

**Ontario College of Teachers**

**Financial Report**

**December 31, 2023**

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**Financial Report**  
**Results for the period ending December 31, 2023**

The 2023 College revenue collections and program expenditures reflect a positive year-end financial position. Revenues were within forecasted expectations while College-wide year-end spending trends reflected underspending related to ongoing program service adjustments emphasizing virtual offerings with less funding inputs.

## Revenues

The College 2023 year-end revenue collection trends are outlined below.

- (1) The number of College memberships processed in 2023 was 229,655. Annual membership fees were within forecasted expectations at 1.6% of budgeted forecasts representing \$45,929,071 of the membership revenue base.
- (2) The College collects fees for member and applicant services, the largest of which are registration, evaluations, and reinstatement fees. The collection of 2023 other fee revenue represented \$2,302,277 which exceeded expectations for the year attributed to 670 more registrations than planned, 978 more evaluations, and 2,560 more member reinstatements.
- (3) Advertising revenue was slightly less than planned at year-end by \$4,288.
- (4) The College invests funds not immediately required for current business operations. Investments are short-term in nature with a low risk profile as outlined in the College investment policy. Returns on short-term instruments equalled \$1,924,813.

## Expenses

The 2023 College expenditures were \$43,167,515 representing an underspend of \$5,160,120. The following program spending patterns represent variances from plan.

### **Employee Compensation - Favorable Variance \$734,163**

In 2023 the College experienced underspending which included staff training, staff positions, secondments and temporary help backfills equivalent to 12 FTE vacancies at year-end.

### **Investigations & Professional Conduct - Favorable Variance \$1,123,320**

Administration expenses related to travel, conferences, meetings, and administrative costs were underspent by \$33,496 in 2023. The budget for Investigation activities related

to panel meeting costs, general counsel, expert opinions and panel deliberations, consultants, interpretation services, staff travel, meetings and materials costs were \$59,537 underspent due to less travel related costs. The allocation for Professional Conduct activities provides for external legal counsel and related legal disbursements, release time, panel meeting costs, prosecution counsel, independent counsel, panel court reporter, witness, expert opinion, simultaneous translation, individual interpreter costs and transcriptions of panel discussions. Year-end underspending in this category was equivalent to \$1,030,288 as external legal fees were less than planned.

**Standards of Practice and Accreditation - Favorable Variance \$437,597**

SPA administration provides for departmental meetings, travel and administrative costs, consulting resources and meeting and administrative expense for program service and development initiatives. Overall administrative expenses were underspent by \$36,083.

The budget allocation for Accreditation provides for travel, release time, honoraria, meeting, and other administrative costs associated with the accreditation of initial teacher education programs at the faculties of education across the province. This category was underspent by \$152,767 at year-end attributed to efficiencies in accreditation processes and less preservice program area activity costs due to more participation in virtual meeting platforms.

The Standards of Practice and Education budget allocation provides for travel, release time, honoraria, meeting, and other administrative costs that support the integration of Standards of Practice for the Teaching Profession and Ethical Standards for the Teaching Profession into pre-service and in-service teacher education programs and to the practice of teaching in Ontario classrooms. It also provides for costs associated with the accreditation of additional qualification courses and the development of the guidelines for these courses. Underspending occurred in the research and program development categories with an overall underspend equivalent to \$248,747. This is attributed primarily to RFP delays involving third-party work on the development of the new professional advisory.

**Corporate Services - Favorable Variance \$1,186,175**

Corporate and Council Services 2023 spending pattern resulted in a year-end favourable. General underspending by the Business Services and Communications related to a reduction in facilities maintenance, more online external relations outreach and communications underspending all impacted by a hybrid working model and online virtual service offerings.

**Policy, Governance & Tribunals - Favorable Variance \$775,309**

Council members attending meetings receive a standard per diem that includes return travel costs, one day of accommodation and meals and one day of teacher replacement

costs. Other budgeted costs include provision for services directly related to Council meetings, and equipment for Council members. The budget allocation was underspent by \$350,423 based on spending patterns for meetings expense and travel which tended to be virtual requiring less incidental spending. The allocation for Tribunals provides for external legal counsel and related legal disbursements, panel meeting costs, prosecution counsel, independent counsel, panel court reporter, witness, expert opinion, simultaneous translation, individual interpreter costs and transcriptions of panel discussions. The \$295,824 underspend is attributed to less external legal consult spending. The Policy unit experienced minor underspends including panel costs, appeal hearings and consulting expense equivalent to \$81,752.

