



COLLEGE OF NURSES
OF ONTARIO
ORDRE DES INFIRMIÈRES
ET INFIRMIERS DE L'ONTARIO

THE STANDARD OF CARE.

Council briefing package



Note: To navigate this document and jump to specific sections, use the bookmarks tool.

Agenda

[Council's Governance Principles](#)

[Council's Annual Plan](#)

[Council's Team Norms](#)

9:00 a.m.	Land Acknowledgement	
9:10 a.m.	1. Agenda	Decision
	2. Minutes	
9:15 a.m.	2.1 Minutes of the Council meeting of September 30, 2021	Decision
9:20 a.m.	3. Finance Committee meeting of Nov. 11, 2021 <ul style="list-style-type: none"> Unaudited Financial Statements for the nine months ended September 30, 2021 2022 Operating and capital budgets 	Decision
10:30 a.m.	Break	
	4. Strategic Issues	
10:45 a.m.	4.1 Nursing Education Program Approval <ul style="list-style-type: none"> Annual reviews Comprehensive reviews New programs 	Decision
11:30 a.m.	4.2 <i>Strategic Plan 2021-2024: Update</i>	Information
noon	Break	
1:00 p.m.	4.2.1 Modernizing practice standards	Information and Discussion
1:45 p.m.	4.3 Key regulatory function: Professional Conduct	Information and discussion

	5. Reports	
2:15 p.m.	5.1 Executive Director update	Information & discussion
2:45 p.m.	5.2 Executive Committee meeting	Information
3:00 p.m.	Break	
	6. Council operations and governance	
3:15 p.m.	6.1 Proposed revised Stipend and Expense Policies for Council and committee members	Decision
3:45 p.m.	6.2 Confirmation of committee appointment	Decision
	7. Agenda items added by Council members	
4:00 p.m.	8. Reflection on the team norms	
	9. Date of next meeting	
	Wednesday, March 2 and Thursday, March 3, 2022	
4:15 p.m.	10. Conclusion	

Council is individually and collectively committed to regulating in the public interest according to the following principles:

Accountability

- We make decisions in the public interest
- We are responsible for our actions and processes
- We meet our legal and fiduciary duties as directors

Adaptability

- We anticipate and respond to changing expectations and emerging trends
- We address emerging risks and opportunities
- We anticipate and embrace opportunities for regulatory and governance innovation

Competence

- We make evidence-informed decisions
- We seek external expertise where needed
- We evaluate our individual and collective knowledge and skills to continuously improve our governance performance

Diversity

- Our decisions reflect diverse knowledge, perspectives, experiences and needs
- We seek varied stakeholder input to inform our decisions

Independence

- Our decisions address public interest as our paramount responsibility
- Our decisions are free of bias and special-interest perspectives

Integrity

- We participate actively and honestly in decision-making through respectful dialogue
- We foster a culture in which we say and do the right thing
- We build trust by acting ethically and following our governance principles

Transparency

- Our processes, decisions and the rationale for our decisions are accessible to the public
- We communicate in a way that allows the public to evaluate the effectiveness of our governance

Approved by Council, September 2016

DECEMBER

2021

- 2022 budget
- Modernizing practice standards
- Nursing Education Program Approval
- Regulatory function: Professional Conduct
- Stipend and expense policy review
- *Strategy 2021-2024*

MARCH

2022

- 2021 annual reports of statutory committees
- Election of the Executive and committee appointments
- Modernizing applicant assessment
- Modernizing practice standards
- Nursys Canada update
- Quality Assurance Program update
- *Strategy 2021-2024* update

JUNE

2022

- *2021 Annual Report*
- 2021 audited financial statements
- Appointment of the auditor for 2022
- Modernizing practice standards
- Standing committees appointments

SEPTEMBER

2022

- Dates of Council meetings in 2023
- Modernizing applicant assessment
- Nursing Education Program Approval

DECEMBER

2022

- 2023 budget
- Modernizing practice standards

Team Norms

As members of Council, we are committed to:

- **Being engaged, participating in Council discussion and decision-making**
- **Acknowledging and building on each other's contributions**
- **Fostering consensus**
- **Being comfortable raising dissenting views, respecting dissenting views**
- **Supporting decisions made by Council**
- **Respecting each other and the agenda**
- **Avoiding side discussions or off-line debate**
- **Being succinct**
- **Being open-minded**
- **Being genuine**
- **Being fully attentive**
- **Being kind to each other**

Adopted by Council
September 2021

Notes

Present

S. Robinson, Chair
P. Ankamah
T. Crowder
D. Cutler
T. Dion
S. Douglas
K. Goldenberg
R. Henderson
N. Hillier

M. Hogard
T. Holland
C. Hourigan
A. Jahangir
R. Kaur
M. Klein-Nouri
S. Larmour
M. MacDougall
F. Osime

J. Petersen
L. Poonasamy
M. E. Renwick
M. Sabourin
M. Sheculski
P. Sullivan-Taylor
N. Thick
D. Thompson
J. Walker

Regrets

A. Arkell
J. Armitage
R. Dunn

S. Eaton
K. Gartshore
R. Lastimoso Jr.

D. May
I. McKinnon

Guest

David Brown

Staff

A. Coghlan
F. Garvey
J. Hofbauer, Recorder

E. Horlock
B. Knowles
K. McCarthy

S. Mills
A. M. Shin
C. Timmings

Land Acknowledgment

S. Robinson shared a Land Acknowledgment.

Motion for closure

Council reviewed a recommendation for closure.

Motion 1

Moved by D. Cutler, seconded by M. Sheculski,

That the Council meeting be closed at 1:00 p.m. on Thursday, September 30, 2021 under Section 7(2)d of the *Health Professions Procedural Code* because “personnel matters or property acquisitions will be discussed”.

CARRIED

Minutes

Minutes of the Council meeting of June 3, 2021 had been circulated.

Motion 2

Moved by M. Klein-Nouri, seconded by M. E. Renwick,

That the minutes of the Council meeting of June 3, 2021 be approved as circulated.

CARRIED

Appointment of the Interim Nominating Committee

S. Robinson noted that appointing Council’s first Interim Nominating Committee is an important milestone in moving forward Council’s governance vision.

K. McCarthy, Director of Strategy, highlighted the centrality of the Nominating Committee to Council’s governance vision and the work done by Council to date to implement the Interim Nominating Committee.

D. Brown from Governance Solutions Inc. noted the importance of competency-based appointments to effective board and committee functioning. He highlighted the process used for the recruitment, assessment and selection of the Nominating Committee candidates recommended to Council. He noted that with all of the candidates, the Nominating Committee competencies are met.

N. Thick confirmed the strength of the process used and the resulting quality of the recommended candidates.

Council was reminded that, in accordance with the By-Laws, C. Evans, Council’s immediate Past President, will chair the Interim Nominating Committee.

Motion 2

Moved by M. Hogard, seconded by J. Petersen,

That the following be appointed to the Interim Nominating Committee:

- Diane Ballantyne to June 2024
- Sue Haywood to June 2024 and
- Terry Holland to June 2022

CARRIED

Council was informed that the Nominating Committee will recommend the statutory committee members to Council in March 2022.

