



Ontario
College of
Teachers

Ordre des enseignantes
et des enseignants
de l'Ontario

2023 College Budget Summary

College Council
December 8, 2022



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 2018 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

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Executive Summary

Trusted to Regulate the Teaching Profession in Ontario

The Ontario College of Teachers' Operating Budget proposal complies with College policies and guidelines. For the fiscal period 2023, the College faces key workload demands requiring new staffing and technological investments. While the College has one of the lowest staff to membership ratios in the country, the strategic decision to invest in new staff is timely. This budget makes a significant investment in new Membership Services staff to meet customer service expectations and service standards.

The College has considered program impacts related to the migration to a new governance model, Information Technology program and projects related to data security risk factors, and a facilities study addressing options related to space utilization and location.

Operating assumptions for 2023 reflect a hybrid approach to conducting the College's business. The outcome of a facilities study established the most cost-effective option is to re-imagine the College's current physical footprint, within a cost neutral approach.

The year over year revenue sources for the College are forecasted to dip slightly, reflecting changes to the membership portfolio for 2023. A considerable number of Members in 'Good Standing' did not reinstate their membership with the College in 2022 and transitioned to the Inactive/Non-Practising status. This category includes retirees, teachers on leave and those who have left the profession.

After a three-year fee freeze, the 2023 membership fees are being proposed to increase to \$200, to effectively fund the College mandate while addressing workload pressures and risk factors and a static to slight decline in the membership level.

The 2023 budget will replenish the College reserve fund by depositing a forecasted year-end investment of \$1,450,004. This planned contribution adheres to Council policy requiring the College to maintain a healthy reserve as a hedge against financial risk factors.

Financial & Operational Risk Scenarios

Risk	Response
<p>The risk associated with the pace of changes to legislation and regulations that impact operations.</p>	<p>Monitoring the legislative change and assessing the ability to implement internal processes and systems in a timely and effective manner.</p>
<p>The risks related to an IT system catastrophic failure or breach related to spyware and software virus infiltration leading to a major business impact and financial consequence.</p>	<p>A systematic review of the College’s infrastructure and security practices and protocols is underway.</p>
<p>The risks associated with the COVID-19 world-wide pandemic continuation referred to as the multi-wave virus 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, and municipal 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>
<p>The risk associated with the complexity of managing a 130-person governance structure.</p>	<p>Monitoring and forecasting costs (per diems and expenses) while maintaining composition requirements.</p>

Statement of Financial Objectives

The following strictures emphasize sound financial management practices.

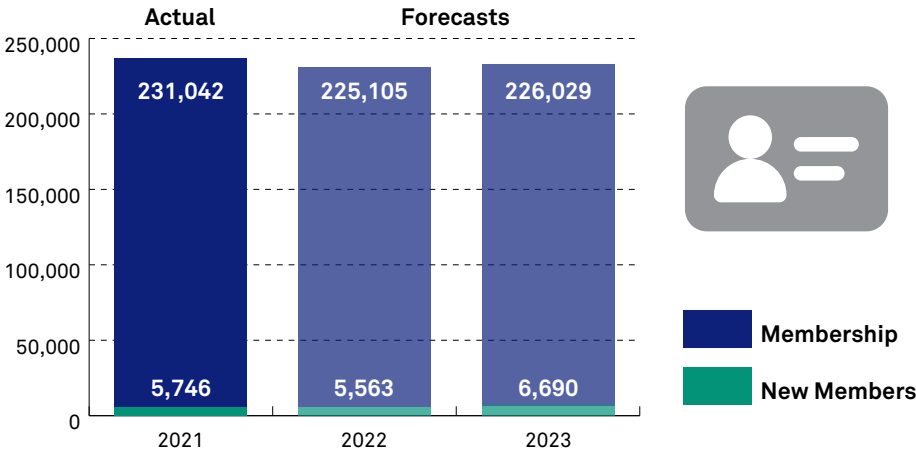
Services will be appropriately funded:

- **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 are anticipated to be relatively flat over the next few years. A recent trend includes a significant number of teachers choosing not to reinstate.

