

Secretariat of the National Security and Intelligence Committee of Parliamentarians

Quarterly Financial Report For the quarter ended December 31, 2023

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Rapport financier trimestriel pour le trimestre se terminant le 31 décembre 2023 - Secrétariat du Comité des parlementaires sur la sécurité nationale et le renseignement

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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 the Directive on Accounting Standards, GC 4400 Departmental Quarterly Financial Report. This quarterly financial report should be read in conjunction with the 2023-24 Main Estimates, as well as previous Quarterly Financial Reports. This quarterly report has not been subject to an external audit or review.

Mandate

The National Security and Intelligence Committee of Parliamentarians Act received Royal Assent on June 22, 2017. It formally establishes the Secretariat of the National Security and Intelligence Committee of Parliamentarians (the Secretariat). The Secretariat assists the National Security and Intelligence Committee of Parliamentarians in fulfilling its mandate, which is to review:

- The legislative, regulatory, policy, administrative and financial framework for national security and intelligence;
- Any activity carried out by a department that relates to national security or intelligence, unless the activity is an ongoing operation and the appropriate Minister determines that the review would be injurious to national security; and
- Any matter relating to national security or intelligence that a minister of the Crown refers to the Committee.

The Secretariat ensures the Committee receives timely access to relevant, classified information and strategic and expert advice in the conduct of reviews by the Committee. It assists in the development of reports and provides support to ensure compliance with security requirements.

The Secretariat developed a Departmental Results Framework and an accompanying Program Inventory in 2020-21, and began implementing both in 2021-22. The details of the Departmental Results Framework and the Program Inventory are included in the Secretariat's 2023-24 Departmental Plan.

Basis of Presentation

This quarterly report has been prepared by management using an expenditure basis of accounting. The accompanying Statement of Authorities includes the department's spending authorities granted by Parliament and those used by the department, consistent with the 2023-24 Main Estimates and Supplementary Estimates (as applicable) for 2023-24 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 moneys 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.

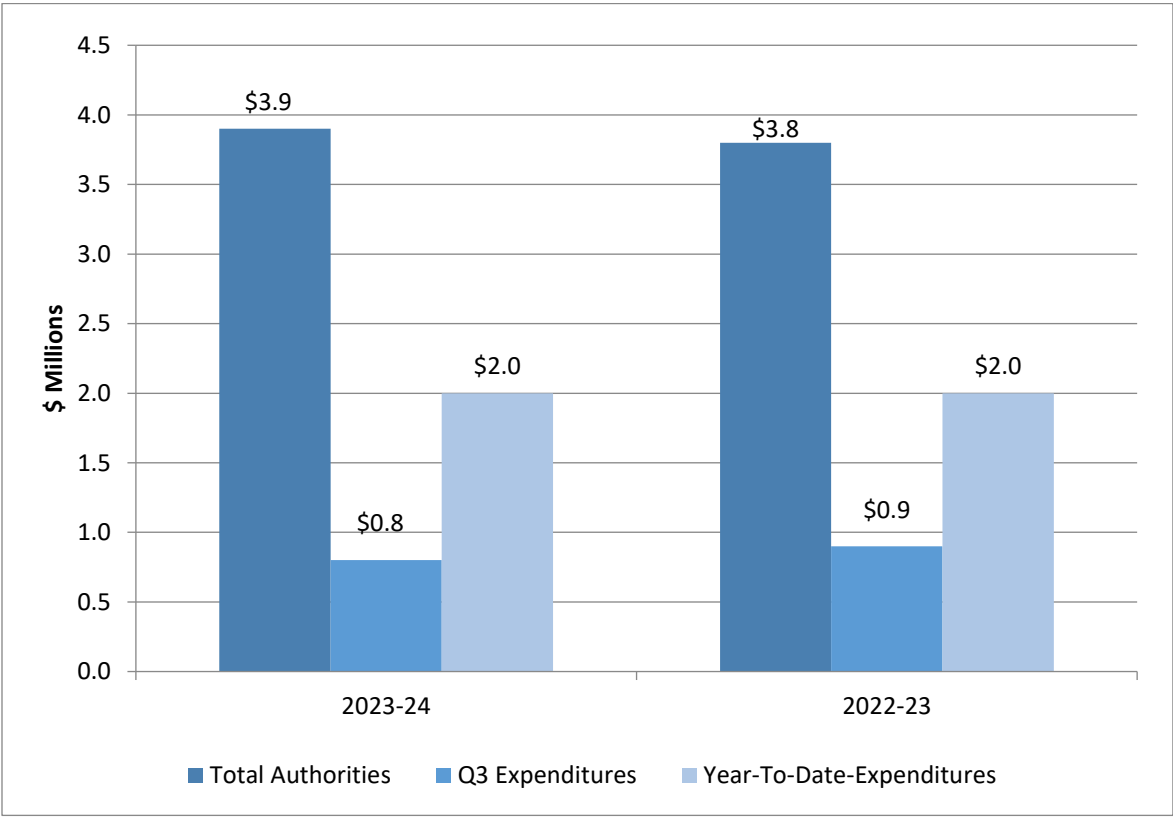
The Secretariat uses the full accrual method of accounting to prepare and present its annual departmental financial statements that are part of the departmental performance reporting process. However, the spending authorities voted by Parliament remain on an expenditure basis.

