



Ontario
College of
Teachers

Ordre des enseignantes
et des enseignants
de l'Ontario

2022 Budget Program Highlights

Transition Supervisory Officer / Senior Leadership Team
Budget Proposal October 21, 2021.



College Mission

Placing students interests and well-being first by regulating and promoting excellence in teaching.

College Vision

Trusted to regulate the teaching profession in Ontario.

Values

The Ontario College of Teachers commits to:

- Protect the public interest
- Quality, excellence and professionalism
- Honesty and integrity
- Accountability and transparency
- Efficiency, effectiveness and fiscal responsibility
- Sustainability
- Inclusivity and respect for diversity
- Respectfulness and teamwork between the College Council, staff and stakeholder community, each respecting the other's role

College Strategic Priorities

1. Strengthen Transparency and Accountability

- develop objective and subjective key performance indicators for the College that are measurable, observable and perceivable
- make improvements to the discipline process to better reflect public expectations
- use plain language internally and externally in all communications to better connect the public and College members to the work of the College

2. Manage Risk More Strategically

- Council meetings focus more on managing risk and less on operational issues increase public awareness of the ongoing professional development activities of all College members
- annually conduct an environmental risk scan
- analyze College data and trends as a basis for creating additional guidance and member resources
- utilize the recommendations of the Governance Review to ensure improved governance and oversight

3. Improve Stakeholder Engagement

- clarify and better communicate the privilege and benefits of self-regulation
- enhance the effectiveness of collaboration with government, constituent organizations and other regulators

Table of Contents

1	Executive Summary
3	Statement of Financial Objectives
4	College Membership Summary
5	New Members by Source
6	2022 Sources of Revenue
7	2022 Proposed College Budget
9	Budget Highlights
10	College Reserve Fund Accounting
11	Sources of Restricted Cash
12	Council and Committees
13	Membership Services
15	Investigation & Hearings
16	Standards of Practice & Accreditation
18	Office of the Registrar and Finance
19	Corporate and Council Services
21	Human Resources
22	Occupancy Costs
23	Amortization
24	Mortgage Capital Payments
25	2022 Information Technology Capital
26	2022 Facilities Capital
27	Financial Risk Scenarios



Executive Summary

Trusted to Regulate the Teaching Profession in Ontario

The Ontario College of Teachers Operating Budget proposal complies with the College's policies and guidelines for operating. The budget approval process for 2022 changed reflecting a formal College governance review involving the dissolution of College Council and Committees in favour of the appointment of a provincial Transition Supervisory Officer to oversee a review of governance and to act as the signatory to the 2022 financial plan.

The Ontario College of Teachers 2022 budget allocates funding to core program areas in an effort to meet the College's strategic objectives. The past two fiscal periods operating under a global pandemic have informed the operating assumptions for 2022. A return to normal operations is expected under an updated governance model. After a period of due diligence and monitoring workload pressures the College has realigned human resources to address operating demands and to take advantage of technology to facilitate more meetings and proceedings on-line.

The year over year revenue sources for the College are expected to remain relatively consistent with little change to the membership portfolio for 2022. Membership fees will remain unchanged from 2021 levels at \$170.

College program budgets continue to reflect an across the board funding freeze with the exception of 2022 cost drivers related to the program funding pressures for the sexual abuse prevention program, victim therapy and counselling funding, annual salary and benefit adjustments, and capital expenditures for facilities and information technology projects.

The 2022 budget will require a draw from reserve forecasted at \$514,024. This planned draw down will not adversely impact financial risk factors as the reserve balance is expected to remain at the lower end of the acceptable limit for risk at a forecasted balance of \$3,422,185.



Statement of Financial Objectives

Successive College Councils have endorsed the following strictures to emphasize sound financial management practices.

Services will be appropriately funded:

- **to meet legislative requirements.**
The *Ontario College of Teachers Act* establishes the responsibilities and obligations of the College. The financial plans of the College will provide adequate resources in this regard.
- **to provide good member service.**
The College members deserve a high standard of service from their professional body. Applicants to the profession should also be impressed with excellent service. In establishing financial plans, excellence in member services will be observed as a primary principle.
- **with adherence to principles of economy, efficiency and effectiveness.**
The College's financial plans will be built on policy and procedures, which will ensure that the College is employing the best methods to achieve economy, efficiency and effectiveness in its operation.
- **to set fees at reasonable levels.**
The College will strive to minimize member fees and set reasonable fees for special services.
- **to accumulate financial resources thereby ensuring stability and independence.**
The College will do this by responding to unexpected risks, by taking advantage of opportunities and by stabilizing annual membership fees.

College Membership Summary

The Ontario College of Teachers has one of the larger memberships amongst Canadian regulators. The organization benefits from having both one of the lowest staff to member ratios and the lowest member fees in the country providing valuable services while maintaining sound financial stewardship. Membership numbers will be relatively stable over the next few years, benefitting from an annual replenishment of graduates from the teacher education program.

Ontario Membership Trendline

	Actuals				Forecasts	
	2017	2018	2019	2020	2021	2022
Membership	235,691	233,785	234,102	232,164	233,576	232,744
New Members	5,541	5,657	5,526	6,090	5,946	5,756

The six-year trend line illustrates the impacts of introducing a four semester teacher education program and reflects labour minor market fluctuations in the demand for teachers.

