

BRIEFING NOTE

TO: Board of Directors

FROM: Fizza Asad, Accounting Specialist

DATE: February 22, 2021

SUBJECT: Financial Variance Report

☐ For Decision

☒ For Information

☐ Monitoring Report

Purpose:

The attached Financial Variance Report for the period ending December 31, 2020, is submitted to the Board of Directors for review.

For Consideration:

This report identifies current financial information for revenue, board and committee expenses and operations and administrative expenses.

Revenue

Total revenue for this period, **\$3,216,805** shows a variance of \$-52,063 to the budget. This represents a -2% variance to the budget.

Board and Committee Expenditures

Total board and committee expenditures for this period, **\$127,725** shows a variance of \$-92,775, which represents a -42% variance to the budget.

Operations and Administration Expenditures

Total expenditures for this period, **\$2,478,553** shows a variance of \$-262,627 which represents a -10% variance to the budget.

Total Accumulates Surplus/Deficit to December 31, 2020:

Surplus for year (revenue less expenditures): \$610,527.

Recommendations/Action Required:

For information.

	A	B	C	D	E	F	G	H
		2020 Budget	Actuals Dec 31, 2020 (unaudited)	Actuals Dec 31, 2019	Variance from 2020 to 2019 (=C-D)	Variance to 2020 Budget (=C-B)	Variance to 2020 Budget % (=F/B)	Notes
1								
2	Total Revenue	\$ 3,268,868	\$ 3,216,805	\$ 3,255,061	-\$ 38,255	-\$ 52,063	-2%	
3	Optician Revenue	\$ 2,977,568	\$ 3,036,782	\$ 2,914,059	\$ 122,724	\$ 59,214	2%	Includes optician renewals, new optician registrations, optician reinstatements and any penalties applied
4	Student/Intern Revenue	\$ 52,800	\$ 35,748	\$ 47,034	-\$ 11,286	-\$ 17,052	-32%	Includes student/intern renewals, new student/intern registrations, student/intern reinstatements and any penalties
5	National Examination Fees	\$ 136,500	\$ 63,496	\$ 136,185	-\$ 72,689	-\$ 73,004	-53%	Spring Examination deferred to the fall due to COVID-19. The usual number of interns eligible to write the examinations was not as high as previous years due to COVID-19
6	Interest & Investment Income	\$ 52,000	\$ 67,751	\$ 81,847	-\$ 14,096	\$ 15,751	30%	
7	Miscellaneous Revenue	\$ 50,000	\$ 13,028	\$ 75,936	-\$ 62,908	-\$ 36,972	-74%	Miscellaneous revenue includes: CE Activity Accreditation request, Court costs owed for discipline and UPC, PLAR Application & Assessment Fees, Reg Com Review fees for reinstatements +3 yrs Replacement certificate and ID badges, Deficient QA portfolio fees, QA portfolio assessment fee
8	Board and Committee	\$ 220,500	\$ 127,725	\$ 227,506	-\$ 99,781	-\$ 92,775	-42%	<i>Meetings from March 17 are being conducted virtually</i>
9	Board/Strategic Planning	\$ 65,000	\$ 49,623	\$ 91,053	-\$ 41,430	-\$ 15,377	-24%	Budgeted: 6 council days; 1 contingency <i>Actual To-date: 2 days; 1 virtual</i>
10	Discipline	\$ 52,500	\$ 4,100	\$ 38,713	-\$ 34,613	-\$ 48,400	-92%	Budgeted: 4 hearings (8 days) and member HPRO training <i>Actual To-date: 1 hearing (in-progress), 2 Teleconference</i>
11	Executive	\$ 15,000	\$ 10,481	\$ 7,023	\$ 3,458	-\$ 4,519	-30%	Budgeted: 4 in-person, 2 teleconferences <i>Actual To-date: 1 in-person; 9 virtual</i>
12	Fitness to Practice	-	-	-	-	-	-	No referrals
13	Governance	\$ 9,500	\$ 7,874	\$ 9,684	-\$ 1,810	-\$ 1,626	-17%	Budgeted: 4 in-person <i>Actual To-date: 1 in-person; 5 virtual</i>
14	Investigations, Complaints & Reports	\$ 31,900	\$ 21,083	\$ 25,187	-\$ 4,104	-\$ 10,817	-34%	Budgeted: 7 in-person full-committee, 14 panel teleconferences <i>Actual To-date: 1 in-person full committee, 7 virtual panels, 8 Teleconferences</i>
15	Patient Relations	\$ 4,000	\$ 1,225	\$ 4,190	-\$ 2,965	-\$ 2,775	-69%	Budgeted: 2 in-person <i>Actual To-date: 2 virtual</i>
16	Quality Assurance	\$ 21,000	\$ 20,547	\$ 27,043	-\$ 6,496	-\$ 453	-2%	Budgeted: 4 in-person, 4 full committee teleconferences, 6 panel teleconferences <i>Actual To-date: 1 in-person; 14 full committee virtual, 6 virtual panel</i>
17	Registration Committee	\$ 13,500	\$ 11,104	\$ 15,039	-\$ 3,935	-\$ 2,396	-18%	Budgeted: 3 in-person, 3 teleconferences <i>Actual To-date: 2 in-person; 3 virtual</i>
19	Clinical Practice Committee	\$ 8,100	\$ 1,688	\$ 9,574	-\$ 7,886	-\$ 6,412	-79%	Budgeted: 2 in-person; 1 teleconference <i>Actual To-date: 5 virtual</i>
21	Operations & Administration	\$ 2,741,180	\$ 2,478,553	\$ 2,571,570	-\$ 93,017	-\$ 262,627	-10%	
22	Communications	\$ 51,800	\$ 33,148	\$ 18,461	\$ 14,687	-\$ 18,652	-36%	Includes Citizens Advisory Group, public focused social media strategy, and costs for communication and engagement.
23	Consulting	\$ 187,000	\$ 69,387	\$ 63,532	\$ 5,855	-\$ 117,613	-63%	Includes costs for IT consulting, strategic projects consultant, board facilitator, public relations and HR activities, development costs for professional growth continuing education activities
24	Council & Staff Education & Development	\$ 50,000	\$ 52,281	\$ 40,891	\$ 11,390	\$ 2,281	5%	Staff and Council Professional Development, includes staff CE, council training session and council expenses, council discipline training costs, regulatory conference attendance for staff and council, and discipline training.

