legislative Assembly of Nunavut and the GN Department of Finance is one more way we can improve corporate accountability while fulfilling our obligations set out in the *Financial Administration Act*.

The Board of Directors has instructed QEC's Senior Management to continue to report to Nunavummiut by tabling the following documents in the Legislative Assembly:

- Qulliq Energy's 2012-2013 Corporate Plan, to be tabled at the same time as the GN's 2012-2013 Business Plan;
- The Corporation's 2011-2012 Annual Report, to be tabled during the first session of the Assembly following approval by the Auditor General and the Board of Directors;
- An annual, comprehensive report on all procurement, contracting and leasing activities undertaken by the Corporation, containing at minimum the information currently available in the GN reports. It is anticipated that the 2011-2012 report will be tabled prior to the winter 2013 session of the Legislative Assembly; and
- Formal responses to letters of expectation, letters of instruction and Ministerial directives, tabled at the next session of the Assembly following the Corporation's receipt of the correspondence.

The Board of Directors has also directed QEC's Senior Management to report to the GN by providing the following documents to the Department of Finance:

- All schedules and working papers required for the preparation of the consolidated public accounts at the earlier of when they become available 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; and
- A comprehensive list of all leasing activity, if different to the public Lease Activity Report above.



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The President/CEO and Chief Financial Officer of QEC have been asked to work with staff at the Financial Reporting and Controls division of the Department of Finance to ensure Public Service Accounting Standards are implemented in all financial reporting.

On behalf of the Board of Director's and QEC's Senior Management, I believe that we will be able to meet these goals, and continue to improve our standing with the GN and Nunavummiut as a responsible, transparent and reliable electrical utility, serving the needs of our customers.

Sincerely,

Simon Merkosak,
Chairperson, Qulliq Energy Corporation

cc: Peter Mackey, President & CEO, Qulliq Energy Corporation
Chris D'Arcy, Deputy Minister, Department of Finance
Board of Directors, Qulliq Energy Corporation