

Courts Administration Service

2011–12

Departmental Performance Report

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Minister of Justice and Attorney General of Canada

Table of Contents

Chief Administrator’s Message	1
Section I: Organizational Overview	3
Raison d’être	4
Responsibilities	4
Strategic Outcome and Program Activity Architecture	5
Organizational Priorities	6
Risk Analysis	8
Summary of Performance	10
Summary of Performance Tables	11
Expenditure Profile	13
Estimates by Vote	13
Section II: Analysis of Program Activities by Strategic Outcome	15
Strategic Outcome	16
Program Activity 1: Judicial Services	16
Performance Summary and Analysis of Program Activity	17
Lessons Learned	17
Program Activity 2: Registry Services	18
Performance Summary and Analysis of Program Activity	19
Lessons Learned	20
Program Activity 3: Internal Services	21
Performance Summary and Analysis of Program Activity	21
Section III: Supplementary Information	25
Financial Highlights	26
Financial Highlights—Charts and Graphs	30
Financial Statements	31
List of Supplementary Information Tables	31
Section IV: Other Items of Interest	33
Organizational Contact Information	34

Chief Administrator's Message



I am pleased to present the 2011–12 Departmental Performance Report for the Courts Administration Service (CAS). This report outlines the organization's progress in addressing the priorities set out in the 2011–12 Report on Plans and Priorities, and highlights how we continue to support the delivery of justice in Canada.

Every day our employees play a key role in delivering quality services to the Federal Court of Appeal, the Federal Court, the Court Martial Appeal Court of Canada, the Tax Court of Canada, as well as to their clients. Our work enables these courts to deliver results that matter to Canadians through their decisions in the areas of economic, social, international and government affairs.

In 2011–12, CAS continued to transform itself and keep abreast of its clients' needs by improving security measures, investing in technology, streamlining processes and refining its governance structure to better address the courts' common needs and unique requirements. Further, our efforts to strengthen planning and accountability led to enhanced management practices which improved operational effectiveness and efficiency, risk assessment and management, and our ability to deliver operational, administrative and financial results.

Throughout the year, we have worked closely with the Chief Justices to further enhance collaboration and cooperation with the four courts, which have specific and often divergent requirements. By proactively soliciting input from all members of the courts, we have fostered an environment which welcomes change and thus enables us to improve the quality and efficiency of our judicial and registry services. Upholding this client-service approach has been and continues to be central to our capacity to deliver on our mandate while meeting the evolving needs of the courts and their users.

As we embarked on a program of change to inject fresh ideas into the way we operate and provide services, CAS is still facing severe financial challenges. To address CAS' particular situation, we will continue to review the organization's current funding model and develop a long-term solution that provides value for all Canadians and continues to support Canada's justice system.

I invite you to read this report, which details CAS' achievements in 2011–12 and testifies to the tremendous amount of work performed by CAS employees across the country. I am grateful for their commitment to the fulfillment of our mandate and priorities, and know that I can count on them to help us meet the challenges ahead.

In closing, I wish to express my sincere gratitude to the Chief Justices and the members of the courts for their ongoing collaboration and their continued support throughout this challenging period.

Daniel Gosselin
Chief Administrator



Section I:
Organizational Overview

Raison d'être

The Courts Administration Service was established on July 2, 2003 with the coming into force of the *Courts Administration Service Act*, S.C. 2002, c. 8 (the Act). The Act amalgamated the former registries and corporate services of the Federal Court of Canada and the Tax Court of Canada. The Courts were created by the Parliament of Canada pursuant to its authority under section 101 of the *Constitution Act, 1867* to establish courts “for the better administration of the Laws of Canada.”

Responsibilities

CAS recognizes the independence of the courts in the conduct of their own affairs and aims to provide each with quality and efficient administrative and registry services. The purposes of the Act are to:

- Facilitate coordination and cooperation among the four courts for the purpose of ensuring the effective and efficient provision of administrative services;
- Enhance judicial independence by placing administrative services at arm's length from the Government of Canada and by affirming the role of the Chief Justices and judges in the management of the courts; and
- Enhance accountability for the use of public money in support of court administration while safeguarding the independence of the judiciary.

CAS has 625 employees in permanent offices in ten cities across Canada. The head office is located in Ottawa and its main regional offices are in Montreal, Toronto and Vancouver.

Judicial Independence

Judicial independence is a cornerstone of the Canadian judicial system. Under the Constitution, the judiciary is separate from and independent of the executive and legislative branches of the Government of Canada. Judicial independence is a guarantee that judges will make decisions free of influence and based solely on fact and law. It has three components: security of tenure, financial security and administrative independence.

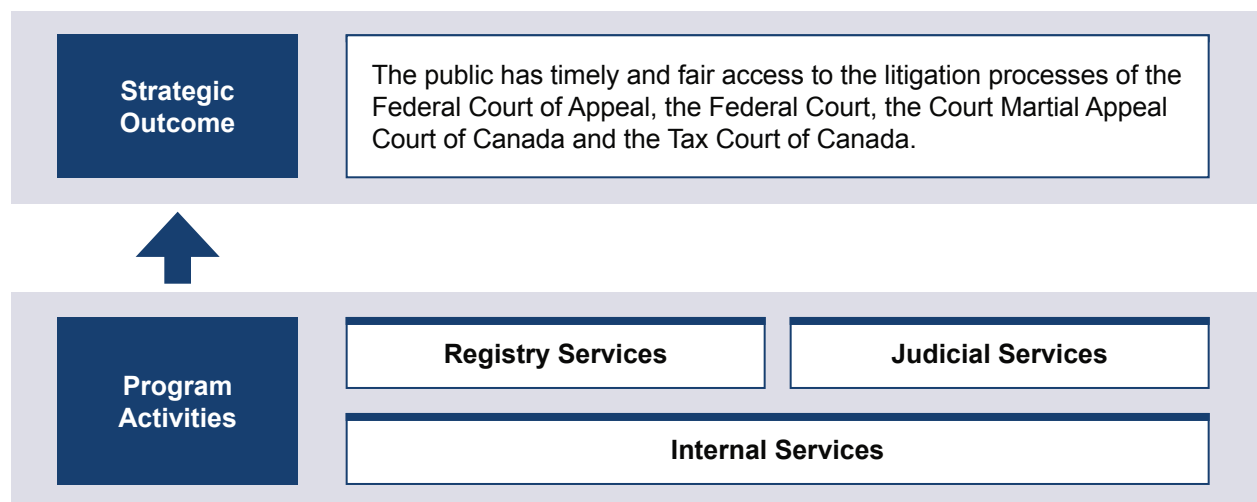
The Functions of CAS

- Provide the judiciary, litigants and counsel with a variety of registry services before, during, and after court hearings;
- Inform litigants about rules of practice, court directives and procedures;
- Maintain court records;
- Act as liaison between the judiciary, the legal profession and lay litigants;
- Process documents filed by or issued to litigants;
- Record all proceedings;
- Enable individuals seeking enforcement of decisions issued by the courts and federal administrative tribunals, such as the Canada Industrial Relations Board and the Canadian Human Rights Tribunal, to file pertinent documents;
- Provide judges, prothonotaries and employees with library services, information technology services as well as appropriate facilities and security measures;
- Provide administrative and legal support services to judges and prothonotaries.

