

Canadian Institutes of Health Research

Quarterly Financial Report for the Quarter Ended September 30, 2021

Canadian Institutes of Health Research

Quarterly Financial Report for the Quarter Ended September 30, 2021

1. Introduction

This quarterly financial 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 should be read in conjunction with the 2021-22 [Main Estimates](#). It has not been subject to an external audit or review nor has it been subject to the approval of the Audit Committee.

1.1 Authority, mandate and programs

The Canadian Institutes of Health Research (CIHR) is the Government of Canada's health research funding agency. It was created in June 2000 by the *Canadian Institutes of Health Research Act* with a mandate “to excel, according to internationally accepted standards of scientific excellence, in the creation of new knowledge and its translation into improved health for Canadians, more effective health services and products and a strengthened Canadian health care system.”

CIHR invests in high quality health research and health research personnel to help create and apply new knowledge that can improve health outcomes for Canadians, lead to innovative products and services that improve Canada's health care system, and create high quality employment and commercial opportunities.

Further details on CIHR's mandate and programs can be found in [Part II of the Main Estimates](#) and the [Department Plan](#).

1.2 Basis of presentation

This quarterly report has been prepared by CIHR management using an expenditure basis of accounting. The accompanying Statement of Authorities includes CIHR's spending authorities granted by Parliament and those used by CIHR, consistent with the Main Estimates supplied thus far for the 2021-22 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 monies can be spent by the Government of Canada (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.

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

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

This quarterly financial report reflects the results of the current fiscal period in comparison to the authorities supplied by the Main Estimates to date for fiscal year 2021-22, as well as budget adjustments approved by Treasury Board up to September 30, 2021.

Canadian Institutes of Health Research

Quarterly Financial Report for the Quarter Ended September 30, 2021

2.1 Financial Highlights – Statement of Authorities (Refer to Section 5)

As of September 30, 2021, total authorities available for use for CIHR have increased by \$212.2 million (18.4%) compared to September 30, 2020 as shown in the table below. This increase is in large part due to the full supply of the Main Estimates being available in the second quarter of 2021-22 compared to the second quarter of 2020-21, where \$302.1 million was still to be supplied via the Main Estimates.

The remaining variance is due to the following:

- \$19.2 million increase to new funding first announced in Budget 2018 to enhance support for health research;
- \$3.6 million of new funding for compensation adjustments from the Treasury Board Secretariat to reflect economic increases negotiated through signed collective agreements;
- \$1.8 million increase to new funding first announced in Budget 2019 for Supporting Graduate Students Through Research Scholarships program;
- \$1.7 million increase in the operating budget carryforward;
- \$1.6 million increase in net transfers from other government departments for specific programs and initiatives;
- \$0.8 million increase to new funding first announced in Budget 2019 for Paid Parental Leave for Student Researchers;
- \$0.4 million decrease in funding due to various immaterial adjustments;
- \$1.0 million decrease in the operating travel budget as proposed in Budget 2021; and
- \$2.6 million decrease resulting from CIHR's participation in tri-agency programs in collaboration with the Natural Sciences and Engineering Research Council (NSERC) and the Social Sciences and Humanities Research Council (SSHRC). Funding for these programs varies by fiscal year as CIHR is allocated funding following each distinct competition depending on the successful applicants' alignment with CIHR's health-related mandate. CIHR received more funds in 2021-22 for College and Community Innovation Program (\$0.7 million) and Centres of Excellence Commercialization and Research (\$0.2 million) and, less funds for Canada Excellence Research Chairs (\$0.7 million), Business Led Network Centres of Excellence (\$1.3 million) and Network Centres of Excellence (\$1.5 million).

In addition to the above, and as the COVID-19 pandemic continues to evolve, the Government of Canada endeavours to address the ongoing health research needs related to the pandemic. Total funding provided to CIHR for COVID-19 decreased by \$114.6 million (\$240.6 million received in 2020-21 as compared to \$126.0 million received in 2021-22). New COVID-19 funding received in 2021-22 is comprised of the following:

- \$111.0 million in funding re-profiled from 2020-21 to the current fiscal year for medical countermeasures to fund research in priority areas and to fill knowledge gaps;
- \$15.0 million of new funding for medical countermeasures to procure newly authorized therapeutics for the treatment of COVID-19 and to support related research;

Total authorities used as of September 30, 2021 decreased by \$244.2 million (-30.0%) compared to the prior fiscal year due mainly to the decrease in COVID-19 grant payments in 2021-22. CIHR has used 41.8% (70.6% in 2020-21) of its available authorities through the second quarter. The difference in the authorities used is due to CIHR having the full supply of the Main Estimates for 2021-22 in the second quarter as compared to 2020-21, where \$302.1 million was still to be supplied via the Main Estimates.

