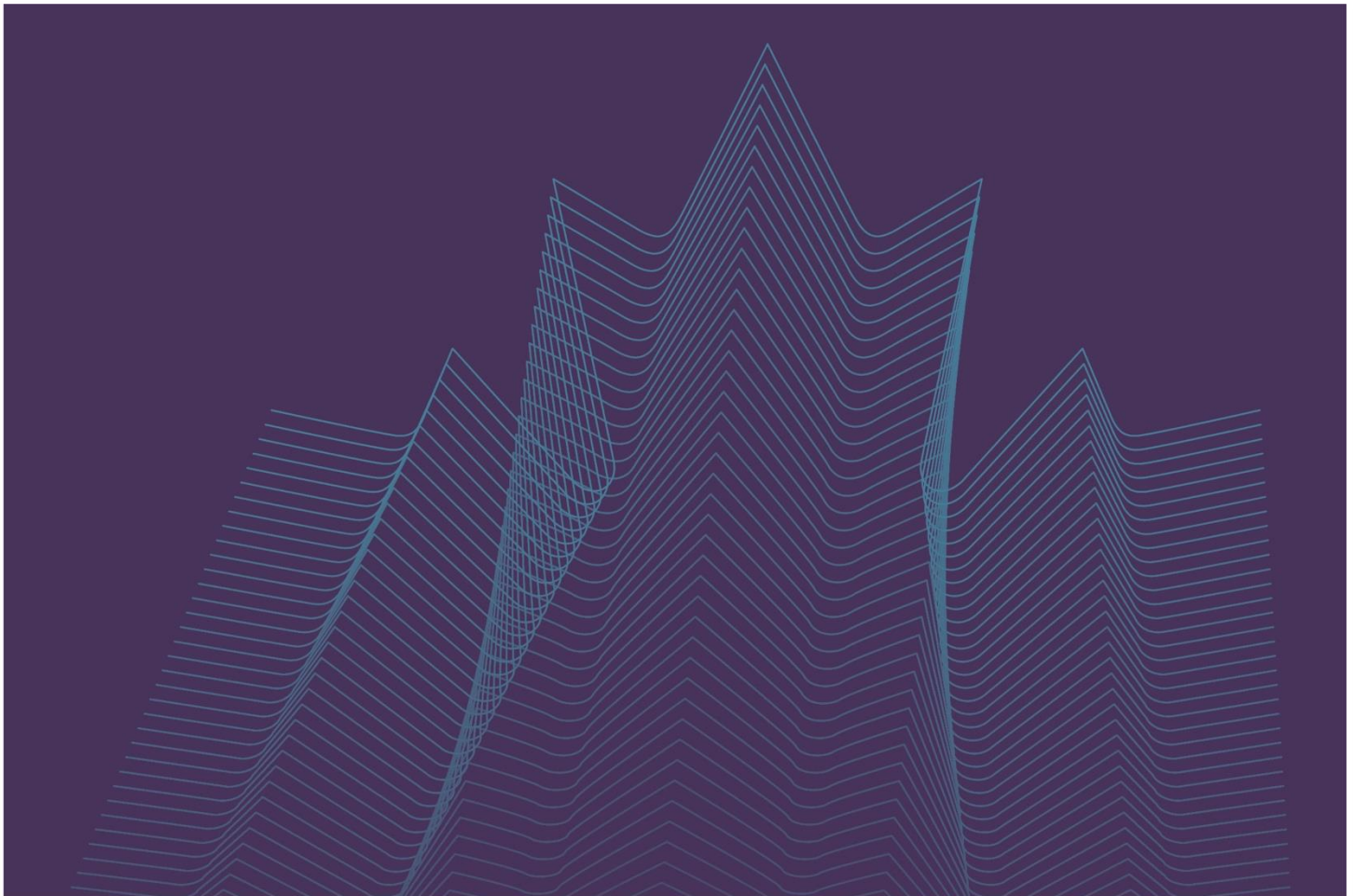




Quarterly Financial Report

For the quarter ended September 30, 2020



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For the quarter ended September 30, 2020

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 its [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 September 30, 2020

