



Parole Board  
of Canada

Commission des libérations  
conditionnelles du Canada

# Quarterly Financial Report for the Quarter ended June 30, 2023



## **Statement outlining results, risks and significant changes in operations, personnel and program**

### **Introduction**

This quarterly report has been prepared by management as required by section 65.1 of the [Financial Administration Act](#) and in the form and manner prescribed by Treasury Board. It should be read in conjunction with the [Main Estimates](#). This report has not been subject to an external audit or review.

The Parole Board of Canada (PBC) is an independent administrative tribunal that, as part of the Canadian criminal justice system, makes independent, quality conditional release, record suspension/pardons and expungement decisions, as well as clemency recommendations, in a transparent and accountable manner, while respecting diversity and the rights of offenders and victims.

Further details on the PBC's authority, mandate and program activities can be found in the [Departmental Plan](#) and Part II of the [Main Estimates](#).

### **Basis of Presentation**

This quarterly report has been prepared by management using an expenditure basis of accounting. The accompanying Statement of Authorities includes the PBC's spending authorities granted by Parliament and those used by the department consistent with the Main Estimates and Supplementary Estimates (as applicable) for the 2023-24 fiscal year and any spendable revenue earned and available for use to quarter end. 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.

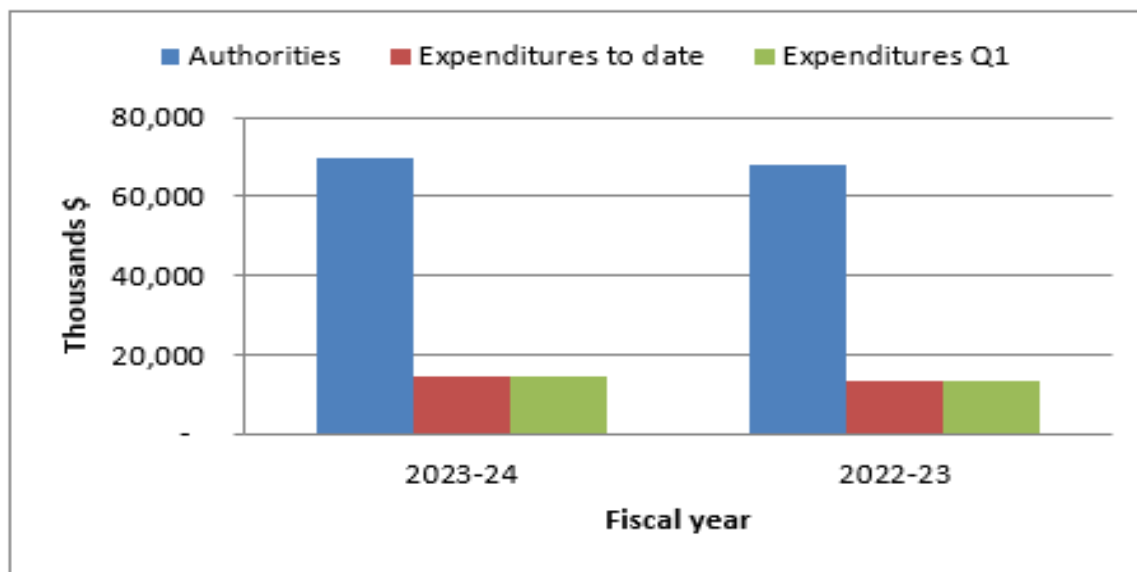
The PBC uses the full accrual method of accounting to prepare and present its annual departmental financial statements that are part of the departmental results reporting process. However, the spending authorities voted by Parliament remain on an expenditure basis.

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

Total authorities available for fiscal year 2023-24 are \$70.3 million compared to \$65.5 million as of June 30, 2022. The increase of \$4.8 million, or 7%, is mainly explained by a \$4.0 million increase in funding to support the changing nature of administrative tribunals, to face the challenges related to systemic discrimination in the criminal justice system (particularly for Indigenous peoples) and to ensure the PBC reflects the diversity of Canada. It also addresses the increasing complexity associated with conditional release decision-making, due to years of legislative change and court cases that have cumulatively increased the rigor and due diligence required in case preparation and decision-making.

Overall, expenditures for the first quarter have remained stable compared to the previous year. The overall increase in expenditures is mainly due to staffing increases and negotiated salary increases.

**Figure 1 - First Quarter Expenditures Compared to Annual Authorities**



### Risks and Uncertainties

The PBC operates in a dynamic and complex environment that requires it to be efficient, adaptive and innovative. It uses integrated risk management, including a Corporate Risk Profile that is updated annually, to identify and respond to challenges and opportunities.

In 2023-24, the PBC's three corporate risks are:

A. Quality Decision-Making - There is a risk that evidence-based decision-making could be affected by a range of factors including:

- Variations in national consistency that impact processes, practices, and training;
- Loss of critical mass of Board members for effective decision-making;
- The requirement to adapt Board member training based on new trends and changing legal landscape;
- Ability to ensure that decision-making policy approaches adequately respond to the diverse needs of the offender population for conditional release decisions; and
- Effectiveness of information management systems to support decisions.