Fee Comparison Chart

Regulatory Body 2021 Fees	Fee	Members	Staff	Operating Budget	# of Staff per Member
Ontario College of Teachers	\$170	233,576	181	\$44,991,727	1 to 1,290
Royal College of Dental Surgeons of Ontario	\$2,510	10,814	143	\$31,650,000	1 to 75
College of Physicians & Surgeons of Ontario	\$1,725	35,800	400	\$76,000,000	1 to 89
Chartered Professional Accountants of Ontario	\$1,107	97,121	327	\$105,336,000	1 to 297
College of Nurses of Ontario	\$305	188,939	320	\$58,410,000	1 to 590
College of Early Childhood Educators	\$160	58,867	66	\$9,000,000	1 to 892

New Members by Source

New Members by Source	Actuals			Forecast	
	2018	2019	2020	2021	2022
Ontario Graduates Consecutive	2,676	2,774	3,369	3,269	3,205
Ontario Graduates Concurrent	1,124	990	528	528	528
Ontario Faculty Multi-Session Graduates	66	91	179	179	179
OISE UofT Masters Degree Program	632	441	527	459	482
Early membership Temporary Certificate members adjustment				150	-125
Permit Colleges	184	218	271	271	271
U.S. Border Colleges	72	68	135	135	135
Labour Mobility Other Provinces	332	313	251	251	251
Other Countries	571	631	830	830	830
Total new members	5,657	5,526	6,090	6,072	5,756

Ontario Graduates Consecutive

This category includes all Ontario university teacher education consecutive programs.

Ontario Graduates Concurrent

The allocation for concurrent graduates is forecasted to remain at 2021 levels.

Ontario Faculty -Multi -Session Graduates

This allocation includes Ottawa French language, Native language, and Tech graduates.

OISE U of T Masters Degree Programs

The OISE/Masters of Teaching and Master of Arts in Child Study graduates are forecasted to remain steady over the next few years.

Permit Colleges

The permit colleges, which include Tyndale, Niagara, and Redeemer are forecasted to continue to produce a low but steady cohort of graduates similar to past trends.

U.S. Border Colleges

Although some New York State border colleges (Canisius, D'Youville, Medaille) established ETEP modelled programs for Ontario graduates, few Ontarians are expected to register in the next few years.

Labour Mobility Other Provinces

This forecast assumes a continuing low volume of teachers migrating to Ontario until the new teacher employment prospects improve in Ontario.

Other Countries

This assumes that the volume of new members educated outside Canada will increase gradually as an improved employment market is realized.

2022 Sources of Revenue

Sources of Revenue	2020 Actual	2021 Budget	2021 Forecast	2022 Budget	Increase / (Decrease)
Annual Membership Fees	39,467,877	39,707,920	39,707,920	39,566,480	141,440
Other Fees	1,418,576	1,534,690	1,534,690	1,482,140	52,550
Advertising Revenue - Magazine	542,074	775,000	775,000	0	775,000
Advertising Revenue - Website	94,275	80,000	80,000	80,000	0
External Project Funding	0	0	0	0	0
Investment Income & Other Income	321,220	360,000	360,000	360,000	0
Total Revenue	41,844,022	42,457,610	42,457,610	41,488,620	968,990

Annual Membership Fees

The annual membership fee of \$170 multiplied by the number of members (232,744), is the basis for revenue.

Other Fees

The College charges fees for member and applicant services. The most significant include: registration, evaluation, and reinstatement fees.

Registration fees are paid by all first time applicants to the College and evaluation fees are paid by those educated outside Canada. Registrations will remain constant in 2022. Evaluation fee revenue and reinstatement fee revenue are expected to decline based on forecasts. The variety of miscellaneous fees for transcripts, certified copies of records and certificates of registration and qualification represents less than \$75,000 of the overall College revenue and fluctuates from year to year with no major variance. Also included in other fees is a \$20,000 allotment for in-service accreditation program offerings.

Advertising Revenue - Magazine Advertising sales revenue from Professionally Speaking / Pour parler profession, the College's quarterly magazine for members, will be eliminated in 2022 as a result of the publication being replaced by on-line newsletters.

Advertising Revenue - Website

The College will continue to generate sales revenue by charging vendors to advertise via an enhanced version of Your College and You, the College's monthly membership newsletter.

External Project Funding

On occasion the College receives funds from outside partners to pursue projects of mutual benefit. The Ministry of Education has discontinued funding related to the *Transition to Teaching Study*.

Investment and Other Income

The College invests funds not immediately required for operations in short-term investments as approved by College bylaws emphasizing a conservative approach focusing on liquidity and preservation of principal. The rates of return on College investments are not expected to vary much in 2022.