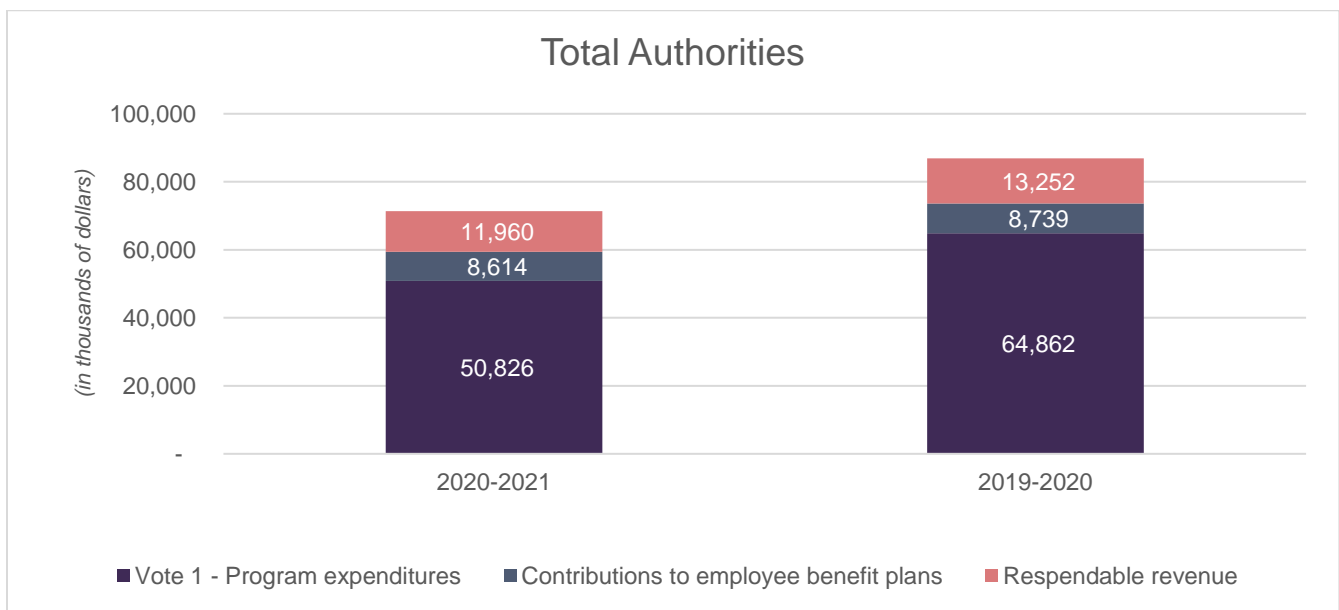
2. Highlights of the fiscal quarter and fiscal year-to-date (YTD) results

2.1 Total authorities for fiscal year 2020–2021

The authorities available for use in fiscal year 2020–2021 amount to \$71.4 million, which comprises \$50.8 million in voted appropriations and \$20.6 million in statutory funding.

A decrease of \$14.1 million in voted authorities available for use (from \$64.9 million to \$50.8 million) is mainly due to the reduced supply of the Main Estimates. Due to the COVID-19 pandemic and limited sessions for Parliament to study supply, the Standing Orders of the House of Commons were amended to extend the study period into the Fall. The School expects to receive its full supply of the 2020-2021 Main Estimates by December 31, 2020.

Statutory authorities in fiscal year 2020-2021 consist of \$7.1 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. Statutory authorities have decreased by \$1.4 million in 2020-2021 (from \$22.0 million to \$20.6 million) mainly due to a decrease in revenue carry forward.



2.2 Planned expenditures for fiscal year 2020–2021

The School has planned expenditures of \$71.4 million for fiscal year 2020–2021, consisting of \$61.8 million for salaries and benefits and \$9.6 million for operating and maintenance. Compared with the same quarter last year, this is a decrease of \$15.5 million due to the reduced supply of the Main Estimates related to the COVID-19 pandemic. The School expects to receive its full supply of the 2020-2021 Main Estimates by December 31, 2020.

Quarterly Financial Report

For the quarter ended September 30, 2020

2.3 Expenditures for the quarter ended September 30, 2020

Compared with the same quarter last fiscal year, overall expenditures increased by \$6.5 million (\$19.6 million versus \$13.1 million), primarily due to increased spending in personnel (\$3.4 million), in professional and special services (\$2.6 million), and in repair and maintenance (\$1.9 million), partially offset by a decrease in other subsidies and payments (\$0.9 million) and in transportation and communications (\$0.4 million).

The increase in personnel costs reflects the fact that in 2019-2020 expenditures for employees who transferred to the School from other departments were processed later in the year.

The increase in professional and special services is mainly due to a timing difference for a payment to Shared Services Canada processed in the second quarter this year compared to the first quarter in the previous year. The increase in repair and maintenance is due to office renovation projects.

The decrease in other subsidies and payments is mainly due to collaborative initiatives with other departments.

The decrease in transportation and communications is due to a reduction in travel as a result of the COVID-19 pandemic and related travel restrictions.

2.4 Year-to-Date Expenditures as at September 30, 2020

Compared with year-to-date expenditures last fiscal year, overall expenditures increased by \$2.7 million (\$36.9 million versus \$34.2 million), primarily due to increased spending in personnel (\$6.1 million), and in repair and maintenance (\$1.9 million), partially offset by a decrease in professional and special services (\$2.9 million), in other subsidies and payments (\$1.0 million) and in transportation and communications (\$0.8 million).

The increase in personnel costs reflects the fact that in 2019-2020 expenditures for employees who transferred to the School from other departments were processed later in the year.

The increase in repair and maintenance is due to office renovation projects.

The decrease in professional and special services is mainly due to a timing difference for a payment to Shared Services Canada.

