



t o g e t h e r w e ' r e s h a p i n g t h e f u t u r e

A photograph of a woman with short grey hair and glasses, wearing a dark jacket over a light-colored top, leaning over a table. She is pointing at a book with her right hand. A young boy with dark curly hair, wearing a white t-shirt with a colorful pattern, is looking down at the book. The background is slightly blurred, showing what appears to be a library or study area with bookshelves.

The College Mandate

- To regulate the profession of teaching and to govern its members.
- To develop, establish and maintain qualifications for membership in the College.
- To accredit professional teacher education programs offered by postsecondary educational institutions.
- To accredit ongoing education programs for teachers offered by postsecondary educational institutions and other bodies.
- To issue, renew, amend, suspend, cancel, revoke and reinstate certificates of qualification and registration.
- To provide for the ongoing education of members of the College.
- To establish and enforce professional standards and ethical standards applicable to members of the College.
- To receive and investigate complaints against members of the College and to deal with discipline and fitness to practise issues.
- To develop, provide and accredit educational programs leading to certificates of qualification additional to the certificate required for membership, including but not limited to certificates of qualification as a supervisory officer, and to issue, renew, amend, suspend, cancel, revoke and reinstate such additional certificates.
- To communicate with the public on behalf of the members of the College.
- To perform such additional functions as are prescribed by the regulations.

In carrying out its mandate, the College has a duty to serve and protect the public interest.

TABLE OF CONTENTS

Council	T W O
Chair's Message	T H R E E
Registrar's Message	F O U R
Committee Reports	S I X
Financial Reporting Responsibilities	T W E L V E
Auditors' Report	F O U R T E E N
Balance Sheet	F O U R T E E N
Statement of Operations and Members' Equity	F I F T E E N
Statement of Changes in Financial Position	F I F T E E N
Statistics	S E V E N T E E N





Front Row

Nancy Hutcheson
 Larry Capstick
 Sandi Bell
 Donna Marie Kennedy (Chair)
 Margaret Wilson (Registrar)
 John Cruickshank (Vice-Chair)
 Solette Gelberg

Centre Row

Nicholas Myrhorod
 Frances Thorne
 Kathleen McFadyen
 Diane Leblovic
 Cecilia Reynolds
 David Somer
 Anthony Saldanha
 Karen Mitchell
 Clarice West-Hobbs
 Lynn Daigneault
 Marilyn Laframboise

Back Row

George Merrett
 Frances Hill
 Harry Mulvale
 Margaret Dempsey
 Michel Gravelle
 John Slade
 Wayne Cornack
 Doug Carter
 Paul Charron
 Alfred Lorenzi
 William Rogers

Absent

Liz Barkley
 Jackie Breithaupt
 Pierre Calvé

**Appointed
 Later**

Jean Hanson
 Stan Shapson

No one needs reminding that the teaching profession has a long and distinguished history. Teachers have always been regarded as professionals. But now, after 30 years of successive Royal Commissions, we have a piece of legislation that sets in law our professional status.

The establishment of the Ontario College of Teachers last May is but one more notation for a distinguished profession. A significant notation, I might add.

The College now ranks as the largest self-regulating body in the country. Membership in the College stands at 165,000. There are 11 committees that each of the 31 members of Council participates in. In short, there is a tremendous amount of work. And yet in just one year, so much has been accomplished.

Public accountability is an important part of the College mandate. The public members of Council have demonstrated a keen and responsive understanding of our profession. Indeed, all Council members recognize the importance of operating in both the public and profession's interest. Members of Council are to be commended for their efforts, since all of their work is voluntary and each member has personal and professional responsibilities outside the demands of the College.

Has there been debate around the Council table? Yes. And at times that debate has been heated. Yet, it is with satisfaction that I can report to you here



that Council has been extremely productive in establishing sound policies and practices for itself.

In this inaugural year, Council has approved a Code of Ethics for itself, seen the passage of a Professional Misconduct Regulation, and worked vigorously to ensure that Ontario students continue to be taught by qualified teachers. The committees of Council have also worked extremely hard, forging a path for years to come.

Many members of the College have also taken the time to participate in focus groups as the College begins the formation of a framework for professional learning. Many of you have also visited the College's web site, providing comments to questions posed by staff in the Professional Affairs Department. After all, this is a college of teachers. A self-governing, self-regulating body such as ours needs to hear from its members.

It is heartening to know that many partnerships have developed in the College's first year. I look forward to hearing many more thoughts and suggestions from you as we continue to shape the future of our profession.

While the education system undergoes dramatic and rapid change, there is a level of comfort in knowing that the Ontario College of Teachers exists as a body dedicated to serving the public and the continuing professionalism of its members – the teachers of Ontario.