College Fee History

\$90.00 1997 – 2001	↑	\$104.00 2002	↑	\$139.00 2003 – 2008	↓	\$120.00 2009 – 2011	↑	\$138.00 2012 – 2013	↑	\$150.00 2014 – 2019	↑	\$170.00 2020 – 2022
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2022 Proposed College Budget

Statement of Operations	2020 Actual	2021 Budget	2021 Forecast	2022 Budget	Increase / (Decrease)
Revenue	(\$)	(\$)	(\$)	(\$)	(\$)
Annual Membership Fees	39,467,877	39,707,920	39,707,920	39,566,480	(141,440)
Other Fees	1,418,576	1,534,690	1,534,690	1,482,140	(52,550)
Advertising Revenue - Magazine	542,074	775,000	775,000	0	(775,000)
Advertising Revenue - Website	94,275	80,000	80,000	80,000	0
External Project Funding	0	0	0	0	0
Investment and Other Income	321,220	360,000	360,000	360,000	0
Total Revenue	41,844,022	42,457,610	42,457,610	41,488,620	(968,990)
Expenses					
Employee Compensation	23,088,229	23,874,508	25,226,012	24,144,229	269,721
Council and Committees	632,815	898,470	600,000	927,900	29,430
Membership Services Department	24,784	66,000	66,000	66,000	0
Investigations and Hearings	5,739,916	4,790,420	5,819,598	5,640,420	850,000
Standards of Practice and Accreditation	284,347	700,200	350,000	700,200	0
Office of the Registrar and Finance	675,887	862,800	600,000	862,800	0
Corporate and Council Services	6,089,290	8,168,950	6,500,000	6,439,795	(1,729,155)
Council Elections	32,306	286,500	286,500	0	(286,500)
Occupancy Costs 101 Bloor West	1,791,695	2,146,300	2,146,300	2,146,300	0
Amortization	2,097,108	3,197,579	3,197,579	3,812,939	615,360
Total Expenses	40,456,377	44,991,727	45,540,485	44,740,583	(251,144)
Gross Surplus / (Deficit)	1,387,645	(2,534,117)	(2,334,379)	(3,251,963)	-
Add: Amortization, (Non-Cash Item)	2,097,108	3,197,579	3,197,579	3,812,939	
Less: Capital Expenditures	2,673,681	1,120,600	1,000,000	1,075,000	
Net Surplus / (Deficit)	811,072	(457,138)	(885,296)	(514,024)	



Budget Highlights

Summary of year-over-year net changes

Revenue

Annual Membership Fees

-\$141,440

Reflects no change to the fee and a year-over-year a minor adjustment in an otherwise flat membership revenue trend.

Other Fees

-\$52,550

Reflects minor adjustments to registrations, evaluations, and reinstatements to reflect volume estimates and past experience.

Advertising Revenue

-\$775,000

The College magazine publishing and distribution will be discontinued in 2022 creating opportunities and efficiencies. The associated revenue for the paper based version will be eliminated.

Net Decline in Revenue

-\$968,990

Expenses

Employee Compensation

+\$269,721

Represents \$246,351 for salary grid adjustments and inflation based on the Toronto CPI index plus employee benefit adjustments for employer health tax, pension plans, and benefit premiums of \$23,370.

Council and Committees

+\$29,430

Represents a reduction of \$224,500 for the Chair of Council office signifying a shift to a part time role and an increase of \$253,930 for Council meeting/training days and roster memberships participation.

Investigation & Hearings

+\$850,000

Represents an increase of \$650,00 for legal expense supported by consistent year over year overspending due to case volumes and complexity and new funding allocation of \$150,000 for medical assessments and \$50,000 for therapy and counselling funding for victims of abuse.

Amortization

+\$615,360

Reflects an updated amortization schedule for the depreciation of College assets.

Corporate & Council Services

-\$1,729,155

Represents a transfer out of the Human Resources budget \$164,800 to the Office of the Registrar and a decrease of \$1,829,155 for the production of a paper based College magazine. Also factored is an increase for the implementation of a sexual prevention program \$100,000.

Council Elections

-\$286,500

Represents a decrease for Council election one time funding.