S. Robinson expressed appreciation to D. Brown, and he left the meeting.

Follow-up Action

Inform the members of their appointment.
Plan for meetings of the Interim Nominating Committee.
Executive Director and CEO

Nursing Education Program Approval

Council members had received a briefing note highlighting the results of reviews of new programs and the recommendations of staff. S. Robinson noted that approving nursing education programs is an important Council accountability.

T. Holland and M. MacDougall declared conflicts of interest and left the meeting.

Motion 3

Moved by M. Sabourin, seconded by A. Jahangir,

That Council grant Preliminary Approval for the following new nursing education programs in Ontario:

- Loyalist College:
 - Direct Entry Full Program – Bachelor of Science in Nursing
 - Pre-Health Education Entry Specified Program – Registered Practical Nurse (RPN) to Bachelor of Science in Nursing
- Seneca College:
 - Direct Entry Full Program – Honours Bachelor of Science - Nursing
 - Pre-Health Education Entry Specified Program – Registered Practical Nurse (RPN) Bridge to BSCN Honours Bachelor of Science - Nursing

- Canadore College:
 - Direct Entry Full Program – Honours Bachelor of Science – Nursing Program
 - Pre-Health Education Entry Specified Program – RPN to BScN Honours Bachelor of Science – Nursing Bridging Program

CARRIED

T. Holland and M. MacDougall returned to the meeting.

Follow-up Action

Inform the education programs of their approval status.

Update the status of programs on cno.org.

Executive Director and CEO

Strategic Plan Update

A. Coghlan provided Council with a high-level review of work done to implement Strategic Plan: 2021-2024 since June. She noted that in addition to ongoing staff work to implement the plan, Council will be updated on three initiatives that support implementation of Strategic Plan outcomes:

- modernizing applicant assessment
- modernizing practice standards and
- CNO's Quality Assurance Program

Council was informed that staff are developing roadmaps for the pillars and outcomes of the Strategic Plan. When these are ready, an overall roadmap will be shared with Council.

Modernizing Applicant Assessment

S. Vogler, Manager, [Entry to Practice](#), highlighted the work done to date on modernizing applicant assessment. She highlighted the four registration requirements that will be addressed: evidence of practice, language proficiency, nursing education and police criminal record checks. The first area of focus will be language proficiency.

She also highlighted a pilot project to provide applicants with another option for meeting the evidence of practice requirements: a supervised [practice experience](#). In discussion, it was noted that CNO will develop a framework and seek to involve more employers in providing supervised [practice experience](#).

Council was also informed that CNO is working with stakeholders, including government, on partnerships that can help remove barriers to registration for international applicants.

Modernizing practice standards

C. Tancioco, Strategy Consultant, updated Council on the work being done to modernize practice standards. She highlighted the framework that has been developed and plans for stakeholder engagement and invited input from Council members.

In discussion, it was identified as important to build in flexibility to address changing practice, address the growing role of technology in care, and ensure the standards are applicable to all nursing roles and practice settings. The importance of stakeholder engagement was confirmed. Council will receive an update at the December meeting.

Quality Assurance (QA) Program update

A. Tong, Strategy Consultant provided an update on the new approach to QA for 2021. She noted that a new QA website has been introduced, including resources to assist nurses in completing practice reflection and facilitate learning with a new learning plan. CNO has introduced coaching support for nurses who are selected for QA Assessment.

An evaluation is underway this year and feedback from nurses participating in the assessment will inform changes and improvements for next year.

CNO is exploring new ways of engaging nurses and of shifting the perceptions about the QA program. CNO's approaches will grow and evolve based on engagement and input of participants in QA processes.

Closed session

Council held a closed session under Section 7(2)d of the *Health Professions Procedural Code*: "personnel matters or property acquisitions will be discussed".

Update on Executive Director and CEO recruitment

S Robinson highlighted the process for recruiting CNO's new Executive Director and CEO. She noted that a closed session of Council will be scheduled to appoint the successful candidate. Council members will be sent dates to hold for the meeting.

Executive Director Update

A. Coghlan updated Council on the following:

- positive feedback from nurses about CNO's Quality Assurance Program
- advancement of Council's governance vision: the Ministry of Health has announced plans to consult on modernization proposals for Ontario's health care system including changes to
 - regulatory governance
 - enhance college operations
 - enhance transparency and
 - reinforce public protection
- positive performance feedback about CNO's entry to practice processes from the Office of the Fairness Commissioner
- renovations to CNO's building
- CNO's vaccine policy and
- CNO's ongoing work related to diversity, equity and inclusion

Executive Committee

Council had received minutes of the Executive Committee meetings of July 22, 2021, August 26, 2021 and September 14, 2021.

Finance Committee

Council had received the report of the Finance Committee meeting of August 26, 2021. T. Holland highlighted the report.

In presenting the unaudited financial statements for the six-months ending June 30th, she noted that the accumulated surplus of \$38.6M is more than Council's benchmark for the surplus. She informed Council that, with commencement of building renovations, it is expected that the accumulated surplus will decrease.

Motion 4

Moved by T. Holland, seconded by N. Hillier,

That the unaudited financial statements for the six-months ending June 30, 2021 be accepted.

CARRIED

T. Holland reported that the Finance Committee also discussed the approach to developing the 2022 budget. She informed Council that the draft budget will be presented to Council in December.

Confirmation of Committee appointments

The Executive had filled a number of committee vacancies.

Motion 5

Moved by K. Goldenberg, seconded by J. Petersen,

That Council confirm the following statutory committee appointments:

Inquiries, Complaints and Reports Committee (ICRC) - Appointed committee members:

- Nicole Krywionek, RN until June 2023
- Shelley Sheedy, RN until June 2022 and
- Heather Whittle, NP until June 2022

Discipline and Fitness to Practise committees – Council members:

- Michael Hogard and
- Sandra Larmour

CARRIED

Dates of Council meetings

By-Laws require Council approval of meeting dates. It was noted that two days are being scheduled for all meetings, to allow for professional development at each meeting.

Motion 6

Moved by T. Crowder, seconded by S. Larmour,

That the following be the dates for Council meetings in 2022:

- Wednesday and Thursday, March 2 and 3, 2022
- Tuesday and Wednesday, June 7 and 8, 2022
- Wednesday and Thursday, September 28 and 29, 2022
- Wednesday and Thursday, December 7 and 8, 2022

CARRIED

Team Norms

Council reflected on its team norms. It was confirmed that all of the discussion was respectful and open-minded.

S. Robinson reminded members of the opportunity to participate in the November committee workshops on diversity, equity and inclusion.

Next meeting

Council will meet again on December 1, 2021 and December 2, 2021. Specifics about the times for meetings on each of those days will be shared once agendas are finalized.

Conclusion

At 2:30 p.m., on completion of the agenda and consent, Council concluded.

Chair

Report of the November 11, 2021 Finance Committee Meeting

Contact for questions or more information

Stephen Mills, Chief Administrative Officer

The Finance Committee met on November 11, 2021. Draft minutes of the meeting are attached ([Attachment 1](#)).

