College of Opticians of Ontario

BRIEFING NOTE

TO: **Board of Directors**

FROM: **Fizza Asad, Manager, Finance and Human Resources**

DATE: **November 30, 2026**

SUBJECT: **Financial Variance Report**

☒ For Decision ☐ For Information ☐ Monitoring Report

Purpose:

The attached Financial Variance Report for the period ending October 31, 2026 is submitted to the Board for review and approval.

Background:

The Financial Variance Report provides a summary of year-to-date revenue and expenses, as compared to the total annual budget. A comparison is also provided to the previous year's financials for the same point in time.

The purpose of the Financial Variance Report is to provide an indication to the Board as to whether revenue and expenses are trending in line with expectations for the point in the year. Variances will typically display (high) negative values earlier in the year before the bulk of revenue/expenses have been realized or incurred and will theoretically approach a 0% variance closer to year end. At October 31, 17% of the fiscal year remains, which means that variances for fixed budget items (such as rent or salaries) will be trending closer to this number while variable budget items (Board or other administrative expenses) will have variances that reflect operational activity in Q3.

Explanations are provided for line items that indicate a variance that significantly diverges from the patterns, such as for expenses that are not incurred evenly throughout the year, or for deferred income. The variances are also colour coded (green as trending well, orange as trending with caution, and red as trending poorly) to assist the Board/Committee in identifying line items that require extra attention or investigation.

College of Opticians of Ontario

For Consideration:

This report identifies current, unaudited financial information for revenue, Board/Committee expenses, and operational/administrative expenses to October 31, 2026.

Revenue

Total revenue to date is $4,193,084 which reflects a variance of $235,055 (6%) over budget.

Optician revenue is $3,774,525, reflecting a favourable variance of $210,075 (6%) compared to budget. The variance is primarily attributable to higher registration volumes, with the College processing 78 additional renewals and 21 additional new registrations compared to budgeted figures to date. Revenue also includes 35 reinstatements, which can fluctuate from year to year depending on the number of former registrants returning to active registration.

Total interest and investment income is $167,133, exceeding the budget by $2,408 (1%). The increase in revenue compared to the June 30 variance report is due to $82,959 in investment income recognized in October when the investments matured. The $2,408 favourable budget variance is attributable to additional interest earned on the College's regular bank accounts.

Miscellaneous revenue is $96,967, reflecting a favourable variance of $21,967 (29%) to the budget. The variance is primarily due to an increase in CE accreditation and well as application fees.

Board and Committee Expenses

Total Board and Committee Expenses for this period, $124,305, shows a variance of -$46,586 (-27%) to the budget and is trending to budget by year end.

Board and Committee expenses are recorded as claims are submitted to the College, regardless of when the underlying expense was incurred. As of October 31, some committees remain below budget, as meetings and related expenses included in the 2026 budget may be scheduled to occur before year end, or the committee met for shorter meetings throughout the year.

ICR committee meeting is currently sitting at -4% variance to the budget and may trend to $15,250 ($5000 or 43% over budget) by year end as expenses for the November meeting have not been captured in this report. The variance is attributed to a higher number of meetings, as well as increased preparation time associated with more complex cases. The College typically budgets approximately a quarter day of preparation time per meeting, however, recent expense claims have reflected up to a full day of preparation due to the complexity of the matters being considered. Staff will continue to monitor expenses through the remainder of the year and have considered increased preparation requirements when developing the 2027 budget.

Quality Assurance is also currently showing a 9% variance against budget. The higher-than-anticipated spending is attributable to increased accreditation review activity and the timing of expense claim submissions. As of October 31, the College processed 175 accreditation requests, compared to approximately 150 typically processed by this point in the year. Additionally, approximately $1,800 in

expenses recorded in 2026 relate to accreditation work completed in 2025, following the submission of outstanding claims by a Board member.

With one additional meeting scheduled in November and further accreditation requests expected before year-end, expenditures are projected to be approximately 30% ($6,000) above budget. However, the additional revenue generated from increased accreditation activity is reflected under Miscellaneous Revenue, helping to offset the associated increase in expenses.

Operations and Administrative Expenses

Total operational and administrative expenses to date, $2,681,931, shows a variance of -$829,877 (-24%) to the budget, trending to be on target for year end.

Investigator costs are $64,028 with a variance of -20% under the budget. Investigation costs are estimated during the annual budgeting process; however, the number, complexity and nature of investigations requiring external resources can be difficult to predict. There are currently 50 ongoing investigations, five of which require external investigators for complex matters. Based on invoices received to date and anticipated investigation activity through December 31, investigator costs are currently forecast to finish approximately 2% over budget by year-end. Staff will continue to monitor expenditures and update the forecast as investigation activity progresses.