Strategic Outcome and Program Activity Architecture

In its Program Activity Architecture (PAA), CAS has one strategic outcome supported by three programs. These programs are closely aligned to CAS' organizational structure.

Courts Administration Service 2011–12 Program Activity Architecture



Organizational Priorities

Summary of Progress Against Priorities

Priority	Type ¹	Strategic Outcome
Maintaining Core Operations	New	The public has timely and fair access to the litigation processes of the Federal Court of Appeal, the Federal Court, the Court Martial Appeal Court of Canada and the Tax Court of Canada
<p>In 2011–12, CAS continued to provide the four courts and their clients with core judicial and registry services. The judicial services provided include legal advice and research, revision, linguistic and terminological advice, translation, media contacts, administrative support and liaison with bar associations across Canada. The registry services provided include the processing of legal documents, providing information to litigants on court procedures, maintaining court records, supporting to the judiciary, litigants and counsel before, during and after court hearings, supporting and assisting in the enforcement of court orders, and working closely with the Office of the four Chief Justices to ensure that matters are heard and decisions are rendered in a timely manner.</p> <p>In order to maintain these essential services, CAS continued its efforts to review, streamline and document the registry processes applicable to each of the four courts. This allowed the registries to provide consistent and improved registry services across the country and to facilitate knowledge transfer and employee training. A new research program was set up at the Federal Court of Appeal to improve the quality of the law clerks' research activities and to provide the court with a more complete structure of institutional memory. Library Services employees continued the implementation of the CAS' <i>Collection Development Policy</i>, with on-going input from members of the courts and other CAS employees. This allowed CAS to rationalize collections and acquisitions across the country and ensured proper resource allocation for library support. In addition, procedures and reference material for judicial assistants were continuously being standardized and improved to provide better services to the courts.</p> <p>During the year, in the context of a new five-year investment plan and revised organizational priorities, CAS made important decisions on strategic investment, taking into account the newly-developed corporate risk profile. The investments included major upgrades of the technological infrastructure that are paving the way for migration to the new CAS data centre. To ensure best use of limited resources, non-discretionary expenses related to court hearings were closely monitored and opportunities for improving efficiency were identified. To provide a secure environment in all its facilities, CAS developed a security governance framework, assessed security gaps, and began to implement a new and comprehensive national security program.</p>		

¹ Type is defined as follows: previously committed to—committed to in the first or second fiscal year prior to the subject year of the report; ongoing—committed to at least three fiscal years prior to the subject year of the report; and new—newly committed to in the reporting year of the Report on Plans and Priorities or the Departmental Performance Report.

Priority	Type ²	Strategic Outcome(s) and/or Program Activity(ies)
Investment in our People	Ongoing	The public has timely and fair access to the litigation processes of the Federal Court of Appeal, the Federal Court, the Court Martial Appeal Court of Canada and the Tax Court of Canada

In 2011–12, CAS focused its strategy on maintaining a high level of professionalism and ensuring the availability of adequate human resources to support the courts.

Based on a thorough analysis of the learning needs identified by employees and management, and keeping in mind the limited resources available, CAS continued to focus on operational training to further enhance employee knowledge and to expand their skill sets. Those activities were complemented by essential training on key initiatives such as diversity, occupational health and safety, the harassment-free workplace, mental health, linguistic skills and security awareness.

CAS continued to implement key elements of its action plan, developed in response to the results of the 2008 Public Service Employee Survey (PSES). Focus was placed on effective management of CAS' human resources, planning, diversity, values and ethics, succession planning, learning and career development, and on fostering an inclusive environment and an engaged workforce. Overall CAS' PSES results were more positive in 2011 than in 2008. The organization showed some progress in three areas: employees' ability to manage their workload; employee loyalty; and confidence in management decisions. Nonetheless, CAS will actively continue to address the issues stemming from both surveys.

The development of a talent management approach was initiated to help managers provide better learning and development opportunities for employees. Where operationally feasible, management supported alternative work arrangements with various leave options as outlined in the CAS new guide on alternative work arrangements. A mentoring program was developed in partnership with Infrastructure Canada to promote learning through the development and exchange of knowledge and skills between mentors and mentees. This approach is intended to support short, medium and long term career planning, and foster the development of leadership skills at all levels.

Throughout the year, CAS continued to support and to develop strong leadership practises through its increased use and development of performance management tools. Emphasis was placed on identifying appropriate training and coaching for all managers and supervisors to enable them to manage and support their employees proactively and effectively. Through on the job career development training, managers were encouraged to help employees identify realistic career goals and appropriate developmental training. Coaching was also provided to managers and employees in areas identified in their Personal Learning Plans and Performance Management Agreements. Leadership and developmental training was offered during the year through partnerships with larger departments which enabled the National Capital Region and Regions to offer training at lower costs.

² Type is defined as follows: previously committed to—committed to in the first or second fiscal year prior to the subject year of the report; ongoing—committed to at least three fiscal years prior to the subject year of the report; and new—newly committed to in the reporting year of the Report on Plans and Priorities or the Departmental Performance Report.

Priority	Type ³	Strategic Outcome(s) and/or Program Activity(ies)
Ensuring Financial Sustainability of Support to the Courts by the Service	New	The public has timely and fair access to the litigation processes of the Federal Court of Appeal, the Federal Court, the Court Martial Appeal Court of Canada and the Tax Court of Canada
<p>For several years, CAS has faced significant financial challenges, which have affected its capacity to deliver on its programs and to move forward on a variety of initiatives. In 2011–12, the financial situation remained difficult and continued to pose risks to the organization’s ability to fulfill its mandate. To promptly address this problem, management, in consultation with the four Chief Justices, rigorously evaluated its risk mitigation strategies and continuously monitored its expenses. It should also be noted that a considerable amount of effort was devoted to the development of the Deficit Reduction Action Plan which will result in an additional budget reduction of \$1 million for the organization over three years.</p> <p>To maximize the use of its limited resources during the reporting period, CAS continued to base its investment decisions on a solid understanding of the risks and pressures facing the organization. A five-year Investment Plan was developed to ensure that resources are allocated to key priority areas addressing the needs of the courts and essential CAS requirements.</p> <p>Furthermore, in 2011–12, CAS took some steps to ensure its long-term financial viability by developing options for a more appropriate, stable and sustainable funding model. In the coming year, CAS will continue to work collaboratively with the four courts, the Department of Justice and central agencies to meet that objective.</p>		

Risk Analysis

In 2011–12, CAS continued to employ innovative and informed strategies to proactively identify, assess, monitor and address its key risks exposure. It ensured that strategic risk oversight was in place, involved senior management in the mitigation plans for all key risks identified, and continued to incorporate risk management into its planning and reporting activities. By bringing risk considerations to the forefront, CAS ensured it was positioned to support the needs of the four superior courts it serves while meeting government policy requirements.