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

This section highlights the significant items that contributed to the net increase or decrease in authorities available for the year and actual expenditures for the quarter ended December 31, 2023.

The Secretariat spent approximately 51% of its authorities by the end of the third quarter, compared to 53% in the same quarter of 2022-23 (see graph 1 below).

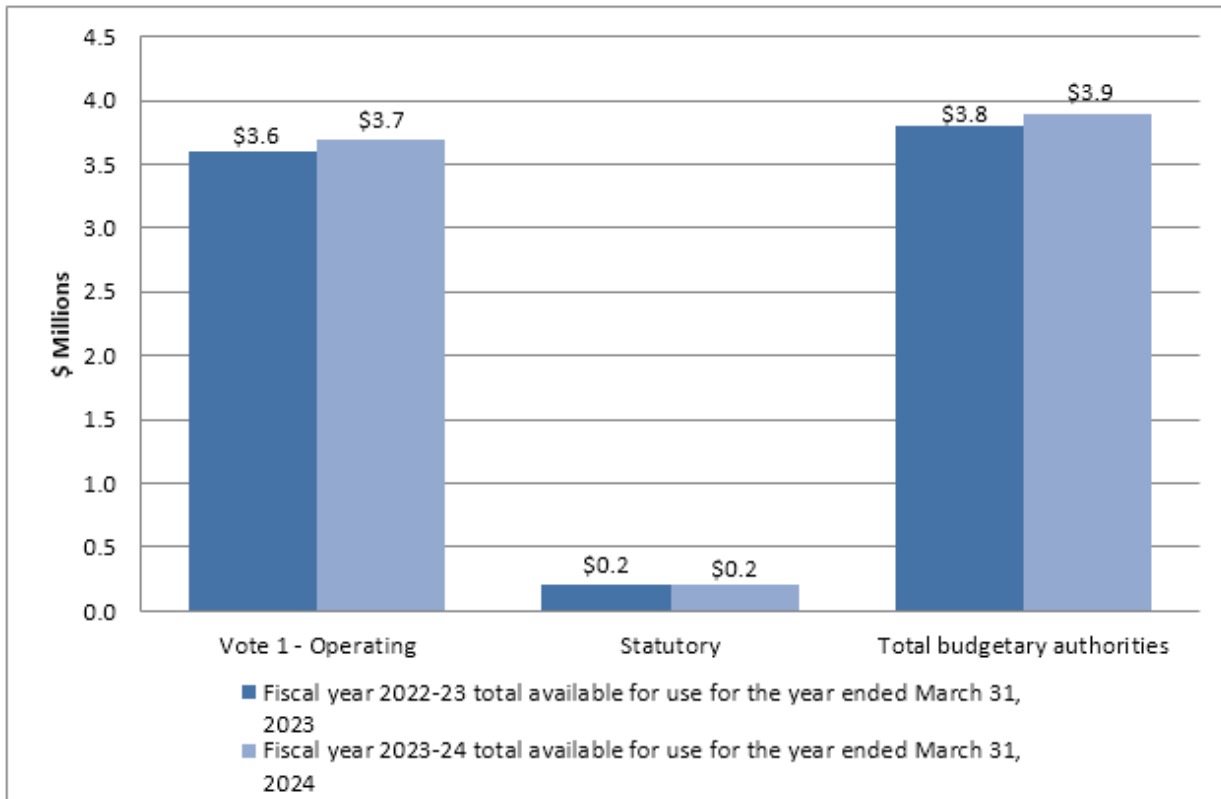
Graph 1: Comparison of Total Authorities and Total Net Budgetary Expenditures as of Q3 2023-24 and 2022-23



