

Chapter 3
Operation of Management Board

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3.1 LEGISLATIVE AUTHORITY

- Establishment pursuant to the *Financial Administration Act* (Section 3).

3.2 MANUALS

- General Administration Manual (Volumes 1, 2, 3, and 4)
- Management Board Directives Manual.

3.3 HISTORY

- In 1960, the *Yukon Act* was amended to bring into being an Advisory Committee on Finance, consisting of three members of the Territorial Council (now called Legislative Assembly) which was to be consulted by the Commissioner in the preparation of the budget.
- In 1968, Commissioner James Smith created the Budget Programming Committee which consisted of the Territorial Councillors who had been appointed to the Advisory Committee on Finance plus the two Assistant Commissioners and the Territorial Treasurer. This committee was made responsible for the preparation of the budget. In contrast, the Advisory Committee on Finance had only been allowed to review the budget prepared by the administration a few weeks prior to the spring sitting of the Legislative Assembly and was not permitted to make changes.
- In 1970, pursuant to a directive of the Minister of Indian Affairs and Northern Development, an Executive Committee was created consisting of the Commissioner, two Assistant Commissioners and two Members of the Territorial Council. The Executive Committee has been described as the “embryo” of the current Cabinet. The Budget Programming Committee was transferred into an agency of the Executive Committee and given the title Sub-Committee of Finance. It was clearly a forerunner to the present day Management Board as its principal functions were to make recommendations to the Executive Committee respecting:
 - the determination and control of the staff establishment;
 - expenditure plans and programs; and
 - the annual financial position of the government.
- A further transformation occurred in 1979 when the Cabinet became a fully-elected body and the Sub-Committee on Finance was renamed the Cabinet Committee on Finance. The powers of the committee remained purely advisory in nature.

3.3 (Continued)

- As of February 22, 1983, the Cabinet Committee on Finance became Management Board with enhanced decision-making powers. In essence, the Management Board composed of Ministers of the government, became the overall “general manager” of government operations.
- The decision to enhance the powers of Management Board was originally sanctioned through a policy directive of Cabinet in February, 1983. With the passage of the *Financial Administration Act* in April, 1984, the current Management Board, along with its powers, were established by statute.
- Management Board has evolved from a body which had limited authority and functioned in a purely advisory capacity to a fully-fledged decision-making body with its authority established in statute (the *Financial Administration Act*) and in Directives or Regulations pursuant to that statute.

3.4 GENERAL DESCRIPTION

The Management Board is the management and financial committee of Cabinet established pursuant to Sections 3 and 4 of the *Financial Administration Act*. Subject to the *Financial Administration Act* and the direction of Cabinet, the Management Board determines its own rules and procedures and also issues Directives pertaining to areas noted below:

- (a) accounting policies and practices of the government, including the form and content of the Public Accounts;
- (b) government management practices and systems;
- (c) government financial management and control of revenue disbursements and assets;
- (d) evaluation of government programs as to economy, efficiency and effectiveness;
- (e) the management, control and direction of the public service, including organization and staff establishments;
- (f) internal audit procedures and methods; and
- (g) any other matters referred to it by the Cabinet.

More information on the Management Board is contained in Management Board Directive MBD#1/84.

3.5 DECISIONS

Decisions of the Management Board are recorded in documents known as Minutes. Minutes usually pertain to specific decision topics (e.g. a request for signing authority) and extracts of Minutes are distributed to Deputy Heads in the government when Management Board decisions relate to their departments. In the case of decisions made on Management Board sub-committee reports, Minutes are distributed to the Chair of the appropriate committee.

Management Board also issues Directives related to the overall operation of Government. Directives are placed in the Management Board Directives Manual and are also published in the Yukon Gazette. Directives are added, deleted or amended regularly to reflect Management Board decisions. The Management Board Secretariat distributes updates to departments and it is important for holders of Management Board Directives Manuals to ensure that the manuals are kept up-to-date.

Where there is a discrepancy between the contents of a Management Board Directive and other administrative policies that exist, the Management Board Directive prevails.