As part of its risks management strategy, CAS conducted extensive consultation to reassess the ten risks in its Corporate Risk Profile (CRP) 2011–12 and to identify new emerging risks.

³ Type is defined as follows: previously committed to—committed to in the first or second fiscal year prior to the subject year of the report; ongoing—committed to at least three fiscal years prior to the subject year of the report; and new—newly committed to in the reporting year of the Report on Plans and Priorities or the Departmental Performance Report.

Key Critical Risks

Information Technology Security

To address the Information Technology Security risk, CAS made some significant progress in upgrading key IT infrastructure components and initiating plans for a new data centre. This included the replacement of all network switches, upgrades to regional bandwidth, the replacement of obsolete computers, upgrades to videoconferencing equipment, installation of new IT security features, and extended IT support service hours.

Resource Pressures

To maximize the use of its limited financial resources, CAS remained prudent and responsive in its business planning and budget exercises, as well as in its staffing approach. A greater focus was placed on high-priority initiatives to ensure that the organization remained well positioned to continue to deliver services to the four courts. CAS developed a five-year investment plan, continued to closely monitor its expenses, and promptly address any emerging financial risk. CAS also consulted with the Department of Justice and continues to work collaboratively with central agencies to develop a more sound, stable and sustainable funding model.

Physical Security

Physical security risks were mitigated through a wide variety of initiatives. These included building capacity by hiring employees with specialized backgrounds in security; developing a security governance framework and a national security program; delivering training to employees and members of the courts, and through various upgrades to facilities. The relocation of CAS' headquarters to 90 Sparks Street offers an opportunity to improve the delivery of security services.

Information Management

CAS developed frameworks to address policy requirements in the areas of Information Management and Information Technology (IM/IT) and Information Management and Records Management (IM/RM). Progress was also made with plans to implement a robust document management system which will leverage in-house tools and act as a central repository to store and manage corporate documents, and to support decision-making.

The nature of CAS' business requires that it meets the objectives of the Blueprint for Security of Judicial Information and Treasury Board's Management of Information Technology Security (MITS) policy. As such, in 2011–12, CAS took steps to ensure compliance with all the relevant requirements.

To ensure the current legacy Court and Registry Management Systems (CRMS) continue to address the requirements of the courts, CAS began to make some important upgrades to the systems' document repository module. This will enable CAS to better safeguard court records and adopt current information management principles, practices and standards, until the new CRMS is fully developed and deployed.

Other

Over the course of the year, CAS also advanced on a number of fronts ensuring that it continued its rigorous management of all other risks identified. The remaining risks were mitigated to the extent that they no longer pose a significant risk to the organization. These remaining risks are: Risk of Non-Compliance with the Treasury Board Secretariat Policy on Internal Financial Controls and Internal Audits, Management Practices, Project Management, Organizational Change Management Practices, Meeting and Managing Client Expectations, and Workforce – Recruitment, Retention and Succession Planning.

Summary of Performance

In light of its ongoing financial constraints, CAS continued to focus its activities on key issues, investments and projects to facilitate the continuing provision of quality registry, judicial and corporate services and address critical risk areas.

2011–12 Financial Resources (\$ Millions)

Planned Spending	Total Authorities*	Actual Spending*
65.4	78.7	73.2

* CAS authorities and spending were not affected by the creation of Shared Services Canada.

There was a \$13.3M variance between total authorities and planned spending. The largest component was a transfer from Treasury Board for payroll requirements. More specifically, \$5.6M was for payments to employees who have exercised the option to immediately receive payment for previously earned and accumulated severance pay. Other severance pay and termination benefits, vacation credits payable upon termination of employment, and parental benefits totalled \$1.2M. In addition, one-time funding of \$2.8M was received to address information technology rust out and to relocate the CAS corporate functions to the designated Federal Judicial Building in the National Capital Region. Starting next year, this funding will be repaid over a period of five years (2012–13 to 2016–17). Program integrity funding of \$2.5M was received to fund existing judicial officer appointments on a permanent basis and to provide some essential security measures for the courts. Finally, the operating budget carry forward transfer was \$1.2M.

The variance between total authorities and actual spending represents a lapse of \$5.5M. Of this amount, \$2.7M is related to funding set aside by Treasury Board, within the CAS budget, to support the reform of Canada's refugee determination system. However, CAS is not authorized to use these funds until a new judicial appointment is made; since there was no such appointment during the year, the unused funding became a forced lapse for CAS. An amount of \$1.3M is related to the funding received in the form of a loan to address information technology rust-out which will be carried forward and spent on those items in 2012–13. The remaining \$1.2M lapse was due to a combination of factors including funding received late in the year for Program Integrity and the uncertainty that existed during the fiscal year around cost containment initiatives. These same factors led to a slowdown in staffing and resulted in ten fewer FTEs than planned. An additional forced lapse of \$0.3M was required for a technical adjustment to the employee benefit plan.

2011–12 Human Resources (full-time equivalents [FTEs])

Planned	Actual	Difference
635	625	10

Summary of Performance Tables

Progress Toward Strategic Outcome

Strategic Outcome:		
The public has timely and fair access to the litigation processes of the Federal Court of Appeal, the Federal Court, the Court Martial Appeal Court of Canada and the Tax Court of Canada.		
Performance Indicators	Targets	2011–12 Performance
Satisfaction rate with CAS regarding access among parties participating in the judicial process	85% satisfaction rate	<p>A voluntary client survey was conducted but the results do not allow for statistically correct inferences. However, the information indicates a high satisfaction rate and results will be used to further improve services.</p> <p>The survey of the judiciary was initiated but not completed until 2012–13 due to lack of resources. However, the satisfaction of judges was monitored through formal and informal meetings with judges, generating good suggestions for service improvements and relaying high satisfaction.</p>

Performance Summary, Excluding Internal Services

Program Activity	2010–11 Actual Spending	2011–12 ⁴ (\$ Millions)				Alignment to Government of Canada Outcome
		Main Estimates	Planned Spending	Total Authorities*	Actual Spending*	
Judicial Services	19.9	20.3	20.3	23.7	21.6	Strong and independent democratic institutions
Registry Services	25.8	26.8	26.8	31.3	29.1	Strong and independent democratic institutions
Total	45.7	47.1	47.1	55.0	50.7	

* CAS authorities and spending were not affected by the creation of Shared Services Canada.