The formation of the Ontario College of Teachers in July 1996 by an act of the provincial legislature signified that the teaching profession had come of age. The College affords educators a lead role in shaping the future of all aspects of their profession. The College is a professional organization, independent of government, responsible to the public for the regulation of the teaching profession in Ontario.

In 1997, our first full year as a self-regulatory body, the Ontario College of Teachers has made substantial progress in fulfilling its mandate.

In January, the College re-launched its web site to keep members better informed on organizational developments. In its first year, the web site recorded more than 100,000 visits, greatly exceeding expectations.

In February, members participated in the election of the College's first Governing Council. While the mail-in ballot for 17 different positions presented some logistical challenges, the process made it possible for 52,642 educators across the province to cast ballots. This turnout was significantly higher than elections for other self-regulating bodies.

In May, the members of the College's new Council – those elected and the fourteen members of the public appointed by the government – assembled for the first time, bringing a wide variety of teaching and other professional experience to their new responsibilities. The meeting saw the election of Donna Marie Kennedy to the position of Chair and John Cruickshank to the position of Vice-Chair. Council also established five statutory and three standing committees to assist it in carrying out its responsibilities. Council met five times in 1997, while the College's committees met a total of twenty-four times.

The College continued to improve communication with its membership with the launch of *Professionally Speaking/Pour parler profession* in May. The magazine, published in both English and French, is recognized as an important source of information on Council decision-making. Contributions from classroom teachers have helped the magazine reflect the ideas, experience and energy of the profession.

The filing of teacher qualification Regulation 184/97 on May 20, 1997 enabled the transfer of teacher education and certification functions to the College from the Ministry of Education and Training. At the same time, 300,000 certified teacher records dating back to 1910 were transferred to the

College in a variety of formats, and the process of updating individual teacher records began.

On August 6, the College's first-ever Certificate of Registration and Certificate of Qualification were presented to new graduate Luci Loisi. Luci applied for membership in the College after receiving her Bachelor of Education from the University of Toronto.

In August, members in good standing began to receive their Certificates of Registration and Qualification, which replaced the Ontario Teacher's Certificate. Information on many certificates reflected data-entry errors and files that had not been updated for years. So, in its first year of operation, the College had to launch a major initiative to update the certificates and correct its recently-inherited database.

At its meeting in September, Council approved a regulation that defines professional misconduct for College members. The Ontario College of Teachers and its committees will rely on these definitions during investigations and hearings into complaints about the misconduct of members.

Council closely monitors government initiatives. On October 20, the Chair of Council presented the College's position on Bill 160 to the Standing Committee on the Administration of Justice. The Chair informed members of the Legislative Committee that four clauses in the bill undermined the College's mandate to certify teachers and determine their qualifications. The government withdrew the four problem clauses ten days later.

In December, the number of client services assistants was expanded from eight to 12 to handle member inquiries that often exceed more than 1,000 telephone calls every business day from the existing membership, applicants, employers and the general public.

