



Ontario
College of
Teachers

Ordre des enseignantes
et des enseignants
de l'Ontario

2024 College Budget

College Council December 7, 2023



College Purpose

We serve the public interest by regulating the teaching profession to protect students.

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.



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Executive Summary

About the College

The Ontario College of Teachers, Ontario's teaching regulator, is presenting a balanced budget for 2024, while investing \$50.2 million to fund the College's mandate to protect the public interest, namely the province's more than 2 million students.

Earlier this year, the Council updated the College's strategic direction for 2024-2028, which in turn, will modernize College operations.

2024 Budget

- **Legislative and regulatory changes:** Amendments to Ontario Regulation 271/09 (Fair Registration Practices) under the *Ontario College of Teachers Act* have decreased timelines for the certification and licensure of internationally trained teachers from 120 days to 60 business days. Additionally, the *Fair Access to Regulated Professions and Compulsory Trades Act* now requires teachers trained in other provinces or territories to be certified in Ontario within 30 business days.
- **Information technology (IT):** Funding IT projects is key to service transformation and meeting service timelines, which is why the College is investing capital dollars to provide clients with more options and online services. Emphasizing cloud technology and enhancing critical cybersecurity capabilities are






funded priorities to reduce risk factors. Furthermore, funding projects that leverage data to inform decision making and drive productivity will help the College enhance client services.

- **Staffing:** More staff will be added to meet service demands and acquire novel resources to lead quality assurance data management initiatives and to implement the College's IT strategy. Additional staff will be made available to the evaluation services team to implement ongoing and emerging service timelines, such as the 60-day requirement to evaluate internationally-educated teacher registrations. Also, key investments in staffing will be made to the College's investigative services to help address the high volumes of complaints and active investigations in a timely manner.

Revenue sources are expected to remain stable with a slight increase in membership for 2024 and the annual membership fee will remain at \$200.

The 2024 budget request will be fully funded from revenue sources and will not require a draw from reserve. The College's organizational adjustments made through the pandemic experience combined with the new streamlined governance approach and a 2023 fee increase have positioned the organization on a sound financial footing.

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 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:

- **Remain in compliance with 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.
- **Provide good member service.**
The College's 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.
- **Adhere 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.
- **Set fees as required to remain fiscally prudent.**
The College will strive to minimize member fees and set reasonable fees for special services.
- **Ensure stability and independence.**
The College will engage in sound asset management and prepare to respond to unexpected risks.

College Membership Summary

The Ontario College of Teachers membership numbers are anticipated to be relatively flat over the next few years. The 2024 revenue forecast is budgeted on a membership base of 228,400.

New members by source

The College is drawing an increasing proportion of members from out-of-province and international applicants. Overall, the three-year trend line illustrates a relatively flat enrolment.

Membership Composition	Forecast 2023	Forecast 2024	Forecast 2025
All Ontario graduates			
4-Semester programs (current year grads)	4,183	4,005	4,354
4-Semester programs (previous year grads)	376	360	392
Other/non-consecutive programs*	627	561	566
Labour mobility	500	400	400
International	900	900	900
Total new members	6,586	6,226	6,612

**Other programs are comprised of concurrent degrees, multi-session programs and a very small number of part-time and legacy one-year program graduates*

Internationally educated teachers are expected to contribute to membership growth in greater proportions than in previous years.¹ New members from other Canadian provinces are expected to return to pre-pandemic levels and remain stable.

Ontario graduates are expected to return to pre-pandemic levels. Forecasted Ontario graduates reflect the September 7th government announcement to add 110 additional seats for 2023-24 year.