Net Decrease in Expenses

-\$251,144

College Reserve Fund Accounting

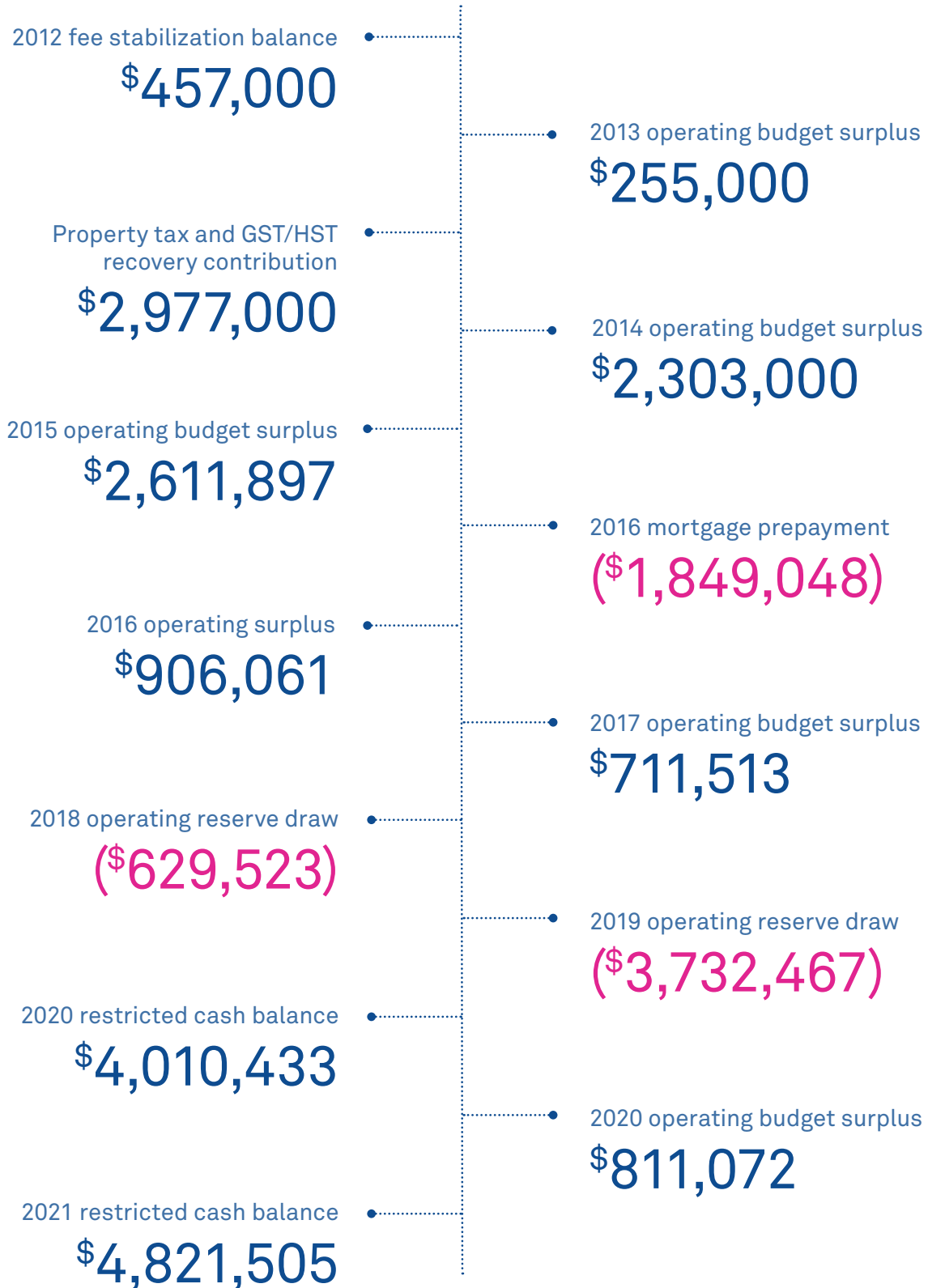
The operating reserve policy reduces financial risk by providing a degree of funding stability for College programs and operations. Restricted cash provides an internal source of funds for sudden increases in expenses, one-time unbudgeted expenses, unanticipated losses in funding, uninsured losses, and low risk investment opportunities that save money or reduce operating expenses.

By setting aside two months of cash flow, ongoing operations, programs, unplanned opportunities, and liabilities can be addressed. The College monthly cash flow includes all recurring predictable expenses, such as salaries and benefits, occupancy, office, travel, program and ongoing professional services, capital expenditures, but excludes non-cash expenses. In addition to maintaining up to two months of cash, the College can on occasion set aside additional cash reserves for a specified financial or program objective with a measurable period and outcome at the discretion of Council.

The College restricted cash balance is comprised of tax rebates and annual budget surpluses. These funds have accumulated in the cash account under the classification of restricted reserves. The financial strategy for surplus cash has been to address annual operating budget shortfalls with reserve offsets, ensuring member fees have not risen in successive years. The accumulation of restricted reserves also provides a degree of financial flexibility and agility to seize financial opportunities that save the College money such as paying down the mortgage when the opportunity arose.

The ongoing objective to maintain sufficient balance sheet health protects the College's interests by enabling us to focus on the stability and continuity of day-to-day operations. Regulators routinely set aside a number of months' worth of operating expenses or a predetermined dollar amount as a rule of thumb. The current restricted cash balance is \$4.8 million.

Sources of Restricted Cash



Council and Committees

Council and Committees	2020 Actual	2021 Budget	2021 Forecast	2022 Budget	Increase / (Decrease)
Council	\$ 382,011	\$ 607,970	\$ 382,011	\$ 861,900	\$253,930
Chair of Council	\$ 250,804	\$ 290,500	\$ 217,989	\$ 66,000	(\$224,500)
Total	\$ 632,815	\$ 898,470	\$ 600,000	\$ 927,900	\$ 29,430

Funding is provided for council, committee and roster members to attend meetings. The 2022 budget is based on a reduced rate of \$820 per day to reflect increased use of virtual meetings. Appointed Council member per diems and any applicable travel costs are recovered from the Ministry of Education. Per diems and applicable travel costs for all other council, committee and roster members, including for both members and public appointees, are covered by the

College. Other costs allocated under this budget include orientation training for incoming members, provision for services and equipment directly related to council, committee and panel meetings. A provision has been added for information technology equipment for the new council, committee and roster members. Table 1.0 provides a breakdown of the budget categories.

OVERVIEW – Table 1.0

Council and Committee – Meetings /Training	254,200
Council and Committee - Prep	17,100
Roster Panelist Training	124,640
Committee/Roster Panels	445,260
Committee/Roster Prep	20,700
Total	\$861,900

Membership Services

Membership Services	2020 Actual	2021 Budget	2021 Forecast	2022 Budget	Increase / (Decrease)
Membership Services Administration	\$ 13,649	\$ 30,800	\$ 30,800	\$ 30,800	\$ 0
Evaluation Services	\$ 2,960	\$ 9,900	\$ 9,900	\$ 9,900	\$ 0
Member Services	\$ 2,571	\$ 8,800	\$ 8,800	\$ 8,800	\$ 0
Membership Records	\$ 5,604	\$ 16,500	\$ 16,500	\$ 16,500	\$ 0
Total	\$ 24,784	\$ 66,000	\$ 66,000	\$ 66,000	\$ 0

The funding allocation for membership services relates to membership administration, call center operations, membership records, evaluation activities, meetings and travel expenses for departmental staff members.



