







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.





- 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





### 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 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 [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. 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.





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 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 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.







### 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 [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. 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



























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

Sincerely,

A handwritten signature in blue ink, consisting of several overlapping loops and a horizontal line extending to the right.

Hon. Patterk Netser  
Minister Responsible for Nunavut Housing Corporation

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





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 [Government of Nunavut's Code of Values and Ethics document](#). 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 Arctic 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  
Minister responsible for Qulliq Energy Corporation

cc: Mr. Bruno Pereira, President and CEO, Qulliq Energy Corporation  
Mr. Jeff Chown, Deputy Minister, Department of Finance