



Parole Board  
of Canada

Commission des libérations  
conditionnelles du Canada

# Quarterly Financial Report for the Quarter ended September 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.

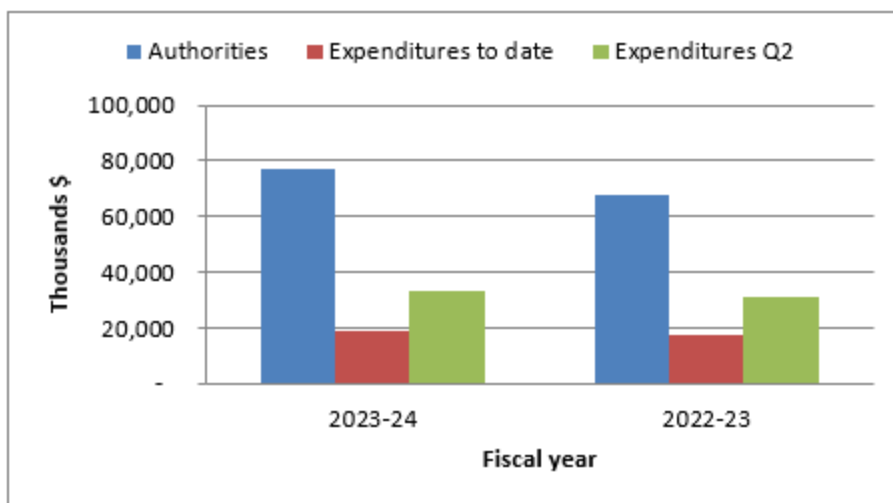
## Highlights of the fiscal quarter and the fiscal year-to-date (YTD) results

Total authorities available for fiscal year 2023-24 are \$79.2 million compared to \$66.6 million as of September 30, 2022. The increase in authorities in the second quarter is mainly explained by:

- \$6.7 million increase in funding for various negotiated salary increases.

Overall, expenditures for the second quarter have remained stable compared to the previous year.

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



## Risks and Uncertainties

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**

In March, the Government of Canada's Budget 2023 announced its plan to build a stronger, more sustainable and more secure economy for Canadians. As part of Budget 2023, the Government also asked departments and agencies, as part of its Refocusing Government Spending Initiative, to:

- reduce spending on consulting, other professional services and travel;
- phase in a roughly 3% reduction of eligible spending by departments and agencies by 2026-27, starting in 2024-25.

The PBC will review and examine its work and its spending and ensure that its resources are being effectively and efficiently with minimum impact to our employees and operations, and in a way that continues to fully support the delivery of our important public safety mandate.

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.

Additionally, 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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Jennifer Oades  
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 September 30, 2023	Year-to-date used at quarter-end
Vote 1 – Program expenditures	72,180	16,256	29,011
Vote-netted revenues – Acquisition Services	(330)	-	-
<b>Net program expenditures</b>	<b>71,850</b>	<b>16,256</b>	<b>29,011</b>
Budgetary statutory authority – Contributions to employee benefit plan	7,409	2,471	4,323
<b>Total Budgetary authorities</b>	<b>79,259</b>	<b>18,727</b>	<b>33,334</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 September 30, 2022	Year-to-date used at quarter-end
Vote 1 – Program expenditures	60,613	15,772	27,609
Vote-netted revenues – Pardons & Record Suspension fees	(938)	(167)	(300)
<b>Net program expenditures</b>	<b>59,675</b>	<b>15,605</b>	<b>27,309</b>
Budgetary statutory authority – Contributions to employee benefit plan	6,905	1,726	3,452
<b>Total Budgetary authorities</b>	<b>66,580</b>	<b>17,331</b>	<b>30,761</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 September 30, 2023	Year-to-date used at quarter-end
<b>Expenditures</b>			
Personnel	63,072	14,755	28,479
Transportation and communications	2,428	297	849
Information	96	9	57
Professional and special services	10,333	3,553	3,712
Rentals	363	24	75
Repair and maintenance	49	9	14
Utilities, materials and supplies	156	35	45
Acquisition of machinery and equipment	261	32	75
Other subsidies and payments	1	13	28
<b>Total gross budgetary expenditures</b>	<b>76,759</b>	<b>18,727</b>	<b>33,334</b>
<b>Less:</b>			
Vote-netted revenues- Acquisition Services	-	-	-
<b>Total net budgetary expenditures</b>	<b>76,759</b>	<b>18,727</b>	<b>33,334</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 September 30, 2022	Year-to-date used at quarter-end
<b>Expenditures</b>			
Personnel	54,641	13,027	25,601
Transportation and communications	2,032	265	543
Information	124	13	109
Professional and special services	10,514	3,932	4,366
Rentals	310	40	191
Repair and maintenance	81	5	12
Utilities, materials and supplies	198	24	38
Acquisition of land, buildings and works	125	-	-
Acquisition of machinery and equipment	947	186	190
Other subsidies and payments	6	6	11
<b>Total gross budgetary expenditures</b>	<b>68,978</b>	<b>17,498</b>	<b>31,061</b>
<b>Less Revenues netted against expenditures:</b>			
Vote-netted revenues – Pardons & Record Suspension fees	(938)	(167)	(300)
<b>Total net budgetary expenditures</b>	<b>68,040</b>	<b>17,331</b>	<b>30,761</b>