Investigation & Hearings

Investigations and Hearings	2020 Actual	2021 Budget	2021 Forecast	2022 Budget	Increase / (Decrease)
I & H Administration	\$ 9,623	\$ 101,630	\$ 9,623	\$ 151,630	\$ 50,000
Investigations Activities	\$ 114,689	\$ 94,570	\$ 114,689	\$ 94,570	\$ 0
Investigation Panels	\$ 50,585	\$ 90,200	\$ 50,585	\$ 240,200	\$ 150,000
Discipline Activities - Professional Conduct	\$ 4,900,808	\$ 3,366,420	\$ 4,980,489	\$ 4,016,420	\$ 650,000
Discipline Panels - Tribunals	\$ 315,780	\$ 669,100	\$ 315,780	\$ 669,100	\$ 0
Fitness to Practise Activities - Professional Conduct	\$ 316,562	\$ 392,900	\$ 316,562	\$ 392,900	\$ 0
Fitness to Practise Panels - Tribunals	\$ 31,870	\$ 75,600	\$ 31,870	\$ 75,600	\$ 0
Total Investigations and Hearings	\$ 5,739,916	\$ 4,790,420	\$ 5,819,598	\$ 5,640,420	\$ 850,000

I & H Administration

The administration allocation includes provision for department conferences, training, travel costs, temporary staff support, articling students, and meeting and administrative costs. Of note is the addition of \$50,000 to fund therapy and counselling sessions.

Investigations Activities

The Investigations budget includes independent legal counsel, expert opinions and consultants, transcription services, staff travel, meetings and materials costs.

Investigation Panels

The budget provides for meeting and deliberations costs, release time independent legal counsel fees and disbursements, independent medical examinations for panel activity equivalent to 30 panels per annum. Of note is the addition of \$150,000 to fund medical assessments.

Discipline Activities – Professional Conduct

This allocation represents the largest expenditure for the department and provides for external legal counsel and related legal disbursements, such as expert reports and testimony. For 2022, \$650,000 has been added to the budget to more closely align with actual

annual expenditures in recent years. Other costs include witness fees and expenses, interpretation/translation services, and transcripts for College Counsel. Legal fee mitigation strategies are actively being explored.

Discipline Panels - Tribunals

This allocation provides for panel costs including honoraria, release time, travel and hospitality; independent legal counsel fees and disbursements; court reporter fees, including transcripts for panels and Tribunals staff as needed; catering for in-person hearings participants; and other fees related to conducting discipline hearings.

Fitness to Practise Activities – Professional Conduct

This allocation provides for external legal counsel and related legal disbursements, similar to the Discipline Activities above.

Fitness to Practise Panels - Tribunals

This allocation provides for panel costs including honoraria, release time, travel and hospitality; independent legal counsel fees and disbursements; court reporter fees, including transcripts for panels and Tribunals staff as needed; catering for in-person hearings participants; and other fees related to conducting fitness to practise hearings.

Standards of Practice & Accreditation

Standards of Practice and Accreditation	2020 Actual	2021 Budget	2021 Forecast	2022 Budget	Increase / (Decrease)
Administration	\$ 5,131	\$ 62,900	\$ 5,131	\$ 62,900	\$ 0
Accreditation	\$ 101,257	\$ 216,360	\$ 101,257	\$ 216,360	\$ 0
Standards of Practice and Education	\$ 177,958	\$ 420,940	\$ 243,611	\$ 420,940	\$ 0
Total Standards of Practice and Accreditation	\$ 284,347	\$ 700,200	\$ 350,000	\$ 700,200	\$ 0

Administration

Standards of Practice and Accreditation administration budget provides for departmental and stakeholder/faculty/school of education meetings in both pre-service and in-service programs. In addition, it covers conferences, training, presentations, travel, where appropriate and required, and administrative costs, as well as other administrative expenses for policy change and ongoing regulatory development initiatives.

Accreditation

This budget allocation provides support for anticipated initial pre-service review requests, substantial changes or, new additions to pre-service programs. When appropriate and required, it covers travel, release time, per diem, regulator meetings, panel meetings, orientation/training, and other administrative costs associated with pre-service reviews of teacher education programs to ensure they meet regulatory requirements for accreditation at Ontario faculties of education. It also provides flexibility to employ additional staff resources in response to the needs of the Unit as required.

The nature of accreditation work is such that many reviews start before the year end and finish in the next budget year. In addition,

there is always a possibility that faculties may suspend, change or introduce new programs at any point. Allocation of funds captures the flexibility of pre-service review cycle. Currently, the unit is preparing for two full pre-service reviews for renewal of accreditation: Trent University and Université Laurentienne French-language program.

Given the results of the Pivot Reports in both 2020 and 2021, a significant number of program change applications are anticipated in 2022-2023. The budget will need to accommodate the process and address human resources required for these applications.

Standards of Practice and Education

This budget allocation supports education guidelines, research and integration of the ethical standards, standards of practice and the professional learning framework within initial teacher education, continuing teacher education and professional practice. Additional Qualification policy development, research and regulatory changes are also included.