Ontario Membership Trendline



Fee Comparison Chart

Regulatory Body 2022 Fees	Fee	Members	Staff	Operating Budget	# of Staff per Member
Ontario College of Teachers	\$170	232,744	186	\$44,740,583	1 to 1,251
Royal College of Dental Surgeons of Ontario	\$2,510	10,650	135	\$33,077,000	1 to 79
College of Physicians & Surgeons of Ontario	\$1,725	43,402	390	\$78,402,699	1 to 111
Chartered Professional Accountants of Ontario	\$1,107	97,000	327	\$105,336,000	1 to 297
College of Nurses of Ontario	\$305	192,310	378	\$58,422,000	1 to 509
College of Early Childhood Educators	\$160	59,000	67	\$11,000,000	1 to 881

New Members by Source

New Members by Source	Actuals	Forecast	
	2021	2022	2023
Ontario faculty B.Ed. Graduates - consecutive	3,552	3,481	4,168
Ontario faculty B.Ed. Graduates - concurrent	208	275	350
Ontario faculty B.Ed. Graduates - multi-session/PT	182	300	350
UT OISE graduates Masters Graduates consecutive	453	485	439
UT OISE graduates B.Ed. Graduates multi-session	0	20	20
UT OISE graduates B.Ed. Graduates concurrent	2	0	0
Permit college graduates - consecutive	135	200	200
Permit college graduates - concurrent	0	1	0
Permit college graduates - multi-session/part-time	1	1	0
U.S. Border college graduates	175	125	125
Labour mobility - other provinces	337	175	337
Other country teacher ed programs	701	500	701
Total new members	5,746	5,563	6,690

Ontario Graduates Consecutive

This category includes all Ontario university teacher education consecutive programs.

Ontario Graduates Concurrent

Concurrent and multi-session program new member numbers are increasing faster than earlier trends forecast. To improve our forecast methodology, the College is seeking data from faculties on admission and throughflow for these programs and this is not as yet available.

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 potentially increasing as 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.

2023 Sources of Revenue

Sources of Revenue	2021 Actual	2022 Budget	2022 Forecast	2023 Budget	Increase / (Decrease)
Annual Membership Fees	\$39,064,276	\$39,566,480	\$38,267,850	\$45,205,800	\$5,639,320
Other Fees	\$1,405,973	\$1,482,140	\$1,455,120	\$1,612,900	\$130,760
Advertising Revenue	\$586,743	\$80,000	\$250,000	\$287,500	\$207,500
External Project Funding	\$0	\$0	\$0	\$0	\$0
Investment Income & Other Income	\$227,387	\$360,000	\$862,110	\$400,000	\$40,000
Total Revenue	\$41,284,379	\$41,488,620	\$40,835,080	\$47,506,200	\$6,017,580

Annual Membership Fees

The proposed annual membership fee of \$200 multiplied by the number of members (226,029), 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 2023. 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 – Member Newsletter

The College charges vendors to advertise in our digital newsletter for members.

External Project Funding

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 rise in 2023.

College Fee History





2023 Proposed Budget

Statement of Operations	2021 Actual	2022 Budget	2022 Forecast	2023 Budget	Increase / (Decrease)
Revenue					
Annual Membership Fees	\$39,064,276	\$39,566,480	\$38,267,850	\$45,205,800	\$5,639,320
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Total Revenue	\$41,284,379	\$41,488,620	\$40,835,080	\$47,506,200	\$6,017,580
Expenses					
Employee Compensation	\$24,403,307	\$24,199,729	\$24,199,729	\$26,861,476	\$2,661,747
Council and Committees	\$569,954	\$887,900	\$434,777	\$610,000	(\$277,900)
Membership Services Department	\$104,954	\$66,000	\$43,500	\$66,000	\$0
Investigations and Hearings	\$5,403,325	\$5,640,420	\$5,436,433	\$5,640,420	\$0
Standards of Practice and Accreditation	\$509,003	\$700,200	\$453,363	\$700,200	\$0
Office of the Registrar and Finance	\$568,272	\$862,800	\$740,430	\$1,270,500	\$407,700
Corporate and Council Services	\$6,977,228	\$6,424,296	\$5,780,938	\$7,219,800	\$795,504
Occupancy Costs 101 Bloor West	\$1,636,867	\$2,146,300	\$2,146,300	\$2,146,300	\$0
Council Elections	\$ 5,689	\$ 0	\$0	\$0	\$0
Amortization	\$3,049,692	\$3,812,939	\$3,812,939	\$3,812,939	\$0
Total Expenses	\$43,228,291	\$44,740,584	\$43,048,409	\$48,327,635	\$3,587,051
Gross Surplus / (Deficit)	(\$1,943,912)	(\$3,251,964)	(\$2,213,329)	(\$821,435)	-
Add: Amortization, (Non-Cash Item)	\$3,049,692	\$3,812,939	\$3,812,939	\$3,812,939	
Less: Capital Expenditures	\$2,519,449	\$1,075,000	\$1,075,000	\$1,541,500	
Net Surplus / (Deficit)	(\$1,413,670)	(\$514,025)	\$524,610	\$1,450,004	