Performance Summary for Internal Services

Program Activity	2010–11 Actual Spending	2011–12 (\$ Millions)				Alignment to Government of Canada Outcome
		Main Estimates	Planned Spending	Total Authorities*	Actual Spending*	
Internal Services	17.9	18.3	18.3	23.7	22.5	N/A

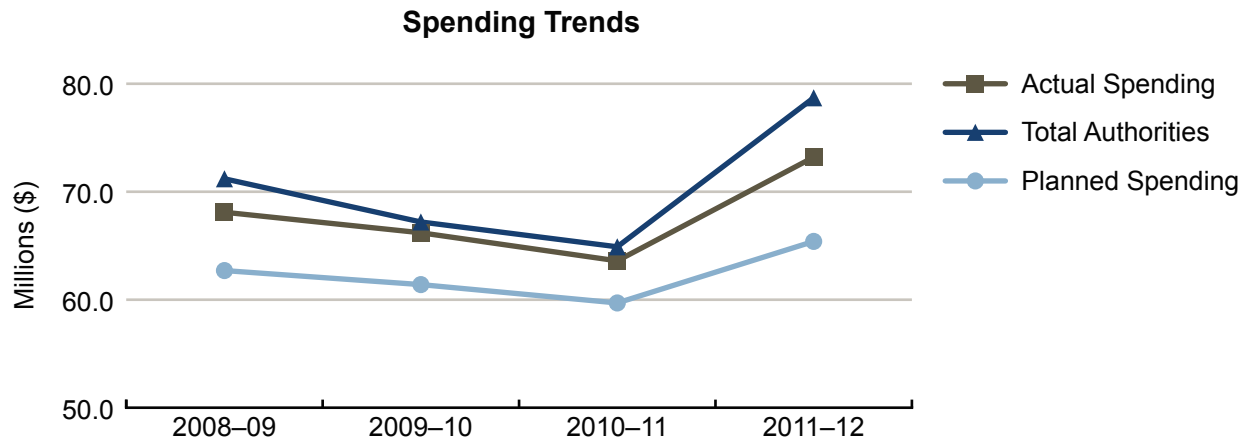
* CAS authorities and spending were not affected by the creation of Shared Services Canada.

4 Commencing in the 2009-2010 Estimates cycle, the resources for the Internal Services program activity are displayed separately from other program activities; they are no longer distributed among the remaining program activities, as was the case in previous Main Estimates. This has affected the comparability of spending and FTE information by program activity between fiscal years.

Expenditure Profile

Canada's Economic Action Plan (EAP)


No funding was received by CAS for the Canada Economic Action Plan.



Estimates by Vote

For information on CAS's organizational Votes and/or statutory expenditures, please see the Public Accounts of Canada 2012 (Volume II). An electronic version of the Public Accounts 2012 is available on the Public Works and Government Services Canada's website.⁵

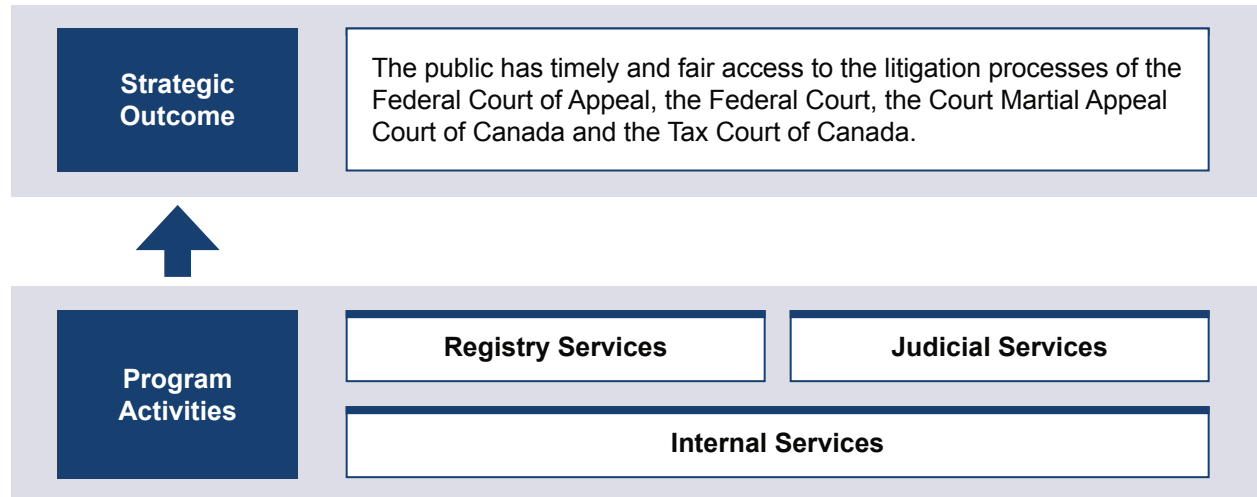
⁵ <http://www.tpsgc-pwgsc.gc.ca/recgen/txt/72-eng.html>



Section II:
**Analysis of Program Activities
by Strategic Outcome**

Strategic Outcome

Courts Administration Service's (CAS) Program Activity Architecture has one Strategic Outcome (SO) and three program activities in support of its mandate. The information presented in this section is organized according to the following structure:



Program Activity 1: Judicial Services

Program Activity Description

Judicial Services provides direct support to all the Justices through the efforts of judicial assistants, law clerks, jurilinguists, chauffeurs and court attendants, and library personnel. The services provided include research, documentation, revision, editing, and linguistic and terminological advice, the object of which is to assist the judges in preparing their judgments and reasons for judgment.

2011–12 Financial Resources (\$ Millions)

Planned Spending	Total Authorities*	Actual Spending*
20.3	23.7	21.6

* CAS authorities and spending were not affected by the creation of Shared Services Canada.

2011–12 Human Resources (full-time equivalents [FTEs])

Planned	Actual	Difference
188	186	2

Program Activity Performance Summary

Expected Results	Performance Indicators	Targets	Actual Results
Judges have the support and resources they require to discharge their judicial functions.	Satisfaction rate of judiciary concerning the services they receive is 80% or higher	85% satisfaction rate	The survey of the judiciary was initiated but not completed until 2012–13 due to lack of resources. However, the satisfaction of judges was monitored through formal and informal meetings with judges, generating good suggestions for service improvements and relaying high satisfaction.