Canadian Institutes of Health Research

Quarterly Financial Report for the Quarter Ended September 30, 2021

Table 2.1.1 – Changes to annual authorities available and cumulative authorities used by vote
(*\$ thousands*)

	2021-22			2020-21			Variance	
	Annual authorities available	Cumulative authorities used	% used	Annual authorities available	Cumulative authorities used	% used	(1) vs (3)	(2) vs (4)
	(1)	(2)		(3)	(4)			
Vote 1 - Operating Expenditures	64,729	29,753	46.0%	46,475	26,910	57.9%	39.3%	10.6%
Vote 5 - Grants and Statutory Authorities – COVID-19 *	1,294,868	537,683	41.5%	1,101,196	784,994	71.3%	17.6%	(31.5%)
Statutory Authorities – Employee benefits plan	7,206	3,603	50.0%	6,943	3,330	48.0%	3.8%	8.2%
Total	1,366,803	571,039	41.8%	1,154,614	815,234	70.6%	18.4%	(30.0%)

* Comparative totals for 2020-21 include Vote 5 – Grants (\$900,996) and Statutory Authorities – COVID-19 (\$200,200)

Table 2.1.2 – Changes to annual authorities available and authorities used during the second quarter by vote
(*\$ thousands*)

	2021-22			2020-21			Variance	
	Annual authorities available	Q2 authorities used	% used	Annual authorities available	Q2 authorities used	% used	(1) vs (3)	(2) vs (4)
	(1)	(2)		(3)	(4)			
Vote 1 - Operating Expenditures	64,729	15,644	24.2%	46,475	13,717	29.5%	39.3%	14.0%
Vote 5 - Grants and Statutory Authorities – COVID-19 *	1,294,868	270,325	20.9%	1,101,196	574,205	52.1%	17.6%	(52.9%)
Statutory Authorities – Employee benefits plan	7,206	1,802	25.0%	6,943	1,665	24.0%	3.8%	8.2%
Total	1,366,803	287,771	21.1%	1,154,614	589,587	51.1%	18.4%	(51.2%)

* Comparative totals for 2020-21 include Vote 5 – Grants (\$900,996) and Statutory Authorities – COVID-19 (\$200,200)

Canadian Institutes of Health Research

Quarterly Financial Report for the Quarter Ended September 30, 2021

Vote 1 – Operating Expenditures

Total authorities available for use for Vote 1 - Operating expenditures increased by \$18.3 million (39.3%) as at September 30, 2021 compared to the prior fiscal year. This increase is in part due to CIHR having the full supply of the Main Estimates available in the second quarter of 2021-22 compared to the second quarter of 2020-21, where \$14.5 million was still to be supplied via the Main Estimates.

The remaining variance is due to the following:

- \$3.0 million of new funding for compensation adjustments from the Treasury Board Secretariat to reflect economic increases negotiated through signed collective agreements;
- \$1.7 million increase in the operating budget carryforward;
- \$1.5 million increase to new funding first announced in Budget 2018 to enhance support for health research;
- \$0.5 million increase in net transfers from other government departments for specific programs and initiatives;
- \$0.1 million decrease in operating costs due to immaterial adjustments;
- \$1.0 million decrease in the operating travel budget as proposed in Budget 2021; and,
- \$1.8 million decrease in funding for a pandemic response and health emergencies research plan.

Authorities used during the second quarter for Vote 1 – Operating Expenditures have increased by \$1.9 million (14.0%) as compared to the prior fiscal year. This variance is primarily due to an increase in personnel costs as a result of the yearly salary increase. This increase is offset by various immaterial decreases in operating expenditures. Actual year to date operating expenditures have increased by \$2.8 million (10.6%) from the prior year due to the aforementioned reasons. The percentage of operating authorities used has decreased from the prior year (46.0% and 57.9% respectively) as a result of the previously discussed difference in the supply of the Main Estimates.