Financial Statements

The unaudited financial statements for the nine months ended September 30, 2021 ([Attachment 2](#)) and the confidential Management Discussion and Analysis were reviewed.

The year-to-date operating surplus of \$5.9M is a \$7.4M favourable variance from the \$1.5M budgeted deficit.

After a thorough review and discussion of the statements and the accompanying confidential Management Discussion and Analysis document, the Finance Committee recommends:

That Council approve the unaudited financial statements for the nine-month period ending September 30, 2021.

Report of the Sub-Committee on Compensation


The report of the Sub-Committee on Compensation¹ had been circulated to the Finance Committee.

Staff Compensation

Following a thorough discussion of the challenges CNO has been experiencing in attraction and retention of qualified staff and review of the results of an external compensation review, the Sub-Committee advised the Finance Committee that:

The 2022 compensation program included in the budget is congruent with Council's Compensation Principles and best practices in human resources.

¹ The Sub-Committee is an independent, expert group that advises the Finance Committee on staff compensation and on Council and committee stipend expenses. Its members are appointed based on competencies. Members are Craig Halket, Chair (member of the Finance Committee), Bob Canuel and Joe Nunes.



Craig Halket, Chair of the Sub-Committee confirmed the rigor of the briefing materials and the discussion.

Review of Stipend and Expense policies

The Sub-Committee undertook a review of the stipend and expense policies and forwarded the policies to the Finance Committee. The policies have been rewritten/restructured for clarity and to support understanding. A few changes have been made to the policies to reflect changes in practices and inflation (where relevant).

The Finance Committee is recommending approval of the revised policies to come into effect on January 1, 2022. They are addressed as Agenda Item 6.1 on the Council agenda.

2022 Budget

The Finance Committee discussed in detail the 2022 draft operating and capital budgets, along with projections to the end of 2025 ([Attachment 3](#)).

In summary, the draft 2022 operating budget includes new resources to support regulatory effectiveness and continue implementation of *Strategy 2021-2024*.

The draft budget estimates an operating deficit of \$7.3M which is the result of:

- budgeted revenues increasing to \$58.7M and
- budgeted expenses increasing to \$66.0M.

Following major capital investments in 2021 in technology and the building, the proposed capital budget for 2022 is significantly lower at \$1.3M.

The Finance Committee noted that the operating budget and projections predict that CNO's accumulated surplus at the start of 2022 will be 6 months of the operating expense budget, declining to 4.8 months by the end of the year. By the end of 2023, it is projected that CNO's accumulated surplus will be about 3 months of the expense budget.

After an extensive discussion, the Finance Committee is confident that the budget provides the funds required for CNO to meet its regulatory mandate and further its strategic objectives. It is also confident that the budget and projections support CNO's ongoing fiscal well-being.

The Finance Committee recommends:

That Council approve the 2022 operating and capital budgets.

Recruitment of the Sub-Committee on Compensation

The Finance Committee was informed that Bob Canuel's first term on the Sub-Committee is ending in June 2022. With feedback from Craig Halket, Chair of the Sub-Committee, the Finance Committee expressed confidence in Bob's contribution to the Sub-Committee.

Staff were advised that it is not necessary to undertake a recruitment to support the Committee in making its recommendation about membership in the Sub-Committee to Council in March.



Attachments

1. Draft minutes of the Finance Committee meeting of November 11, 2021
2. Financial statements for the nine months ended September 30, 2021
3. Draft 2022 Operating and Capital Budgets

Minutes

Present

N. Thick, Chair	T. Holland
S. Douglas	S. Robinson
C. Halket	M. Sheculski,
N. Hillier	P. Sullivan-Taylor

Staff

A. Coghlan	N. Mamodehoussen	L.M. Parsons
J. Hofbauer, Recorder	S. Mills	

Chair

N. Thick chaired the meeting.

Agenda

The agenda had been circulated and was approved on consent.

Minutes

Minutes of the Finance Committee meeting of August 26, 2021 had been circulated.

Motion 1

Moved by M. Sheculski, seconded by N. Hillier,

That the minutes of the Finance Committee meeting of August 26, 2021 be accepted as circulated.

CARRIED

Financial Statements

S. Mills highlighted the unaudited financial statements for the six months ended September 30, 2021.

In reviewing the statement of operations, he noted that instead of a budgeted deficit of \$1.5M, there is a surplus of \$5.9M, which is \$7.4M more than budgeted. The surplus results from:

- a positive revenue variance of \$2.4M and
- a positive expense variance of \$5M.

It was noted that, because of the variances, CNO's unrestricted net assets at the end of September are \$39.7M.

The Committee discussed the detailed variance analysis. It was noted that a large part of the expense variance relates to salaries, with positions hired later than anticipated and some unfilled. Delays in implementing some projects have also resulted in underspending on costs such as consultants and contractors.

The Committee reviewed and discussed the confidential Management Discussion and Analysis document. S. Mills highlighted various projects and initiatives that are outlined in the document. In discussing risks, it was noted that CNO may also experience challenges in attracting and retaining strong staff, impacting CNO's ability to meet its mandate and deliver on its strategic plan. The Committee noted that provisions are included in the 2022 budget to mitigate this risk.

Motion 2

Moved by C. Halket, seconded by P. Sullivan-Taylor,

That it be recommended that Council approve the unaudited financial statements for the nine months ended September 30, 2021.

CARRIED

Report of the Sub-Committee on Compensation

The Finance Committee had received the report of the Sub-Committee on Compensation, addressing:

- staff compensation for 2022 and
- Council and committee stipend and expense policies.

Staff Compensation

The Finance Committee had received a written report of the Sub-Committee on Compensation, together with draft notes of the Sub-Committee's meeting. It was noted that the Sub-Committee had the opportunity to review the results of a comprehensive compensation survey prepared by an external compensation expert and the changes proposed by CNO to address the gaps identified through the survey.

C. Halket highlighted the rigor of the compensation survey and the comprehensive briefings that the Sub-Committee received on attraction and retention issues and compensation. He reported that the Sub-Committee had extensive discussion. He noted that the Sub-Committee is confident that consultants who carried out the compensation survey followed best practices in collecting and analyzing data. He noted that the discussion resulted in the Sub-Committee's advice:

That the compensation program proposed for 2022 is congruent with:

- CNO's Compensation Principles and
- best practices in human resource management.

Stipend and Expense Policies for Council and Committee Members

The Sub-Committee had forwarded proposed revised stipend and expense policies for Council and committee members.

S. Mills noted that there are a few changes that reflect how some committees now operate and adjustments for inflation, where applicable. The policies have also been rewritten/restructured for clarity and to support understanding. Based on feedback from the Finance Committee, the substantive changes to policy will be highlighted in the version that is provided to Council.

It was noted that currently there are different approaches to determining preparatory stipend for statutory committees. Staff had hoped to identify a common parameter that could be used for claiming preparatory stipend; however, there was insufficient data. Over the next two years, staff will be collecting information to support consideration of a common framework for the next scheduled biennial review of the policies.