B. Human Capital (Board members and Employees) - There is a risk that key activities and functions could be adversely affected, unless the PBC is able to recruit and retain staff, strengthen competencies and capacity, while ensuring an inclusive and diverse workplace that is competitive among public sector partners and adaptable in the context of an emerging hybrid work environment. Board members (Governor-in-Council (GIC) appointments) are appointed to the PBC for a three or five year term following an open, transparent and merit based process from diverse backgrounds to ensure satisfactory vacancy management. Board members participate in a rigorous orientation and training program that continues throughout their tenure. The absence of an evolving and adaptable training program could present a risk for decision-making.

C. Information Technology (IT) - There is a risk that the PBC's IT capacity and operations will not meet the PBC's current and evolving needs and support business continuity functions given the aging nature of the PBC's IT infrastructure and government enterprise systems, the increasing public expectation for efficient and accessible means to communicate with government, and the need to balance IT program integrity needs with other corporate integrity pressure points and central agency requirements.

### **Significant changes in relation to operations, personnel and programs**

There continues to be delays in the IT project to create an online application portal and modernize the Pardon and Record Suspension System (PARSS). Additional time is required to explore enhancements and as such, request to reprofile the funding to future years might be made.

**Approval by Senior Officials**

Approved by:

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Sylvie Blanchet  
Acting Chairperson

Ottawa, Canada

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Anik Lapointe, CPA, CGA  
Chief Financial Officer

**Statement of Authorities (unaudited)**

	<b>Fiscal year 2023-24 (in thousands of dollars)</b>		
	Total available for use for the year ending March 31, 2024 <sup>1</sup>	Used during the quarter ended June 30, 2023	Year-to-date used at quarter-end
Vote 1 – Program expenditures	63,239	12,756	12,756
Vote-netted revenues – Acquisition Services	(330)	-	-
<b>Net program expenditures</b>	<b>62,909</b>	<b>12,756</b>	<b>12,756</b>
Budgetary statutory authority – Contributions to employee benefit plan	7,409	1,852	1,852
<b>Total Budgetary authorities</b>	<b>70,318</b>	<b>14,608</b>	<b>14,608</b>

	<b>Fiscal year 2022-23 (in thousands of dollars)</b>		
	Total available for use for the year ending March 31, 2023 <sup>1</sup>	Used during the quarter ended June 30, 2022	Year-to-date used at quarter-end
Vote 1 – Program expenditures	59,529	11,835	11,835
Vote-netted revenues – Pardons & Record Suspension fees	(938)	(132)	(132)
<b>Net program expenditures</b>	<b>58,591</b>	<b>11,703</b>	<b>11,703</b>
Budgetary statutory authority – Contributions to employee benefit plan	6,905	1,726	1,726
<b>Total Budgetary authorities</b>	<b>65,496</b>	<b>13,429</b>	<b>13,429</b>

<sup>1</sup> Includes only Authorities available for use and granted by Parliament at quarter-end.

**Departmental budgetary expenditures by Standard Object (unaudited)**

	<b>Fiscal year 2023-24 (in thousands of dollars)</b>		
	Planned expenditures for the year ending March 31, 2024	Expended during the quarter ended June 30, 2023	Year-to-date used at quarter-end
<b>Expenditures</b>			
Personnel	57,084	13,724	13,724
Transportation and communications	2,439	552	552
Information	90	48	48
Professional and special services	9,191	159	159
Rentals	276	51	51
Repair and maintenance	48	5	5
Utilities, materials and supplies	166	10	10
Acquisition of machinery and equipment	610	44	44
Other subsidies and payments	1	15	15
<b>Total gross budgetary expenditures</b>	<b>69,905</b>	<b>14,608</b>	<b>14,608</b>
<b>Less Revenues netted against expenditures:</b>			
Vote-netted revenues- Acquisition Services	-	-	-
<b>Total net budgetary expenditures</b>	<b>69,905</b>	<b>14,608</b>	<b>14,608</b>

	<b>Fiscal year 2022-23(in thousands of dollars)</b>		
	Planned expenditures for the year ending March 31, 2023	Expended during the quarter ended June 30, 2022	Year-to-date used at quarter-end
<b>Expenditures</b>			
Personnel	55,509	12,574	12,574
Transportation and communications	2,011	278	278
Information	108	95	95
Professional and special services	9,827	434	434
Rentals	308	151	151
Repair and maintenance	70	6	6
Utilities, materials and supplies	150	14	14
Acquisition of land, buildings and works	125	-	-
Acquisition of machinery and equipment	868	4	4
Other subsidies and payments	7	5	5
<b>Total gross budgetary expenditures</b>	<b>68,983</b>	<b>13,561</b>	<b>13,561</b>
<b>Less Revenues netted against expenditures:</b>			
Vote-netted revenues – Pardons & Record Suspension fees	(938)	(132)	(132)
<b>Total net budgetary expenditures</b>	<b>68,045</b>	<b>13,429</b>	<b>13,429</b>