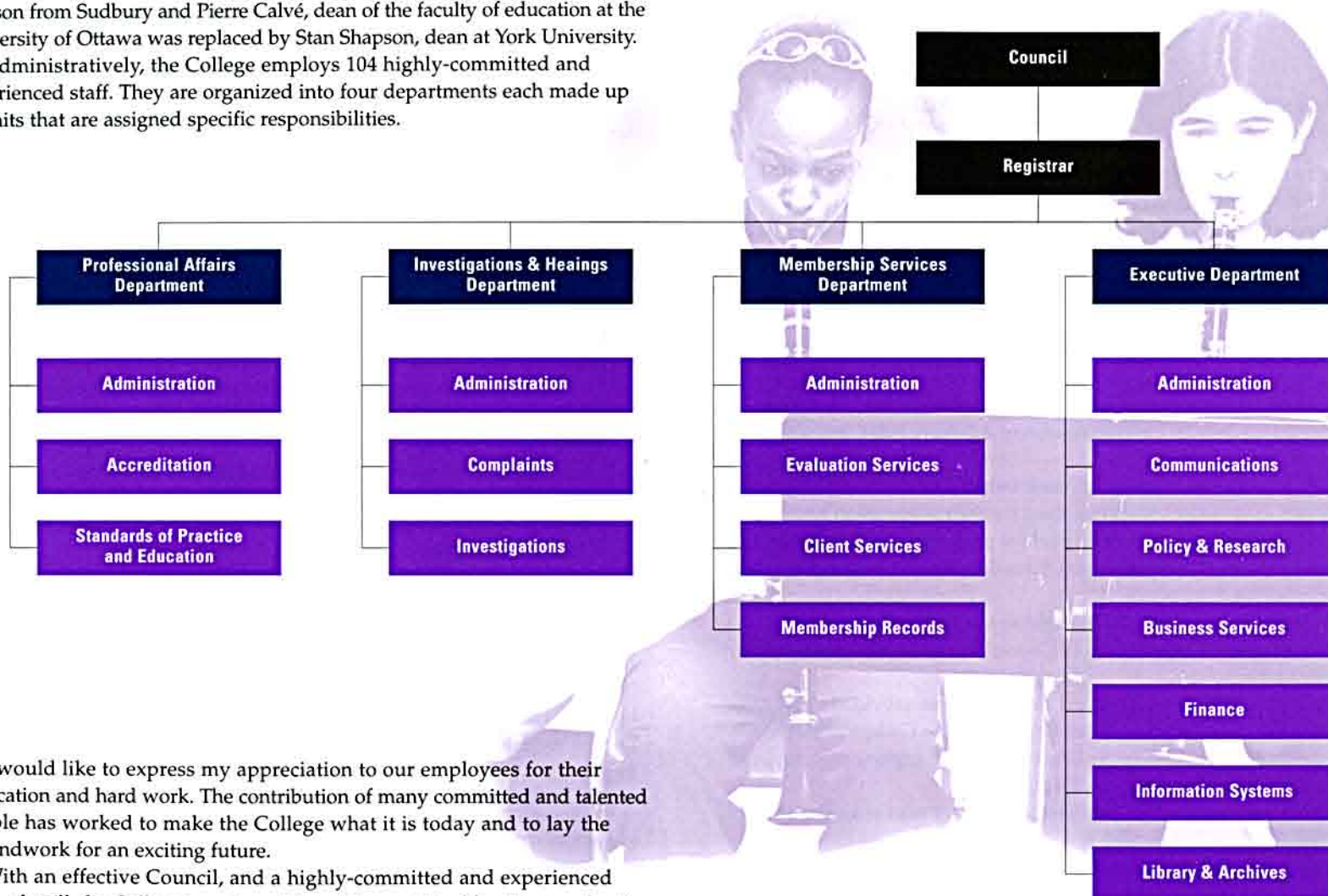
The College received numerous inquiries and requests throughout the year from a variety of stakeholders including government, faculties of education, school boards, trustee organizations, the Ontario Teachers' Federation and its affiliates, subject associations and school councils. The Ontario model of self-regulation also attracted a national and international audience, and the College received numerous delegations.

The profession experienced continued growth throughout the year. By December 31, 165,099 teachers had registered, making the College the largest self-regulating body in the country.



Two Council members resigned in 1997. Nancy Hutcheson, the Northern Ontario elementary representative from Thunder Bay was replaced by Jean Hanson from Sudbury and Pierre Calvé, dean of the faculty of education at the University of Ottawa was replaced by Stan Shapson, dean at York University.

Administratively, the College employs 104 highly-committed and experienced staff. They are organized into four departments each made up of units that are assigned specific responsibilities.



I would like to express my appreciation to our employees for their dedication and hard work. The contribution of many committed and talented people has worked to make the College what it is today and to lay the groundwork for an exciting future.

With an effective Council, and a highly-committed and experienced team of staff, the College is well-positioned to meet its obligations under the *Ontario College of Teachers Act*. We are very proud of our progress during our first year and look forward with optimism to the challenges that lie ahead.

The Executive Committee

Donna Marie Kennedy (Chair)	Kathleen McFadyen
John Cruickshank (Vice-Chair)	George Merrett
Sandi Bell	Harry Mulvale
Paul Charron	Cecilia Reynolds
Michel Gravelle	Clarice West-Hobbs
Marilyn Laframboise	

The Executive Committee conducts the ongoing business of the College between Council meetings. It has the powers of Council with respect to any matter that requires immediate attention. If the Executive Committee exercises this power, it must report to Council at its next meeting. The committee does not have the power to make, amend or revoke a regulation or bylaw.

Committee Activities

The Executive Committee's work during 1997 was focused on further developing the College's structure and procedures.

Three additional committees were established: the Election Committee, the Editorial Board and the Human Resources Advisory Sub Committee of the Executive.

The committee also established two task forces. One task force examined policies related to paying Council members for their preparation time. It decided that members would only be paid for preparation time for meetings of investigation panels. The second task force developed a protocol to guide those who speak for the College.

The committee developed, and brought to Council, a Code of Ethics for Council members. This code defines Council members' obligations in the performance of their duties.

Over the course of the year, the Executive Committee provided substantive input into the Professional Misconduct Regulation; the College's brief to the Standing Committee on Bill 160 (the *Education Quality Improvement Act*); and the proposed Criminal Records Screening policy.

In November, the committee approved the appointment of an investigator under Section 36 of the *Ontario College of Teachers Act*. This kind of investigation may be initiated by the Registrar if she believes a College member has demonstrated professional misconduct, incompetence or incapacity.

The Executive Committee reviewed all committee reports going to Council and filled vacancies on the Discipline and Accreditation committees resulting from the resignations of Council members.