Significant changes to authorities

As depicted in graph 2 below (as at December 31, 2023) and Annex A, presented at the end of this document, the Secretariat has authorities available for use of \$3.9 million in 2023-24 compared to \$3.8 million as of December 31, 2022, for a net increase of \$0.1 or 2.6%.

Graph 2: Variance in Authorities as at December 31, 2023



Significant changes to quarter expenditures

The third quarter expenditures totaled \$798,000 for a decrease of \$104,000 (12%) when compared to \$902,000 spent during the same period in 2022-23. Table 1 below presents budgetary expenditures by standard object.

Table 1 – Material variances to expenditures by standard object quarterly comparison

Material Variances to Expenditures by Standard Object (in thousands of dollars)	Fiscal year 2023-24 Expended during the quarter ended 31-December-2023	Fiscal year 2022-23 Expended during the quarter ended 31-December-2022	Variance \$	Variance %
Personnel	438	467	(29)	(6%)
Transportation and communications	10	10	0	0%
Information	1	(5)	6	(125%)
Professional and special services	319	404	(85)	(21%)
Rentals	24	24	0	0%
Utilities, materials and supplies	-	1	(1)	(100%)
Acquisition of machinery and equipment	-	2	(2)	(95%)
Other subsidies and payments	6	(2)	8	(533%)
Total gross budgetary expenditures	798	902	(104)	(12%)

* Details may not add to totals due to rounding

Personnel

The decrease of \$29,000 is due to the departure of two employees during the quarter. One position was staffed in January 2024, while efforts are underway to staff the other position. Additionally, two Committee members were appointed Parliamentary Secretary in September 2023, and thus left the Committee. The Prime Minister has not yet named replacements.

Professional and special services

The decrease of \$85,000 is mainly related to differences in increased charges for internal support services in the first three quarters of 2022-2023 versus the current fiscal year.

Significant changes to year-to-date expenditures

The year-to-date expenditures totaled \$1,963,000 for a decrease of \$35,000 (2%) when compared to \$1,997,000 spent during the same period in 2022-23. Table 2 below presents budgetary expenditures by standard object.

Table 2 – Material variances to expenditures by standard object year-to-date comparison

Material Variances to Expenditures by Standard Object (in thousands of dollars)	YTD Expenditures as of 31-December-2023	YTD Expenditures as of 31-December-2022	Variance \$	Variance %
Personnel	1,123	1,082	41	4%
Transportation and communications	14	12	2	17%
Information	1	8	(7)	(89%)
Professional and special services	741	816	(75)	(9%)
Rentals	71	71	0	0%
Utilities, materials and supplies	-	2	(2)	(100%)
Acquisition of machinery and equipment	-	2	(2)	(95%)
Other subsidies and payments	12	4	8	205%
Total gross budgetary expenditures	1,963	1,997	(35)	(2%)

* Details may not add to totals due to rounding

Personnel

The increase of \$41,000 is due to differences between the Secretariat staff complement in 2022-23 and 2023-24, including the hiring of two new Secretariat personnel in the first quarter of the current fiscal year.