It should also be noted that Management Board Directives are the subject of an ongoing process intended to co-ordinate government policies. As part of that process, Directives are gradually being replaced by policies in the General Administration Manual (GAM).

3.6 ADVISORY AND SUPPORT STAFF

A. SECRETARY TO MANAGEMENT BOARD

The Secretary to the Management Board is appointed by Order-in-Council pursuant to Section 3(3) of the *Financial Administration Act*.

The Secretary to the Board is responsible for:

- ensuring that there is an analytical support function to Management Board (the Secretariat is located in the Department of Finance);
- reviewing and approving Management Board's agenda, in consultation with the Chair;
- anticipating future agendas in order to assist the Chair to determine priorities and manage the Board's work;
- working with the Premier and political staff to reconfirm government's priorities from time to time;
- participating in regular meetings with the Cabinet Secretary to review and ensure co-ordination of Cabinet and Management Board agendas;
- ensuring accurate minuting of the decisions of the Board;
- signing the official minutes of the Board for subsequent signature by the Chair; and
- presenting or organizing presentation of topics to the Board.

B. DEPUTY HEAD OF FINANCE

Pursuant to Section 7 of Management Board Directive #1/84, the Deputy Head of Finance is a permanent advisor to the Management Board. The Deputy Head provides advice and comment as required or requested on matters of a budgetary nature that are being discussed by the Board. Also, when the Management Board discusses budgetary items such as estimates or variance reports, there is representation from the Management Board Secretariat, Department of Finance.

C. PUBLIC SERVICE COMMISSIONER

The Public Service Commissioner is a permanent advisor to the Management Board, pursuant to Section 7 of Management Board Directive #1/84 and provides advice and comment pertaining to human resource decisions of the Board.

3.6 (Continued)

D. DEPUTY HEAD OF HIGHWAYS AND PUBLIC WORKS

The Deputy Head of Highways and Public Works provides advice and comment on Board decisions pertaining to the procurement and management of affordable facilities, informatics, goods and services.

E. ADMINISTRATIVE SUPPORT

The Management Board Secretariat provides the following administrative support:

- minute-taking;
- key-punching of the minutes;
- creation of the Management Board Minute extracts;
- creation and maintenance of files pertaining to requests to Management Board; and
- maintaining the Management Board Decision Data Base.

Support staff in the Executive Council Office are responsible for:

- distribution of Management Board agenda packages;
- distribution of Extracts of Minutes;
- receiving and logging original submissions to Management Board; and
- providing copies of submissions to the Management Board secretariat for analysis.

F. FREQUENCY OF MEETINGS

The frequency and scheduling of Management Board meetings vary depending on other commitments (for example, when the Legislative Assembly is in session, ministerial travel, etc.). Generally, however, meetings are held on a weekly basis, usually mid-week, and, on average, last approximately one to one and one-half hours.

3.7 ROUTING OF SUBMISSIONS

Submissions to Management Board are routed from the office of the sponsoring Minister to the Assistant to the Cabinet Secretary in the Executive Council Office (ECO). The submissions are recorded and given an ECO log number, photocopied and then three copies of each submission are provided to the Management Board Secretariat in the Department of Finance.

Departments often send advance copies of submissions or memoranda to Management Board direct to the Management Board Secretariat in order that preliminary reviews may occur prior to receipt of the final, formal submission. This practise is encouraged particularly when dealing with complex submissions.

3.8 CONTENT OF SUBMISSIONS

Submissions to Management Board are normally completed using the Application and Report to Management Board form (see Appendix A). This form is also available in electronic format from the Management Board Secretariat. Letters from Ministers to the Board and other documents may also be used.

When Management Board consideration of a Cabinet submission is required (which would occur where there are financial or other resource implications) it is unnecessary to reformat the signed Cabinet submission. Rather, when preparing the Cabinet submission Routing Sheet, clearly indicate that the submission is to be reviewed by both Cabinet and Management Board. However, if a department also wishes to prepare a separate Application and Report to Management Board form, it must also be signed by the sponsoring Minister, initialled by the Deputy Minister and attached to the Cabinet submission.

