



# **Shared Services Canada Quarterly Financial Report**

For the quarter ended December 31, 2021



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## **1.0 Introduction**

This quarterly financial report should be read in conjunction with the [2021-22 Main Estimates](#), the [2021-22 Supplementary Estimates \(A\)](#) and the [2021-22 Supplementary Estimates \(B\)](#). This 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 Treasury Board. It has not been subject to an external audit or review.

### **1.1 Authority, mandate and programs**

Shared Services Canada (SSC) is responsible for digitally enabling government programs and services by providing information technology (IT) services in the domains of networks and network security, data centers and cloud offerings, digital communications and providing IT tools that the public service needs to do its job. As a service provider to over 40 government departments and agencies, SSC is focussed on moving toward an IT service delivery model that encourages sharing common solutions and platforms across departments in an effort to reduce the variety of IT solutions across the government. In taking this enterprise approach, SSC is working to solidify network capacity and security, equip and empower employees to collaborate, and support partners in the design and delivery of their digital service offering to Canadians. The Minister of Public Services and Procurement Canada is the Minister responsible for Shared Services Canada.

In carrying out its mandate, SSC is supporting the [Digital Operations Strategic Plan: 2018-2022](#) and the [Government of Canada Cloud Adoption Strategy](#), as well as working in partnership with public and private sector stakeholders, implementing enterprise-wide approaches for managing IT infrastructure services, and employing effective and efficient business management processes.

The [Shared Services Canada Act](#) and related Orders-in-Council set out the powers, duties and functions of the Minister responsible for SSC. Amendments to the Act in June 2017 allow the Minister to delegate to other Ministers the power to procure certain items, thereby making it easier for federal departments to buy some of the most frequently purchased IT goods and services. SSC remains responsible for setting up IT contracts, standing offers and supply arrangements, and will continue to ensure only trusted IT equipment and software are used. The Minister responsible for SSC may also, in exceptional circumstances, authorize another Minister to obtain services from within their own department or from a source other than SSC. However, this authorization cannot be used to exempt the entire department from using SSC's services.

Further details on SSC's authority, mandate, responsibilities and programs may be found in the [2021-22 Main Estimates](#) and in [SSC's 2021-22 Departmental Plan](#).

### **1.2 Basis of presentation**

This quarterly financial 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 [2021-22 Main Estimates](#), the [2021-22 Supplementary Estimates \(A\)](#), the [2021-22 Supplementary Estimates \(B\)](#) and the 2020-21 Carry Forward. 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 Department 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

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voted by Parliament remain on an expenditure basis. The main difference between the quarterly financial report and the departmental financial statements is the timing of when revenues and expenses are recognized. The quarterly financial report presents revenues only when the money is received and expenses only when the money is paid out. The departmental financial statements report revenues when they are earned and expenses when they are incurred. In the latter case, revenues are recorded even if cash has not been received and expenses are incurred even if cash has not yet been paid out.