The Discipline Committee

George Merrett (Chair)	Jean Hanson
Kathleen McFadyen (Vice-Chair)	Donna Marie Kennedy
Larry Capstick	Marilyn Laframboise
Paul Charron	Diane Leblovic
Wayne Cornack	Karen Mitchell
Solette Gelberg	

The statutory mandate of the Discipline Committee is to rule on any allegation of professional misconduct or incompetence on the part of a College member. Professional misconduct is defined in the regulations. The committee is made up of seven elected and four appointed members of Council.

Complaints are referred to the committee by the Investigation Committee, the Council or the Executive Committee. Decisions are based on evidence placed before the committee in a hearing. Hearings are normally open to the public.

Where the committee finds a member guilty of professional misconduct or incompetence it may do one or more of the following:

- direct the Registrar to revoke a certificate
- direct the Registrar to suspend a certificate for up to two years
- direct the Registrar to impose conditions or limitations on a certificate
- impose a suspended penalty which may be waived if certain conditions are met in a specified time.

If the committee finds a member guilty of professional misconduct, it may also do one or more of the following:

- require that the member be reprimanded, or counselled by the committee or its delegate; and have this penalty recorded on the register, temporarily or indefinitely
- impose a fine of up to \$5,000
- publish its order, in detail or in summary, with or without the member's name, in the College's official publication
- fix costs to be paid by the member to the College.

Committee Activities

The Discipline Committee met for a total of three days in 1997 and a subcommittee did extensive work on proposed rules of procedure. In drafting these rules, the committee reviewed investigation and hearing process of the Ontario Teachers' Federation Relations and Discipline Committee. Committee members received training in conducting hearings and in writing decisions.

The committee also gave careful consideration to the proposed Professional Misconduct Regulation and offered input to modify the regulation.

The committee is working on developing an alternative dispute resolution mechanism. The College will use this process, where appropriate, to settle disputes between complainants and College members as an alternative to other processes.

The committee and staff made presentations to groups representing the profession, teachers' unions, parents and the general public.

The Fitness To Practise Committee

Marilyn Laframboise (Chair) **Frances Thorne**
Nicholas Myrhorod (Vice-Chair) **Clarice West-Hobbs**
Cecilia Reynolds

The Fitness to Practise Committee has the statutory power to rule on any allegation of incapacity on the part a College member. Cases may be referred to the committee by the Investigation Committee, the Council or the Executive Committee. The committee is made up of three elected and two appointed members of Council.

When a complaint is received, the committee holds a hearing to determine whether physical or mental conditions or disorders exist that make a member unfit to carry out professional responsibilities. Hearings are not normally open to the public.

If the committee finds a member to be incapacitated it may:

- direct the Registrar to revoke a certificate
- direct the Registrar to suspend a certificate for up to two years
- direct the Registrar to impose conditions or limitations on a certificate
- impose a suspended penalty which may be waived if certain terms and conditions are met in a specified time.

Committee Activities

In 1997, the committee met three times and laid the foundation for how it would operate. It conducted an overview of the complaint intake, investigation and hearing process and developed draft Rules of Procedure for Conducting Hearings. In developing its rules, the committee considered the experiences of colleges regulating the health care professions in Ontario. The committee also provided training for its members in conducting hearings, decision-making and decision-writing.

Human Resources Advisory Subcommittee

Michel Gravelle (Chair) **Kathleen McFadyen**
Sandi Bell

The committee provides advice to the Registrar and Executive committee on human resources issues, including the annual review of compensation systems, pension and benefits, performance management and employee recognition plan.

The Registration Appeals Committee

Michel Gravelle (Chair) **Doug Carter**
Nicholas Myrhorod (Vice-Chair) **George Merrett**
Jackie Breithaupt

Those who have been denied registration in the College or those who have restrictions put on their certificate may appeal those decisions to the Registration Appeals Committee.

The committee is made up of three elected and two appointed members of Council. The committee met for two days in May to elect a vice-chair and to provide orientation for members to the assessment of teaching credentials. As well, members attended a training session on administrative law.

No applications for registration appeal were received in 1997.

The Accreditation Committee

Cecilia Reynolds (Chair) **Stan Shapson**
Larry Capstick (Vice-Chair) **John Slade**
Wayne Cornack **David Somer**
Lynn Daigneault **Frances Thorne**
Donna Marie Kennedy

The mandate of the Accreditation Committee is to develop an accreditation process for all Ontario teacher education programs and providers. This is new and innovative work: until now, programs in the field of teacher education have never been accredited.

There are 10 faculties of education in the province providing teacher education pre-service programs. There are also a wide variety and number of in-service programs and providers. The committee decided to give priority to the development of an accreditation process for the pre-service programs.

The committee is made up of five elected and four appointed members of Council.