**Office of the Registrar - Favorable Variance \$851,747**

The major cost drivers related to the Information Services unit posting an underspend related to IT consulting services as several project initiatives were delayed \$588,875 and Finance underspending on collection fees and accounting services gave rise to an underspend of \$96,325. Human Resources underspent \$235,538 on extra temporary help, legal and consulting services. Conversely, the Office of the Registrar was slightly overspent related to consulting fees for strategic planning -\$68,992.

**Fred Towers, MBA, CPA**  
**Controller**

# Ontario College of Teachers

## Statement of Operations

(in thousands of dollars)

	Actual 31-Dec-23	Actual % of Budget	Budget 2023	Actual % of 30-Dec-22	Actual 30-Dec-22
<b>Revenue</b>					
Annual Membership Fees	45,929	102%	45,206	118%	39,000
Unearned Portion of AMF	0	0%	0	0%	0
Other Fees	2,302	143%	1,613	103%	2,225
Advertising Revenue	283	99%	288	100%	285
External Project Funding	0	0%	0	0%	0
Investment & Other Income	1,925	481%	400	176%	1,095
<b>Total Revenue</b>	<b>50,439</b>	<b>106%</b>	<b>47,506</b>	<b>118%</b>	<b>42,605</b>
<b>Expense</b>					
Employee Compensation	26,127	97%	26,861	117%	22,417
Membership Services Department	72	108%	66	173%	41
Investigations & Professional Conduct	3,751	77%	4,874	84%	4,473
Standards of Practice and Accreditation	263	38%	700	101%	259
Office of the Registrar	4,963	85%	5,815	117%	4,234
Policy, Governance and Tribunals	1,194	61%	1,969	96%	1,245
Corporate Services	896	43%	2,082	81%	1,109
Occupancy Costs 101 Bloor West	1,690	79%	2,146	101%	1,674
Amortization	4,212	110%	3,813	102%	4,132
<b>Total Expense</b>	<b>43,168</b>	<b>89%</b>	<b>48,328</b>	<b>109%</b>	<b>39,584</b>
<b>Net Surplus/(Deficit) for the College</b>	<b>7,272</b>	<b>-885%</b>	<b>(821)</b>	<b>241%</b>	<b>3,021</b>

# Ontario College of Teachers

## Balance Sheet

### As At December 31, 2023

	31-Dec- 23 (\$000)	31-Dec- 22 (\$000)
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and Investments	14,531	6,430
Restricted Cash	9,402	7,743
Accounts Receivable	222	107
Prepaid Expenses	129	157
<b>Capital Assets</b>	4,226	4,769
<b>Leasehold Improvements</b>	2,731	3,779
<b>Building</b>	7,059	7,487
<b>Land</b>	7,660	7,660
<b>Total Assets</b>	<u>45,960</u>	<u>38,132</u>
<b>Liabilities and Members' Equity</b>		
<b>Current Liabilities</b>		
Accounts Payable and Accrued Liabilities	5,080	3,746
Unearned Annual Membership Fees	0	0
Deferred Revenue	1,532	1,604
<b>Deferred Salaries</b>	20	195
<b>Mortgage</b>	11,790	12,322
<b>Members' Equity</b>	27,537	20,265
<b>Total Liabilities and Members' Equity</b>	<u>45,960</u>	<u>38,132</u>

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# Ontario College of Teachers

## Year-end Surplus

### As At December 31, 2023

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The College's financial position at year-end produced a surplus resulting in a recommended contribution to restricted cash balance reserve as outlined in the following reconciliation.

<b>Restricted Cash Calculation</b>	<b>2023 Year-end</b>
Net Surplus for 2023 Fiscal Period - Accrual Basis	\$ 7,271,858
Add: Amortization a noncash expense	4,211,546
Less: Capital Expenditures - Non-IT	(328,024)
Less: Capital Expenditures – IT	(1,863,036)
Less: Mortgage Capital	(531,779)
2023 Year-end Surplus	8,760,565
Current Restricted Cash Balance	<u>9,401,644</u>
2024 Opening Balance for Restricted Cash	\$18,162,109