**1.3 Shared Services Canada financial structure**

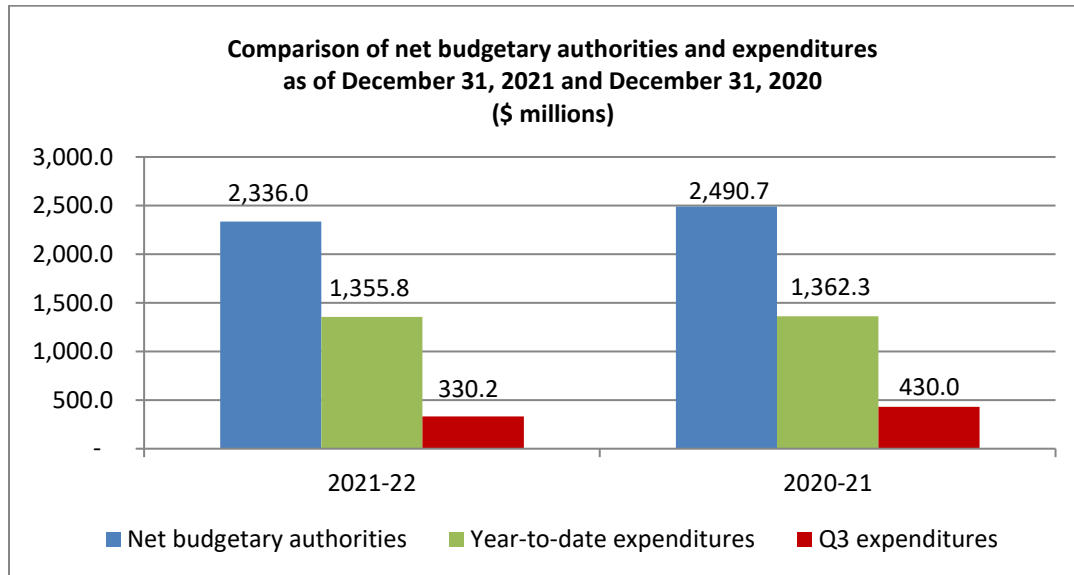
SSC has a financial structure composed mainly of voted budgetary authorities, namely Vote 1 - Operating expenditures, including Vote netted revenues, and Vote 5 - Capital expenditures, including Vote netted revenues. The statutory authorities comprise the authorities under the *Public Health Events of National Concern Payments Act* and the contributions to employee benefit plans (EBP). The contributions to EBP consist of the contributions for SSC’s employees including the members of Royal Canadian Mounted Police.

At the end of the third quarter of 2021-22, 91% of the Department’s budget was devoted to support its IT consolidation and standardization goals. This ensured that current and future IT infrastructure services offered to the Government of Canada are maintained in an environment of operational excellence. The remaining 9% was devoted to internal services, which are services in support of SSC’s programs and/or required to meet SSC’s corporate obligations.

Total Vote netted revenue authority for 2021-22 is \$950.0 million, which consists of spendable revenue for IT infrastructure services provided by SSC to organizations on a cost-recovery basis.

**2.0 Highlights of fiscal quarter and fiscal year-to-date results**

The following graph provides a comparison of the net budgetary authorities available for spending, the year-to-date expenditures, and the expenditures for the quarters ended December 31, 2021 and December 31, 2020, for the Department’s combined Vote 1 - Operating expenditures, Vote 5 - Capital expenditures, and statutory authorities.



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## 2.1 Significant changes to authorities

For the period ended December 31, 2021, the authorities available to the Department include the Main Estimates, the Supplementary Estimates (A), the Supplementary Estimates (B), and the 2020-21 Carry Forward. Authorities available for spending in 2021-22 are \$2,336.0 million at the end of the third quarter, compared to \$2,490.7 million at the end of the third quarter of 2020-21, representing a decrease of \$154.7 million, or 6.2%. This total decrease is a combination of an increase of \$254.8 million in Vote 1 – Gross operating expenditures, a decrease of \$130.6 million in Vote 5 – Gross capital expenditures, an increase in Vote netted revenues of \$285.0 million, an increase in Budgetary statutory authorities (EBP) of \$19.6 million and a decrease in Budgetary statutory authorities (*Public Health Events of National Concern Payments Act*) of \$13.5 million.

### Comparison of net budgetary authorities for the quarters ended December 31, 2021 and December 31, 2020

Net authorities available (\$ millions)	2021-22	2020-21	Variance
Vote 1 - Operating expenditures	2,767.1	2,512.3	254.8
Vote 5 - Capital expenditures	404.6	535.2	(130.6)
Vote netted revenues	(950.0)	(665.0)	(285.0)
Statutory (EBP)	114.3	94.7	19.6
Statutory ( <i>Public Health Events of National Concern Payments Act</i> )	-	13.5	(13.5)
<b>Total net authorities</b>	<b>2,336.0</b>	<b>2,490.7</b>	<b>(154.7)</b>

#### Vote 1 – Gross operating expenditures

The Department's Vote 1 increased by \$254.8 million, compared to the third quarter of 2020-21, mainly due to:

