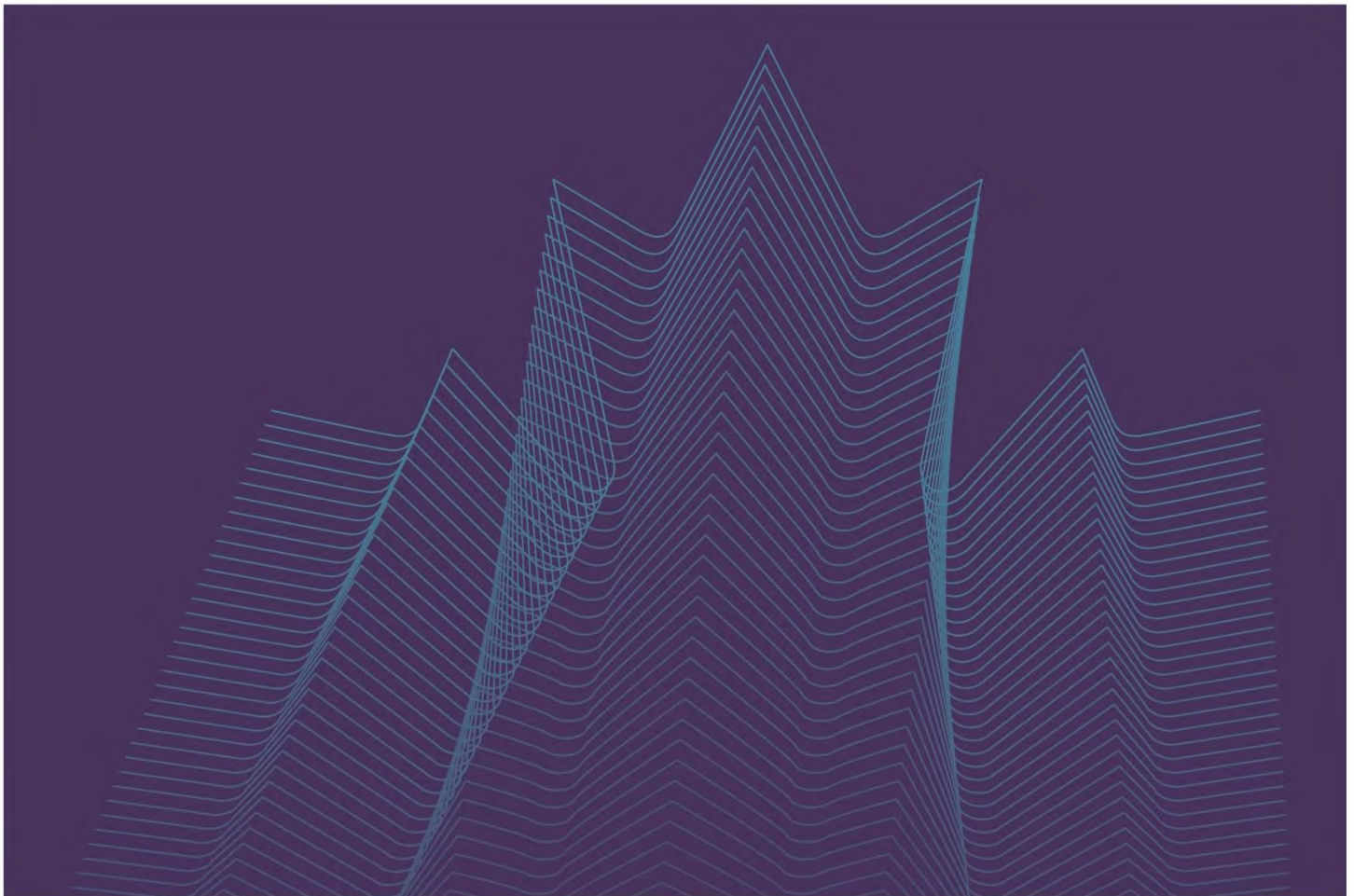




Quarterly Financial Report

For the quarter ended December 31, 2020



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1. Introduction

This quarterly financial report should be read in conjunction with the Main Estimates and Supplementary Estimates for fiscal year 2020-2021. It has been prepared by management, as required by section 65.1 of the *Financial Administration Act* and in the form and manner prescribed by the Treasury Board [Directive on Accounting Standards, GC 4400 Departmental Quarterly Financial Report](#).