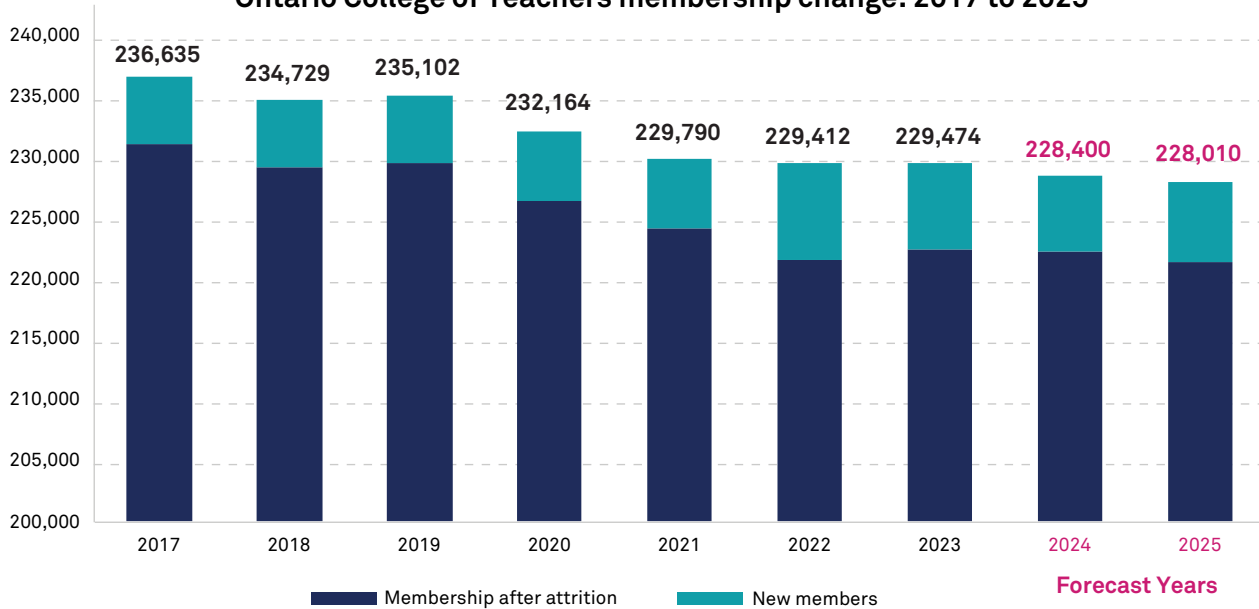
¹ See Government of Ontario (2023, July 19). [Ontario population projections, Immigration assumptions at the census division level.](#)

Membership change

Each year, the College experiences attrition when members retire or otherwise choose to discontinue their membership.

- Membership is maintained when new members replace those lost through attrition.
- Membership increases when the number of new members is greater than the number of members lost through attrition.
- Membership declines when there are not enough new members to replace those lost through attrition.

Ontario College of Teachers membership change: 2017 to 2025



From 2024 onward, it is assumed that member attrition will continue to erode membership annually at a slow but steady rate of <1% per year. Forecasting has already accounted for anticipated increases through immigration of internationally educated teachers. Further membership increases can only be achieved through an increase in the number of graduates from Ontario teacher education programs.

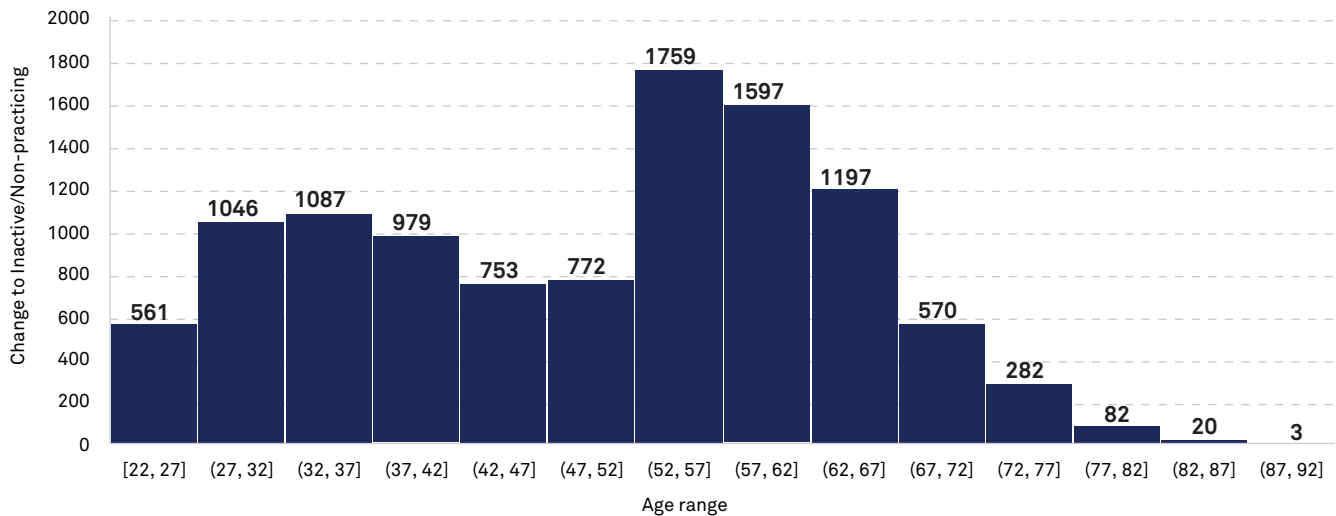
Retirements as a source of member attrition