- an increase of \$285.0 million related to the increase in Vote netted revenues in 2021-22
- an increase of \$84.2 million related to the following projects and initiatives:
  - Information Technology Repair and Replacement Program (\$26.2 million)
  - incremental cost of providing core information technology services to client departments and agencies (\$22.9 million)
  - Cyber and Information Technology Security (\$22.1 million)
  - Expand Secure Communications for Senior Leadership (\$6.0 million)
  - other projects and initiatives (\$7.0 million)
- an increase of \$40.0 million due to a realignment of funding authority from Vote 5 to Vote 1 in 2021-22
- an increase of \$32.0 million due to newly signed collective agreements and other compensation adjustments in 2021-22:
  - collective agreements (\$24.3 million)
  - late implementation and Phoenix damages (\$7.7 million)
- a net increase of \$5.3 million in transfers with partners related to funding for various projects and initiatives
- a decrease of \$191.7 million related to the following projects and initiatives:
  - Workload Migration (\$102.6 million) which includes:
    - Workload Migration and Cloud Architecture Programs (\$85.5 million)
    - Workload Migration, Cloud Architecture, Secure Cloud Enablement (\$17.1 million)
  - Service Integrity Mission-Critical Projects (\$47.2 million)
  - Information Technology Services, Infrastructure and Cyber Security (COVID-19) (\$20.6 million)
  - Secure Cloud Enablement and Defence (net decrease of \$1.8 million) which includes:

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- Secure Cloud Enablement and Defence Project (decrease of \$22.1 million)
- Secure Cloud Enablement and Defence Evolution and Departmental Connectivity (increase of \$20.3 million)
- other projects and initiatives (\$19.5 million)

#### **Vote 5 – Gross capital expenditures**

The Department's Vote 5 decreased by \$130.6 million, compared to the third quarter of 2020-21, mainly due to:

- a decrease of \$169.1 million related to the following projects and initiatives:
  - Workload Migration (\$67.4 million) which includes:
    - Workload Migration and Cloud Architecture Programs (\$65.7 million)
    - Workload Migration, Cloud Architecture, Secure Cloud Enablement (\$1.7 million)
  - Information Technology Services, Infrastructure and Cyber Security (COVID-19) (\$63.7 million)
  - Information Technology Repair and Replacement Program (\$32.4 million)
  - other projects and initiatives (\$5.6 million)
- a decrease of \$40.0 million due to a realignment of funding authority from Vote 5 to Vote 1 in 2021-22
- an increase of \$65.4 million related to the following projects and initiatives:
  - Capital Budget Carry Forward (\$29.3 million)
  - Cyber and Information Technology Security (\$14.6 million)
  - Secure Cloud Enablement and Defence (net increase of \$14.3 million) which includes:
    - Secure Cloud Enablement and Defence Evolution and Departmental Connectivity (increase of \$23.2 million)
    - Secure Cloud Enablement and Defence Project (decrease of \$8.9 million)
  - other projects and initiatives (\$7.2 million)
- a net increase of \$13.1 million in transfers with partners related to funding for various projects and initiatives

#### **Vote netted revenues**

The Department's Vote netted revenues authority increased by \$285.0 million, compared to the third quarter of 2020-21, due to continued increase in demand from customers for IT investments and transformation aligned with the Government of Canada's digital government strategy.

#### **Statutory (EBP)**

The Department's Employee Benefits Plan (EBP) authority increased by \$19.6 million, compared to the third quarter of 2020-21, mainly due to:

- an increase of \$18.1 million related to the increase in Vote netted revenues in 2021-22

#### **Statutory (*Public Health Events of National Concern Payments Act*)**

The Department's statutory authority related to the *Public Health Events of National Concern Payments Act* decreased by \$13.5 million, compared to the third quarter of 2020-21. This decrease was due to the reduction of a temporary statutory authority that was granted to SSC for fiscal year 2020-21 only. This statutory authority was introduced in 2020-21 related to the Government's response to COVID-19.