Overall spending as of September 30, 2021 is consistent with CIHR management expectations given the COVID-19 pandemic context.

Vote 5 – Grants and Statutory Authorities – COVID-19

Authorities available for use for Vote 5 – Grants as of September 30, 2021 were \$1,294.9 million and included funding for the following transfer payment programs:

- Grants for research projects and personnel support – \$1,161.8 million
- Canada First Research Excellence Fund (CFREF) – \$43.8 million
- Canada Graduate Scholarships (CGS) – \$28.6 million
- Networks of Centres of Excellence (NCE) – \$17.7 million
- Institute support grants – \$14.1 million
- Vanier Canada Graduate Scholarships – \$8.4 million
- Centres of Excellence for Commercialization and Research (CECR) – \$7.2 million
- Canada Excellence Research Chairs (CERC) – \$6.7 million
- Canada 150 Research Chairs (C150) – \$2.7 million
- Business-Led Networks of Centres of Excellence (BL-NCE) – \$2.4 million
- College and Community Innovation Program (CCI) – \$1.5 million

Vote 5 and Statutory Grant authorities available for use increased by \$193.7 million (17.6%) as of September 30, 2021 as compared to the prior fiscal year. This increase to CIHR's total grant authorities available is

Canadian Institutes of Health Research

Quarterly Financial Report for the Quarter Ended September 30, 2021

mainly due to CIHR having the full supply of the Main Estimates in the second quarter of 2021-22 compared to the second quarter of 2020-21, where \$287.6 million was still to be supplied via the Main Estimates.

The remaining variance is due to the following:

- \$17.7 million increase to new funding first announced in Budget 2018 to enhance support for health research;
- \$1.8 million increase to new funding first announced in Budget 2019 for Supporting Graduate Students Through Research Scholarships program;
- \$1.1 million increase in net transfers from other government departments for specific programs and initiatives;
- \$0.8 million increase to new funding first announced in Budget 2019 for Paid Parental Leave for Student Researchers;
- \$0.2 million decrease in funding due to various immaterial adjustments; and
- \$2.6 million decrease resulting from CIHR's participation in tri-agency programs in collaboration with the Natural Sciences and Engineering Research Council (NSERC) and the Social Sciences and Humanities Research Council (SSHRC). Funding for these programs varies by fiscal year as CIHR is allocated funding following each distinct competition depending on the successful applicants' alignment with CIHR's health-related mandate. CIHR received more funds in 2021-22 for College and Community Innovation Program (\$0.7 million) and Centres of Excellence Commercialization and Research (\$0.2 million) and, less funds for Canada Excellence Research Chairs (\$0.7 million), Business Led Network Centres of Excellence (\$1.3 million) and Network Centres of Excellence (\$1.5 million).

In addition to the above, and as the COVID-19 pandemic continues to evolve, the Government of Canada endeavours to address the ongoing health research needs related to the pandemic. Grant funding provided to CIHR for COVID-19 decreased by \$112.5 million (\$238.5 million received in 2020-21 as compared to \$126.0 million received in 2021-22). New COVID-19 funding received in 2021-22 is comprised of the following:

- \$111.0 million in funding re-profiled from 2020-21 to the current fiscal year for medical countermeasures to fund research in priority areas and to fill knowledge gaps;
- \$15.0 million of new funding for medical countermeasures to procure newly authorized therapeutics for the treatment of COVID-19 and to support related research;

Grant authorities used during the second quarter of 2021-22 decreased by \$303.9 million (-52.9%) compared to the prior fiscal year quarter. Similarly, year to date grant expenditures decreased by \$247.3 million (-31.5%). This is due mainly to the decrease in COVID-19 grant payments in 2021-22.

The percentage of grant authorities used through the second quarter of 2021-22 (41.5%) decreased from authorities used at the end of the second quarter of the prior fiscal year (71.3%). This is mainly due to the aforementioned difference in the supply of the Main Estimates.

Overall spending as of September 30, 2021 is consistent with CIHR management expectations given the COVID-19 pandemic context.