Committee Activities

The Accreditation Committee met three times in 1997. It set up two subcommittees to facilitate its work. Subcommittee members included representatives of the Ontario Association of Deans of Education (OADE) and of the College membership-at-large.

External subcommittee members were:

Dr. Michael Awender, dean, faculty of education, University of Windsor

Dr. R. Terrance Boak, dean, faculty of education, Brock University

Dr. Rebecca Coulter, associate dean, faculty of education,
University of Western Ontario

John Dunscombe, teacher, West Parry Sound Board of Education

Dr. Jean Handscombe, faculty of education, York University

Eleanor Newman, superintendent, Leeds and Grenville County
Board of Education

Janet Ouellette, principal, Windsor Roman Catholic Separate School Board

Robert Pellerin, teacher, Simcoe County Board of Education

Dr. Stan Shapson, dean, faculty of education, York University

The subcommittees kept in close touch with the Standards of Practice and Education Committee as the themes around standards of practice for the profession were being discussed.

The Pre-Service Program Review Subcommittee

The College conducted a massive data collection process in 1997. Letters were sent to French and English institutions and accrediting bodies around the world, asking them to provide information about programs and requirements. The subcommittee then developed program criteria tailored to Ontario requirements. These criteria were anchored on the trends and themes emerging from the work of the Standards of Practice and Education Committee.



The Accreditation Subcommittee

The subcommittee task was to develop a draft accreditation process for pre-service education programs at Ontario faculties of education. It began its work by collecting data from colleges regulating other professions in Ontario and from boards regulating teachers in other jurisdictions.

The accreditation process will involve all aspects of the teacher education program: the physical plant; research resources available to students and

staff; the relationship between faculty and associate teachers; the length and cost of the program; and how programs address the main themes identified by the Standards of Practice and Education Committee.

An accreditation model was developed which will be tested at three pilot sites: Laurentian University, Nipissing University and Queen's University.

There was an intensive consultation process with the three pilot faculties. This included monthly meetings with deans and faculty members or their representatives. The process allowed a continuous dialogue and exchange of information.

College staff and committee members also visited other faculties to explain their work. As well, they provided monthly updates to meetings of the OADE.

The draft accreditation process was presented to the Accreditation Committee at the end of 1997.

The Accreditation Committee made plans to establish panels which will spend four days in 1998 at each faculty of education pilot site to meet with administration, faculty of education staff, associate teachers and teacher candidates.

The In-service Program Review Subcommittee

In September, the College conducted three information sessions for representatives of subject area associations, faculties of education, teacher federations, community colleges, consortia, private providers, and school boards to discuss in-service education programs and experiences. Information from those sessions was shared with the College membership by means of the College web site.

The In-service Program Review Subcommittee was formed to review the data and make recommendations about criteria to be applied to potential providers. This work is ongoing.

External subcommittee members were:

Elizabeth Falco, teacher, Trinity College School, Port Hope

William Gerth, principal, Central Huron Secondary School, Quinton

Hélène Koscielniak, superintendent, Conseil des écoles séparées catholiques
du district de Kapuskasing

Dr. Joanne Quinn, director of continuing education, Ontario Institute for
Studies in Education

Dr. Laverne Smith, dean, faculty of education, Nipissing University

Rochelle Williams, teacher, Westview Family Blue Haven Centre, North York

Standards of Practice and Education Committee

Clarice West-Hobbs (Chair)

Frances Hill (Vice-Chair)

Liz Barkley

Sandi Bell

Margaret Dempsey

Diane Leblovic

Harry Mulvale

William Rogers

Anthony Saldanha

The Standards of Practice and Education Committee advises Council on the development of:

- i. pre-service and in-service standards of practice
- ii. a provincial professional learning framework to support standards of practice and promote continuing competence among members of the College.

The committee is made up of five elected and four appointed members of Council.

The Standards of Practice and Education Committee met three times in 1997.

Four subcommittees focused on specific tasks. Two of these subcommittees concentrated on standards of practice for the teaching profession; two initiated work in the area of ongoing professional learning and the professional learning framework. Each of these subcommittees included two external resource persons who are members of the College and have experience and expertise specific to the work of the particular subcommittee.



The subcommittee members, including the external resource persons, are:

Pre-service: Standards of Practice

Sandi Bell, Margaret Dempsey, Clarice West-Hobbs

Arlene Campbell, acting vice-principal, Toronto District School Board

Jacqueline Harris, course director, York University

Professional Learning Framework

Liz Barkley, Frances Hill, Diane Leblovic

Kevin Crouse, vice-principal, Hamilton-Wentworth District School Board

Jacqueline Levesque, directrice générale, Centre de leadership en éducation

Supervisory Officer Qualification's Program: Standards of Practice

Margaret Dempsey, Frances Hill, William Rogers

Lynda Palazzi, superintendent of schools, Peel District School Board

Carole Weir, director of education, Superior North Catholic District School Board

Ongoing Professional Learning: Standards of Practice

Liz Barkley, Harry Mulvale, Anthony Saldanha

Lori Barkans, teacher, Grand Erie District School Board

Michael Prendergast, teacher, Hastings and

Prince Edward District School Board

The committee and unit staff completed a search of the national and international literature relating to standards of practice. The committee identified several themes, consistently found in existing examples. The committee determined that these themes would provide the basis to initiate a conversation with members of the College and the public about what standards of practice might mean in the context of Ontario education.