The content of Management Board submissions is determined in large part by the nature and complexity of the issue or topic. However, in all cases, submissions must contain all information necessary to support informed decision-making by the Board. The following important items should be considered.

- a) Regardless of the format used, the submission must be signed by the Minister (or the Minister's designate) and initialled by the Deputy Minister of the sponsoring department. If additional information relating to a submission is identified after a submission has entered the routing system, the sponsoring department must inform the Minister. If the Minister agrees that the additional information should form part of the submission, the submission must either be amended and signed again by the Minister and the Deputy Minister or the additional material must be signed or initialled by the sponsoring Minister and Deputy Minister.
- b) The submission should be clear and concise and the request phrased in straightforward language.
- c) All relevant background information in support of the request/proposal must be provided within the submission. In circumstances where a Management Board submission is also going forward to Cabinet for a policy decision, the appropriate format for Cabinet submissions should be used, together with an Application and Report to Management Board form, signed by the Minister and the Deputy Minister of the sponsoring department. Departments should consult with the policy branch in the Executive Council Office to confirm which format is currently being used for Cabinet submissions.

3.8 (Continued)

- d) Evasive or vague language should be avoided. For example, if the request is for retroactive approval to award a contract in excess of three years, this should be clearly stated in the submission.
- e) If Management Board or Cabinet has previously made a decision relevant to the issue being addressed in a submission, the minute number(s) should be cited and a summary of the content included.
- f) Where a submission involves a request for additional funding for a program area, reasonable options should be provided for the Board to consider. In particular, it is expected that such a submission would examine whether there are other program areas within the department that could be reduced to offset the cost of the proposed action.
- g) If there is a recoverable aspect to a request, copies of supporting documentation should be attached to the submission (for example, proposed contribution agreements, letters, etc.).
- h) Interdepartmental and public consultation must be referenced where applicable. Submissions should take into account the broad corporate perspective and the interests of other departments. For example, submissions should assess the public acceptability of a proposed initiative if relevant and if there is a difference of opinion or interpretation between departments, it should be noted.
- i) Where possible, and particularly where new program requests are involved, performance measures should be provided to facilitate performance assessment.
- j) In the case of a submission dealing with a complex issue, departments are strongly encouraged to send an unsigned copy of a draft submission to the Management Board Secretariat for review prior to the formal, signed submission entering the system.
- k) Even if the proposed action would not require additional funds, any related costs should be included in the financial effects section of the Application and Report to Management Board, clearly marked “for information purposes only”.

3.8 (Continued)

- l) The financial effects section of the Application and Report to Management Board should reflect the estimated impact on expenditures, revenues and recoveries as follows:
 - “Current Year” column: estimated impact in the remainder of the current year;
 - “Year 2” “Year 3” and “Year 4”: estimated impact in the following three fiscal years.

- m) When preparing Management Board submissions, departments may find it useful to refer to the information provided in Section 3.9 – Analysis of Submissions.

3.9 ANALYSIS OF SUBMISSIONS

BACKGROUND

Submissions going forward to Management Board for consideration are subject to analysis by the Management Board Secretariat, department of Finance. (please see Appendix B). This is a key point and should be clearly understood. In this context, the role that the Secretariat is instructed to fulfill by the Management Board is to support informed decision-making by the Board.

Based on the information provided by the sponsoring department, and taking into consideration factors such as government priorities and relevant corporate information, the Secretariat is responsible for reviewing and making recommendations on the merits of a proposal and for recommending an appropriate course of action to the Management Board.

Depending upon the nature of a submission and potential implications, a copy of a submission may be forwarded as follows:

- if there are human resource implications related to the content of a submission, a copy is sent to the Public Service Commission for review;
- submissions may be forwarded to the Department of Justice for review or for a legal opinion;
- where there are implications related to office space or computer systems, the Department of Highways and Public Works is provided an opportunity to comment on a submission.

Comments received from these departments may be attached to the Secretariat's Analysis Report when it is forwarded to Management Board.

The name of a contact person in the sponsoring department should always be provided along with a submission so that the Management Board Analyst who is reviewing the submission can follow up with any questions or concerns. Naming one contact person helps avoid a situation where different sections of the same department provide conflicting information to an analyst.