Canadian Institutes of Health Research
 Quarterly Financial Report for the Quarter Ended September 30, 2021

Statutory Authorities

Contribution to employee benefit plans

Budgetary statutory authorities representing CIHR’s contribution to employee benefit plans available for use increased year over year by \$0.3 million (3.8%). The increase to CIHR’s statutory authorities available is due to:

- \$0.5 million increase due to new funding for compensation adjustments from the Treasury Board Secretariat to reflect economic increases negotiated through signed collective agreements;
- \$0.1 million increase in funding due to various immaterial adjustments;
- \$0.3 million decrease as a result of decreased funding to support CIHR’s role in the Government’s COVID-19 response.

Actual spending for statutory authorities in the second quarter of 2021-22 is 50.0% of the total available authorities for use for the year, which is consistent with CIHR management expectations given that this expenditure is distributed equally throughout the fiscal year.

2.2 Financial Highlights – Statement of Departmental Budgetary Expenditures by Standard Object (Refer to Section 6)

As of September 30, 2021, total authorities available for use by CIHR have increased by \$212.2 million (18.4%) compared to the prior fiscal year. This increase is in part due to CIHR having the full supply of the Main Estimates available in the second quarter of 2021-22 compared to the second quarter of 2020-21, where \$302.1 million was still to be supplied via the Main Estimates. Total authorities used as of September 30, 2021 decreased by \$244.2 million (-30.0%) compared to the prior fiscal year. These variances are reflected in Table 2.2.1 (where expenditure types are re-grouped into three categories: Personnel, Other Operating Expenditures and Transfer Payments) for further analysis.

Table 2.2.1 – Changes to annual authorities available and cumulative authorities used by expenditure type
 (\$ thousands)

	2021-22			2020-21			Variance	
	Annual authorities available	Cumulative authorities used	% used	Annual authorities available	Cumulative authorities used	% used	(1) vs (3)	(2) vs (4)
	(1)	(2)		(3)	(4)			
Personnel*	55,898	30,987	55.4%	42,419	28,250	66.6%	31.8%	9.7%
Other Operating Expenditures	16,037	2,369	14.8%	10,999	1,990	18.1%	45.8%	19.0%
Transfer Payments**	1,294,868	537,683	41.5%	1,101,196	784,994	71.3%	17.6%	(31.5%)
Total	1,366,803	571,039	41.8%	1,154,614	815,234	70.6%	18.4%	(30.0%)

* Personnel includes statutory authorities provided for the employee benefit plan

** Comparative totals for 2020-21 transfer payments include both voted and statutory authorities provided

Canadian Institutes of Health Research

Quarterly Financial Report for the Quarter Ended September 30, 2021

Table 2.2.2 – Changes to annual authorities available and authorities used during the second quarter by expenditure type

(\$ thousands)

	2021-22			2020-21			Variance	
	Annual authorities available	Q2 authorities used	% used	Annual authorities available	Q2 authorities used	% used	(1) vs (3)	(2) vs (4)
	(1)	(2)		(3)	(4)			
Personnel*	55,898	16,270	29.1%	42,419	14,527	34.2%	31.8%	12.0%
Other Operating Expenditures	16,037	1,176	7.3%	10,999	855	7.8%	45.8%	37.5%
Transfer Payments**	1,294,868	270,325	20.9%	1,101,196	574,205	52.1%	17.6%	(52.9%)
Total	1,366,803	287,771	21.1%	1,154,614	589,587	51.1%	18.4%	(51.2%)

* Personnel includes statutory authorities provided for the employee benefit plan

** Comparative totals for 2020-21 transfer payments include both voted and statutory authorities provided

Personnel and Other Operating Expenditures

Authorities available for Personnel Expenditures for the period ended September 30, 2021 increased by \$13.5 million (31.8%) as compared to the prior year. Authorities available for Other Operating Expenditures increased by \$5.0 million (45.8%). This increase to CIHR's authorities available is partly due to CIHR having the full supply of the Main Estimates in the second quarter of 2021-22 compared to the second quarter of 2020-21, where \$11.2 million (Personnel) and \$3.2 million (Other) was still to be supplied via the Main Estimates. This increase was also a result of the following:

- \$3.6 million (Personnel) of new funding for compensation adjustments from the Treasury Board Secretariat to reflect economic increases negotiated through signed collective agreements;
- \$2.3 million (Other) increase and \$0.7 million (Personnel) decrease in the operating budget carryforward;
- \$1.5 million (Other) increase to new funding first announced in Budget 2018 to enhance support for health research;
- \$1.0 million (Personnel) increase and \$1.0 million (Other) decrease as a result of an internal transfer;
- \$0.7 million (Other) increase and \$0.3 million decrease (Personnel) in net transfers from other government departments for specific programs and initiatives;
- \$1.0 million (Other) decrease in the operating travel budget as proposed in Budget 2021; and
- \$1.3 million (Personnel) decrease and \$0.7 (Other) decrease in funding to support CIHR's role in the Government's COVID-19 response.