The accreditation of Additional Qualifications and ongoing provincial capacity building are also supported in this budget allocation, as are additional costs associated with the ASL/

LSQ translation of Additional Qualifications guidelines. The collaborative development of standards-based teacher education resources are also included in this budget. The budget also supports, where appropriate and required, travel, release time for members of the profession, per diem, consultations, meetings, research, program development related to teacher education/practice, and other administrative costs that support the research activities.



Office of the Registrar and Finance

Office of the Registrar and Finance	2020 Actual	2021 Budget	2021 Forecast	2022 Budget	Increase / (Decrease)
Registrar	\$ 78	\$ 45,000	\$ 7,500	\$ 45,000	\$ 0
Deputy Registrar	\$ 2,829	\$ 50,000	\$ 12,500	\$ 50,000	\$ 0
Revenue Collection Fees	\$ 346,826	\$ 406,000	\$ 320,000	\$ 406,000	\$ 0
Accounting Services and Professional Fees	\$ 90,839	\$ 117,000	\$ 89,497	\$ 117,000	\$ 0
Insurance	\$ 75,503	\$ 80,000	\$ 75,503	\$ 80,000	\$ 0
Human Resources	\$ 159,812	\$ 164,800	\$ 95,000	\$ 164,800	\$ 0
Total	\$ 675,887	\$ 862,800	\$ 600,000	\$ 862,800	\$ 0

Registrar

The Registrar funding allocation supports travel, conferences, dues and subscriptions, meetings and administrative costs.

Deputy Registrar

The Deputy Registrar funding allocation supports travel, conferences, dues and subscriptions, meetings and administrative costs, similar to the Registrar's allocation including a few more external stakeholder sessions.

Revenue Collection Fees

This allocation supports service fees for the automated processing of College membership fees and fee collection via credit card transactions. Also included is postage expense for member mailings.

Accounting Services and Professional Fees

This allocation is required for annual audit fee expense and consulting services associated with accounting systems, payroll services, and bank service fees.

Insurance

The insurance budget includes general insurance coverage for Liability and Property insurance for the College office premises, Directors' and Officers' liability, and Employment Practices liability insurance.

Human Resources

This allocation provides for recruitment advertising, HR management training, and professional services for employees. The budget allocation represents a transfer from the Corporate Services department.

Corporate and Council Services

Council and Committees	2020 Actual	2021 Budget	2021 Forecast	2022 Budget	Increase / (Decrease)
Administration	\$ 5,327	\$ 36,500	\$ 5,327	\$ 36,500	0
Projects and Programs	\$ 57,327	\$ 50,250	\$ 50,250	\$ 150,250	100,000
Communications	\$ 2,358,612	\$ 2,989,550	\$ 2,358,612	\$ 1,160,395	(1,829,155)
Policy and Research	\$ 528,893	\$ 1,048,350	\$ 561,199	\$ 1,048,350	0
Business Services / Facilities	\$ 410,662	\$ 483,000	\$ 410,662	\$ 483,000	0
Information Services	\$ 2,728,469	\$ 3,561,300	\$ 3,113,950	\$ 3,561,300	0
Total	\$ 6,089,290	\$ 8,168,950	\$ 6,500,000	\$ 6,439,795	(1,729,155)

Administration

The administration allocation includes provision for travel, training, conferences, consulting services, and meeting and administrative costs.

Projects and Programs

The Projects and Programs unit leads and manages projects and activities in support of organization-wide deliverables. Project work includes the coordination of College staff and resources to enable the development, launch and operationalization of new or one-time initiatives. For 2022 a new funding allocation has been added: (1) \$100,000 for the new sexual abuse prevention program.

Communications

The budget provides for advertising, media relations, and translation services for the College. Communications leads the design and printing of the quarterly magazine, the annual report, the Certificates of Registration and Qualification and a variety of program area documents and educational materials. The College uses communications materials to publicize annual meetings, annual reports,

notices of nomination and election, findings and orders, Council decisions and regulatory requirements. Communications is also responsible for all College paper supplies, forms and documents, printed letterhead, envelopes, stationery items, office supplies, postage and courier services, production centre copiers and mailing equipment, and floor walk-up copiers.

Policy and Research

The Policy and Research budget allocation includes provision for administrative legal advice, legal costs related to panel and appeal hearings, consulting, audit fees associated with the Fair Access to Regulated Professions Act (FARPA), annual general meeting and support to Council. It also provides for expenses related to the Adjudicative Body of Chairs, Registration Appeals, Accreditation Appeal, Selection and Nominating Subcommittee and ad hoc committees.

Policy and Research also has an allocation for External Relations that provides for activities that communicate the College mandate and programs to external stakeholders, prospective teachers and to the public. This allocation includes professional advisory presentations, faculty tours and information sessions, conferences, briefing sessions and community events. The library budget allocation offers the College and its membership services in the area of professional research by providing books, periodicals, research materials and reference services.

Business Services / Facilities

The budget allocation provides for service contracts, repairs, furniture relocation, supplies and all items associated with occupying the building premises. Also included is the cost of College record retention and archiving activity, office equipment rentals, repairs and maintenance, and minor equipment purchases. Business Services also budgets for catering operations not chargeable to committees or program budgets, and teleconferencing costs.

