

**Ontario College of Teachers**

**Financial Report**

**December 31, 2020**

# **Ontario College of Teachers Financial Report Results for the period ending December 31, 2020**

The 2020 College program expenditures were impacted by the COVID -19 pandemic leading to College-wide underspends. The Investigations and Hearings department was an exception to the trend of underspending because legal expenses related to legal cases continued at a consistent pace. In terms of College revenues after some delays in collections, 2020 revenues ended the year at a 98.2% collection rate. The net impact of the expenditure and revenue experience was to end the 2020 fiscal period with the College posting a cash surplus of \$811,072.

## **Revenues**

The overall College revenue experience represented 98.2% of the annual budget as at December 31, 2020 year-end or \$41,844,022. Revenue collection trends are outlined below.

Annual membership fees collected for 2020 represented \$39,467,877 or 99.8% of budget well within the targeted range and equivalent to 232,164 member payments.

The collection of 2020 other fee revenues represented \$1,418,576 or 75.3% of the annual budget slightly less than planned which was largely attributed to less registration fees and member reinstatements. The level of registrations for new graduates, out of province, and other countries prospective members were slightly less than planned by 392 members. Reinstatements are also less than planned by 2,965 members. Both the registration and reinstatement activity were impacted by COVID – 19.

Advertising revenue collection ended the year at 74.4% of budget levels or \$636,349 in collections representing a loss in advertising partner's equivalent to \$218,651.

Investment returns on short term instruments met expectation at \$321,220 or 100.4%.

## **Expenses**

The overall 2020 College expenditures represented 91.7% of the annual budget as at December 31, 2020 year-end or a \$40,456,377 spend. The following program spending patterns represent notable variances from plan.

General expenditure categories were underspent by \$3,153,380 or 30% including travel and hospitality, training and conferences, and catering. These underspends are directly

attributed to the restrictions on gatherings and meetings related to the COVID-19 pandemic.

Investigations and Hearings spent \$5,739,916 or 119.8% of the 2020 budget. The department overspend of \$949,496 is attributed to an investment in legal services related to case management. During 2020, intake staff received 625 new intake files, which included employer reports and expressions of concern from the public, as well as 560 general contacts. The Investigation Committee disposed of 303 complaints. The year-end workload carried forward into 2021 includes 447 open investigation files and 285 open hearings files.

Standards of Practice & Accreditation favourable year-end spending variance was equivalent to \$415,853 or 59.4% of budget attributed to the COVID-19 lockdown that reduced spending across all programs including pre-service accreditation activities, AQ program activities, and teacher research activities.

Corporate and Council Services 2020 spending pattern resulted in a year-end favourable variance equivalent to \$2,048,648 or 25.0%. Notable underspends include underspending on Communications of \$630,938 due to a decline in expenditures related to communication services and stationary usage. Policy & Research underspent by \$519,457 over the same period last year resulting from a curtailment of external relations events and program legal costs related to the provision of administrative legal advice, consulting, Registration Appeals and Accreditation Appeals. Business Services investment in facility related costs were less than planned by \$72,338 related to limiting building maintenance and repairs. Information Services underspent by \$832,831 mainly related to IT contract staff expense which was capitalized in 2020 related to work on the College's CRM project.

Based on the 2020 College program spending patterns the net surplus of \$811,072 will be contributed to the College reserve for the 2021 fiscal period.

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

# Ontario College of Teachers

For the Period Ending December 31, 2020.

## Statement of Operations

(in thousands of dollars)

	Actual 31-Dec-20	Actual % of Budget	Budget 2020	Actual % of 31-Dec-19	Actual 31-Dec-19
<b>Revenue</b>					
Annual Membership Fees	39,468	100%	39,544	112%	35,265
Unearned Portion of AMF	0	0%	0	0%	0
Other Fees	1,419	75%	1,884	99%	1,429
Advertising Revenue	636	74%	855	81%	787
External Project Funding	0	0%	0	0%	12
Investment & Other Income	321	100%	320	57%	568
<b>Total Revenue</b>	<b>41,844</b>	<b>98%</b>	<b>42,603</b>	<b>110%</b>	<b>38,062</b>
<b>Expense</b>					
Employee Compensation	23,088	99%	23,255	105%	21,938
Council and Committees	633	78%	811	90%	705
Membership Services Department	25	38%	66	54%	46
Investigations & Hearings	5,740	120%	4,790	95%	6,066
Standards of Practice and Accreditation	284	41%	700	53%	538
Office of the Registrar & Finance	516	74%	698	85%	606
Corporate and Council Services	6,249	75%	8,334	85%	7,349
Occupancy Costs 101 Bloor West	1,792	83%	2,146	94%	1,911
Public Awareness Initiative	0	0%	0	0%	0
Council Elections	32	31%	105	100%	0
Amortization	2,097	65%	3,216	96%	2,186
<b>Total Expense</b>	<b>40,456</b>	<b>92%</b>	<b>44,122</b>	<b>98%</b>	<b>41,346</b>
<b>Net Surplus/(Deficit)</b>	<b>1,388</b>	<b>-91%</b>	<b>(1,519)</b>	<b>-42%</b>	<b>(3,285)</b>
<b>Extraordinary Items:</b>					
Property Tax and GST Recoveries	0	0	0	0	0
<b>Net Surplus/(Deficit) for the College</b>	<b>1,388</b>	<b>-91%</b>	<b>(1,519)</b>	<b>-42%</b>	<b>(3,285)</b>

# Ontario College of Teachers

## Balance Sheet

### As At December 31, 2020

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	31-Dec-20 (\$000)	31-Dec-19 (\$000)
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and Investments	5,350	1,912
Restricted Cash	4,010	7,743
Accounts Receivable	242	379
Prepaid Expenses	224	243
<b>Capital Assets</b>	6,383	5,091
<b>Leasehold Improvements</b>	5,813	6,765
<b>Building</b>	8,343	8,770
<b>Land</b>	7,660	7,660
<b>Total Assets</b>	<u>38,025</u>	<u>38,564</u>
<b>Liabilities and Members' Equity</b>		
<b>Current Liabilities</b>		
Accounts Payable and Accrued Liabilities	4,072	4,701
Unearned Annual Membership Fees	0	0
Deferred Revenue	1,002	1,444
<b>Deferred Salaries</b>	430	619
<b>Mortgage</b>	13,333	13,999
<b>Members' Equity</b>	19,188	17,801
<b>Total Liabilities and Members' Equity</b>	<u>38,025</u>	<u>38,564</u>

# Ontario College of Teachers

## Year-end Surplus

### As At December 31, 2020

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<b>Total Revenues</b>	41,844,022
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<b>Total Expenses</b>	40,456,377
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<b>Gross Surplus</b>	1,387,645
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#### Cash Flow Adjustments

<b>Add:</b>	Depreciation	2,097,108
<b>Less:</b>	General Capital Expenditures	237,093
	Information Technology Capital	1,770,841
	Mortgage Capital	665,747

<b>2020 Cash Surplus Generated</b>	811,072
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Approval of the 2020 year-end financial report and authorization to contribute the 2020 cash surplus to the College reserve:



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**Deputy Registrar, Chantal Bélisle**

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**Transition Supervisory Officer, Paul Boniferro**