Motion 3

Moved by T. Holland, seconded by P. Sullivan-Taylor,

That it be recommended that Council approve the proposed revised Stipend and Expense Policies for Council and Committee Members, as they appear in Attachment 3 to the Report of the Sub-Committee on Compensation, to come into effect on January 1, 2022.

CARRIED

2022 Budget

Members of the Finance Committee received the 2022 draft operating and capital budgets along with projections through 2025.

S. Mills reviewed the business context of the budget, highlighting CNO's new approach to budgeting for projects.

S. Mills noted that at end 2021, the accumulated operating surplus is forecasted to be \$33.3M, which is 7 months of operating expense coverage and over the guideline set by the Finance Committee. However, if the proposed 2022 budget is approved, the operating expense coverage will decrease to 6 months in January 2022.

The 2022 budget estimates a \$0.3M increase in revenue to \$58.7M as a result of estimated increases in registrant and application fee revenues, offset by a decline in examination revenues with the launch of the REx-PN. The proposed budget includes a \$1.9M increase in operating expenditures to \$66.0M, with the major contributor being additional staff offset by a decline in project expenditures. This is projected to result in an operating deficit of approximately \$7.3M.

With substantive completion of renovations required to implement the space redesign, capital expenditures are estimated to decrease by \$6.9M to \$1.3M.

S. Mills highlighted the projections from 2023 to 2025. In 2023, it is estimated that CNO will incur an annual operating deficit of \$9M, which is expected to result in 3 months of operating expense coverage at year end. Depending on actual results, a fee increase may be needed for 2024.

N. Thick noted that the Finance Committee's role is to carefully review the budget and ask questions of management.

In the discussion it was confirmed that the compensation provisions in the budget reflect the advice of the Sub-Committee on Compensation.

The Committee suggested some clarifications to the presentation, particularly in relation to clarifying the links between the proposed budget and the strategic plan.

The Committee noted that CNO's main source of income is registrant fees. It was flagged as a potential risk and suggested that CNO continue its practice of projecting revenues conservatively, as there may be an increase in retirements in the coming years.

Following extensive discussion, the Committee confirmed its confidence that the 2022 budget supports CNO:

- carrying out its regulatory functions
- meeting its strategic objectives and
- maintaining its long-term fiscal well-being.

Motion 4

Moved by N. Hillier, seconded by S. Robinson,

That approval of the 2022 operating and capital budgets be recommended to Council.

CARRIED

Membership of the Sub-Committee on Compensation

The Committee was informed that Bob Canuel's first term on the Sub-Committee is coming to end in June 2022. He is eligible for reappointment and is willing to serve a second term on the Sub-Committee.

Staff requested input on whether an external recruitment is required to find potential candidates to fill this position before the Committee makes a recommendation to Council in March 2022.

As Chair of the Sub-Committee, C. Halket supported Bob's reappointment, noting that he is a seasoned expert who is a strong contributor to the Sub-Committee.

The Finance Committee concurred that given the level of expertise required of the Sub-Committee, the continuity of members is highly valued. They advised that no external recruitment is required to support their recommendation to Council.

Self-Monitoring Tool

The Committee reviewed the Self-Monitoring tool and confirmed that they had met their accountability for the meeting. The Committee noted that they feel well supported in their decision-making process based on the level of detail provided in the meeting materials, leaving them with confidence in their recommendations.

Upcoming meetings

The Finance Committee will meet the morning of February 10, 2022 and the afternoon of May 6, 2022.

Conclusion

At 3:35 p.m., on completion of the agenda, the Finance Committee meeting concluded.

Chair

DRAFT

**COLLEGE OF NURSES OF ONTARIO FINANCIAL
STATEMENTS AND NOTES
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021 (Unaudited)**

College of Nurses of Ontario
Statement of Financial Position (\$)
As at September 30

	2021	2020	2020
	September	September	December
ASSETS			
Current assets			
Cash	33,474,230	12,263,569	46,194,137
Investments	16,443,460	35,626,905	31,747,963
Sundry receivables	14,341	12,418	499,231
Prepaid expenses	808,999	536,652	891,044
	<u>50,741,030</u>	<u>48,439,545</u>	<u>79,332,375</u>
Investments	9,237,957	10,186,718	14,278,799
Capital assets			
Furniture and fixtures	2,300,024	2,300,024	2,300,024
Equipment - non computer	1,357,470	1,127,271	1,127,271
Computer equipment	7,276,842	5,052,377	5,394,389
Building	6,835,907	6,835,907	6,835,907
Building improvements	4,690,093	3,923,184	3,923,184
Land	3,225,009	3,225,009	3,225,009
Art	44,669	44,669	44,669
	<u>25,730,012</u>	<u>22,508,441</u>	<u>22,850,452</u>
Less: Accumulated amortization	<u>(17,083,840)</u>	<u>(15,731,237)</u>	<u>(15,935,701)</u>
	<u>8,646,172</u>	<u>6,777,203</u>	<u>6,914,752</u>
Intangible Assets	4,212,653	4,095,159	4,095,159
Less: Accumulated amortization	<u>(3,971,284)</u>	<u>(3,853,393)</u>	<u>(3,886,868)</u>
	<u>241,369</u>	<u>241,766</u>	<u>208,291</u>
	<u>68,866,528</u>	<u>65,645,232</u>	<u>100,734,217</u>
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	7,652,456	9,734,064	13,820,754
Deferred membership and examination fees	12,622,236	12,124,886	44,175,488
	<u>20,274,692</u>	<u>21,858,950</u>	<u>57,996,242</u>
Accrued pension liability	-	796,546	
	<u>20,274,692</u>	<u>22,655,496</u>	<u>57,996,242</u>
NET ASSETS			
Net assets invested in capital assets	8,887,541	7,018,969	7,123,043
Unrestricted net assets	39,704,295	35,970,766	35,614,932
	<u>48,591,836</u>	<u>42,989,736</u>	<u>42,737,975</u>
	<u>68,866,528</u>	<u>65,645,232</u>	<u>100,734,217</u>

College of Nurses of Ontario
Statement of Operations (\$)
Nine Months Ended September 30