Board Meeting February 22, 2021

	A	B	C	D	E	F	G	H
1		2020 Budget	Actuals Dec 31, 2020 (unaudited)	Actuals Dec 31, 2019	Variance from 2020 to 2019 (=C-D)	Variance to 2020 Budget (=C-B)	Variance to 2020 Budget % (=F/B)	Notes
25	Database	\$ 120,000	\$ 76,661	\$ 75,075	\$ 1,586	-\$ 43,339	-36%	Includes development costs for IT projects: linking jurisprudence to member profile, online student/intern renewals, document management system, online applications for ROs, QA CE upload, data optimization.
26	External Personnel	\$ 77,700	\$ 40,316	\$ 71,354	-\$ 31,038	-\$ 37,384	-48%	Includes National Exam examiners and models, expert witness, and external PLAR interviewer costs.
27	External Relations	\$ 50,000	\$ 31,420	\$ 51,067	-\$ 19,647	-\$ 18,580	-37%	Expenses for Council, Appointed and staff for external activities on behalf of the College. Includes presentations at CE events, conference attendance, Georgian/Seneca Advisory Committees, National Meetings, National Exams Committee, MOHLTC meetings, presentations to students, etc. (1 in-person presentation, 1 student trade show, 2 virtual tradeshow to-date)
28	General Operational	\$ 196,000	\$ 188,093	\$ 219,816	-\$ 31,723	-\$ 7,907	-4%	Includes general operating expenses; expenses for the national examinations (catering, accommodations, rental of space); College insurance; catering for council meetings; CPP for council and committee members; staff expenses; bank charges; bookkeeping; office supplies; shredding services; off-site file storage.
29	IT Requirements	\$ 110,200	\$ 138,006	\$ 108,195	\$ 29,811	\$ 27,806	25%	Include the hard costs to support the College's computer systems, hosting and licensing costs of the database, email hosting and updates to the website redesign, which is now complete. Includes cost of cloud server, budgeted under capital expenses, and costs for renewal of database hosting
30	Investigator	\$ 35,000	\$ 77,214	\$ 63,104	\$ 14,110	\$ 42,214	121%	Investigators for the ICRC Process. Actual 2020 to-date: 21 Investigations completed, # carried over from 2019, 2 in process from 2020 to be completed in 2021, budget exceeded due to increase in insurance investigations.
31	Legal	\$ 100,000	\$ 107,775	\$ 275,077	-\$ 167,302	\$ 7,775	8%	Includes independent legal counsel for Discipline Hearings, general advice, unauthorized Practice prosecutions.
32	Quality Assurance Program Costs	\$ 72,700	\$ 32,371	\$ 61,416	-\$ 29,045	-\$ 40,329	-55%	Reflects hard costs to administer the QA portfolio program, including MSF and practice assessments. Includes costs of assessments completed to-date, some of which are cost-recovery.
33	Rent	\$ 227,636	\$ 228,038	\$ 224,597	\$ 3,441	\$ 402	0%	Rent for College premises plus a small contingency for any adjustments to taxes, heat, electricity.
34	Salaries	\$ 1,343,644	\$ 1,312,741	\$ 1,260,396	\$ 52,345	-\$ 30,903	-2%	Includes benefits, CPP, EI, EHT, RRSP contributions, salaries, temporary help, vision care plan and payroll expenses
44	Strategic Initiatives	\$ 119,500	\$ 91,102	\$ 38,589	\$ 52,513	-\$ 28,398	-24%	Includes ongoing Governance Policy work, environmental scan and strategic planning costs, and funds for board initiatives supporting the strategic plan