Personnel authorities used year to date increased by \$2.7 million (9.7%) compared to the prior fiscal year. This increase is mainly due to the yearly salary increase. The percentage of authorities used for Personnel Expenditures in the second quarter (55.4%) is reasonable for this type of expenditure. However, the percentage of authorities used has decreased from last year (66.6% in 2020-21) as a result of CIHR receiving the full supply of the Main Estimates in 2021-22.

Canadian Institutes of Health Research

Quarterly Financial Report for the Quarter Ended September 30, 2021

Other Operating Expenditures used year to date increased by \$0.4 million (19.0%) compared to the prior fiscal year. This increase is primarily due to increased spending on various professional and special services, (such as translation services, language/online training and IT consultants), as well as, higher expenditures on prepaid software licenses and software maintenance fees. These increases were offset by a decrease in travel and hospitality expenditures as a result of the ongoing COVID-19 pandemic, as well as, a decrease in spending on office equipment for use in employees' homes.

Overall spending as of September 30, 2021 is consistent with CIHR management expectations given the COVID-19 pandemic context.

Transfer Payments

Authorities available for the period ended September 30, 2021 increased by \$193.7 million (17.6%) over the prior year due primarily to CIHR having the full supply of the Main Estimates in the second quarter of 2021-22 compared to the second quarter of 2020-21. Authorities used during the quarter ended September 30, 2021 decreased by \$303.9 million (-52.9%) due mainly to the decrease in COVID-19 grant payments in 2021-22. The percentage of grant authorities used through the second quarter of 2021-22 (41.5%) has decreased from the prior year (71.3%) as a result of the aforementioned difference in the supply of the Main Estimates, as well as, the decrease in COVID-19 grant payments in 2021-22.

2.3 Other Non-Financial Highlights

Other non-financial highlights for the second quarter of 2021-22 include:

On July 5, CIHR announced the funding of a [new training platform](#) for research on urban health. The platform, which is component of the Healthy Cities initiative, will guide the development of a new generation of researchers who are committed to finding ways to make Canadian cities healthier, more livable, and more resilient.

On July 5, the President of CIHR announced the creation of [new internal and external advisory groups](#) as part of CIHR's commitment to fostering an equitable, diverse, and inclusive health research ecosystem that values the perspectives and contributions of all. This announcement included the launch of CIHR Anti-Racism External Advisory Committee, which will play a fundamental role in shaping CIHR's community engagement initiatives and the CIHR anti-racism action plan.

On August 4, CIHR announced the [2021-2022 cohort](#) of Health System Impact Fellows. This program gives doctoral students and postdoctoral fellows on-the-job experience in health system organizations across Canada. The Fellows receive unparalleled access to mentors and leadership training that aims to build their capacity for advancing evidence-informed health system changes that improve health outcomes for Canadians.

On August 12, CIHR announced the [renewal of funding](#) for the Canadian Longitudinal Study on Aging. The CLSA is the largest and longest study of its kind in Canada and includes over 50,000 Canadians between the ages of 45 and 85 whose health is being tracked for at least 20 years. The study is providing data that will yield critical insights into the aging process and support the development of policies and programs to promote health aging in Canada.

Canadian Institutes of Health Research

Quarterly Financial Report for the Quarter Ended September 30, 2021

On September 29, CIHR published its [annual progress update](#) on the organization's *Action Plan: Building a healthier future for First Nations, Inuit and Métis Peoples*. The update provided an overview of steps that CIHR has taken to help Indigenous communities respond to the COVID-19 pandemic. It also highlighted key initiatives in the areas of governance, community-based research, and community engagement.