	2021 Year to Date September			2020 Year to Date September			2021 Budget	
	Budget	Actual	Variance Fav/(Unfav)	Budget	Actual	Variance Fav/(Unfav)	Remaining	Approved
REVENUES								
Membership fees	37,558,937	38,744,487	1,185,550	37,386,461	37,570,860	184,399	11,698,823	50,443,310
Application assessment	3,912,400	4,574,689	662,289	3,559,875	3,647,675	87,800	473,561	5,048,250
Verification and transcripts	39,500	78,230	38,730	55,615	36,910	(18,705)	(23,430)	54,800
Interest income	522,759	557,475	34,716	894,498	913,297	18,799	81,256	638,731
Examination	1,647,620	2,166,170	518,550	1,661,000	1,474,710	(186,290)	(215,170)	1,951,000
Other	162,803	115,987	(46,816)	197,080	147,350	(49,730)	170,263	286,250
Total Revenues	43,844,019	46,237,038	2,393,019	43,754,529	43,790,802	36,273	12,185,303	58,422,341
EXPENSES								
Employee salaries and expenses	29,223,372	26,737,545	2,485,827	27,376,574	24,019,480	3,357,094	12,545,465	39,283,010
Contractors and consultants	6,275,615	5,167,571	1,108,044	6,490,212	4,119,729	2,370,483	4,021,341	9,188,912
Legal services	2,124,449	1,909,161	215,288	2,007,850	1,760,876	246,974	1,256,639	3,165,800
Equipment, operating supplies and other services	4,613,239	2,983,886	1,629,353	3,374,107	2,306,657	1,067,450	5,527,305	8,511,191
Taxes, utilities and depreciation	1,472,306	1,427,591	44,715	1,475,427	1,057,294	418,133	520,067	1,947,658
Exam fees	1,314,832	1,806,648	(491,816)	1,254,484	1,144,386	110,098	(335,148)	1,471,500
Non-staff remuneration and expenses	327,930	350,776	(22,846)	623,786	271,085	352,701	142,745	493,521
Total Expenses	45,351,743	40,383,178	4,968,565	42,602,440	34,679,507	7,922,933	23,678,414	64,061,592
Excess of (expenses over revenues)/ revenues over expenses	(1,507,724)	5,853,860	7,361,584	1,152,089	9,111,295	7,959,206	(11,493,111)	(5,639,251)
Opening net assets		42,737,975			33,878,443			
Closing net assets		48,591,835			42,989,738			

**College of Nurses of Ontario
Statement of Changes in Net Assets (\$)
Nine Months Ended September 30**

	<u>2021</u>			<u>2020</u>
	Invested in Capital and Intangible Assets	Unrestricted	Total	December
Balance, beginning of period	7,123,043	35,614,932	42,737,975	33,878,442
Excess of (expenses over revenues)/revenues over expenses	(1,232,556)	7,086,416	5,853,860	8,538,957
Purchase of capital assets	2,997,054	(2,997,054)	-	-
Defined benefit pension plan - remeasurements and other items	-	-	-	320,576
Balance, end of period	8,887,541	39,704,294	48,591,835	42,737,975

College of Nurses of Ontario
Statement of Cash Flows (\$)
Nine Months Ended September 30

	2021	2020
	September	September
Cash flows from operating activities		
Excess of revenue over expense for the period	5,853,860	9,111,295
Adjustments to determine net cash provided by/(used in) operating activities		
Amortization of capital assets	1,148,139	802,687
Amortization of intangible assets	84,417	100,424
Interest not received during the year capitalized to investments	(281,311)	(549,695)
Interest received during the year previously capitalized to investments	589,590	237,818
Funding of pension benefits	(1,815,248)	(444,381)
Pension benefit expense	1,815,248	444,381
	7,394,695	9,702,529
Changes in non-cash working capital items		
Decrease in amounts receivable	484,890	10,245
Decrease in prepaid expenses	82,045	489,572
(Decrease) in accounts payable and accrued liabilities	(6,168,296)	(3,623,056)
(Decrease) in deferred membership fees	(31,553,252)	(31,150,357)
	(29,759,919)	(24,571,067)
Cash flow from investing activities		
Purchase of investment	(5,991,595)	(74,133,500)
Proceeds from disposal of investments	26,028,662	62,004,374
Purchase of capital assets	(2,879,560)	(283,151)
Purchase of intangible assets	(117,494)	-
	17,040,013	(12,412,277)
Net decrease in cash and cash equivalents	(12,719,906)	(36,983,344)
Cash and cash equivalents, beginning of year	46,194,137	49,246,911
Cash and cash equivalent, end of quarter	33,474,232	12,263,567

Attachment 3

**College of Nurses of Ontario
2022 Draft Operating & Capital Budget**

DRAFT

Section 1 – Introduction

The Operating and Capital budgets identify the resources needed and the expected costs to:

- meet CNO's regulatory mandate;
- progress on the goals set in Strategic Plan: 2021-2024;
- invest in operations enhancements; and
- retain and attract resources needed to achieve these results.

Management has estimated the resources (staffing, supplies, and equipment) needed to achieve the planned outcomes for operational and project activities.

Support functions, such as Analytics & Planning, Communications, Regulatory Policy & Research, Information Technology, Finance and Hearings, People & Culture, and Facilities identify resource requirements based on planned involvement in activities and projects which support CNO regulatory functions.

2021 Financial Results Impacting on 2022

A number of financial results in 2021 will impact the financial position at the beginning of 2022, the budget required for 2022, and the results expected for the end of 2022.

The 2021 forecasted operating surplus of \$3.703M is \$9.342M more than the budgeted deficit of \$5.639M, primarily due to higher than anticipated revenue and lower base and project operating expenditures.

- Revenues are forecasted to be \$61.000M which is \$2.578M (4.4%) higher than budget, mostly due to higher registrant revenue, higher application assessment fees, and a higher number of RPN exam writes.
- Forecasted base operating expenses of \$54.810M are \$2.023M (3.6%) below budget, primarily due to delays in filling planned and unplanned vacancies, lower than budgeted costs for cloud services, and lower operational costs as a direct result of CNO functioning remotely due to COVID-19.

These savings were partially offset by increased costs for outsourced investigations costs as volumes of cases handled by the external investigators rose during the year, higher examination costs due to an increased number of writers, and higher depreciation costs due to write-downs of prior building improvements and computer equipment rendered obsolete as a result of the data centre move.

- Forecasted project operating expenses of \$2.487M are \$4.743M (65.6%) lower than budget. A number of projects, including some of the initial work on the strategic plan, were deferred as other projects deferred from 2020 (e.g. information system upgrade), work to mitigate future cyber risks, and continued focus on regulatory operations during the pandemic consumed available staff resources.

At year-end 2021, the accumulated operating surplus (unrestricted net assets) is forecast to be \$33.258M or 6.97 months of the 2021 expense forecast. This year-end accumulated surplus is above the range of three to six months of operating expenses. However, on January 1, 2022 the same accumulated surplus will be 6.05 months of 2022 operating expenses.

2021 Changes / Initiatives with Significant Impact on the 2022 Budget

The impact of COVID-19 continued in 2021. However, all CNO operations were carried out remotely. The following changes in 2021 are expected to have an impact on the 2022 budget and future years.

Strategic Plan 2021-2024

- As discussed with Council in June 2021, progress on Strategic Plan implementation has been affected by a number of factors, including a continued focus on pandemic response. An assessment on progress will be conducted in early 2023.
- Despite the impact on some components of the implementation, considerable progress has been made on a number of items that contribute to components of the Strategic Plan, including:
 - modernization of the standards of practice;
 - modernizing assessment of applications for registration;
 - Quality Assurance program enhancements including the retirement of the old Quality Assurance platform, introduction of new supporting technology, and a pilot of a new approach to Quality Assurance;
 - work on data governance, one of the first steps towards an improved insights capability; and
 - the introduction of key elements of the agility pillar such as the stage-gate process for projects.
- After a review, the organizational leadership structure was aligned to support Strategic Plan implementation.

