

# PERSPECTIVES

VOL 1 • ISSUE 2

2008 FINANCIAL UPDATE

Happy New Year! As we begin 2009, it is beneficial to look at the past year and reflect. 2008 was a tumultuous year financially around the globe, so it is appropriate and necessary that I share with you my confidence in the stability of the College and its financial resources.

In keeping with the tradition of recent years, the College has provided a financial update to all registrants to assist the profession in understanding the use of College funds and their fees. Contrary to the audited statement in the annual report, this document is intended to be a “plain” language version that provides data and comparisons.

The College Council has the over-arching responsibility to ensure College funds are used wisely in relation to the College’s mandate and vision. This includes protecting the profession’s investment in self-regulation and promoting the important focus on safe, quality physiotherapy in the public interest. Self-regulation is expensive and the College strives to maximize the use of each dollar to meet its mandate and the trust bestowed by registrants and the public.

Annual College operations are directed to 6 major areas of focus:

- Standard setting
- Entry to Practice
- Quality assurance and continuing competence
- Professional Conduct (investigations and hearings)
- Corporate infrastructure (human resources, office space, etc)
- Communication, education and resources for physiotherapists and the public

The emphasis is always on ensuring dollars are spent on achieving impact and outcomes relevant to excellence in regulation.

The following three charts provide different views of annual College spending. Chart A illustrates a comparison from 2007 to 2008. Most notable here is a continued growth in revenue related to a strong investment strategy and an increase of 260 new registrants. All primary program areas are fairly stable in annual costs when compared year to year. Similarly this stability is seen in operating expenses as well, such as rent, salaries and technology support.



CHART A

Fiscal Year Ending March 31	2008	2007
<b>Income</b>		
Registration Fees	4,035,438	3,705,107
Other Income	233,487	189,256
<b>Total Income</b>	<b>4,268,925</b>	<b>3,894,363</b>
<b>Program Expenses</b>		
Quality Management	286,880	290,267
Professional Conduct	151,252	158,290
Entry to Practice	90,343	103,075
Practice Advice	1,600	1,086
	<b>530,075</b>	<b>552,718</b>
<b>Other Expenses</b>		
Rent	216,179	227,853
Salaries/Benefits	1,517,862	1,506,613
Governance	275,850	250,528
Technology	160,994	183,425

## CHART B - College Expenses 2007/08

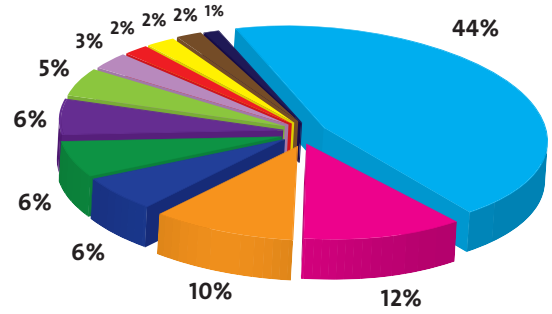
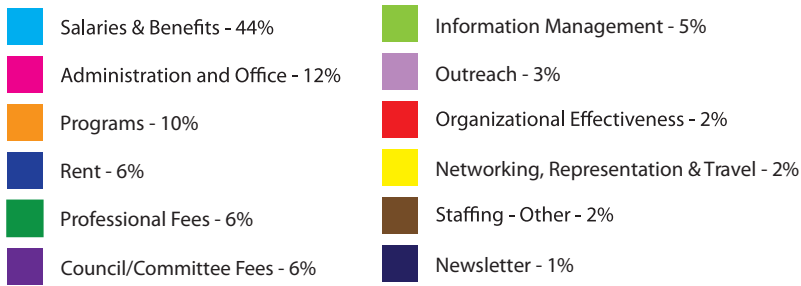
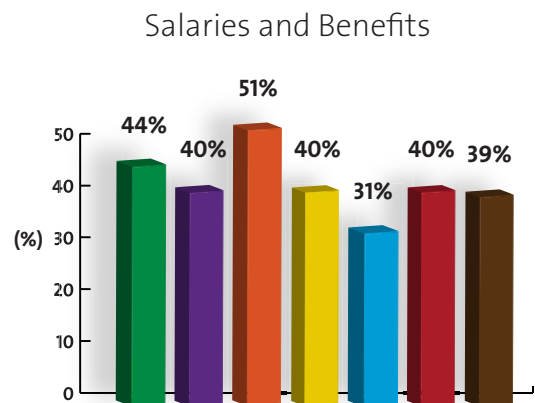
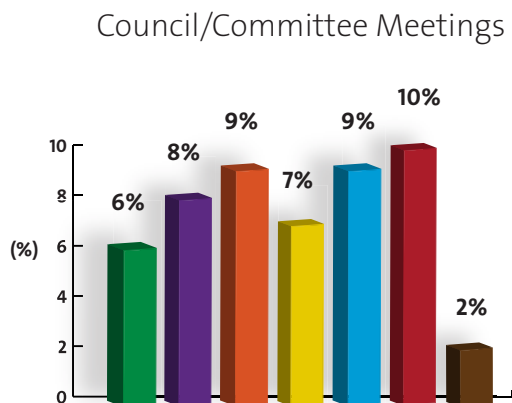
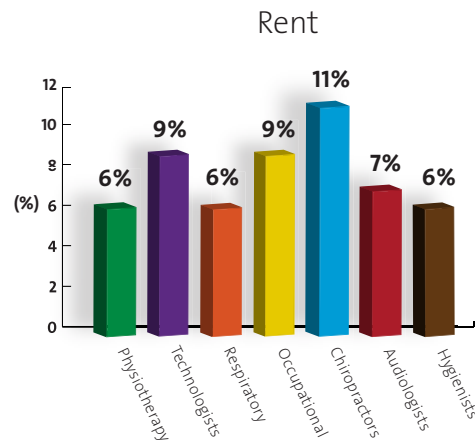
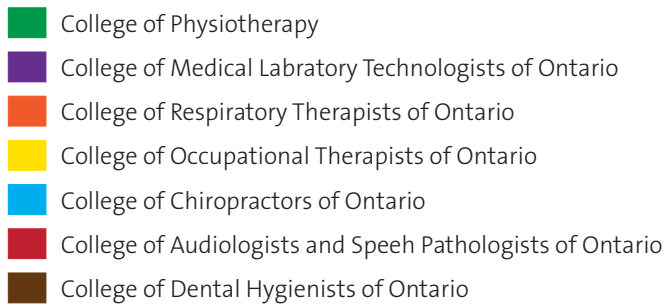