The committee has undertaken a comprehensive and integrated approach to field-based research in order to ensure that members of the College and the public have an opportunity to provide data to assist in the development of the standards and the professional learning framework. The research activities include the use of structured focus groups, personal interviews, facilitated discussions and the use of web site postings as data-gathering opportunities.

A written survey will also be field-tested for broader distribution in 1998. All data will support the work of the committee as it prepares the first draft of the standards and the professional learning framework for consideration by the Council.

The committee has prepared print resource materials that support the exploration of the issues related to the development of standards of practice for the profession and the professional learning framework. These materials have been widely distributed and discussed.

The committee anticipates that a draft statement of standards of practice for the teaching profession and a preliminary report on the professional learning framework will be brought to the December 1998 meeting of the College Council for consideration. At this time, the committee will also recommend a process for a second phase of data-gathering and consultation with members of the College and the public.

The Standards of Practice and Education Committee appreciates the time many members of the College and the public have given to this phase of its work. The data-gathering process continues to bring valuable insights and direction to the development of the standards of practice for the teaching profession.

The Election Committee

Doug Carter (Chair)
Frances Hill (Vice-Chair)
George Merrett

Nicholas Myrhorod
John Slade

The Election Committee is a special committee of Council that recommends regulations and bylaws to govern Council elections. During an election year it also oversees the election process. The committee is made up of three elected and two appointed members of Council.

The committee was appointed in September 1997. Because the regulation governing the first election expired in 1997, the task of the committee is to work toward a new regulation that will govern the second set of Council elections in 2000.

The Editorial Board

Marilyn Laframboise (Chair)
Liz Barkley
Wayne Cornack

Diane Leblovic
Karen Mitchell

The responsibility of the board is to oversee the publication of the College's quarterly magazine, *Professionally Speaking/Pour parler profession*, including the development of editorial and advertising policy and the consideration of submissions for future issues. The magazine is distributed to all members as a benefit of membership.

The Finance Committee

Paul Charron (Chair)
Solette Gelberg (Vice-Chair)
John Cruickshank

Frances Hill
Anthony Saldanha

The Finance Committee advises Council about the College's financial affairs and also acts as an audit committee. All of the committee's recommendations must be approved by Council which has the ultimate responsibility for the financial affairs of the College.

The committee makes recommendations about the College's long-term financial and operating plans. It determines the principles and guidelines used in setting the annual budgets, oversees budget preparation, and examines interim financial reports to ensure budget compliance and appropriate reporting to Council.

In its role as audit committee, the Finance Committee reviews, with management and the external auditors, the annual financial statements and makes recommendations about Council's accounting, financial reporting and internal control procedures.

The committee reviews and makes recommendations about proposed annual membership and other fees. It also oversees the development of spending policies, investment guidelines and the management of major financial risks.

Committee Activities

At its inaugural meeting, Council requested the committee to review the 1997 operating budget. The committee met in May and June to do this work. It recommended approval of the budget and, during the course of these deliberations, developed a set of financial objectives which it adheres to in overseeing the College's financial affairs.

They are:

- *Services will be appropriately funded to meet legislative requirements.*
The *Ontario College of Teachers Act, 1996* establishes the responsibilities and obligations of the College. The financial plans of the College will provide adequate resources in this regard.
- *Fees will be set at reasonable levels.*
The annual membership fee will be kept to the lowest possible level consistent with the other financial objectives.
- *Financial resources will be accumulated to ensure stability and independence.*
Although created by an act of the Ontario legislature, the College is an autonomous body corporate without share capital. In financial terms, this requires the accumulation of financial resources of a sufficient size, and without reliance on borrowing, so that the College will have the capacity to respond to unexpected risks; take advantage of opportunities; and stabilize annual membership fees.

The committee reviewed the audited 1996 financial statements and recommended Council approval. The 1998 budget process began in August. Council approved the final budget in December.

The committee also reviewed financial policy issues relating to travel, insurance and investment.

The committee is made up of three elected and two appointed members of Council.

Management

The financial statements of the Ontario College of Teachers are prepared by management which is responsible for the integrity, objectivity, reliability and fairness of the data presented, including amounts which, of necessity, must be based on estimates and informed judgments of current events and transactions.