Application Assessments

- 2021 has seen an increase in the number of applications received from internationally educated nurses (IEN) and Canadian applicants. By the end of September 2021, CNO had received 5376 applications compared to 4590 for the same period in 2020. The increase in IEN applicants is expected to continue into 2022. The increase in Canadian applicants was partly due to candidates who could not complete their nursing programs in 2020 due to the impact of COVID 19.

Investigations

- In 2021, the volumes of incoming matters have remained at the same level as 2020. Following the implementation of intake and investigations process improvements, the backlog of cases has reduced. This has resulted in more matters requiring review by ICRC and additional investigators were hired in 2021 to support the investigations following the intake process.
- There was an increased use of external investigators in 2021 to resolve cases in a timely manner. The 2022 budget submission includes costs of outsourcing investigations at the level forecast for 2021 in order to complete currently assigned cases.

Nursys Canada

- CNO and other Canadian regulators have committed to implementing a national database for sharing nurse registration and discipline information across jurisdictions. Nursys Canada is a collaborative project between CNO, the British Columbia College of Nurses and Midwives (BCCNM), and the National Council of State Boards of Nursing (NCSBN) to implement a separate Canadian instance of the Nursys system used by regulators in the United States.
- In 2021, the setup of the Canadian cloud infrastructure was completed and a Nursys Canada website will be launched.

Information Technology

- In 2021, CNO continued investments in systems and cloud infrastructure with the aim of strengthening our cyber security posture and to enhance operational and organizational effectiveness. Some of the activities included:
 - Migration of all application and data servers housed at 101 Davenport to a more secure and resilient offsite data centre.
 - An upgrade of the software used for CNO's main information system. Moving to a new software version ensures continued software support from the vendor (Microsoft) and allows for system development to occur in line with the Strategic Plan and other regulatory and operational improvements identified by the organization.

Space Redesign

- Taking advantage of the building being empty, construction to implement the space redesign project commenced in the second quarter of 2021. The work has continued uninterrupted without any pandemic restrictions, and it is expected that most of the construction will be completed by the end of 2021. However due to supply chain issues, some furniture, audio-visual, and signage installation may be delayed into the first quarter of 2022. This will result in deferring some costs to 2022.

Diversity, Equity and Inclusion (DEI)

- Work related to DEI initiative progressed in 2021 and included conducting workshops for Council, committees and staff. Further work is continuing on identifying opportunities for embedding DEI in all CNO related work activities.

2022 Budget Summary

The 2022 budget estimates a 0.5 % increase in revenue and a 3.0% increase in expenses over the 2021 budget. The net impact is an annual operating deficit of \$7.252M (see Schedule 2).

Revenues:

The increase in revenue is the result of an increase in application and registrant revenue offset by a decrease in examination, interest, and other revenues.

- With the end of the Canadian Practical Nurse Registration Examination (CPRNE) and the introduction of its replacement, the Regulatory Exam - Practical Nurse (REx-PN), CNO will no longer collect exam fees from applicants on behalf of exam providers. This will reduce revenue and expenses in 2022 and future years. There will be little to no impact on the overall financial position of CNO.
- There has been no significant movement in interest rates. It is expected that the low interest rate environment will continue in the medium term and will continue to impact interest revenues.
- CNO suspended the collection of fees for the annual automated verification of registration (a service provided to nursing employers to verify the registration of staff) due to the pandemic. Going forward, this service will be provided at no cost, as an outreach to employers to assist them in confirming nurses entitled to practice.

Expense Introduction:

Historically, CNO budgets were presented as operating (combining base and project) and capital budgets. The 2022 budget is being presented with a clear separation between base and projects (the type of work) and operating expenses and capital costs (how the expenditures are accounted for). The figures for the prior periods have been restated to provide meaningful comparisons.

This change provides more relevant information regarding how funds proposed in the budget will be spent and recognizes that projects require more time to be clearly defined and the same level of precision may not be available for projects at the time the budget is approved.

Base Operations:

Base operating expenses have increased by 7.8% over the 2021 budget to \$61.259M. The following are the main contributing factors for the increase:

- Additional resources recognizing an increased volume of work in Investigations, Information Technology, Customer Service, and Professional Practice functions;
- Changes to compensation for staff, reflecting CNO compensation principles, the need to attract and retain skilled staff, and external factors in the employment market;
- Additions to and re-alignment of the leadership structure to support implementation of the Strategic Plan and reflecting growth in staff; and
- A slight increase in operational costs to support limited face to face meetings, for skills development and conference attendance.

These increases have been partially offset as a result of CNO no longer paying exam vendors for exam sittings for CNO applicants (see offset in revenues noted above).

Base capital costs cover replacement of IT assets such as personal computer as they reach end of life. The budget contains base capital costs of \$0.540M.

2022 Projects

As part of implementing the agility pillar of the Strategic Plan, CNO has implemented a strong, principle-based project development, approval, and management approach that includes a stage-gate methodology and a structured view of all projects known as portfolio management.

While some projects are well-defined and will continue into 2022, other projects are at the early stages of development and accurate estimates of expenditures are not available as yet. The introduction of a stage-gate methodology and portfolio management supports agility by allowing projects to be well-defined before they are moved to execution and supports CNO re-assessing which projects it will move forward or slow down when unplanned items arise.

A 2022 draft project budget envelope of \$5.444M is proposed for 2022. It includes \$4.724M of costs to be accounted for as operating expenses and \$0.720M of capital project costs. These amounts represent a significant reduction from the project work initially proposed for 2022 and from the 2021 budget. The 2021 results demonstrate that even with budget available to execute project work, the reliance on subject matter knowledge from teams across CNO will limit the amount of work that can be completed, even with a full staff complement.

The budget reflects planned project expenditures in the following areas:

- Strategic Plan (\$2.3M), including resources for projects related to insights capability, registration modernization, agility, and the strategic outcomes.
- Regulatory and operational enhancements (\$1.8M) such as Quality Assurance Transformation, Nursys Canada, Standards Modernization, governance implementation, and website re-design.
- Infrastructure investments (\$1.3M) to complete Space Redesign and continue to plan for required upgrades to CNO's main information system and financial management system.

Surpluses, Deficits and Accumulated Surplus Relationship

The forecast annual operating surplus for 2021 is \$3.703M, \$9.342M higher than the budgeted deficit of \$5.639M.

The expected accumulated unrestricted net assets at the end of 2021 of \$33.258 is higher than the budget by \$12.987M. The increase in the net assets is made up of:

- the higher surplus in 2021 (+\$9.342M);
- the higher opening net assets (+\$3.175M); and
- lower net capital assets (+\$0.471M).

The draft budget for 2022 estimates an annual operating deficit of \$7.252M. When the accumulated unrestricted net assets expected for the end of 2021 (\$33.258M) is combined with the annual operating deficit in 2022 (-\$7.252M) and the impact of capital investments in 2022 (\$0.489M), the result is expected to be an accumulated operating surplus of \$26.495M at the end of 2022. This amount will represent 4.82 months of budgeted operating expense, within the approved range of three to six months of the expense budget.

