

BRIEFING NOTE

TO: Board of Directors

FROM: Fizza Asad, Manager, Finance and Human Resources

DATE: June 1, 2026

SUBJECT: Financial Variance Report

☒ For Decision ☐ For Information ☐ Monitoring Report

Purpose:

The attached Financial Variance Report for the period ending March 31, 2026 is submitted to the Board of Directors 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 March 31, 75% 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 Q1.

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.

For Consideration:

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

Revenue

Total revenue to date is \$3,852,589 which reflects a variance of- \$105,439 (-3%) under budget.

Optician revenue is \$3,698,814, reflecting a variance of \$134,364 (4%) over budget. The College budgets conservatively for registration-related revenue so that we are prepared in the event of any unplanned fluctuations in renewal volumes or registration activity.

Interest and investment income is \$261, reflecting a variance of \$164,464 (-100%) under budget. The amount recorded to date reflects only regular interest earned on operating and savings accounts. A significant portion of the budgeted investment income relates to GIC investments that will mature in June 2026 and October 2026.

Board and Committee Expenses

Total Board and Committee Expenses for this period, \$36,699, shows a variance of -\$134,193 (-79%) to the budget.

Board and Committee expenses are recorded as they are submitted to the College, regardless of when the expense may have originally been incurred. At March 31, all committees remain well below budget as several meetings and related expenses budgeted for 2026 will occur later in the year. Additionally, a number of Board expenses relating to Q1 activities remained outstanding at quarter end and had not yet been submitted for reporting at the time of this report.

Operations and Administrative Expenses

Total operational and administrative expenses to date, \$899,214, shows a variance of -\$2,612,593 (-74%) to the budget.

General Operational expenses as of March 31, 2026 were \$145,833, reflecting a favourable variance of \$113,159 (-44%) under budget. While 75% of the fiscal year remains, this category is trending closer to budget than other operational areas as a significant portion of the annual expenses within this line are incurred early in the year. Merchant fees associated with optician renewal payments are primarily incurred during the January and February renewal period and therefore a large portion of these costs have already been recognized in Q1.

Recommendations/Action Required:

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

	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	F
			2026 Budget	Actuals March 31, 2026 (unaudited)	Variance to 2026 Budget (=C-B)	Variance to 2026 Budget % (=D/B)	Notes
1							
2	Total Revenue		\$ 3,958,029	\$ 3,852,589	-\$ 105,439	-3%	
3	Optician Revenue		\$ 3,564,450	\$ 3,698,814	\$ 134,364	4%	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	\$ 10,048	-\$ 19,952	-67%	Includes student/intern renewals, new student/intern registrations, student/intern reinstatements and any penalties.
6	Interest & Investment Income		\$ 164,726	\$ 261	-\$ 164,464	-100%	Interest on savings and GIC investments. GIC income will be realized in June 2026 and October 2026.
7	Miscellaneous Revenue		\$ 75,000	\$ 42,178	-\$ 32,822	-44%	Miscellaneous revenue includes: CE Activity Accreditation, Deficient Professional Portfolio Fees, Late Portfolio Fees, PLAR Application Fees, Duplicate Certificates, recovered discipline costs.
8	Rent Receivable		\$ 39,185	\$ 9,796	-\$ 29,389	-75%	Rent received for shared office space from CRTO starting October 2024
9	Total Expenses		\$ 3,682,699	\$ 935,913	-\$ 2,746,786	-75%	
10	Board and Committee		\$ 170,892	\$ 36,699	-\$ 134,193	-79%	
11	Board		\$ 96,523	\$ 21,520	-\$ 75,003	-78%	Budgeted: 4.25 Virtual Days (Jan - 2 Day, Mar, Oct, DEI Training), 3.5 Full Day in Person (Jun & Dec) To Date: 1 Full Virtual Days, 2 half virtual days 1 quarter virtual day
12	Discipline		\$ 11,419	\$ 869	-\$ 10,550	-92%	Budgeted: 5 Hearing Days (5 person panel, full day virtual), 8 decision writing days (1 member x 4 meetings) To Date: 1 Virtual half day hearing
13	Executive		\$ 5,288	\$ 804	-\$ 4,484	-85%	Budgeted: 6 Virtual Half Days To Date: 1 Virtual quarter day
15	Governance		\$ 4,425	\$ 613	-\$ 3,813	-86%	Budgeted: 4 Virtual Half Days To Date: 2 virtual quarter days
16	Investigations, Complaints & Reports		\$ 10,663	\$ 2,163	-\$ 8,500	-80%	Budgeted: 2 Virtual Half Days, 12 Virtual Half Day Panels To Date: 1 virtual half day, 1 virtual quarter day and 2 virtual half day panels
17	Screening Committee		\$ 4,875	\$ 313	-\$ 4,563	-94%	Budgeted: 2 virtual full days interview 0.25 virtual day training To Date: 1 virtual quarter day
18	Patient Relations		\$ 2,213	\$ 388	-\$ 1,825	-82%	Budgeted: 2 Virtual Half Days To Date: 1 Virtual quarter day
19	Quality Assurance		\$ 20,000	\$ 6,663	-\$ 13,338	-67%	Budgeted: 6 Half Day Virtual Meetings, and Panel review of 157 requests To Date: 1 Half Day Virtual Meeting, 3 Quarter day virtual meeting, Accreditation panel review of 48 accreditation request
20	Registration Committee		\$ 11,063	\$ 2,600	-\$ 8,463	-76%	Budgeted: 10 Virtual Half Days To Date: 2 virtual quarter day, 1 virtual half day
21	Clinical Practice Committee		\$ 4,425	\$ 769	-\$ 3,656	-83%	Budgeted: 4 Virtual Half Days To Date: 2 virtual quarter day
22	Operations & Administration		\$ 3,511,807	\$ 899,214	-\$ 2,612,593	-74%	
23	Communications		\$ 118,418	\$ 21,313	-\$ 97,105	-82%	Includes french translations, public focused social media strategy, and costs for communication and engagement.
24	Consulting		\$ 205,167	\$ 40,285	-\$ 164,882	-80%	Includes costs for IT consulting, bookkeeping (Jan/Feb only), recruitment consulting, board facilitator and government relations consultant.
25	Council & Staff Education & Development		\$ 52,990	\$ 3,750	-\$ 49,240	-93%	Staff and Board Professional Development, includes staff CE, staff communications training, facilitative chair training.

	A			B	C	D	E	F
				2026 Budget	Actuals March 31, 2026 (unaudited)	Variance to 2026 Budget (=C-D)	Variance to 2026 Budget % (=D/B)	Notes
26								
27	Database			\$ 100,271	\$ 18,918	-\$ 81,354	-81%	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	\$ 10,337	-\$ 11,242	-52%	Expenses for Board, and staff for external activities on behalf of the College. Includes National meeting attendance, AOE/OOA events, tradeshow attendance and expenses, student events.
29	General Operational			\$ 258,992	\$ 145,833	-\$ 113,159	-44%	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. 70% of merchant fees have been paid in January and February (related to renewals) and will not be incurred again.
30	IT Requirements			\$ 149,913	\$ 47,122	-\$ 102,791	-69%	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	\$ 20,839	-\$ 59,161	-74%	Investigators for the ICRC Process. Actual 2026 to date: 7 investigations open 4 require external investigator an are complex
32	Legal			\$ 122,800	\$ 17,815	-\$ 104,985	-85%	Includes independent legal counsel for Professional Conduct matters, as well as general advice.
33	Quality Assurance Program Costs			\$ 16,500	\$ 2,550	-\$ 13,950	-85%	Reflects hard costs to administer the QA portfolio program, including practice assessments and peer assessor training.
34	Rent			\$ 272,346	\$ 63,924	-\$ 208,423	-77%	Rent for College premises plus a small contingency for any adjustments to taxes, heat, electricity.
35	Salaries			\$ 2,014,331	\$ 498,130	-\$ 1,516,201	-75%	Includes benefits, CPP, EI, EHT, RRSP contributions, salaries, vision care plan and payroll expenses
36	Strategic Initiatives			\$ 98,500	\$ 8,399	-\$ 90,101	-91%	Includes administrative initiatives (staff retention and team building), ongoing Governance work, and funds for board initiatives supporting the strategic plan,UAP.