In discharging its responsibility for the integrity and fair presentation of the financial statements, the College maintains a system of internal controls designed to provide assurance that transactions are authorized, assets are safeguarded and proper records are maintained. These controls include quality standards in hiring and training of employees, an effective segregation of responsibilities and accountability for performance of those areas of responsibility.

Council and Finance Committee

The Council of the Ontario College of Teachers has the ultimate responsibility for reviewing and approving the annual financial statements and overseeing management's responsibilities for the preparation and presentation of financial information and the maintenance of internal controls. The Finance Committee composed of five Council members assists the Council in meeting these responsibilities, and performs the duties of an audit committee. The role of the committee includes the following:

- To review, with management and the external auditors, the annual financial statements and the results of the auditors' examination and to recommend the annual financial statements for approval to Council.
- To consider, with management and the external auditors, any matters which could affect the adequacy of the Council's accounting, financial reporting and internal control procedures.
- To consider, with management, the financial policies with regard to spending, investment guidelines and the management of major financial risks faced by the College.

External Auditor

The College's external auditor is Coopers & Lybrand, an independent auditing firm, appointed by Council. Their responsibility is to report to the Finance Committee, the Council, and the members regarding the fair presentation of the financial statements of the College. This responsibility is fulfilled by carrying out an examination in accordance with generally accepted auditing standards. The auditors have full and unrestricted access to the Finance Committee to discuss their audit and related findings as to the integrity of the College's financial reporting and the adequacy of the system of internal controls.



Auditors' Report

March 13, 1998

To the Members of the Ontario College of Teachers,

We have audited the balance sheet of Ontario College of Teachers as at December 31, 1997 and the statements of operations and members' equity, and changes in financial position for the year then ended. These financial statements are the responsibility of the College's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the College as at December 31, 1997 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally-accepted accounting principles.

Coopers & Lybrand

Chartered Accountants
Toronto, Ontario

Balance Sheet as at December 31, 1997

(in thousands of dollars)

	1997	1996
	\$	\$
A s s e t s		
Current assets		
Cash	1,582	415
Accounts receivable	110	21
	1,692	436
Deferred election costs (note 2)	330	363
Deferred membership registration costs (note 2)	742	819
Capital assets (notes 2 and 3)	5,248	1,538
	8,012	3,156
L i a b i l i t i e s a n d M e m b e r s ' E q u i t y (D e f i c i t)		
Current liabilities		
Accounts payable and accrued liabilities	1,486	1,630
Balance due to the Province of Ontario (note 4)	—	1,701
Capital lease obligations (note 5)	130	—
Deferred lease inducement (notes 2 and 6)	2,955	1,178
	4,571	4,509
Members' equity (deficit)		
Reserve for working capital (note 7)	2,500	—
Unappropriated balance	941	(1,353)
	3,441	(1,353)
	8,012	3,156

Approved by the Council




Chair

Registrar

**Statement of Operations
and Members' Equity**

For the year ended December 31, 1997

(in thousands of dollars)

	1997	1996
	\$	\$
Revenue		
Annual membership fees	14,771	-
Other fees	396	-
Interest and other revenue	178	4
	15,345	4
Expenses		
Employee compensation	5,328	208
Council and committees	148	-
General services to members	1,221	150
Discipline/professional learning	105	-
Operating support	2,666	273
Professional fees	272	-
Financing	68	22
Asset amortization	743	-
	10,551	653
Excess (deficiency) of revenue over expenses for the period	4,794	(649)
Initial establishment costs transferred from the Province of Ontario	-	(704)
Members' deficit - Beginning of period	(1,353)	-
Members' equity (deficit) - End of period (note 7)	3,441	(1,353)

**Statement of Changes in
Financial Position**

For the year ended December 31, 1997

(in thousands of dollars)

	1997	1996
	\$	\$
Cash provided by (used in):		
Operating activities		
Excess (deficiency) of revenue over expenses for the period	4,794	(649)
Add non-cash items reflected in operations	728	-
Net change in non-cash working capital items	(233)	1,609
	5,289	960
Investing activities		
Deferred membership registration	(67)	(819)
Deferred election costs	(72)	(363)
Leasehold improvements	(2,753)	(1,043)
Office furnishings and equipment	(1,192)	(495)
Leased capital equipment	(260)	-
Initial establishment costs transferred from the Province of Ontario	-	(704)
	(4,344)	(3,424)
Financing activities		
Province of Ontario loan	(1,701)	1,701
Leasehold improvement allowance	1,793	1,178
Capital equipment leases	130	-
	222	2,879
Net increase in cash during the period	1,167	415
Cash position - Beginning of period	415	-
Cash position - End of period	1,582	415

Notes to Financial Statements

For the year ended December 31, 1997

(tabular amounts are in thousands of dollars)

1. Ontario College of Teachers' mandate

The Ontario College of Teachers was established by an act of the Ontario legislature, which was proclaimed on July 5, 1996.