Performance Summary and Analysis of Program Activity

In 2011–12, the Judicial Services program focused on providing the four courts with appropriate and adequate support to enable its members to execute their judicial functions efficiently and effectively. The services include legal advice and research, revision, linguistic and terminological advice, translation, media contacts, administrative support and liaison with bar association across Canada.

In its efforts to use resources more effectively, a new research program was set up at the Federal Court of Appeal to improve the quality of the law clerks' research activities and to provide the court with a more complete structure of institutional memory. The Library Services employees continued the implementation of CAS' Collection Development Policy, to rationalize collections and acquisitions across the country and ensure proper resource allocation for library support. Procedures and reference material for judicial assistants are continuously being standardized and improved to provide better services to the courts. In addition, CAS undertook a review of its translating, posting and printing processes to ensure timely public access to court decisions.

Throughout the year, Judicial Services employees supported various court committees across the country, such as the Bench and Bar committees, to enable dialogue between the courts, litigants and the public. More specifically, CAS has provided support to the Federal Court in the Bench and Bar Liaison initiative to develop practice guidelines seeking to improve the administration of justice in aboriginal proceedings to ensure timely and fair access to the Federal Court.

Lessons Learned

The involvement of the members of the four courts is essential to meet their common needs and unique requirements. To better assess their needs and improve services, CAS must continue to seek feedback through formal and informal consultations.

Program Activity 2: Registry Services

Program Activity Description

The Registry Services processes legal documents and applications for judicial review under the jurisdiction of the Federal Court of Appeal, the Federal Court, the Court Martial Appeal Court of Canada and the Tax Court of Canada. It also ensures the proper court records management and adequate operation of the litigation and court access process.

2011–12 Financial Resources (\$ Millions)

Planned Spending	Total Authorities*	Actual Spending*
26.8	31.3	29.1

* CAS authorities and spending were not affected by the creation of Shared Services Canada.

2011–12 Human Resources (full-time equivalents [FTEs])

Planned	Actual	Difference
302	295	7

Program Activity Performance Summary

Expected Results	Performance Indicators	Targets	Actual Results
Court files are always accurate and complete	Satisfaction rate of clients and judges is 80% or higher	85% satisfaction	<p>A voluntary client survey was conducted but the results do not allow for statistically correct inferences. However, the information does indicate a high satisfaction rate and will be used to further improve services.</p> <p>The survey of the judiciary was initiated but not completed until 2012–13 due to lack of resources. However, the satisfaction of judges was monitored through formal and informal meetings with judges, generating good suggestions for service improvements and relaying high satisfaction.</p>

Performance Summary and Analysis of Program Activity

The Registries of the four courts process court documents, provide information to litigants, maintain court records, support the members of the courts before, during and after court hearings, and assist the courts and parties with the enforcement of court orders. The registries of each court continued to review, streamline and document all registry processes to provide consistent and improved registry services across the country and to facilitate knowledge transfer and employee training.

The following statistics give an indication of the work load managed by Registry Services Branch employees in support of operations in the four federal courts:

- 36,754 proceedings were instituted or filed with the four courts.
- 33,433 court judgments, orders and directions were processed.
- 5,711 files were prepared for hearings and heard in court (does not include matters settled or discontinued prior hearings).
- 5,103 days in court.⁶
- 422,457 recorded entries.

During the period covered by this review, efforts focused mainly on providing core registry services; supporting the development and maintenance of judicial and electronic registry systems; monitoring of registry operations and resources; and streamlining and documenting the registry processes for each of the four courts.

In an effort to improve reports and service levels, CAS conducted an external client survey for each court. While the results obtained did not allow for proper statistical inference, the results of the survey can still be used to help improve services in various areas and in the development of an action plan

In 2011–12, Registry Services continued to manage a significant financial risk associated with hearing costs. These costs were closely monitored in conjunction with the financial staff to ensure the Executive Committee received regular updates on the manageability of this risk. Whenever possible, internal efficiencies were identified and salary resources were allocated to priority areas to ensure adequate provision of services to members of the courts, litigants and the public.

⁶ For the Tax Court of Canada, days in court is defined as the number of court sitting days scheduled. This represented 1,908 of the 5,103 days in court reported in 2011–12.

Registry, Project Management and IT employees continued to configure the Digital Audio Recording System (DARS) to meet the requirements of the courts. The DARS will offer members of the courts the opportunity to obtain an audio recording of court hearings. As well, CAS continued to support the old legacy Court and Registry Management Systems, and started the documentation of the current state processes in the registry which will lead to the development of future state processes that will provide the requirements necessary for the acquisition of a new fully electronic system for court files.

In every province and territory, the Registries of the four courts process court documents, provide information to litigants, maintain court records, support the members of the courts during and after court hearings, and assist the courts and parties with the enforcement of court orders. The registries of each court continued to review, streamline and document all registry processes to provide consistent and improved registry services across the country and to facilitate knowledge transfer and employee training.

Lessons Learned

CAS will benefit greatly from its new project management framework and investment plan in the implementation, support and maintenance of its new and existing judicial and registry systems. The standardization of project management processes will help both business and IT project managers to control the scope, schedule and cost of each project, while ensuring all critical steps are well implemented and documented. The project management framework will also strengthen the governance structure of projects.

The rigorous monitoring of non-discretionary hearings related expenses has helped to lessen the impact or anticipate potential budget shortfalls. Such close attention to budgets has served to maintain core operations at previous levels. A decrease in the employee turnover (down to less than 1% in 2011–2012 for employees hired within the last 18 months) has also contributed to CAS' ability to maintain proper services. Longer employee retention allows for better trained, knowledgeable and experienced employees to deliver improved services to the four courts, progressing with key projects and improving the knowledge base of its employees.

The results of the client surveys were incorporated into CAS service improvement plans and will be utilized to develop and improve future client surveys focusing on areas identified as requiring attention. Finally, regular feedback from members of the courts enabled CAS to address problems more rapidly further avoiding escalation.

Program Activity 3: Internal Services

Program Activity Description

Internal Services are groups of related activities and resources that are administered to support the needs of programs and other corporate obligations of the organization. These groups are: Management and Oversight Services; Communications Services; Legal Services; Human Resources Management Services; Financial Management Services; Information Management Services; Information Technology Services; Real Property Services; Materiel Services; Acquisition Services; and Travel and Other Administrative Services. Internal Services include only those activities and resources that apply across the organization and not those provided specifically to a program.

2011–12 Financial Resources (\$ Millions)

Planned Spending	Total Authorities*	Actual Spending*
18.3	23.7	22.5

* CAS authorities and spending were not affected by the creation of Shared Services Canada.