The level of analysis depends on the complexity and sensitivity of the issue being addressed in a submission, and on whether the submission contains all necessary and relevant information (please refer to Section 3.8 - Content of Submissions). The degree of analysis required is substantially reduced when a submission presents complete information in a clear and concise manner.

3.9 (Continued)

THE ANALYSIS REPORT

The Analysis Report

- sets out the essentials of a proposal under consideration in a concise, non-technical manner;
- makes recommendations on the merits of a proposal;
- may at times include corporate information that is related to the submission request, but not specifically noted in the submission.

The Analysis Report is divided into three sections:

1. Issue

- states the reason for the submission; generally a one sentence summation of the question/issue to be discussed and resolved by Management Board.

2. Comments

- presents the factors/information/analysis considered by the Secretariat in reaching the recommended action/solution

3. Recommendation:

- states the Secretariat's recommended solution/action.

Each of these sections corresponds to the three types of questions generally addressed by the Analyst completing the report. Examples of the types of questions are noted below.

1. Issue

- why is the submission coming forward to Management Board?
- what is being requested?
- what issue/problem/question needs to be discussed/resolved by Management Board?

2. Comments

- Is there relevant departmental and corporate information pertinent to this request that needs to be considered?
- Are there any anticipated pitfalls or problems?
- Does the proposed action support government priorities or policies?

3.9 (Continued)

- Will the proposed action require a policy decision by Cabinet?
- Are there legislative implications?
 - Would amendments to existing or new legislation or regulations be required?
- Is there an implementation plan in support of the proposed action?
 - Does the implementation plan clearly show how the proposed action will be implemented?
 - Does the implementation plan include an evaluation component?
- What time frames are involved?
- Are there options that offer a viable alternative to the action recommended by the department?
- What are the expenditure, recovery, revenue and human resource impacts in the current year?
 - How much will it cost to implement the proposed action in the balance of the current fiscal year?
 - Will there be any revenues or recoveries flowing to government in the current year? How much?
- Is the submission dealing with Capital versus O&M funding?
 - If O&M funding, is this one-time or on-going?
 - Is new funding being requested or will existing funding be sufficient to implement the proposed action?
 - Is a transfer of funds (between programs, allotments, departments or between Capital and O&M) involved?
- What are the full-year costs, revenue/recovery projections and human resource implications of this proposal in future years?
 - What is the total anticipated cost for a full year of operation?
 - What level of revenue/recoveries will flow to the government over a full year?
 - What are the full-year impacts with respect to FTEs?
 - Is office space required?
 - Are there additional computer system costs?
- Are there implications for the central agencies? If so, have central agencies been consulted on the proposed action? Do the costs appear reasonable based on the information provided?
 - Are the costs comparable with other jurisdictions or with similar programs within the Yukon government?

3.9 (Continued)

- Does the amount proposed seem reasonable in the context of broad government priorities?
- Are calculations correct?
- What assumptions are made in respect of the calculations?
 - What is the basis for those assumptions?
 - Are there cost implications related to the assumptions that are not identified in the submission?
- What is the impact of the proposed action? Are there implications re: formula financing?
 - Land Claims implications (pre- and post- implementation)?
 - Devolution (pre- and post Devolution)?
 - Decentralization (is it a factor any longer)?
 - inter-departmental considerations?
 - have departments been consulted and are concerns/comments addressed in the submission?
 - intergovernmental considerations?
 - political considerations?
 - environmental?
 - public acceptability?
 - government's overall financial position?
 - has a communications strategy been prepared?

3. Recommendation

In developing its recommendation, the Secretariat considers:

- the government's priorities and the broad corporate perspective;
- all of the known factors relating to an issue or topic, including previous Management Board Directives and Cabinet decisions.

On occasion, departments and the Secretariat will disagree on the recommendation included in the Analysis Report. When this occurs, it is helpful to provide the Minister of the sponsoring department with other back-up documentation to take to the Board meeting for presentation. Ministerial preparation is essential to prompt and informed decision-making by the Board and has a material influence on the decision itself.