## **2.2 Explanations of significant variances from previous year expenditures**

Compared to the previous year, the total year-to-date expenditures, for the period ended December 31, 2021, have decreased by \$6.5 million, from \$1,362.3 million to \$1,355.8 million as per the table below. This represents a decrease of 0.5% against expenditures recorded for the same period in 2020-21.

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**Comparison of year-to-date expenditures for the quarters ended December 31, 2021 and December 31, 2020**

<b>Net year-to-date expenditures (\$ millions)</b>	<b>2021-22</b>	<b>2020-21</b>	<b>Variance</b>
Vote 1 - Operating expenditures	1,660.7	1,483.8	176.9
Vote 5 - Capital expenditures	97.6	191.0	(93.4)
Vote netted revenues	(474.8)	(397.4)	(77.4)
Statutory (EBP)	72.3	71.4	0.9
Statutory ( <i>Public Health Events of National Concern Payments Act</i> )	-	13.5	(13.5)
<b>Total net year-to-date expenditures</b>	<b>1,355.8</b>	<b>1,362.3</b>	<b>(6.5)</b>

**Vote 1 - Increase of \$176.9 million**

The net increase in operating expenditures, compared to the third quarter of 2020-21, is mainly attributed to:

- rentals expenditures increased by \$69.9 million. This increase is mainly attributable to expenditures for licence and maintenance fees for software, as well as expenditures related to the Information Technology Refresh Program. This increase is partially offset by a decrease in expenditures related to Enabling Digital Services to Canadians
- personnel expenditures increased by \$69.4 million. This is mainly due to an increase in the number of SSC employees in 2021-22, in the payments of retroactive pay and in the payments of compensation related to the Phoenix pay system
- professional and special services increased by \$48.6 million. This increase is mainly attributable to expenditures related to management consultants and information technology and telecommunications consultants. This increase is also due to expenditures related to computer services and tuition fees. The increase is partially offset by a decrease in expenditures related to Mission-Critical Projects and Service Integrity-Staffing and Professional Services
- repair and maintenance expenditures decreased by \$12.7 million. This decrease is mainly attributable to expenditures in repair and maintenance of computer equipment as well as expenditures related to Modernizing the hosting of government applications
- increase of \$1.7 million in other various expenditures

**Vote 5 - Decrease of \$93.4 million**

The net decrease in capital expenditures, compared to the third quarter of 2020-21, is mainly attributed to:

- acquisitions of machinery and equipment decreased by \$81.5 million. This is mainly due to a decrease in expenditures for the acquisition of computer equipment as well as expenditures related to Modernizing the hosting of government applications and Information Technology Refresh Program
- professional and special services decreased by \$12.8 million. This decrease is mainly due to new contracts in the previous fiscal year for the Information Technology Service Management Tool Project
- increase of \$0.9 million in other various expenditures

**Vote netted revenues - Increase of \$77.4 million**

The increase in the collected Vote netted revenues, compared to the third quarter of 2020-21, is mainly due to billings related to agreement based services and when services were rendered.

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**Statutory (*Public Health Events of National Concern Payments Act*) - Decrease of \$13.5 million**

The decrease of \$13.5 million, compared to the third quarter of 2020-21, is due to a temporary statutory authority that was granted to SSC for fiscal year 2020-21 for payments related to the Government's response to COVID-19 pursuant to the *Public Health Events of National Concern Payments Act*.

### **3.0 Risks and uncertainty**

SSC's mandate and related responsibilities to deliver email, data centre and telecommunication services to federal government departments and agencies, operate and modernize the Government of Canada's (GC) IT infrastructure throughout the public sector, and deliver related cyber and IT security services, workplace technology devices and other optional services, involve risks and uncertainty within the Department as well as throughout the Government of Canada as an interconnected risk landscape. On March 13, 2020, in response to the global COVID-19 pandemic, a work-from-home order came into effect for most public servants. This put an unprecedented demand on GC networks and bandwidth, remote access capabilities, collaboration and communication tools, and other support services for all GC employees. Similarly, new programs had to be rapidly designed and implemented to support Canadians and businesses during these challenging times. In order to support the GC pandemic response and meet the unprecedented demand for digital services due to COVID-19, SSC took action to support departments' critical services. The pandemic has highlighted the crucial nature of SSC's services that ensure the continuous delivery of federal services to Canadians, and the abilities of SSC team members to step up to the challenge. SSC's experience supporting the GC's pandemic response affirmed that the Department's pre-COVID priorities and enterprise approach to IT are well suited to delivering enterprise outcomes, and, in turn, results to Canadians.