Chart B provides a different picture of data linked to the 2008 audited statement and describes the percentage of dollars spent on specific areas of business. In contrast, Chart C pulls comparative figures from other similar sized regulatory colleges to assist with understanding this college's expenditures within the broader regulatory sector.

## CHART C - Percentage of Annual Budget



Of equal importance to annual expenditures for the profession is the safe-guarding of the organization over the long term. In particular, the College wants to assure registrants of its financial health in this volatile economic climate.

Our reserve capital, outlined in Chart D, is invested securely and conservatively. Our aim is to preserve our capital and achieve modest growth. You can be assured that the College has secured no loss on its return on investments in these difficult times. In coming months as reinvestment is needed, we will make every attempt to continue to ensure preservation of funds along with making gains to at least match inflation rates.

**CHART D - Reserve Capital**

Reserve Figures	2008	2007
Unrestricted	1,578,449	837,196
Restricted	1,650,000	1,650,000
	<u>3,228,449</u>	<u>2,487,196</u>

The financial responsibility of the College is of great importance to the Council and staff of the College. The finances are monitored continuously and reported to senior staff at least monthly and to Council quarterly. The budget receives much scrutiny and several iterations before it is presented to Council for review and approval.

Now, more than ever, the financial stewardship of your registrant fees is paramount and you have our assurance that we will do everything possible to protect the profession's investment now and for the future.



## Clarification of Recent College Communication

On Dec 30, 2008 the College sent out an email requesting feedback on a proposed change to the By-law on Fees for Professional Corporations. The email was followed by a formal mailing to all registrants.

Thank you to all registrants who provided feedback related to the proposed fee changes for professional corporations. Some of the comments we have received indicate that more information about this proposal may be needed.

**The fees that are currently under discussion relate only to the annual renewal fee for a Certificate of Authorization for Professional Corporations. Individual registrant fees are not affected.**

## Background

In 2002, the Ontario government changed the Regulated Health Professions Act (RHPA) and the Business Corporations Act to allow health professionals to incorporate. The government outlined the rules related to this type of incorporation and called these corporations, Professional Corporations. All shareholders and directors in a Physiotherapy Professional Corporation must be registered physiotherapists. The RHPA also requires that Physiotherapy Professional Corporations be registered with the College and be issued a Certificate of Authorization by the College.

There are approximately 150 physiotherapists who have chosen to set up Professional Corporations. These physiotherapists pay annual individual registration fees (\$600), like all other physiotherapists in Ontario and are then required to pay an additional annual fee for the Certificate of Authorization for the Professional Corporation. The fee for the annual renewal of the Certificate of Authorization for the Professional Corporation was set at \$600 as an early estimation of the time and resources that would be required to process these renewals.

## What is being proposed?

The College is committed to setting fair and reasonable fees based on the costs of providing services. A recent analysis of the fees and costs involved with processing the renewal of a Certificate of Authorization for Professional Corporations indicated that the renewal fee could be reduced from \$600 to \$250. The fee for individuals renewing an individual Independent Practice Certificate remains at \$600.

## How to provide your feedback

Feedback on the proposed reduction of renewal fees for Professional Corporations can be made until **February 27, 2009** by contacting Rod Hamilton, Associate Registrar, Policy:

### Phone:

1-800-583-5885 or  
416-591-3828 Ext. 232

### Mail:

375 University Avenue Suite 901  
Toronto, ON M5G 2J5

### Fax:

416-591-3834

**E-mail:** [rhamilton@collegept.org](mailto:rhamilton@collegept.org)

### Provide Feedback Online

### For more information on Professional Corporations:

If you would like to learn more about Professional Corporations, please review the Guide to Professional Corporations located [here](#).



## Examiners for the Physiotherapy Competency Exam in 2009!

If you are interested in being an examiner for the PCE in 2009, please complete the application form on The Alliance website and send it to The Alliance. You will find the application form at:

English: [Click Here](#)

French: [Click Here](#)

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