2011–12 Human Resources (full-time equivalents [FTEs])

Planned	Actual	Difference
145	144	1

Performance Summary and Analysis of Program Activity

Investment in our People

CAS must continually adapt to change and respond to the evolving requirements of the four courts it serves. It must do so while addressing internal business-driven needs and adapting to external influences, such as government-wide priorities. To meet these challenges, CAS relies on a professional workforce, proficient in dealings with members of the courts and the public, conscientious in their work, rich in talent and eager to learn. In 2011–12, CAS focused its staffing strategy on maintaining this level of professionalism and ensuring the availability of adequate human resources to support the courts and members of the courts.

On the basis of a thorough analysis of the learning needs identified by employees and keeping in mind the limited resources available, CAS provided training to develop their careers, enhance their knowledge and expand their skill sets. Those activities were complemented by essential training on key initiatives such as diversity, occupational health and safety, the harassment-free workplace, mental health, linguistic skills and security awareness.

In an effort to integrate human resources planning with business planning, CAS developed and approved its Integrated HR Plan 2011–2014. This plan was informed in part by an environmental scan and further supported CAS priorities.

Security

It is of the utmost importance to provide secure facilities for the courts and ensure the safety and security of the members of the courts, users of the courts and all CAS employees across Canada. Over the past year, as part of the CAS National Security Strategy, and with Treasury Board Program Integrity resources, some enhancements were implemented, which improved the organization's ability to address security risks.

The first step was to revitalize the security team by attracting and retaining experienced and talented employees with specialized backgrounds. The impact on the quality of the services offered to members of the courts was almost immediate and greatly improves the organization's capacity to meet the specific need of the four courts, CAS and the public it serves.

In the same period, CAS developed a security governance framework to facilitate decision making in consultation with members of the courts. A comprehensive security strategy, encompassing various programs such as hearing risk management and court security, was also defined. The strategy and related programs are to be gradually implemented, in consultation with members of the courts, to ensure a consistent approach that they support.

To support the four courts and ensure that all of their members are informed about security measures, CAS actively participated in a specifically tailored Judicial Security Seminar. For that purpose, CAS developed and distributed a Judicial Security Handbook, which contains practical safety tips and recommendations. As well, CAS raised security awareness generally by providing a mandatory security course for all new employees, and through internal communications to remind all employees of their security-related roles and responsibilities.

Information Management and Information security

CAS continued to advance with its digital transformation agenda to prepare for the introduction of effective, efficient and modern electronic courtrooms. The focus for 2011–12 was mainly on upgrading the technological infrastructure and preparing the move to the new data centre planned for the fall 2012–13, managing its information technology risks, and maintaining legacy systems. Amongst the significant progress achieved was the upgrading of key network components, improvements of the network bandwidth for the regions; and introduction of new videoconferencing equipment.

CAS made some progress in meeting the requirements of the Treasury Board policy on the Management of Information Technology Security (MITS). The organization also worked with the judiciary to meet the objectives of the Blueprint for Security of Judicial Information.

Plans are now well underway for the phased introduction of a new Digital Audio Recording System (DARS). Amongst its many benefits, DARS will allow members of the courts to access recordings of proceedings in digital format, enable clarification of evidence using audio playback, and reduce the transcript costs.

CAS continued to move towards a fully integrated Court and Registry Management System (CRMS). The CRMS is a key initiative designed to manage court related documents and processes electronically. CRMS will make possible the efficient receipt, processing, storage and retrieval of electronic court documents and will automate court and registry workflow processes and procedures.

Various aspects of information technology services to members of the courts and CAS employees were significantly improved. Some of the key elements include better use of technical resources, increased capacity through the addition of an e-courtroom technical position, a new dedicated 1-800 service desk number, and extended support hours. In addition, IT security awareness was a main theme in the Judicial Security Seminar.

During the fiscal year, CAS completed the migration of documents from the legacy document management system to a modern and more stable platform. In addition, the organization continued to work on finalizing its recordkeeping roadmap to comply with the Treasury Board Directive on Recordkeeping. This will facilitate effective recordkeeping by enabling CAS to improve the way in which it creates, acquires, captures, manages and protects the integrity of business information generated in the course of delivering its programs and services.

Accommodation

The relocation, in 2011–12, of CAS' corporate functions to 90 Sparks Street in Ottawa, site of the Federal Court of Appeal, Federal Court and Court Martial Appeal Court ensures faster and better communication with members of the courts and CAS employees, and offers an improved service delivery model for the provision of court security.

The consolidation of CAS services should enable the organization, as the building's prime tenant, to address security requirements within the building in a holistic fashion, coordinating prevention, detection and response strategies with the other stakeholders. The resulting benefits include common standards and improved capacity for dealing with fire safety and emergency response.

The new client service areas in Ottawa further improved the efficiency of registry services through a remodelled environment that provides a more secure environment, new accessibility features and file consultation rooms for the public and litigants.

Strengthening Internal Management

This past year, although CAS had to “catch-up” on various planning and reporting requirements, the organization made some significant progress in meeting its obligations. CAS focused on the establishment and implementation of the Departmental Audit Committee and the appointment of a Chief Audit Executive; the policy on Internal Control; Quarterly Financial Reports; Future-Oriented Financial Statements; the Greening of Government Operations; Investment Planning and Project Management; Risk Management; as well as other statutory reporting requirements in the areas of strategic planning, official languages, human resources, financial management and procurement.

CAS also continued to employ innovative and informed strategies to proactively identify, assess, monitor and address its key risks exposure. The nature of its business, the unique characteristics of the Canadian judicial system, its governance structure and its unique clientele, are inherent factors which pose many challenges and risks to the effective management of CAS’ priorities.

CAS developed a five-year Investment Plan that redefined CAS’ overall priorities, emphasized the need to deliver fully on the organization’s mandate, enhanced security measures and services, provided for the development and implementation of a robust, reliable and secure IM/IT infrastructure, and the modernization of its judicial support systems. The transition to the Investment Planning Framework represents a significant advance for the organization, and the progress already made demonstrates CAS’ commitment to improving the planning and prioritization of investments and ensuring that such investments bring the outcome and benefits expected.

To facilitate the implementation of new technology, CAS strengthened its project management capacity with the introduction of a new Enterprise Project Management Office (EPMO). The EPMO objective is to improve project oversight, provide for better assistance and direction to project leaders, and ensure relevant guidance for all business analysis activities.

Finally, CAS greatly improved its management practices in the various areas of management measured by the Treasury Board Secretariat through the Management Accountability Framework. This clearly demonstrates a cultural shift with a clear focus on results and the continuous improvement of management practices.

Impacts on Financial and Human Resources Resulting from the Establishment of Shared Services Canada

CAS was excluded from the Shared Service Canada Initiative to protect the judicial independence of the courts and the confidentiality of their information.



