



Ontario's Teaching Regulator  
L'organisme de réglementation  
de l'enseignement en Ontario

# Memo

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**Date:** March 13, 2023

**To:** Council of the Ontario College of Teachers

**From:** Jonathan Davey, Chair  
Audit and Finance Subcommittee

**Subject:** Report of the Audit and Finance Subcommittee

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## Subcommittee Meeting Dates

Since our last report to Council, the subcommittee met on March 2 and March 13, 2023.

## Summary of Discussions

At the March 2, 2023 meeting, the subcommittee received the financial results for the period ended December 31, 2022. The Controller reviewed the College's financial position outlining the fourth quarter trends in revenues and expenses. The subcommittee noted the importance of being fiscally prudent and supported a recommendation to allocate the year-end surplus balance to the reserve fund, as outlined in Motion #1 below. Following the review, the subcommittee recommended that the College's reserve fund policy be brought forward to a future meeting for review.

The Controller presented the proposed development process for the 2024 College budget, noting that at the May subcommittee meeting, College senior leadership team members will present their preliminary high-level strategic department budgets. He confirmed that Council would receive the draft budget at the October 5, 2023 meeting and the final 2024 budget for approval at the December 2023 meeting.

At the March 2 meeting, the Controller also shared an update on the status of the 2022 year-end audit. He indicated that work on the audit was progressing and that the auditors would present their audit findings at a special meeting of the subcommittee to be scheduled prior to presentation of the audited financial statements to Council at the March 21, 2023 Council meeting.

Subcommittee members reviewed the College's statement of financial objectives and recommended changes for Council's consideration by way of proposed Motion #2, as noted below in this report.

At the March 13, 2023 meeting, the subcommittee received the 2022 audited financial statements and a summary of audit findings as presented by KPMG. An amendment to the notes to the financial statements was proposed to provide greater clarity about the source and purpose of the benefits recovery.

By way of Motion #3 as noted below in this report, the subcommittee will seek Council's acceptance of the 2022 audited financial statements.

### **Motions Referred to Council**

The Audit and Finance Subcommittee recommends:

1. That Council approve a contribution to the restricted cash reserve in the amount of \$5,993,809, representing the 2022 year-end surplus.
2. That Council approve an amendment to Financial Objective #5 by deletion and substitution as outlined in Document GC20230321-12, Attachment 1.
3. That Council accept the December 31, 2022 audited financial statements of the Ontario College of Teachers as presented.

### **Subcommittee Mandate/Duties**

Per Section 5.05 of the College Bylaws, the Audit and Finance Subcommittee shall:

- Monitor and report to Council on the financial activities of the College and shall recommend to Council an annual budget, the appointment of an auditor and the annual audited financial statements; and
- Act as the Audit Committee of the College for the purpose of reviewing the annual audit scope, audit fees and audit findings.

### **Future Meeting Dates**

- May 11, 2023
- September 14, 2023
- November 16, 2023

### **Subcommittee Members**

- Jonathan Davey (Chair)
- Diana Miles
- Jonathan Rose
- Maria Vasanelli, OCT
- Valerie Williamson, OCT (Vice-Chair)