While the response to COVID-19 necessitated the accelerated implementation of digital government across the GC with improvements that represent lasting contributions towards the GC vision for digital government, more work is required to develop and advance modern, reliable, digital service delivery channels to serve Canadians. SSC will continue to move forward with an enterprise approach to manage GC IT in a holistic, agile, and risk-aware approach that supports the GC vision of digital government.

For the 2021-22 fiscal year, SSC will report on one overarching core responsibility that encompasses all aspects of SSC's mandate. This streamlining reflects the rapid evolution and convergence of technologies and will make it easier to provide a coherent and integrated performance narrative that will reflect the work of the Department.

Adopting an enterprise approach to digital governance across departments involves the alignment of the Department's priorities to four key areas:

- network and security
- collaboration tools
- application modernization
- enabling the enterprise to meet the needs of today and tomorrow

In addition, SSC promotes effective financial management practices and financial sustainability to ensure that it has the financial resources, systems, and funding mechanisms in place to maintain and enhance mission-critical systems while funding modernization initiatives. The Department is also taking steps to ensure a workforce with the right skills and capacity to sustain current, transitional, and future business needs. These include:

- developing recruitment and retention strategies that focus on learning, re-training, re-skilling, alternate and flexible work arrangements while promoting diversity and inclusion in the workplace
- proactive classification and staffing resourcing strategies while providing measures that could address the mental health related issues
- driving the adoption of emerging technologies and work arrangements, as demonstrated by the Cloud First Strategy, modern office arrangements and designs, data analytics, mobile technologies, enhancing cyber defences, among others



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The interconnected risk landscape driven by technology and challenged by both traditional and emerging forms of risks like climate change, pandemic and cyber threats has increased volatility challenges for risk management today. SSC strives for excellence in its risk management and is focused on continuously improving risk management practices, applying high standards and ensuring that risk management is integrated within decision-making, planning and reporting. The risk management function continuously seeks to strengthen its risk management processes and procedures, systems, governance structures, service delivery model, tools, analytics capacity and controls. Within this context, SSC is revising its Corporate Risk Profile to ensure alignment with its enterprise approach and the GC vision for digital government during the 2021-22 fiscal year.

Additional risks that may impact the Department's spending plans, adoption of new technologies and strategies, as well as steps to mitigate those risks are described in [SSC's 2021-22 Departmental Plan](#).

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

On October 4, 2021, Matt Davies became the Chief Technology Officer (CTO).

On October 4, 2021, Shannon Archibald took on the role of Assistant Deputy Minister, CTO Branch and Deputy CTO.

On October 26, 2021, the Honourable Filomena Tassi, Minister of Public Services and Procurement Canada, became the Minister responsible for Shared Services Canada.

On December 31, 2021, Stéphane Cousineau, Assistant Deputy Minister, Enterprise IT Procurement and Corporate Services Branch (EITP-CSB) left SSC. On January 4, 2022, Robert Ianiro joined SSC as the new Assistant Deputy Minister, EITP-CSB.