3. Risk and uncertainties

CIHR is funded through voted parliamentary spending authorities and statutory authorities for operating expenditures and transfer payments. As a result, its operations are impacted by any changes to funding approved through Parliament. Delivering programs and services may depend on several risk factors such as economic fluctuations, technological and scientific development, evolving government priorities, and central agency or government-wide initiatives.

CIHR is committed to a disciplined, risk management process in its daily operations. Based on departmental best practices, the Corporate Risk Profile (CRP) is updated annually and provides a proactive response to manage and monitor risks to ensure CIHR's ability to operationalize its activities, achieve outcomes and deliver on its mandate.

The Policy on Government Security requires federal departments and agencies to establish business continuity plans (BCP). In response to COVID-19, CIHR activated its BCP that focused its activities on the delivery of critical operations, service and program delivery. As part of the BCP activation, CIHR's risk landscape has shifted, and the CRP process was paused. CIHR's corporate risk management activities in the second quarter relate to re-establishing the CRP and identifying the key risks to actively manage and monitor for the remainder of 2021-2022. As CIHR's organizational risks are evolving, internal discussions are ongoing to identify pertinent risks and how they will be addressed. The final risks and associated mitigation strategies will be included in the 2021-22 CRP for implementation. CIHR will report on the final risks for fiscal year 2021-22 in the next Quarterly Financial Report.

Risk 1 – Implementing the New Strategic Plan - *There is a risk that the implementation of CIHR's strategic plan (to achieve its objectives as defined by the CIHR) Act may be hindered by gaps in governance, operational planning and change management practices.*

CIHR has developed a new strategic plan for the Agency and launched it in February 2021. Due to the pandemic, the original launch date of June 2020 was delayed. This provided an opportunity to revise the plan's priorities based on new issues the pandemic brought to light. In spring 2021, the organization completed an operational planning process to ensure that the priorities in the [Action Plan for Year 1 \(2021–22\)](#) were appropriately resourced.

CIHR has established an accountability and governance framework to support the implementation of the strategic plan development and is in the midst of launching the process to develop the Strategic Plan Action Plan for Year 2 (2022-2023). The actions identified for completion in the Year 2 Plan will be used as inputs into CIHR's 2022-2023 Integrated Planning Process. This process will ensure that activities and resources are aligned with organizational priorities identified in the Strategic Plan and the results the organization is seeking to achieve.

Risk 2 – Effective Digital Solutions - *Failure to deliver and support effective digital and security solutions may result in the inability for the organization to deliver on the objectives as defined by the CIHR Act*

Canadian Institutes of Health Research

Quarterly Financial Report for the Quarter Ended September 30, 2021

Despite the COVID-19 pandemic, CIHR continues to deliver on its operational objectives by leveraging its existing IT infrastructure and deploying new IT solutions to support pandemic-impacted business functioning.

The COVID-19 pandemic brought in its wake, numerous disruptions in the way CIHR conducts business. In light of the ongoing need to maintain social distancing measures, CIHR is required to change the way business is conducted to ensure business continuity. For example, CIHR's peer review process in particular, was specifically impacted by these measures. Traditionally, the majority of CIHR peer review was completed via in-person peer review committee meetings held in Ottawa. Until the current travel and physical distancing measures are lifted, in-person peer review meetings will not be feasible.

In April 2020, CIHR adopted Microsoft Teams as its main on-line collaboration and communication tool. This tool provides CIHR staff the ability to effectively and securely communicate and collaborate with employees within CIHR and the Government of Canada while also being able to take advantage of its integration features with other MS Office 365 suite of applications (such as Outlook). This solution was successfully deployed to facilitate remote peer review meetings.

CIHR continues to explore technological innovations to ensure business continuity and uninterrupted service delivery.

Risk 3 – Human Resources Capacity - *There is a risk that CIHR is not adequately resourced to deliver on priorities, projects and key commitments. Beyond this, there is an additional risk that without proactive strategies and a cohesive organizational design to attract and retain key talent, CIHR will not have the human resource capacity required to deliver on its current programs and services and to respond to future priorities.*

Beginning Fall 2021, CIHR will undertake a prioritization activity that will accurately identify what programs, services and projects (new and existing) can be delivered within the current human resource allocations. In addition to detailed operational plans, CIHR branches are required to submit staffing plans that accurately reflect the way in which these resources will be acquired and the timeline to do so. A Workforce Planning process that is integrated into CIHR's operational planning cycle is in place to support this activity.