Information Services

This budget allocation provides for technical consulting associated with the security, efficiency and overall design of College information networks. Provision is made for Internet access, security monitoring, remote access, remote office link and business continuity and information technology staff for application development projects. Also included in the budget is software acquisition and licensing for College-wide productivity. IT also budgets for minor hardware upgrades to the computer infrastructure and maintenance of equipment. The telephone budget allocation provides for telephone line, outbound long-distance charges and cell phones.



Human Resources

Salary Summary

The College staffing count for 2022 is 181 full-time equivalents.

Salary Summary	2022 Budget
College Total	\$18,234,158
Variable Incentive Expense	\$493,353
Temp Help, Short-Term Disability, Overtime, Maternity/Paternal Leave	\$363,000
Vacancy Savings	(\$200,000)
Total 2022 Compensation	\$18,890,511
Previous year budget comparator	\$18,644,160
Year-Over-Year Adjustment	\$246,351
% Increase from previous year budget	1.32%

Benefits & Pensions

College benefits are representative of widespread public sector offerings and reflect employer statutory benefit obligations. The year-over-year benefits budget as a percentage of salaries remains constant.

2020 Actual	2021 Budget	2022 Budget
\$4,477,132	\$4,895,718	\$4,919,088
25.4% of salaries	26.3% of salaries	26.0% of salaries

Professional Training and Development

The College investment in professional development is budgeted at \$334,630 which represents 1.4% of the 2022 salary and benefits budget. The allocation includes leadership development, French-language training, business application training, cross-cultural training and self-directed professional development.

Occupancy Costs

Building - 101 Bloor Street West	2020 Actual	2021 Budget	2021 Forecast	2022 Budget	Increase / (Decrease)
Total Occupancy Costs	\$ 1,791,695	\$ 2,146,300	\$2,146,300	\$ 2,146,300	-

Mortgage & Leasehold Loans

The College's mortgages renewed effective July 2020. The balances of the mortgages where renewed as follows: (1) principal: \$ 6,799,765.65 period: 120 months, rate: 3.54% (2) principal: \$, 6,799,765.65 period 60 months, rate 3.04%. The original loan amortizations where 30 years and the renewals now reflect a 20 year amortization period.

Building Operating Costs

The building operating costs comprise a condo fee covering maintenance, cleaning, hydro, and a contribution to a building service fund to address state of good repair.

Property Taxes

The budget allocation for property taxes applies to the 8 floors or 81,884 net rentable square feet of occupied space.

2022 Budget	
Interest - Mortgage Loan 1	\$ 191,064
Interest - Mortgage Loan 2	\$ 223,401
Operating Costs	\$1,550,151
Property Taxes	\$ 181,684
Total Building Costs	\$ 2,146,300

Amortization

Amortization Costs	2020 Actual	2021 Budget	2021 Forecast	2022 Budget	Increase / (Decrease)
Total Amortization	\$ 2,097,108	\$ 3,197,579	\$ 3,197,579	\$ 3,812,939	\$ 615,360

Capital Assets

College capital assets provide benefits derived over time. Recording capital assets allows the College to better understand the value and cost of using such assets, which enables better planning and decision-making regarding capital asset acquisition, management, and disposal. The College has an established cut-off limit for the capitalization of assets. Generally, all assets with a cost or contributed fair value greater than \$1,000 are capitalized.

Capital assets are recorded at cost on the date of acquisition. The cost of the asset includes all costs of getting the asset ready for use, including shipping and storage. The cost of any betterment to an asset is added to the cost of the asset if it increases either the service

potential of the asset or its useful life. The cost of a repair that maintains service potential and does not extend the expected useful life of an asset is not added to the cost of the asset.

The method and period of amortization matches the period of service expected to be derived from the asset. A straight-line method is applied to each asset class. The expected useful life of an asset is reviewed and adjusted as required based on changes to original assumptions. Any resulting change in rate of amortization is applied prospectively.

Asset Classes: The College has eight classes of assets with useful life estimates ranging from 3 to 30 years for amortization purposes.

Asset Type	3 Years	4 Years	10 Years	15 years	30 Years
Software	X				
Short Term IT Equipment	X				
General Equipment		X			
Long Term IT Equipment			X		
Building Improvements				X	
Building					X
Computers		X			
Furniture			X		

Mortgage Capital Payments

Mortgage Capital payments	2020 Actual	2021 Budget	2021 Forecast	2022 Budget	Increase / (Decrease)
Payment	\$ 665,747	\$498,017	\$498,017	\$514,617	\$ 16,600

Provides for the capital portion of the annual mortgage payments

Mortgage capital payments are separate from interest expense because they directly reduce the debt principal on the mortgage which increases members' equity in the building. Capital payments reduce the balance of the mortgage and reduce the interest expense for the fiscal period. Over time, a higher portion of the mortgage payment goes toward reducing the mortgage balance.

By owning a building, the College does not contend with the uncertainty of lease increases or the possibility of a premature move. Over time, the asset appreciates in value which compliments the objective of providing a stable financial footing for the College while maintaining fees at reasonable levels.

As of December 31, 2021 the mortgage balances outstanding will reflect \$13,101,514.

The net gain in revenue raised from selling the building would be a short-term gain only and would end up costing the College more money in the long run. Selling the building triggers several liabilities including a mortgage penalty, moving expenses and retrofit costs at a new facility, plus the potential loss of key staff, and a mortgage payoff. Furthermore, by renting, organizations open themselves up to a higher risk profile as they become much more susceptible to landlord discretion and higher marketplace rents.