This quarterly report has not been subject to an external audit or review.

1.1 Authority and objectives

The Canada School of Public Service (the School) was created on April 1, 2004, when the legislative provisions of Part IV of the [Public Service Modernization Act](#) came into effect. The School is a departmental corporation in the Treasury Board portfolio, and its mission is set out in the [Canada School of Public Service Act](#).

A summary description of the School's programs can be found in the [2020-21 Departmental Plan](#).

1.2 Basis of presentation

This quarterly report has been prepared by management using expenditure-based accounting. The accompanying Statement of Authorities includes the School's spending authorities granted by Parliament, and those used by the department consistent with the Main Estimates and Supplementary Estimates for the 2020-2021 fiscal year. This quarterly report has been prepared using a special purpose financial reporting framework designed to meet financial information needs with respect to the use of spending authorities.

The authority of Parliament is required before money can be spent by the Government. Approvals are given in the form of annually approved limits through appropriation acts, or through legislation in the form of statutory spending authority for specific purposes.

When Parliament is dissolved for the purposes of a general election, [section 30 of the Financial Administration Act](#) authorizes the Governor General, under certain conditions, to issue a special warrant authorizing the Government to withdraw funds from the Consolidated Revenue Fund. A special warrant is deemed to be an appropriation for the fiscal year in which it is issued.

The School uses the full accrual method of accounting to prepare and present its annual departmental financial statements, which are part of the departmental results reporting process. However, the spending authorities voted by Parliament remain on an expenditure basis.

1.3 Financial structure

The School has a financial structure comprised of voted budgetary authorities for program expenditures which are paid from the Consolidated Revenue Fund. In addition, the School has statutory authorities for contributions to employee benefit plans and the authority to re-spend revenues.

Quarterly Financial Report

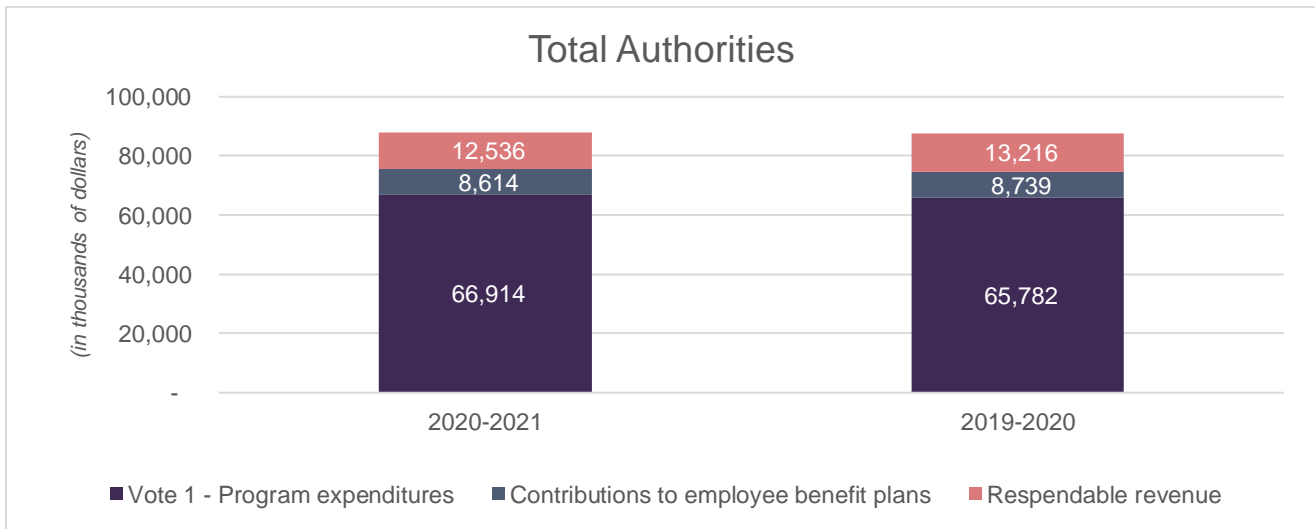
For the quarter ended December 31, 2020

2. Highlights of the fiscal quarter and fiscal year-to-date (YTD) results

2.1 Total authorities for fiscal year 2020–2021

The authorities available for use in fiscal year 2020-2021 amount to \$88.1 million, which comprises \$66.9 million in voted appropriations and \$21.2 million in statutory funding. Statutory authorities in fiscal year 2020-2021 consist of \$7.6 million of forecasted spendable revenue, \$4.9 million of spendable revenue brought forward from the previous fiscal year under the provisions of section 18(2) of the *Canada School of Public Service Act*, and \$8.6 million for employee benefit plans.

