

Ontario College of Teachers

Financial Report

December 31, 2024

Ontario College of Teachers Financial Report Results for the period ending December 31, 2024

The 2024 College financials show a positive year-end position. Revenues met expectations, and spending was below forecast due to program service volume and adjustments focusing on virtual offerings with reduced funding needs.

Revenues

The 2024 year-end revenue trends for the College are as follows:

- Memberships processed totaled 229,513, generating \$45,902,696, which met the budget forecast of .5%.
- Fees from services like registration, evaluations, and reinstatements amounted to \$2,741,696, surpassing expectations due to higher than planned registrations (1,401), evaluations (680), and reinstatements (811).
- Advertising revenue fell short by \$21,548.
- Investment returns on short-term, low-risk instruments were \$2,321,643.

Expenses

The 2024 College expenditures were \$45,485,127 representing an underspend of \$4,807,622. The following program spending patterns represent variances from plan.

Employee Compensation- Favorable Variance \$734,738

In 2024 the College experienced underspending which included staff training, staff positions, secondments and temporary help backfills equivalent to 10 FTE vacancies at year-end.

Investigations & Professional Conduct - Favorable Variance \$2,085,887

Administration expenses related to travel, conferences, meetings, and administrative costs were underspent by \$33,705 in 2024. The budget for Investigation activities related to panel meeting costs, general counsel, expert opinions and panel deliberations, consultants, interpretation services, staff travel, meetings and materials costs were \$76,139 underspent due to less travel related costs. The allocation for Professional Conduct activities provides for external legal counsel and related legal disbursements, release time, panel meeting costs, prosecution counsel, independent counsel, panel court reporter, witness, expert opinion, simultaneous translation, individual interpreter costs and transcriptions of panel discussions. Year-end underspending in this category was equivalent to \$1,976,044 as external legal fees were less than planned.

Standards of Practice and Accreditation - Favorable Variance \$285,922

The SPA administration budget covers departmental meetings, travel and administrative expenses, consulting resources, and meeting and administrative costs for program service and development initiatives. Administrative expenses exceeded the budget by \$19,351, primarily due to Indigenous Engagement sessions.

The budget allocation for Accreditation includes travel, release time, honoraria, meetings, and other administrative costs associated with accrediting initial teacher education programs at faculties of education across the province. This category was underspent by \$141,113 at year-end, attributed to continued efficiencies in accreditation processes and lower preservice program area activity costs due to increased participation in virtual meeting platforms.

The Standards of Practice and Education budget allocation encompasses travel, release time, honoraria, meetings, and other administrative costs supporting the integration of the Standards of Practice for the Teaching Profession and the Ethical Standards for the Teaching Profession into pre-service and in-service teacher education programs, as well as teaching practices in Ontario classrooms. It also covers costs related to accrediting additional qualification courses and developing guidelines for these courses. Underspending in this category was due to delays in accrediting programs, resulting in an overall underspend of \$164,161.

Corporate Services - Favorable Variance \$404,187

Corporate Services concluded the year with a positive variance due to lower-than-expected spending in Business Services and Communications. Business Services handles record storage and archiving, facilities maintenance, and catering operations. Communications manages the College's communication services and products, print shop operations, member mailings, library services, and external relations. Overall, the department experienced less requirements for facilities maintenance and enhanced online outreach services and communication offerings translated to reduced spending.

Policy, Governance & Tribunals - Favorable Variance \$286,995

Council members receive a per diem covering travel, accommodation, meals, and teacher replacement costs for meetings. The budget underspent by \$247,528 due to virtual meetings reducing incidental expenses. Tribunal allocations for legal counsel and related costs underspent by \$280,074 due to lower external legal consult spending. The Policy unit slightly overspent on the teaching survey design project by \$70,593. The 2024 budget includes panel costs, appeal hearings, and legal consulting expenses.

Office of the Registrar - Favorable Variance \$319,183

The Information Services unit underspent by \$374,181 due to delayed IT consulting projects. Finance underspent by \$58,264 on collection fees and accounting services. The Office of the Registrar saved \$18,790 on travel costs. However, Human Resources overspent by \$128,042 on external HR consulting fees and reference checks.

Fred Towers, MBA, CPA

Ontario College of Teachers

For the Period Ending December 31, 2024.

Statement of Operations*(in thousands of dollars)*

	Actual 31-Dec-24	Actual % of Budget	Budget 2024	Actual % of 31-Dec-23	Actual 31-Dec-23	Actual 31-Dec-2023
Revenue						
Annual Membership Fees	45,903	100%	45,680	100%	45,929	45,929
Unearned Portion of AMF	0	0%	0	0%	0	0
Other Fees	2,742	177%	1,548	119%	2,302	2,302
Advertising Revenue	262	86%	305	92%	283	283
External Project Funding	0	0%	0	0%	0	0
Investment & Other Income	2,322	310%	750	121%	1,925	1,925
Total Revenue	51,228	106%	48,282	102%	50,439	50,439
Expense						
Employee Compensation	28,703	98%	29,438	110%	26,127	26,127
Membership Services Department	142	215%	66	198%	72	72
Investigations & Professional Conduct	2,846	58%	4,932	76%	3,751	3,751
Standards of Practice and Accreditation	406	59%	692	155%	263	263
Office of the Registrar	5,985	95%	6,304	121%	4,963	1,008
Policy, Governance and Tribunals	1,383	83%	1,670	116%	1,194	1,194
Corporate Services	1,017	72%	1,421	114%	896	4,851
Occupancy Costs 101 Bloor West	1,676	79%	2,129	99%	1,690	1,690
Amortization	3,327	91%	3,641	79%	4,212	4,212
Total Expense	45,485	90%	50,293	105%	43,168	43,168
Net Surplus/(Deficit) for the College	5,743	-286%	(2,010)	79%	7,272	7,272

Ontario College of Teachers

Balance Sheet

As At December 31, 2024

	31-Dec-24 (\$000)	31-Dec-23 (\$000)
ASSETS		
Current Assets		
Cash and Investments	11,831	5,770
Restricted Cash	18,162	18,162
Accounts Receivable	179	222
Prepaid Expenses	144	129
Capital Assets	3,187	4,226
Leasehold Improvements	1,683	2,731
Building	6,631	7,059
Land	7,660	7,660
Total Assets	<u>49,479</u>	<u>45,960</u>
 Liabilities and Members' Equity		
Current Liabilities		
Accounts Payable and Accrued Liabilities	4,225	5,080
Unearned Annual Membership Fees	0	0
Deferred Revenue	736	1,532
Deferred Salaries	0	20
Mortgage	11,239	11,790
Members' Equity	33,280	27,537
Total Liabilities and Members' Equity	<u>49,479</u>	<u>45,960</u>

Ontario College of Teachers

Year-end Surplus

As At December 31, 2024

The College's financial position at year-end resulted in a surplus, leading to a recommended contribution to the restricted cash balance reserve as outlined in the following reconciliation.

Restricted Cash Calculation	2024 Year-end
Net Surplus for 2024 Fiscal Period - Accrual Basis	\$ 5,742,573
Add: Amortization, a non-cash expense	3,326,928
Less: Capital Expenditures - Non-IT	(37,405)
Less: Capital Expenditures – IT	(775,398)
Less: Mortgage Capital	(551,489)
2024 Year-end Surplus	7,705,208
Current Restricted Cash Balance	<u>18,162,209</u>
2025 Opening Balance for Restricted Cash	\$25,867,417