Recommendations/Action Required:

To recommend that the Board approve the Financial Variance Report for the period ending October 31, 2026.

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Legend

trending well - revenue/expenses are realized/incurred as expected, based on historical averages and/or planned activity

trending with caution - the account line is showing an unplanned variance and will be closely monitored to avoid negative impacts. Explanations for activity variance will be provided.

trending poorly - the account line is showing a significant, unplanned variance that may negatively impact operations.

	A	B	C	D	E	H	I	H
1				**2026 Budget**	**Actuals October 31, 2026 (unaudited)**	**Variance to 2026 Budget (=E-D)**	**Variance to 2026 Budget % (=H/D)**	**Notes**
2	**Total Revenue**			**$ 3,958,029**	**$ 4,193,084**	**$ 235,055**	**6%**	
3	Optician Revenue			$ 3,564,450	$ 3,774,525	$ 210,075	6%	Includes optician renewals, new optician registrations and optician reinstatements.
4	Inactive Opticians			$ 84,668	$ 91,492	$ 6,824	8%	Includes inactive opticians
5	Student/Intern Revenue			$ 30,000	$ 30,313	$ 313	1%	Includes student/intern renewals, new student/intern registrations, student/intern reinstatements and any penalties.
6	Interest & Investment Income			$ 164,726	$ 167,133	$ 2,408	1%	Interest on savings and GIC investments earned June and October 2026.
7	Miscellaneous Revenue			$ 75,000	$ 96,967	$ 21,967	29%	Miscellaneous revenue includes: Increase in CE Activity Accreditation ($21k), Deficient Professional Portfolio Fees, Late Portfolio Fees, Application Fees ($43k) , Duplicate Certificates, Recovered Discipline Costs ($5328)
8	Rent Receivable			$ 39,185	$ 32,654	-$ 6,531	-17%	Rent received for shared office space from CRTO
9	**Total Expenses**			**$ 3,682,699**	**$ 2,806,236**	**-$ 876,463**	**-24%**	
10	**Board and Committee**			**$ 170,892**	**$ 124,305**	**-$ 46,586**	**-27%**	
11	Board			$ 96,523	$ 72,501	-$ 24,021	-25%	Budgeted: 4.25 Virtual Days (Jan - 2 Day, Mar, Oct, DEI Training), 3.5 Full Day in Person (Jun & DEC) To Date: 2 Full Virtual Days, 2 half virtual days 1 quarter virtual day, 1 full day in person, includes late strat planning submission and board dinners, with one more meeting in November this line will be at budget by year end
12	Discipline			$ 11,419	$ 3,594	-$ 7,825	-69%	Budgeted: 5 Hearing Days (5 person panel, full day virtual), 8 decision writing days (1 member x 4 meetings) To Date:2 Virtual quarter day hearing, 1 Virtual half day hearing , 2 Virtual full day hearing, 1 full day training, 2 half day trainings, with no further meetings anticipated this line is expected to stay below budget
13	Executive			$ 5,288	$ 2,641	-$ 2,646	-50%	Budgeted: 6 Virtual Half Days To Date: 2 Virtual quarter day, 1 Virtual half day, with 2 more meetings anticipated before year end this line will be trending closer to budget
15	Governance			$ 4,425	$ 1,944	-$ 2,481	-56%	Budgeted: 4 Virtual Half Days To Date: 6 Virtual quarter days, 1 Virtual half day, with one additional meeting in November this line will be trending closer to budget
16	Investigations, Complaints & Reports			$ 10,663	$ 10,250	-$ 413	-4%	Budgeted: 2 Virtual Half Days, 12 Virtual Half Day Panels To Date: 1 virtual half day, 3 virtual quarter day, 10 virtual half day panels and 2 virtual quarter day panel, with one more meeting in November this line is trending to 43% above budget (est. $5k)
17	Screening Committee			$ 4,875	$ 1,138	-$ 3,738	-77%	Budgetd: 2 virtual full days interview 0.25 virtual day training To Date: 2 virtual quarter day, 1 virtual full day, with 2 meetings anticipated before year end this line will still be under budget due to to lower attendance by Board and Appointed members throughout the year, offset by greater participation from Public members, resulting in lower overall meeting costs.
18	Patient Relations			$ 2,213	$ 2,263	$ 50	2%	Budgeted: 2 Virtual Half Days To Date: 3 Virtual quarter day, with no further meetings scheduled
19	Quality Assurance			$ 20,000	$ 21,875	$ 1,875	9%	Budgeted: 6 Half Day Virtual Meetings,and Panel review of 157 requests To Date: 3 Half Day Virtual Meeting, 8 Quarter day virtual meeting including panels, Accreditation panel review of 175 accreditation request as at October. With one more meeting in November and additional accrediation requests, this line is expected to trend closer to 30% ($6k) above budget by year end, however, the revenue recieved from the additional accrediation requests is captured in misc. revenue which offsets the increased expenses.
20	Registration Committee			$ 11,063	$ 6,856	-$ 4,206	-38%	Budgeted: 10 Virtual Half Days To Date: 5 virtual quarter day, 2 virtual half day, with one more meeting in November this line will be trending closer to budget
21	Clinical Practice Committee			$ 4,425	$ 1,244	-$ 3,181	-72%	Budgeted: 4 Virtual Half Days To Date: 3 virtual quarter day, with no futher meetings anticipated this line is expected to stay below budget due to shorter meetings