### **Approval by senior officials**

*Original signed by*

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Sony Perron  
Acting President

Ottawa, Canada  
February 21, 2022

*Original signed by*

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Samantha Hazen, CPA, CA  
Assistant Deputy Minister and  
Chief Financial Officer

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## 5.0 Statement of authorities (*unaudited*)

<i>(in thousands of dollars)</i>	Fiscal year 2021-22			Fiscal year 2020-21		
	Total available for use for the year ending March 31, 2022*	Used during the quarter ended December 31, 2021	Year-to-date used at quarter-end	Total available for use for the year ending March 31, 2021*	Used during the quarter ended December 31, 2020	Year-to-date used at quarter-end
<b>Vote 1 - Operating expenditures</b>						
Gross operating expenditures	2,767,052	580,901	1,660,746	2,512,315	489,666	1,483,769
Vote netted revenues	(880,000)	(319,912)	(474,803)	(595,000)	(155,045)	(394,021)
<b>Net operating expenditures</b>	<b>1,887,052</b>	<b>260,989</b>	<b>1,185,943</b>	<b>1,917,315</b>	<b>334,621</b>	<b>1,089,748</b>
<b>Vote 5 - Capital expenditures</b>						
Gross capital expenditures	404,619	44,236	97,573	535,241	70,335	191,007
Vote netted revenues	(70,000)	-	-	(70,000)	(1,883)	(3,392)
<b>Net capital expenditures</b>	<b>334,619</b>	<b>44,236</b>	<b>97,573</b>	<b>465,241</b>	<b>68,452</b>	<b>187,615</b>
<b>(S) Contributions to employee benefit plans</b>	<b>114,344</b>	<b>24,972</b>	<b>72,308</b>	<b>94,710</b>	<b>24,553</b>	<b>71,457</b>
<b>(S) Public Health Events of National Concern Payments Act</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,480</b>	<b>2,400</b>	<b>13,480</b>
<b>Total budgetary authorities</b>	<b>2,336,015</b>	<b>330,197</b>	<b>1,355,824</b>	<b>2,490,746</b>	<b>430,026</b>	<b>1,362,300</b>

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

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## 6.0 Departmental budgetary expenditures by standard object (unaudited)

<i>(in thousands of dollars)</i>	Fiscal year 2021-22			Fiscal year 2020-21		
	Planned expenditures for the year ending March 31, 2022*	Expended during the quarter ended December 31, 2021	Year-to-date used at quarter-end	Planned expenditures for the year ending March 31, 2021*	Expended during the quarter ended December 31, 2020	Year-to-date used at quarter-end
<b>Expenditures:</b>						
Personnel (includes EBP)	883,413	221,369	657,064	739,934	203,264	587,530
Transportation and communications	828,845	127,826	316,397	750,961	119,743	321,236
Information	2,237	720	1,120	1,456	663	694
Professional and special services	358,422	110,910	261,790	344,724	89,120	226,784
Rentals	540,303	85,554	332,722	474,951	43,480	267,874
Repair and maintenance	215,408	43,310	121,332	191,627	46,458	133,696
Utilities, materials and supplies	11,625	1,159	2,869	10,924	1,670	3,438
Acquisition of land, buildings and works	14,438	912	2,710	19,267	1,411	2,853
Acquisition of machinery and equipment	424,290	55,743	125,455	613,873	78,626	206,652
Transfer payments	-	-	-	-	-	-
Public debt charges	5,654	2,471	6,431	5,724	1,964	4,904
Other subsidies and payments	1,380	135	2,737	2,305	555	4,052
<b>Total gross budgetary expenditures</b>	<b>3,286,015</b>	<b>650,109</b>	<b>1,830,627</b>	<b>3,155,746</b>	<b>586,954</b>	<b>1,759,713</b>
<b>Less revenues netted against expenditures:</b>						
Vote netted revenues	950,000	319,912	474,803	665,000	156,928	397,413
<b>Total revenues netted against expenditures</b>	<b>950,000</b>	<b>319,912</b>	<b>474,803</b>	<b>665,000</b>	<b>156,928</b>	<b>397,413</b>
<b>Total net budgetary expenditures</b>	<b>2,336,015</b>	<b>330,197</b>	<b>1,355,824</b>	<b>2,490,746</b>	<b>430,026</b>	<b>1,362,300</b>

\* Includes only authorities available for use and granted by Parliament at quarter-end, which are distributed based on historical financial data.