Budget Highlights

Summary of year-over-year net changes

Revenue

Annual Membership Fees

\$5,639,320

Reflects an increase in revenue related to a proposed fee increase from \$170 to \$200 based on a slight decrease of the membership revenue trend. The last fee adjustment was approved by Council in 2019.

Other Fees

\$130,760

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

Advertising Revenue

\$207,500

The College member newsletter ad sales are forecasted to increase in 2023 based on the uptake in 2022.

Investment Income & Other Income

\$40,000

Reflects better returns on investments in 2023 as market rates change based on economics factors.

Net Increase in Revenue

\$6,017,580

Expenses

Employee Compensation

\$2,661,747

Represents new staffing to address workload pressures in Membership Services and IT for \$2,024,721. Also reflected are 2023 salary grid and incentive pay adjustments and inflation adjustments based on the Toronto CPI index, (5%) which is equivalent to a 3.1% average increase per employee, plus employee benefit adjustments for employer health tax, pension plans, and benefit premiums for \$637,026.

Council and Committees

(\$277,900)

The Council budget has been recalibrated to reflect a smaller Council membership and the projected number of governance meetings and activities where defaulting to virtual attendance will be the norm as per the College bylaws revised in 2021.

Office of the Registrar

\$407,700

The Deputy Registrar budget request has been reduced by -\$5,000 reflecting more online attendance at meetings and events. The Accounting and Finance budget for temporary help has increased, reflecting longstanding work pressures \$75,000 and the College insurance budget has increased reflecting premium increases \$40,000. For 2023, the HR budget for temporary help reflects a request of \$130,000 to support College-wide workloads. The budget of \$127,700 for HR legal services and \$40,000 for HR consulting services is also reflected.

Corporate and Council Services

\$795,504

Represents an overall reduction to the Policy unit budget primarily related to External Relations focusing more on online work activities and meetings -\$182,400. The Policy unit administrative budget, Business Services budget, and the Policy & Programs budget have been reduced reflecting historical spending patterns -\$189,000. The Communications budget reflects a collection of minor reductions to reflect spending patterns and a net increase in 2023 related to the work initiative surrounding the printing and circulation of a professional advisory \$183,904. The Information Technology net increase for 2023 equals \$983,000. Key recommendations surrounding security and infrastructure require \$400,000. Cloud storage costs for the new IRIS business system will cost \$384,000. Additional consulting services in 2023 include BI dashboards, Business Central enhancements and the Information Management Governance Program 240,000. Conversely, the implementation of a Bring Your Own Device policy reflects reduced costs by -\$41,000.

Net Increase in Expenses

\$3,587,051



**Ontario
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Ontario's Teaching Regulator

For additional information:
Ontario College of Teachers
101 Bloor St. West
Toronto ON M5S 0A1

Telephone: 416.961.8800
Fax: 416.961.8822
Toll-free in Ontario: 1.888.534.2222
Email: info@oct.ca
oct.ca



oct-oeeo.ca/fb



oct-oeeo.ca/li



oct-oeeo.ca/tw



oct-oeeo.ca/pi



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