In past forecasting, estimates of retirements have been based on estimates and a median age available in Ontario Teachers' Pension Plan (OTPP) annual reports. A present look at members who have become Inactive/Non-Practising (INP) in 2023, based on College membership data, illustrates that attrition is

spread more evenly across the membership than the OTPP median retirement age of 59 might suggest.

The figure below shows a bimodal distribution of membership loss, with peak (median) losses among members aged approximately 35 and 55 years of age.

Change to Inactive/Non-Practising status in 2023 by member age



The distribution also shows that a significant number of members have retained their membership beyond the age of 65. Approximately a quarter of 2023 member departures were by teachers aged 65 and over.

The analysis suggests that a steady influx of newly graduated teachers may not be sufficient over time to offset attrition in the early to mid-career years.

The analysis also suggests that the continuing professional activity of later career teachers, in some cases well past the traditional retirement age of 65, is an important contributor to the health of the College membership. Early results from the Focus on Teaching survey in 2023 also suggest that it is important to understand why late career teachers continue as Ontario Certified Teachers.

2024 Sources of Revenue

Sources of Revenue	2022 Actual	2023 Budget	2024 Budget	Increase / (Decrease)
Annual Membership Fees	39,000,015	45,205,800	45,680,001	474,201
Other Fees	2,225,241	1,612,900	1,547,940	(64,960)
Advertising Revenue	284,629	287,500	304,500	17,000
Investment & Other Income	1,095,251	400,000	750,000	350,000
Total Revenue	42,605,137	47,506,200	48,282,441	776,241

Annual membership fees

The proposed annual membership fee of \$200 multiplied by the number of members (228,400), is the basis for revenue.

for transcripts and certified copies of records represent 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.

Other fees

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

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 expected to remain close to the current fiscal period experience.

Registration fees are paid by all first-time applicants to the College and evaluation fees are paid by those educated outside Canada. Evaluation fee revenue and reinstatement fee revenue are expected to decline based on forecasts. The variety of miscellaneous fees

College fee history

1997 to 2001	2002	2003 to 2008	2009 to 2011	2012 to 2013	2014 to 2019	2020 to 2022	2023
\$90	\$104	\$139	\$120	\$138	\$150	\$170	\$200