At the end of 2023, the projected net assets fall to slightly above the lower limit of the guideline at around 3.03 month's operating coverage. Although in 2023 we are at the lower limit, CNO's operational capacity is not expected to be impacted because:

- The guideline used is not a legislated requirement, it is a best practice metric; and
- There are uncertainties as the projection is based on a number of assumptions including the net assets at the end of 2021, and the financial performance in 2022 and 2023.

The projection of net assets for the years 2024 and 2025 fall significantly below the lower limit of the guideline at 1.34 and -0.39 months of operating coverage, respectively. Better information will be available at the end of 2022 to consider a fee increase, if required, for 2024.

Section 2 – Summary of Revenue and Expenses

Schedule 2, the Summary of Revenue and Expenses, identifies:

- total revenues \$58.731M,
- less total base expenses \$61.259M,
- less total project expenses \$4.724M, and
- **net operating deficit \$7.252M.**

Total revenues are budgeted to increase by \$0.309M or 0.5% to \$58.731M.

The marginal increase in revenue is primarily due to:

- an increase in registrant numbers (+\$1.629M); and
- a marginal increase in Canadian and IENs application assessment (+\$0.197M).

These are partially offset by a decrease in exam revenue (-\$1.339M), interest and other income.

Total operating expenses are budgeted to increase by \$1.923M (3.0%), to \$65.983M.

This is made up of base operating increase of \$4.427M (7.8%) offset by a reduction in project operating expense of \$2.505M (-34.7%).

The major contributors to the base operating cost increase are:

- salaries and benefits costs resulting from the addition of permanent and temporary FTEs, inflation and market adjustment and progression (+\$5.934M);
- higher legal costs due to an increased number of medical reports (+\$0.342M); and
- higher contractor costs for outsourcing investigations (+\$0.159M).

These increases are partially offset by:

- decrease in exam cost (-\$1.281M); and
- decrease in cloud services costs and other services (-\$1.282M).

The proposed project operating expenses budget for 2022 (\$4.724M) is a decrease (-\$2.505M) from 2021. The proposed 2022 budget represents a more normal year for project expenditures. The 2021 budget included funds for the Space Redesign project mostly completed in 2021 and the information system upgrade completed in 2021.

Schedule 2

College of Nurses of Ontario
 Summary of Revenue and Expenses (\$000)
 Draft Operating and Capital Budget for the Year 2022

	2019 Actual	2020 Actual	2021 Approved Budget	2021 Forecast	2022 Draft Budget	2022 Budget Over / (Under) 2021 Budget		2023 Proj'n	2024 Proj'n	2025 Proj'n
REVENUES										
Registrant Fees	49,602	50,356	50,443	51,936	52,072	1,629	3.2%	52,861	53,681	54,529
Application Assessment	4,470	4,789	5,103	5,363	5,300	197	3.9%	5,346	5,406	5,466
Interest Income	1,238	1,143	639	720	495	(144)	-22.5%	403	340	220
Exam Revenue	1,900	1,898	1,951	2,743	612	(1,339)	-68.6%	532	532	540
Other Revenue	268	162	286	238	253	(34)	-11.8%	243	245	275
Total Revenue	57,478	58,349	58,422	61,000	58,731	309	0.5%	59,384	60,204	61,030
EXPENSES										
Employee salaries and expenses	28,817	33,613	39,283	36,889	45,450	6,167	15.7%	48,102	48,982	50,082
Non-staff remuneration and expenses	799	409	494	436	631	138	27.9%	644	659	673
Contractors and consultants	3,290	3,920	4,077	4,260	4,236	159	3.9%	4,238	4,408	4,519
Legal services	2,657	2,656	3,071	3,119	3,413	342	11.1%	3,545	3,625	3,706
Equipment, operating supplies and other services	4,113	4,098	6,488	5,089	5,291	(1,198)	-18.5%	5,394	5,514	5,635
Exam fees	1,484	1,491	1,472	2,593	190	(1,281)	-87.1%	194	198	198
Taxes, utilities and depreciation	1,510	1,374	1,948	2,425	2,048	100	5.2%	2,112	2,278	2,261
Total Base Operating Expenses	42,669	47,561	56,832	54,810	61,259	4,427	7.8%	64,228	65,662	67,075
Project expenses	3,227	2,249	7,229	2,487	4,724	(2,505)	-34.7%	4,195	4,000	4,000
Total Expenses	45,896	49,810	64,061	57,297	65,983	1,923	3.0%	68,423	69,662	71,075
Surplus/(Deficit) of Revenue over Expenses	11,582	8,539	(5,639)	3,703	(7,252)	(1,613)	28.6%	(9,039)	(9,458)	(10,045)
Opening Unrestricted Net Assets										
Net Capital Assets	15,458	26,240	32,440	35,615	33,258			26,495	17,263	7,771
Defined benefit costs - remeasurements and other items	(800)	516	(6,531)	(6,061)	489			(193)	(33)	(57)
Closing Unrestricted Net Assets	26,240	35,615	20,270	33,258	26,495			17,263	7,771	(2,330)
Accumulated Surplus (# of months)	6.86	8.58	3.80	6.97	4.82			3.03	1.34	-0.39

Section 3 – Registrant Numbers and Revenue Summary

Schedules 3a to 3d show registrant revenue analysis for the period from 2019 (2015 for 3d) through 2025. All of the information is broken down by Registered Nurse (RN) and Registered Practical Nurse (RPN) categories.

- 3a Registrant Numbers – estimate of annual registrants in all classes of registration;
- 3b Registrant Revenue Transaction Count – compares annual registrant with registrant revenue numbers;
- 3c Registrant Revenue and Fees – Number of fee transactions by fee classification; and
- 3d Registrant Statistics (graph).

The 2022 budget for registrant revenue identifies an increase of 3.2% over 2021. This is primarily the result of the net increase of 2.8% in registrant numbers.

Schedules 3a and 3b provide a breakdown of the number of nurses and transactions (respectively) by fee type within each registration category. This breakdown allows CNO to track exact sources of revenue and reconcile the total revenue by its components (e.g. the number of payments multiplied by the fee will result in the total revenue from that fee source).

Schedule 3c identifies the registrant revenue. This schedule is also separated by registration category and fee type. The fees by-law identifies the following fees (excl. HST) for 2022:

- Initial Registration \$320 (includes annual fee)
- Annual Renewal \$270
- General/Extended Class Late Fee \$100
- Non-practising Class Renewal/Initial \$ 50
- Non-practising Class Late Fee \$ 25
- Reinstatement \$320 (includes annual fee)
- Reinstatement Penalty \$500 (per year worked or used title)

The revenue in Schedule 3c does not include application fees. Application fees are in the “Application Assessment” revenue line in Schedule 2.