Ownership Costs vs. Leasing Costs

As a benchmark tenants at 101 Bloor Street West are paying \$29 per sq. ft for leased space. If the College was in the same predicament this form of office lease would have cost an additional \$228,000 to the facilities portfolio. Current market office rates vary in the range of \$25 to \$40 sq. ft. The larger challenge is the feasibility of finding adequate space in a tight rental market. As more office space is built in the GTA this scenario could change but is not likely in the foreseeable future.

Facility Ownership Advantages

The ownership option has permitted the College to accrue more than \$6 million to date in equity in the building. This represents the dollar amount of the building we own outright. Renting over the same period would have resulted in zero equity and a weaker credit position with our banker. The ownership model gives you ultimate control over your space and ensures you are not unduly compromised by the risk associated with a landlord choosing not to renew your lease or not to permit retrofits to the space for business purposes. Although our building is older and not located in a prime commercial office space location, we do have a significant advantage of being in proximity to public transit, Queens Park, and a variety of other regulators who are all located within walking distance from our site.

2022 Information Technology Capital

Preamble

The College's investment in Information and Technology capital projects supply productivity tools to Council members and staff. There is also a capital investment for collaboration, document management and records management business systems. The selected projects require a total investment of \$725,000.

#	Description	2022 Budget Request	Capital Spend Category				
			ROI	Legislated	Mandatory Upgrade	Health & Safety	All Other
1	Annual employee computer and monitor refresh. Mandatory refresh of computers and monitors every four years. This represents 25% of all computers every year.	200,000			X		
2	Computer hardware for members of new Council (18) Mandatory refresh of Council laptops every four years.	25,000			X		
3	Scheduled upgrade for network, storage, power and security system. Manufacturer recommended end-of-life replacement of: Wi-Fi access points and switches, network storage, and UPS batteries.	170,000			X		
4	Online version upgrade of College intranet (InSite), collaboration platform and document management system (SharePoint), and content management system (SiteCore).	150,000			X		
5	Information Management Governance Program. Phase 2 to include information management lifecycle and records management.	100,000					X
6	Service Desk monitoring tools to support remote work and cyber security enhancements to protect critical data.	80,000					X
Information Technology 2022 Capital Total		725,000					

Capital Program Category	Program Criteria
A ROI	Measures the gain on a capital investment relative to the amount of money invested expressed as a percentage (%).
B Legislated	Relates to a capital investment that is mandatory or required under law/regulation.
C Mandatory Upgrade	Required due to a change in technology or to address workplace configuration concerns.
D Health & Safety	Required to address workplace comfort and support, ergonomics, mobility and air quality and temperature related concerns.
E All Other	Relates to workplace upgrades promoting collaboration and other miscellaneous one of or standalone capital requests.

2022 Facilities Capital

Preamble

The College's 2022 investment in Facilities capital projects aim to ensure workspaces are configured for comfort, productivity, and safety. Of note are key recommendations from a facilities design study impacting on hoteling and meeting room options. The selected projects require a total investment of \$350,000.

#	Description	2022 Budget Request	Capital Spend Category				
			ROI	Legislated	Mandatory Upgrade	Health & Safety	All Other
1	Continued COVID workstation modifications	50,000				x	
2	Ongoing capital repairs/construction	50,000				x	
3	Conversion of overhead lighting ballasts to LED lighting	50,000					x
4	Multi-year conversion of Type D or managerial offices to sit-stand work surface solutions	50,000				x	
5	Create additional hoteling stations and meeting rooms associated with our space planning consultant's recommendations.	150,000					x
Facilities 2022 Capital Total		350,000					

Capital Program Category		Program Criteria
A	ROI	Measures the gain on a capital investment relative to the amount of money invested expressed as a percentage (%).
B	Legislated	Relates to a capital investment that is mandatory or required under law/regulation.
C	Mandatory Upgrade	Required due to a change in technology or to address workplace configuration concerns.
D	Health & Safety	Required to address workplace comfort and support, ergonomics, mobility and air quality and temperature related concerns.
E	All Other	Relates to workplace upgrades promoting collaboration and other miscellaneous one of or standalone capital requests.

Financial Risk Scenarios

Risk	Response
<p>The risks related to an IT system catastrophic failure or breach related to power supply interruption, spyware, or software virus infiltration leading to a major business impact and financial consequence.</p>	<p>The College's critical data is backed up off premises and a disaster recovery protocol exists. The College invests in state-of-the-art firewall protection and anti-virus software and carries cyber insurance.</p>
<p>The risks associated with the COVID 19 world-wide pandemic continuation referred to as the fourth wave impacting business continuity, staff and client safety, and the College's financial viability.</p>	<p>The College continues to monitor and scan our operating environment including federal, provincial, municipal, and other regulators responses and legislative requirements. Our action plan addresses workplace health & safety, productivity, and operational and financial requirements.</p>
<p>The risk associated with property loss or damage.</p>	<p>The College insures against property loss or damage for full replacement value mitigating against significant financial impacts.</p>
<p>The risk associated with legal action taken against the College's Directors, Officers and Council members.</p>	<p>Directors, Officers, and Council members can access general liability coverage up to \$5 million during a policy year. An excess limit up to \$1 million per year is available to Council members above and beyond our regular coverage.</p>



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