The decrease in other subsidies and payments is mainly due to collaborative initiatives other departments.

The decrease in transportation and communications is due to a reduction in travel as a result of the COVID-19 pandemic and related travel restrictions.

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.

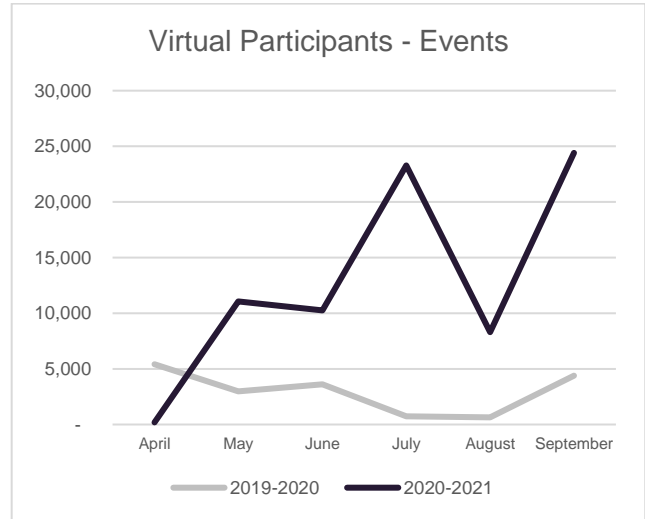
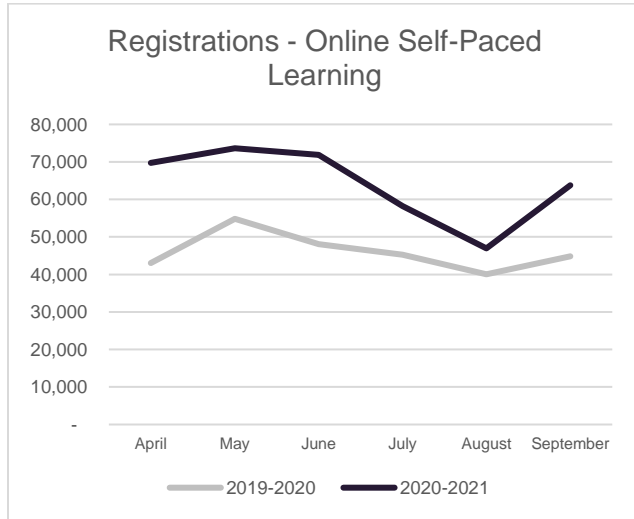
Quarterly Financial Report

For the quarter ended September 30, 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 30% to a total of 169,000. Year-to-date, online learning registrations have increased by 108,000. Furthermore, during the second quarter, the number of events increased by 29% and the number of participants by 869% (50,216). Year-to-date, the number of participants has increased by 60,000 (335%).



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 continues to contribute 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 version signed)

Taki Sarantakis
President

November 18, 2020
Date

(original version signed)

Tom Roberts
Chief Financial Officer

November 13, 2020
Date

Quarterly Financial Report

For the quarter ended September 30, 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 September 30, 2020	Year to date used at quarter-end
Vote 1 - Program expenditures	50,826	17,490	32,595
Budgetary Statutory Authority - Contributions to employee benefit plans	8,614	2,153	4,319
Budgetary Statutory Authority - Spending of revenues pursuant to subsection 18(2) of the <i>Canada School of Public Service Act</i>	11,960	-	-
TOTAL AUTHORITIES	71,400	19,643	36,914

<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 September 30, 2019	Year to date used at quarter-end
Vote 1 - Program expenditures	64,862	9,356	26,581
Budgetary Statutory Authority - Contributions to employee benefit plans	8,739	2,185	4,370
Budgetary Statutory Authority - Spending of revenues pursuant to subsection 18(2) of the <i>Canada School of Public Service Act</i>	13,252	1,606	3,212
TOTAL AUTHORITIES	86,853	13,147	34,163

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

Quarterly Financial Report

For the quarter ended September 30, 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 September 30, 2020	Year to date used at quarter-end	Planned expenditures for the year ending March 31, 2020	Expended during the quarter ended September 30, 2019	Year to date used at quarter-end
<i>(in thousands of dollars)</i>						
Expenditures						
Personnel	61,759	17,534	33,545	66,748	14,128	27,446
Transportation and communications	317	42	58	1,928	435	872
Information	442	161	213	637	245	361
Professional and special services	7,476	3,669	4,704	14,728	1,057	7,624
Rentals	801	185	282	673	147	310
Repair and maintenance	1,937	1,932	1,933	2,630	5	6
Utilities, materials and supplies	214	16	22	360	42	102
Acquisition of machinery and equipment	1,442	76	80	2,137	164	327
Other subsidies and payments	(2,988)	(3,972)	(3,923)	(2,988)	(3,076)	(2,885)
TOTAL BUDGETARY EXPENDITURES	71,400	19,643	36,914	86,853	13,147	34,163

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