2024 Proposed Budget

Ontario College of Teachers

Statement of Operations	2022 Actual	2023 Budget	2024 Budget	Increase/ (Decrease)
Revenue				
Annual Membership Fees	39,000,015	45,205,800	45,680,001	474,201
Unearned Portion of AMF	-	-	-	-
Other Fees	2,225,241	1,612,900	1,547,940	(64,960)
Advertising Revenue	284,629	287,500	304,500	17,000
External Project Funding	-	-	-	-
Investment & Other Income	1,095,251	400,000	750,000	350,000
Total Revenue	42,605,137	47,506,200	48,282,441	776,241
Expense				
Employee Compensation	22,417,465	26,861,476	29,438,053	2,576,577
Membership Services Department	41,292	66,000	66,000	-
Investigations & Professional Conduct	4,472,704	4,874,490	4,931,829	57,339
Standards of Practice and Accreditation	259,167	700,200	692,300	(7,900)
Office of the Registrar	728,428	1,270,500	1,099,400	(171,100)
Policy, Governance and Tribunals	1,244,618	1,969,430	1,670,025	(299,405)
Corporate Services	4,614,484	6,626,300	6,625,440	(860)
Occupancy Costs 101 Bloor West	1,674,042	2,146,300	2,128,601	(17,700)
Council Elections	-	0	-	-
Amortization	4,132,234	3,812,939	3,641,103	(171,837)
Total Expense	39,584,433	48,327,635	50,292,750	1,965,115
Gross Surplus/(Deficit)	3,020,703	(821,435)	(2,010,309)	(1,188,874)
Add: Amortization, (Non-Cash Item)	4,132,234	3,812,939	3,641,102	(171,837)
Less: Capital Expenditures	(2,436,578)	1,541,500	1,630,793	89,293
Net Surplus/(Deficit) for the College	9,589,515	1,450,004	-	(1,450,004)

Budget Highlights

Summary of year-over-year net changes

Revenue

Annual Membership Fees

\$474,201

Reflects a revenue adjustment related to an increase in volume equivalent to 2,371 members.

Other Fees

(\$64,960)

Reflects a minor decline in forecasted registrations reflecting volume estimates and experience.

Advertising Revenue

\$17,000

The College member newsletter ad sales are forecasted to increase in 2024 based on a continued uptake in demand.

Investment Income & Other Income

\$350,000

Reflects forecasted returns on investments in 2024 as market rates change based on economics factors.

Net Increase in Revenue

\$776,241

Expenses

Employee Compensation

\$2,576,577

Represents new staffing to address workload pressures in Membership Services, Investigations, Human Resources, and Finance. Also included are resources to build IT capacity to implement the IT strategic plan \$1,228,379. The 2024 salary grid and incentive pay adjustments of \$151,502 and average employee inflation adjustments of 2.96% are reflected \$623,398. A transfer of temporary help funding from the Human Resources budget \$130,000 and a vacancy savings allowance of (\$136,307), plus employee benefit adjustments for employer health tax, pension plans, and benefit premiums for \$579,605 complete the budget adjustments.

College Department Budget Adjustments

(\$421,926)

The Policy Governance and Tribunals department's administrative costs have been reduced to reflect experience (\$17,730). Council budget allocations have been recalibrated to reflect the projected number of governance meetings and activities based on virtual attendance being the norm as per the College bylaws (\$203,000). The Tribunals unit has reduced program requests (\$59,700) to reflect case cost projections and the Policy and Research budget request was lowered (\$23,725) because of a reduction in legal costs. Conversely the Project and Programs unit has increased their project related budget by \$4,750.

Standards of Practice and Accreditation program administrative costs have been reduced to reflect experience (\$7,900).

The Registrar’s budget request increase of \$35,000 represents professional development initiatives and the Deputy Registrar allocation increase of \$15,000 is for consulting related assignments. The Accounting and Finance budget for temporary help and collection fees has decreased (\$91,100) and for 2024 the HR budget allocation for temporary help has been transferred to the employee compensation budget (\$130,000) to align spending patterns.

The department increases reflect adjustments to both investigative and professional conduct program costs based on demand forecasts \$60,099 and a decrease to administrative costs (\$2,760).

The Communications budget reflects a collection of reductions to communication services and products and external relations reflecting a shift to more online presence (\$660,860). Conversely, the Information Technology (IT) unit requires a net increase of \$660,000 to the IT consulting budget to fund security and infrastructure projects \$425,000 and data collection and mandatory reporting required to address certification timeline changes and the planned mandatory member reporting requirement. Also included is the cost to replace the Focus on Teaching survey of \$100,000 and the upgrade to the College intranet \$135,000.

Occupancy Costs

(\$17,700)

Represents a slight decrease in occupancy related expense based on mortgage payment adjustments.

Amortization

(\$171,837)

Represents an adjustment to the amortization schedule for 2024 related to amortizing software, furniture, and computer equipment.

Net Increase Expense

\$1,965,114



**Ontario
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Ontario's Teaching Regulator

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