Section III:
Supplementary Information

Financial Highlights

Condensed Statement of Financial Position (Unaudited)

As at March 31, 2012 (in thousands of \$)

	Change \$	2011-12	2010-11
Total net liabilities	(14%)	16,946	19,697
Total net financial assets	24%	9,822	7,944
Departmental net debt	(39%)	7,124	11,753
Total non-financial assets	44%	6,516	4,523
Departmental net financial position	92%	(608)	(7,230)

Condensed Statement of Operations and Departmental Net Financial Position (Unaudited)

For the Year Ended March 31, 2012 (in thousands of \$)

	Change %	2011-12	2010-11
Total expenses	5%	97,194	92,925
Total revenues	133%	7	3
Net cost of operations before government funding and transfers	5%	97,184	92,922
Departmental net financial position	92%	(608)	(7,230)

Statement of Financial Position

Liabilities: CAS' total liabilities as at March 31, 2012 were \$16,946 thousand (\$19,697 thousand as at March 31, 2011).

- *Accounts payable and accrued liabilities:* The balance as at March 31, 2012 was \$4,900 thousand (\$3,247 thousand as at March 31, 2011). The increase of \$1,653 thousand is mainly due to increases in accounts payable to external parties.
- *Vacation pay and compensatory leave:* The balance as at March 31, 2012 was \$2,158 thousand (\$1,820 thousand as at March 31, 2011). Vacation pay and compensatory leave has steadily increased over the past few years.
- *Deposit accounts:* The balance as at March 31, 2012 was \$6,529 thousand (\$5,949 thousand as at March 31, 2011). Because they reflect many separate decisions of the Courts, deposits cannot be projected and the balance in the deposit accounts varies significantly from year to year.
- *Employee future benefits:* The balance as at March 31, 2012 was \$3,359 thousand (\$8,681 thousand as at March 31, 2011). In 2011–12, significant changes were made to the employee severance pay program.

Assets: Total assets signify the ability of CAS to provide future services to the four Federal courts and thereby to ensure access to justice for Canadians. Total assets as at March 31, 2012 were \$16,338 thousand (\$12,467 thousand as at March 31, 2011).

- *Gross financial assets:* Gross financial assets increased to \$11,436 thousand in 2011–12 from \$9,230 thousand in 2010–11. This was mainly due to an increase in the amount Due from the Consolidated Revenue Fund (CRF). This amount represents the net amount of cash that CAS is entitled to withdraw from the CRF without generating additional charges against its authorities.
- *Financial assets held on behalf of Government:* Financial assets held on behalf of Government increased to \$1,614 thousand as at March 31, 2012 from \$1,286 thousand as at March 31, 2011. These consist primarily of accounts receivable from another governmental organization; an example is the charging to HRSDC of the costs of administering EI cases in the courts. The Deputy Head is required to maintain accounting controls over these transactions but has no authority regarding their disposition.
- *Net financial assets:* CAS' total net financial assets as at March 31, 2012 were \$9,822 thousand (\$7,944 thousand as at March 31, 2011). This amount represents gross financial assets less financial assets held on behalf of Government.
- *Non-financial assets:* Total non-financial assets at March 31, 2012 were \$6,516 thousand (\$4,523 thousand as at March 31, 2011). Non-financial assets consist of the tangible capital assets that are essential for the successful delivery of services required by the courts. Computer hardware and software (including assets under construction) totalled 46% of non-financial assets in 2011–12, while leasehold improvements (including assets under construction) accounted for 50%. Combined, these categories currently account for 96% of CAS tangible capital assets.

Re-investment in capital assets is crucial for maintaining secure modern facilities, updating technological infrastructure and information systems, and maintaining a reliable fleet of vehicles. In terms of the acquisition of tangible capital assets, in 2011–12 CAS spent \$2,623 thousand, an important increase from \$643 thousand in 2010–11. Of this amount, \$1,220 thousand (47%) related to computer hardware and \$809 thousand (31%) to leasehold improvements, including associated assets under construction. The latter largely reflected construction costs for the data centre, mail room and relocation of corporate functions to 90 Sparks Street, Ottawa. Other acquisitions included computer software, motor vehicles, furniture and fixtures, computer software and machinery and equipment.

Net Debt: CAS' net debt (liabilities less total net financial assets) was \$7,124 thousand as at March 31, 2012, a decrease from \$11,753 thousand as at March 31, 2011. The net debt indicator provides a measure of the future authorities required to pay for past transactions and events. The fluctuations in net debt are presented in the Statement of Change in Departmental Net Debt.

Net Financial Position: This represents the net resources (financial and non-financial) that will be used to provide future services to the courts and thereby to benefit Canadians. The Net Financial Position of CAS consists of Non-Financial Assets less Net Debt.

As at March 31, 2012, CAS' net financial position was (\$608) thousand, compared to (\$7,230) thousand as at March 31, 2011. The change is mainly due to a decrease in total liabilities and an increase in tangible capital assets.

Statement of Operations and Departmental Net Financial Position

Expenses: Net expenses were \$97,194 thousand in 2011–12 (\$92,925 thousand in 2010–11). The largest components in the increase of \$4,269 thousand (5%) were increases of \$1,802 thousand in salaries and employee benefits and \$1,766 in accommodations.

Salaries and employee benefits: Over half of CAS' total expenses consist of salaries and employee benefits. These costs increased by \$1,802 thousand (3%) to \$53,560 thousand in 2011–12 compared to \$51,758 thousand in 2010–11 (and \$49,755 thousand in 2009–10). The most recent increase is primarily the result of changes in the severance pay program and wage increases in newly signed collective bargaining agreements.

Operating: CAS' operating costs increased by \$2,467 thousand (6%) to \$43,634 thousand in 2011–12 compared to \$41,167 in 2010–11 and \$49,755 in 2009–10. The increase is mainly attributable to increases of \$1,766 thousand in accommodations and \$633 thousand in professional and special services.

Revenues: Gross revenues were \$4,395 thousand in 2011–12 (\$7,977 thousand in 2010–11). Gross revenues consist largely of revenues earned on behalf of Government. Such revenues are non-respendable, meaning they cannot be used by CAS, and are deposited directly into the CRF.

Revenues earned on behalf of Government were \$4,388 thousand in 2011–12 (\$7,974 thousand in 2010–11). One major source of such revenues is fines and filing fees collected pursuant to the legislation and rules governing the courts. Other revenues are generated by charges for photocopies of court documents; in 2011–12, however, sales, printing and distribution of copies of judgments and orders were discontinued as electronic copies were made available on-line, free of charge. Another source of revenue earned on behalf of government is charges to Human Resources and Skills Development Canada (HRSDC) for the costs associated with the administration of Employment Insurance (EI) cases in the courts.