3.10 DISTRIBUTION OF ANALYSIS REPORTS

Analysis reports are distributed along with the agenda to Board members a minimum of five working days prior to a scheduled Management Board meeting at which a submission will be considered.

A copy of the Analysis Report is also sent to the Minister and Deputy Minister of the sponsoring department.

If items are placed on the agenda in an accelerated fashion, the Analysis Report may not be delivered to the Deputy Minister of the sponsoring department in advance of the meeting at which the submission will be considered by Management Board and the Minister may receive a copy of the Analysis Report prior to the Deputy. On rare occasions, when there is an urgent request to be considered by the Management Board, the Analysis Report may be distributed at the meeting.

3.11 TIMING

Management Board packages are distributed to members five working days in advance of a meeting.

To accommodate this distribution schedule, signed submissions must be submitted to Executive Council Office for logging three weeks prior to the date of the meeting at which a submission will be considered.

- Complex submissions may require a longer lead- time and departments are advised to provide draft submissions on complex matters to the Management Board Secretariat for review.
- Incomplete or late submissions will be deferred.

Final agenda decisions are made by the Chair of the Board.

If the Chair removes an item from the agenda, the item will not be placed on any future agenda unless the Secretariat is advised to do so by the Chairperson.

3.12 DISTRIBUTION OF MANAGEMENT BOARD DECISIONS AFTER A MANAGEMENT BOARD MEETING

Decisions of the Management Board are recorded in documents known as Minutes prepared by the Management Board Secretariat.

Following a Management Board meeting, Minutes are drafted for review and signature by the Chair and the Secretary to Management Board and are presented for adoption at the next Management Board meeting and subsequently forwarded for ratification by Cabinet. Extracts of Minutes are then distributed to the relevant Deputy heads.

Management Board Analysts advise departments electronically of decisions as soon as possible after a Management Board meeting, with the proviso that a formal Management Board Minute will follow in due course.

3.13 SUBCOMMITTEES OF MANAGEMENT BOARD

Section 8 of Management Board Directive #1/84, provides for the establishment of several subcommittees of the Board.

These committees have the responsibilities outlined in their relevant directives. The existing committees of Management Board are:

NAME	APPLICABLE DIRECTIVE*
Audit Committee	GAM 1.13
Office Space Committee	MBD#17
Board of Survey	MBD#11

Also, the Information Technology Management Directive provides for the roles and responsibilities of the Information Resource Management Committee which reports to the Deputy Ministers' Review Committee (GAM 2.3).

For the most part, committee membership exists by appointment for a specified term except for those committees, which have permanent heads. Recommendations for appointment to the committees are made by the relevant Minister who is named in the applicable directive using the process outlined in the directive.

- * GAM = General Administrative Manual
- MBD = Management Board Directive
- GAM 1.13 = Internal Audit Services and Activities
- GAM 2.3 = Information Technology Management
- MBD #11 = Management of Capital Assets and Disposal of Surplus Public Property
- MBD #17 = Office Space Committee
- MBD #18 = Committee Appointments



Application and Report to Management Board

Department	
Subject	R.D. Reference (if previously considered by Cabinet or Management Board)

Request: (attach additional pages if necessary)

Estimated Financial Effects of Action Proposed: (includes salaries/wages, costs indicated below)

	CURRENT YEAR	YEAR 2	YEAR 3	YEAR 4
Expenditure:				
Revenue: (including reimbursements)				

Proposed Personnel Changes:

	CURRENT YEAR	YEAR 2	YEAR 3	YEAR 4
Salaries/Wages:				
Person Years:				

Planned Results and Significant Implications: (administrative, policy, etc. If space is insufficient, attach additional pages)

<p>Recommended By:</p> <p>_____ Deputy Minister's Initials _____ Date</p>	<p>Approved By:</p> <p>_____ Minister's Signature _____ Date</p>
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CONFIDENTIAL DOCUMENT

Analysis

Report

Department/Corporation:	Meeting Date:
Submission Name:	

ISSUE:

RECOMMENDATION:

COMMENTS:

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