Total authorities available for use in 2020–2021 increased by \$0.4 million or 0.5% in comparison to the \$87.7 million available in fiscal year 2019–2020, which is mainly due to an increase of \$1.2 million in voted authorities offset by a decrease of \$0.8 million in statutory authorities.



2.2 Planned expenditures for fiscal year 2020–2021

The School has planned expenditures of \$88.1 million for fiscal year 2020–2021, consisting of \$69.9 million for salaries and benefits and \$18.2 million for operating and maintenance. Compared with the same quarter last year, planned expenditures are consistent with a slight increase of \$0.4 million.

Quarterly Financial Report

For the quarter ended December 31, 2020

2.3 Expenditures for the quarter ended December 31, 2020

Compared with the same quarter last fiscal year, overall expenditures decreased by \$4 million (\$19.6 million versus \$23.6 million), which mainly consists of variances associated with:

- Personnel: a decrease of \$5.4 million primarily the result of transactions processed during the latter half of 2019-20 for employees who transferred to the School; and
- Professional and special services: an increase of \$1.7 million is mainly due to timing differences for payments to Shared Services Canada, which were incurred in the second quarter of fiscal year 2019-2020.

2.4 Year-to-Date Expenditures as at December 31, 2020

Compared with year-to-date expenditures from the previous fiscal year, expenditures decreased to \$56.6 million in 2020-2021 from \$57.8 million in 2019-20. This decrease of \$1.2 million in spending primarily consists of variances associated with:

- Transportation and communications: a decrease of \$1.4 million is due to a reduction in travel as a result of the COVID-19 pandemic and related travel restrictions;
- Professional and special services: a reduction of \$1.3 million is mainly related to information technology support services and training consultants. Savings were generated by the modernization of laptops and mobile phones resulting in a diminished need for support services, combined with the internal provision of customized information technology services as a result of the pandemic. The pandemic also contributed to the decrease of training consultant expenditures;
- Acquisition of machinery and equipment: a decrease of \$0.6 million is primarily attributable to reduced expenditures for communications and computer equipment; and
- Repair and maintenance: an increase of \$2.2 million is due to office renovation projects.

3. Risks and uncertainties

The School's ability to meet its goals is dependent on the relevance and quality of its learning products, its technological capability to support access to these products, and its ability to respond to changing priorities and learning needs. The School manages financial resources prudently to be able to meet these challenges.

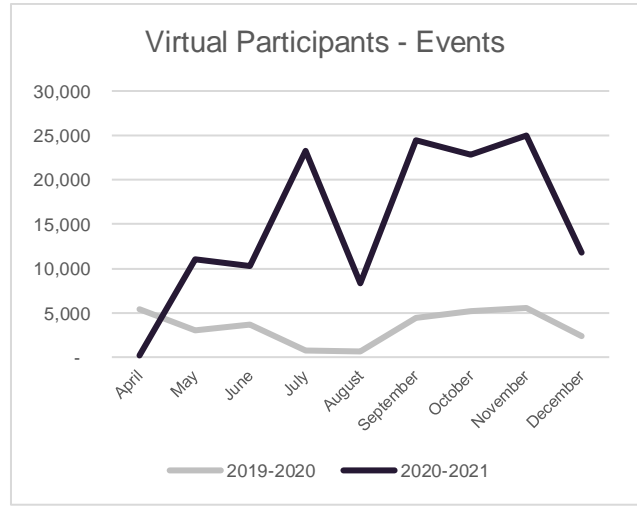
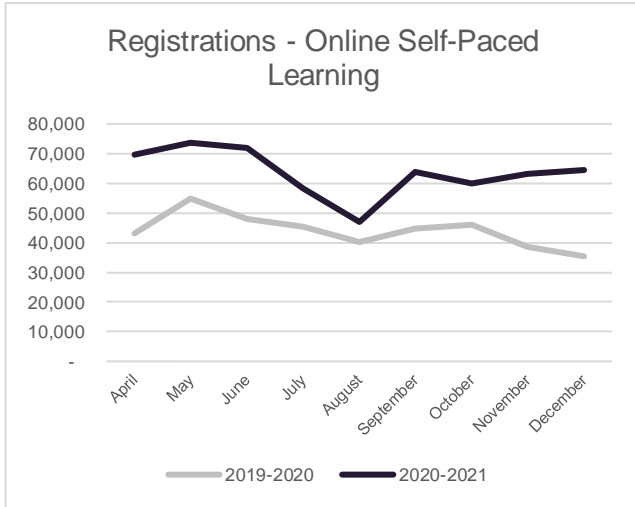
Quarterly Financial Report