CAS' net revenues were \$7 thousand in 2011–12 (\$3 thousand in 2010–11). This reflects a small amount of responsible revenue from sale of Crown assets.

Risks and Uncertainties

Funding

During 2011–12, the financial situation of CAS remained difficult and continued to be an important source of risks to the organization's ability to fulfill its mandate.

For some years, CAS had lacked the permanent funding necessary to enable the organization to fully meet its commitments and address major program integrity issues. Budget 2011 addressed part of this need, providing CAS with approximately \$3 million per year for program integrity measures. However, Government cost containment measures froze operating budgets, requiring departments to absorb the cost of negotiated salary increases, an important consideration given the large proportion of the CAS budget devoted to salaries.

A loan in the amount of \$2,750 thousand, to be repaid over five years, was provided by Treasury Board in 2011–12 and enabled CAS to construct a new data centre, address IT rust-out, and consolidate corporate functions at 90 Sparks Street, Ottawa.

Funding restraints severely limited the resources available for strategic projects needed to address critical risk areas and allow the organization to become more effective and efficient in its delivery of services to the judiciary and Canadians. CAS will continue to work with Central Agencies to identify solutions to this longstanding problem.

Risk Management

Given the challenges of managing financial and other pressures, CAS put emphasis during 2011–12 on developing its risk assessment and risk management capacity.

Certain elements of court management are a responsibility of the judiciary and impose on CAS requirements that are beyond its control. A majority of the non-salary operating expenses incurred by CAS are contracted costs for non-discretionary services supporting the judicial process and court hearings. These costs include translation, court reporters, transcripts, and security services, and they are mostly driven by the number, type and duration of hearings conducted in any given year. A risk management strategy to monitor these costs and manage their fluctuation and related impacts on other key areas was further developed during the year.

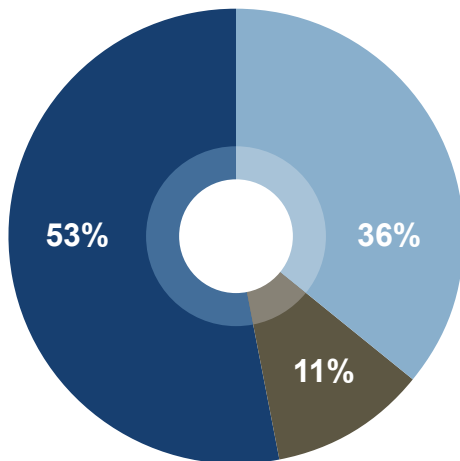
Another example where CAS made progress in developing new approaches to risk was the provision of security services for the courts and their users. This area remains a key concern, and consequently the limited resources available must be applied efficiently and effectively to anticipate and avoid security risks, as well as to deal with those that do materialize.

Likewise, maintaining an efficient and secure IM/IT infrastructure to support the operations of the courts and CAS and to protect the integrity of court information was another area where tangible progress was made in overcoming rust-out and addressing risks and problems. Much further work in this area will be needed in coming years to support the growing needs of the courts and registries.

Further financial details are provided in the “Financial Statement Discussion Analysis” available online at: http://cas-ncr-nter03.cas-satj.gc.ca/portal/page/portal/CAS/DPR-RMR_eng/fda-caef-2011-2012_eng

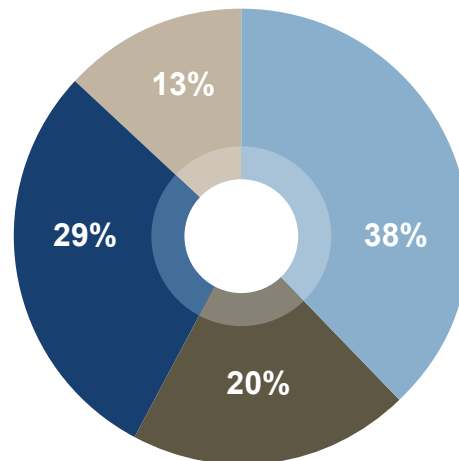
Financial Highlights—Charts and Graphs

Assets by Type (2011–12)



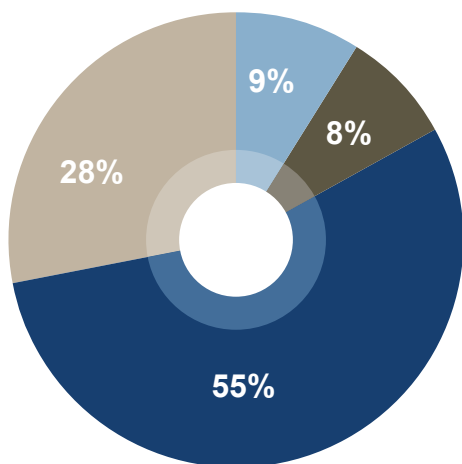
- Accounts receivable and advances
- Capital assets
- Due from the CRF

Liabilities by Type (2011–12)



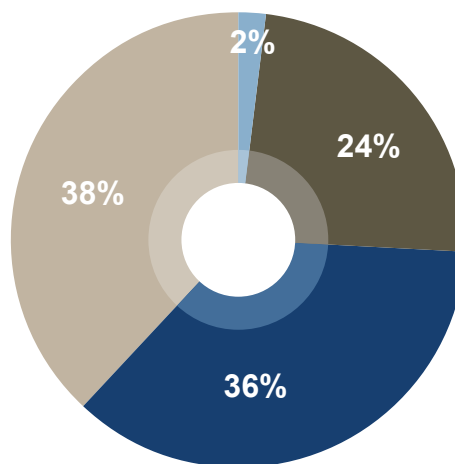
- Accounts payable and accrued liabilities
- Deposit accounts
- Employee future benefits
- Vacation pay and leave

Gross Expenses by Type (2011–12)



- Accommodations
- Other
- Professional services
- Salaries and benefits

Gross Revenues by Type (2011–12)



- Filing Fees
- Employment Insurance Operating Account Cost Recoveries
- Fines
- Other

Financial Statements

The CAS financial statements can be found at: http://cas-ncr-nter03.cas-satj.gc.ca/portal/page/portal/CAS/DPR-RMR_eng/DPR-RMR-2011-2012-detail_eng

List of Supplementary Information Tables

Electronic supplementary information tables listed in the 2011–12 Departmental Performance Report can be found on the Courts Administration Service's website at: http://cas-ncr-nter03.cas-satj.gc.ca/portal/page/portal/CAS/DPR-RMR_eng/st-ts-2011-2012_eng

- Greening Government Operations
- Internal Audits and Evaluations
- Sources of Respendable and Non-Respendable Revenue



Section IV:
Other Items of Interest

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