The Human Resources Branch (HRB) has addressed critical and emerging staffing needs to ensure the continued effective and efficient delivery of programs and services throughout the pandemic. The HRB is currently reviewing internal processes and policies to maintain competitiveness within the labor market, support inclusion, and attract diverse talent. The HRB has reinitiated work on a Human Resources Planning Framework that will evolve alongside the Integrated Planning Cycle. Concurrent development of these processes will support senior management in ensuring the CIHR is adequately resourced to deliver on priorities and achieve its objectives, particularly those related to the new strategic plan implementation.

4. Significant changes in relation to operations, personnel and programs

In July, the President announced a reorganization of the Research Programs portfolio. The changes included dividing the portfolio into two parts: Programs and Learning Health Systems. The current Vice-President of Research Programs was appointed Vice-President, Research – Learning Health Systems, while the

Canadian Institutes of Health Research

Quarterly Financial Report for the Quarter Ended September 30, 2021

organization initiated a process to recruit a new Vice-President, Research – Programs, which closed on September 26. As part of the creation of the new Learning Health Systems portfolio, CIHR has created three new executive positions: Executive Director, Clinical Trials; Executive Director, Strategy for Patient-Oriented Research; and Executive Director, Centre for Pandemic Preparedness and Health Emergencies. The recruitment for these positions will be launched in the third quarter.

During the second quarter, CIHR was engaged in the recruitment of the next Scientific Director of the CIHR Institute of Cancer Research. The application deadline for the position was October 4. The successful candidate for this position is expected to begin their term no later than July 1, 2022.

On September 22, Dr. Jeannie Shoveller, Chair of CIHR’s Governing Council, publicly announced that she would be stepping down from the role at the end of December for personal reasons. The Vice-Chair of Governing Council will serve as interim Chair until a new Chair is appointed.

Effective September 28, Charles Vigneault assumed the position of CIHR’s Deputy Chief Financial Officer.

Approval by Senior Officials

Approved by:

[original signed by]

[original signed by]

Michael J. Strong, MD, FRCPC, FAAN, FCAHS
President

Dalia Morcos Fraser, CPA, CMA
Chief Financial Officer

Ottawa, Canada
November 30, 2021

Canadian Institutes of Health Research

Quarterly Financial Report for the Quarter Ended September 30, 2021

5. Statement of Authorities *(unaudited)*

For the quarter ended September 30, 2021

<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 September 30, 2021	Year to date used at quarter-end	Total available for use for the year ending March 31, 2021 *	Used during the quarter ended September 30, 2020	Year to date used at quarter-end
Vote 1 – Operating expenditures	64,729	15,644	29,753	46,475	13,717	26,910
Vote 5 - Grants	1,294,868	270,325	537,683	900,996	378,735	589,524
Budgetary statutory authorities						
COVID-19 research and support	N/A	N/A	N/A	200,200	195,470	195,470
Contributions to employee benefit plans	7,206	1,802	3,603	6,943	1,665	3,330
Total budgetary authorities	1,366,803	287,771	571,039	1,154,614	589,587	815,234

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

Canadian Institutes of Health Research

Quarterly Financial Report for the Quarter Ended September 30, 2021

6. Departmental budgetary expenditures by Standard Object *(unaudited)* For the quarter ended September 30, 2021

<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 September 30, 2021	Year to date used at quarter-end	Planned expenditures for the year ending March 31, 2021 *	Expended during the quarter ended September 30, 2020	Year to date used at quarter-end
Expenditures:						
Personnel	55,898	16,270	30,987	42,419	14,527	28,250
Transportation and communications	3,572	31	63	4,958	114	125
Information	862	17	94	79	81	181
Professional and special services	6,497	585	1,059	3,709	343	685
Rentals	2,841	472	932	1,835	160	702
Repair and maintenance	44	25	64	24	17	90
Utilities, materials and supplies	829	5	7	-	6	13
Acquisition of machinery and equipment	1,392	32	136	394	137	178
Transfer payments	1,294,868	270,325	537,683	1,101,196	574,205	784,994
Other subsidies and payments	-	9	14	-	(3)	16
Total budgetary expenditures	1,366,803	287,771	571,039	1,154,614	589,587	815,234

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