For the quarter ended December 31, 2020

4. Significant changes in relation to operations, personnel and programs

In response to the COVID-19 pandemic, the School quickly shifted its delivery of learning and events to virtual.

Compared to the same quarter in 2019-2020, the registration for online self-paced learning increased by 56% to a total of 188,000 in the third quarter. Year-to-date, online learning registrations have increased by 176,000 (44%), for a total of 572,000. Furthermore, during the third quarter, the number of virtual participants for events increased by 46,000 (352%). Year-to-date, the number of virtual participants for events has increased by 106,000 (342%).



The School's ability to adapt its service delivery was enabled by previous investments in mobile technology and the rapid implementation of collaboration tools which permitted its employees to effectively work remotely.

The School has contributed to the COVID-19 government-wide efforts through the temporary unfunded assignment of employees to other departments.

5. Approval by senior officials

Approved by

(original signed by)

Taki Sarantakis
President

February 16, 2021
Date

(original signed by)

Tom Roberts
Chief Financial Officer

February 15, 2021
Date

Quarterly Financial Report

For the quarter ended December 31, 2020

Statement of Authorities (*unaudited*)

<i>(in thousands of dollars)</i>	Fiscal year 2020-2021		
	Total available for use for the year ending March 31, 2021*	Used during the quarter ended December 31, 2020	Year to date used at quarter-end
Vote 1 - Program expenditures	66,914	18,210	50,805
Budgetary Statutory Authority - Contributions to employee benefit plans	8,614	1,436	5,755
Budgetary Statutory Authority - Spending of revenues pursuant to subsection 18(2) of the <i>Canada School of Public Service Act</i>	12,536	-	-
TOTAL AUTHORITIES	88,064	19,646	56,560

<i>(in thousands of dollars)</i>	Fiscal year 2019-2020		
	Total available for use for the year ending March 31, 2020*	Used during the quarter ended December 31, 2019	Year to date used at quarter-end
Vote 1 - Program expenditures	65,782	21,270	47,851
Budgetary Statutory Authority - Contributions to employee benefit plans	8,739	728	5,098
Budgetary Statutory Authority - Spending of revenues pursuant to subsection 18(2) of the <i>Canada School of Public Service Act</i>	13,216	1,606	4,818
TOTAL AUTHORITIES	87,737	23,604	57,767

* Includes only Authorities available for use and granted by Parliament at quarter-end.

Quarterly Financial Report

For the quarter ended December 31, 2020

Departmental Budgetary Expenditures by Standard Object (unaudited)

	Fiscal year 2020-2021			Fiscal year 2019-2020		
	Planned expenditures for the year ending March 31, 2021*	Expended during the quarter ended December 31, 2020	Year to date used at quarter-end	Planned expenditures for the year ending March 31, 2020	Expended during the quarter ended December 31, 2019	Year to date used at quarter-end
<i>(in thousands of dollars)</i>						
Expenditures						
Personnel	69,897	16,212	49,757	67,668	21,597	49,042
Transportation and communications	614	35	93	1,945	644	1,516
Information	550	70	283	643	175	536
Professional and special services	15,496	2,992	7,696	15,939	1,333	8,957
Rentals	996	221	503	680	276	586
Repair and maintenance	2,890	517	2,450	2,425	200	206
Utilities, materials and supplies	266	16	38	363	106	208
Acquisition of machinery and equipment	1,793	92	172	2,156	471	798
Other subsidies and payments	(4,438)	(509)	(4,432)	(4,082)	(1,198)	(4,082)
TOTAL BUDGETARY EXPENDITURES	88,064	19,646	56,560	87,737	23,604	57,767

* To conform to Government of Canada standard reporting guidelines, planned expenditures cannot exceed total authorities.