22	**Operations & Administration**			**$ 3,511,807**	**$ 2,681,931**	**-$ 829,877**	**-24%**	
23	Communications			$ 118,418	$ 75,471	-$ 42,947	-36%	Includes french translations, public focused social media strategy, and costs for communication and engagement.
24	Consulting			$ 205,167	$ 128,535	-$ 76,632	-37%	Includes costs for IT consulting, bookkeeping, recruitment consulting, board facilitator and government relations consultant. Expenditures are trending below budget primarily due to staffing changes. The College did not require the budgeted external bookkeeping services following the hiring of a Staff Accountant. Additionally, the IT Project Manager, whose full-time salary had been budgeted, returned on a part-time basis, resulting in lower expenditures than planned.
25	Council & Staff Education &			$ 52,990	$ 27,007	-$ 25,983	-49%	Staff and Board Professional Development, includes staff CE, facilitative chair training.
27	Database			$ 100,271	$ 86,581	-$ 13,690	-14%	Includes database hosting costs and development costs for IT projects: online applications, data cleanup, elections, public register changes, database security, billing, data optimization, general support and maintenance.
28	External Relations			$ 21,579	$ 13,365	-$ 8,214	-38%	Expenses for Board, and staff for external activities on behalf of the College. Includes National meeting attendance, AOE events, tradeshow attendance and expenses, student events. Expenditures are expected to remain below budget at year-end, primarily due to the absence of previously anticipated fall OOA events in Ottawa, London and Toronto following the cessation of OOA activities.
29	General Operational			$ 258,992	$ 194,481	-$ 64,511	-25%	Includes general operating expenses; capital expenses, phone lines, College insurance; CPP for board and committee members; staff expenses; printing; postage; maintenance; bank charges; bookkeeping; office supplies; shredding services; off-site file storage.
30	IT Requirements			$ 149,913	$ 116,022	-$ 33,891	-23%	Include the hard costs to support the College's computer systems, staff computer hardware, licensing costs of the database and email hosting.
31	Investigator			$ 80,000	$ 64,028	-$ 15,972	-20%	Investigators for the ICRC Process. *Actual 2026 to date:* 7 investigations currently open with 2 more anticipated by Dec, 6 require external investigators due to complexity. 50 total ongoing so far.
32	Legal			$ 122,800	$ 36,598	-$ 86,202	-70%	Includes independent legal counsel for Professional Conduct matters, as well as general advice. Expenditures are currently projected to be 59% below budget. Given the nature of legal services and the inherent unpredictability of when legal advice may be required, the budget includes provisions to ensure sufficient resources are available as needed.
33	Quality Assurance Program Costs			$ 16,500	$ 13,244	-$ 3,256	-20%	Reflects hard costs to administer the QA portfolio program, including practice assessments and peer assessor training.
34	Rent			$ 272,346	$ 216,535	-$ 55,811	-20%	Rent for College premises plus a small contingency for any adjustments to taxes, heat, electricity.
35	Salaries			$ 2,014,331	$ 1,651,617	-$ 362,714	-18%	Includes benefits, CPP, EI, EHT, RRSP contributions, salaries, vision care plan and payroll expenses
36	Strategic Initiatives			$ 98,500	$ 58,448	-$ 40,052	-41%	Includes administrative initiatives (staff retention and team building), ongoing Governance work, and funds for board initiatives supporting the strategic plan. This is the first year that UAP is being captured in Strategic Initiatives - of the total $60k budget, $30k has been spent to date.