The College is an independent, self-regulating professional body with authority to license and regulate the practice of teaching in Ontario.

The affairs of the College are managed and administered by a Council comprised of 31 members, of whom 17 are members elected by the membership.

2. Summary of significant accounting policies

The financial statements of the College have been prepared in accordance with generally accepted accounting principles. The more significant aspects are:

a. Deferred Election Costs

Council elections are held every three years. The cost of conducting these elections is deferred and amortized over the three-year term of the elected members.

b. Deferred Membership Registration Costs

To establish an initial registry of members, the College launched a campaign to acquire names and addresses of Ontario teachers and validated eligibility against the Ministry of Education and Training records. This initial cost is being amortized over six years commencing in 1997.

c. Capital Assets

Capital assets are recorded at historical cost and are amortized on a straight line basis over their estimated useful lives, as follows:

Computer equipment.....	33 1/3% per annum
Furniture and equipment.....	10% per annum
Leasehold improvements.....	over the remaining term of the lease

d. Deferred Lease Inducement

As described in note 6, the College is amortizing lease inducements over the term of the lease.

e. Not-For-Profit

As a not-for-profit professional membership organization, the College is not liable for income taxes.

3. Capital assets

	1997		1996	
	Cost	Accumulated Depreciation	Net book value	Net book value
	\$	\$	\$	\$
Furniture	1,474	147	1,327	460
Equipment	252	27	225	75
Leased computer equipment	260	84	176	—
Leasehold improvements	3,756	236	3,520	1,003
	5,742	494	5,248	1,538

The capital assets acquired by the College relate to office and meeting space at 121 Bloor Street East, Toronto.

4. Balance due to the Province of Ontario

Pursuant to the *Ontario College of Teachers Act, 1996*, the College assumed liability for costs attributable to its establishment and continued to finance operations until February 1997 through loans from the Ministry of Education and Training. The College repaid the outstanding loan balance on July 29, 1997.

5. Capital lease obligations

The College has acquired computer hardware and other office equipment through leasing arrangements. At December 31, 1997, the College had capital lease obligations amounting to \$208,000 at implicit rates of interest ranging from 6.4% to 7.0%. The future minimum annual payments are as follows:

	\$
Year ending December 31, 1998	78
Subsequent years	
1999	83
2000	47
	130
Total.....	208

6. Commitments

In September 1996, the College entered into a long-term lease agreement that expires November 30, 2012. The lease is for office space at 121 Bloor Street East, Toronto. In addition to a rent-free period until November 30, 1997 (valued at \$615,300), the College obtained an allowance for leasehold improvements of \$2,356,891, which is repayable out of rental payments.

The estimated annual rental payments, including a provision for operating costs under the lease agreement, are as follows:

	\$
Years ending December 31	
1998	1,078
1999	1,078
2000	1,078
2001	1,078
2002 – 2012.....	13,080
	17,392

In accordance with guidance provided by the Canadian Institute of Chartered Accountants, the College will be reporting an average rental cost for premises over the term of the lease agreement and will be amortizing the benefit of the lease inducements over the same period commencing in 1997.

7. Reserve for working capital

The Council of the College has established a reserve for working capital in recognition of the need to provide working capital for continuing operations.

8. Comparative amounts

Certain comparative amounts have been reclassified from those previously presented to conform with the presentation of the 1997 financial statements

STATISTICS

Membership in the College

(Includes members in good standing only)

Gender and language

Male	English	50,237
Male	French	2,681
Female	English	104,443
Female	French	7,738
Total		165,099

Geographic Distribution

By Ontario College of Teacher election zones

North	15,905
South East	28,731
Central	64,396
South West	55,217
Currently out-of-province	570
Currently out-of-country	280
Total	165,099

Age Distribution of the College Membership

Age range	Male	Female
20-30	5,247	17,107
31-40	11,438	26,750
41-50	18,675	42,157
51-60	16,219	24,434
>60	1,144	1,882
Total	52,723	112,330

(46 Members with unknown or invalid dates of birth)

Changes During 1997

Resigned	3,360
Revoked	2
Suspended	0
Suspended – non-payment of fees	6,357
Reinstated for payment in 1997	0

Registration Summary - 1997

Out-of-province and out-of-country evaluations:	1,137
Applicants trained in Canada	345
Applicants trained out-of-country	792
Includes:	
Letters of eligibility	748
Interim Certificates of Qualification	278
Rejected applications	111
Ontario new graduates processed	3,814
Letter of Eligibility to Interim Certificate of Qualification conversions	631
Interim Certificate Extensions	435
Interim Certificate to Certificate of Qualification conversions	647

All numbers reflect the 1997 calendar year.

Sources of this data are the Ontario College of Teachers membership register, the financial records of the College, and the Evaluation Services Unit files.