Professional and special services

The decrease of \$75,000 is mainly related to differences in increased charges for internal support services in the first three quarters of 2022-2023 versus the current fiscal year.

Risks and Uncertainties

The Secretariat has conducted staffing competitions during this fiscal period to ensure that it has a full staff complement of 10 full-time equivalents in 2023-24 and thereafter. This will increase expenditures in upcoming fiscal periods but will not exceed the Secretariat's budgetary allocations for personnel.

No other financial pressures are foreseen, and the Secretariat anticipates continuing operations within its existing funding envelope.

Significant changes in relation to operations, personnel and programs

Operations

No significant changes.

Personnel

Two Committee members were appointed to new roles as Parliamentary Secretaries in September 2023 and as such departed the Committee. These members have not yet been replaced. The Prime Minister appointed a new Senator to the Committee in August 2023, who commenced Committee duties on the resumption of meetings in September 2023.

Programs

No significant changes.

Approval by Senior Officials

Lisa-Marie Inman, Executive Director
Ottawa, Ontario
Thursday February 29, 2024

Arryn Ketter, Chief Financial Officer
Ottawa, Ontario
Thursday February 29, 2024

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STATEMENT OF AUTHORITIES (unaudited) (note 2)

<i>(In dollars)</i>	Fiscal year 2023-2024			Fiscal Year 2022-2023		
	Total available for use for the year ending March 31, 2024 (note 1)	Used during the quarter ended December 31, 2023	Year-to-date used at quarter-end	Total available for use for the year ending March 31, 2023 (note 1)	Used during the quarter ended December 31, 2022	Year-to-date used at quarter-end
Vote 1 - Net operating expenditures	3,668,519	736,420	1,779,172	3,579,810	841,506	1,816,276
Budgetary statutory authorities						
Contributions to employee benefits plans	244,482	61,121	183,362	241,265	60,316	180,949
Total budgetary authorities	3,913,001	797,541	1,962,533	3,821,075	901,822	1,997,225
TOTAL AUTHORITIES	3,913,001	797,541	1,962,533	3,821,075	901,822	1,997,225

Note 1: Includes only Authorities available for use and granted by Parliament at quarter-end for each respective fiscal year (Including Frozen Allotments).

Note 2: Details may not add to totals due to rounding.

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Departmental budgetary expenditures by Standard Object (unaudited) (note 2)

<i>(In dollars)</i>	Fiscal year 2023-2024			Fiscal Year 2022-2023		
	Planned expenditures for the year ending March 31, 2024 (note 1)	Expended during the quarter ended December 31, 2023	Year-to-date used at quarter-end	Planned expenditures for the year ending March 31, 2023 (note 1)	Used during the quarter ended December 31, 2022	Year-to-date used at quarter-end
Budgetary expenditures						
Personnel	1,941,526	437,923	1,123,165	1,849,700	467,322	1,081,761
Transportation and communications	6,502	10,099	13,949	68,151	9,739	11,935
Information	19,844	879	879	22,710	(4,781)	7,923
Professional and special services	1,767,441	319,067	741,046	1,613,550	404,242	816,412
Rentals	142,456	23,731	71,194	161,205	23,731	71,194
Repair and maintenance	418	-	-	74,373	-	-
Utilities, materials and supplies	12,068	-	48	11,240	1,001	2,006
Acquisition of machinery and equipment	22,745	-	-	18,503	2,065	2,065
Other subsidies and payments	-	5 840	12,252	1,643	(1,495)	3,929
Total gross budgetary expenditures	3,913,001	797,541	1,962,533	3,821,075	901,822	1,997,225
TOTAL BUDGETARY EXPENDITURES	3,913,001	797,541	1,962,533	3,821,075	901,822	1,997,225

Note 1: Includes only Authorities available for use and granted by Parliament at quarter-end for each respective fiscal year (Including Frozen Allotments).

Note 2: Details may not add to totals due to rounding.