## **7.0 Glossary**

### **Appropriations / Authorities**

Expenditure authorities are approvals from Parliament for individual government organizations to spend up to specific amounts. Expenditure authority is provided in two ways: annual appropriation acts that specify the amounts and broad purposes for which funds can be spent; and other specific statutes that authorize payments and set out the amounts and time periods for those payments. The amounts approved in appropriation acts are referred to as voted amounts, and the expenditure authorities provided through other statutes are called statutory authorities.

#### **Vote 1 - Operating expenditures**

A vote that covers most day-to-day expenses, such as salaries, utilities and minor capital expenditures.

#### **Vote 5 - Capital expenditures**

Capital expenditures are those made for the acquisition or development of items that are classified as tangible capital assets as defined by Government accounting policies. This vote is generally used for capital expenditures that exceed \$10,000.

### **Capital Budget Carry Forward**

Treasury Board centrally managed vote that permits departments to bring forward eligible lapsing funds from one fiscal year to the next in an amount up to 20% of their year-end allotments in the capital expenditures Vote as reflected in Public Accounts.

### **Cash method of accounting**

The cash method recognizes revenues when they are received and expenses when they are paid for.

### **Collective agreement**

Collective agreement means an agreement in writing entered into under the *Public Service Staff Relations Act* between the employer and a bargaining agent and containing provisions covering terms and conditions of employment and related matters.

### **Departmental Plan**

The Departmental Plan is an expenditure plan for each department and agency (excluding Crown corporations). It describes departmental priorities, expected results and associated resource requirements covering a three-year period, beginning with the year indicated in the title of the report.

### **Employee Benefit Plans (EBP)**

A statutory item that includes employer contributions for the Public Service Superannuation Plan, the Canada and the Quebec Pension Plans, Death Benefits, and the Employment Insurance accounts. Expressed as a percentage of salary, the EBP rate is changed every year as directed by the Treasury Board Secretariat.

### **Expenditure basis of accounting**

An accounting method that combines elements of the two major accounting methods, the cash method and the accrual method. The expenditure basis of accounting method recognizes revenues when cash is received and expenses when liabilities are incurred or cash is paid out.

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**Frozen allotments**

Frozen allotments are used to prohibit the spending of funds previously appropriated by Parliament. There are two types of frozen allotments:

- permanent: where the Treasury Board has directed that funds lapse at the end of the fiscal year
- temporary: where an appropriation is frozen until such time as conditions have been met

**Full accrual method of accounting**

An accounting method that measures the performance and position of an organization by recognizing economic events regardless of when cash transactions occur. Therefore, the full accrual method of accounting recognizes revenues when they are earned (for example, when the terms of a contract are fulfilled) and expenses when they are incurred.

**Main Estimates**

Each year, the government prepares estimates in support of its request to Parliament for authority to spend public funds. This request is formalized through the introduction of appropriation bills in Parliament. In support of the Appropriation Act, the Main Estimates identify the spending authorities (Votes) and amounts to be included in subsequent appropriation bills. Parliament is asked to approve these Votes to enable the government to proceed with its spending plans.

**Operating Budget Carry Forward**

Treasury Board centrally managed vote that permits departments to bring forward eligible lapsing funds from one fiscal year to the next in an amount up to 5% of their Main Estimates gross operating budget allotment.

**Standard objects**

A system in accounting that classifies and summarizes the expenditures by categories, such as type of goods or services acquired, for monitoring and reporting.

**Supplementary Estimates**

The President of the Treasury Board tables up to three Supplementary Estimates usually in May, in late October or early November and in February to obtain the authority of Parliament to adjust the government's expenditure plan set out in the estimates for that fiscal year. Supplementary Estimates serve two purposes. First, they seek authority for revised spending levels that Parliament will be asked to approve in an Appropriation Act. Second, they provide Parliament with information on changes in the estimated expenditures to be made under the authority of statutes previously passed by Parliament. Each Supplementary Estimates document is identified alphabetically (A, B and C).

**Vote netted revenues authority**

The authority by which Shared Services Canada has permission to collect and spend revenue earned and collected from the provision of IT services within the government.