Schedule 3a

**College of Nurses of Ontario
Registrant Numbers
Draft Operating and Capital Budget for the Year 2022**

Fee Type	2019 Actual	2020 Actual	2021 Approved Budget	2021 Forecast	2022 Draft Budget	2023 Proj'n	2024 Proj'n	2025 Proj'n
RN Renewals On time	104,639	106,660	106,922	108,254	109,215	110,325	111,335	112,345
RN Renewals Non-Practising On time	8,575	8,620	10,748	8,643	10,131	10,311	10,611	10,911
RN Renewals Non-Practising Late	2,019	2,208	500	2,190	500	500	500	500
RN Renewals Late	5,619	5,141	5,000	5,555	5,000	5,000	5,000	5,000
	<u>120,852</u>	<u>122,629</u>	<u>123,170</u>	<u>124,642</u>	124,846	<u>126,136</u>	<u>127,446</u>	<u>128,756</u>
RN Reinstatements	216	284	165	314	165	175	180	185
NP Initials - Extended Class	332	293	350	456	350	350	350	350
RN Initials - General Class	5,193	5,103	5,200	5,243	5,600	5,700	5,800	5,900
RN Initials - Temporary Class	735	1,007	850	1,407	900	900	900	900
Total RN Registrants	127,328	129,316	129,735	132,062	131,861	133,261	134,676	136,091
RPN Renewals - On time	49,675	51,140	52,294	52,278	54,950	57,055	58,740	60,524
RPN Renewals Non-Practising On time	2,366	2,634	3,743	2,782	3,945	4,190	4,440	4,690
RPN Renewals Non-Practising Late	796	827	200	876	200	200	200	200
RPN Renewals Late	3,908	3,789	3,000	3,581	3,000	3,000	3,000	3,000
	<u>56,745</u>	<u>58,390</u>	<u>59,237</u>	<u>59,517</u>	62,095	<u>64,445</u>	<u>66,380</u>	<u>68,414</u>
RPN Reinstatements	140	153	95	171	140	140	140	140
RPN Initials - General Class	4,100	3,615	4,540	5,221	4,820	4,400	4,500	4,600
RPN Initials - Temporary Class	541	591	450	981	600	600	600	600
Total RPN Registrants	61,526	62,749	64,322	65,890	67,655	69,585	71,620	73,754
Total Registrants	188,854	192,065	194,057	197,952	199,516	202,846	206,296	209,845
2022 Budget Over/(Under) 2021 (%)					<u>2.8%</u>			

Schedule 3b

**College of Nurses of Ontario
Registrant Revenue Transaction Count
Draft Operating and Capital Budget for the Year 2022**

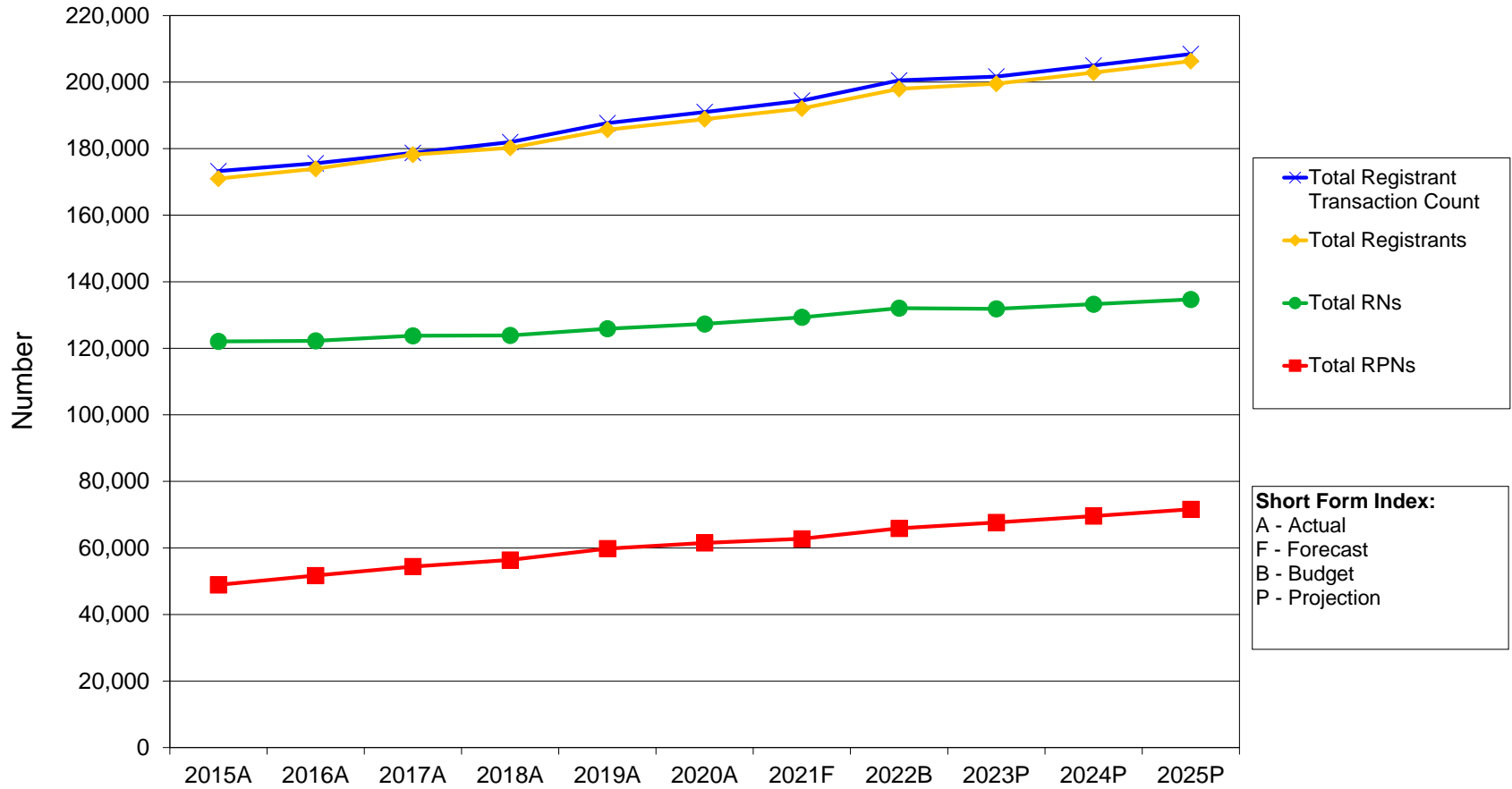
Fee Type			2021		2022	2023		
	2019 Actual	2020 Actual	Approved Budget	2021 Forecast	Draft Budget	Proj'n	2024 Proj'n	2025 Proj'n
RN Renewals On time	104,639	106,660	106,922	108,254	109,215	110,325	111,335	112,345
RN Renewals Non-Practising On time	8,575	8,620	10,748	8,643	10,131	10,311	10,611	10,911
RN Renewals Non-Practising Late	2,019	2,208	500	2,190	500	500	500	500
RN Renewals Late	5,619	5,141	5,000	5,555	5,000	5,000	5,000	5,000
	120,852	122,629	123,170	124,642	124,846	126,136	127,446	128,756
RN Reinstatements	68	84	60	130	60	70	75	80
RN Reinstatements from NonPrac to Gen/Ext	145	196	100	180	100	100	100	100
RN Lifting Administrative Suspension	251	407	200	260	250	250	250	250
RN Reinstatement Additional Fee	3	4	5	4	5	5	5	5
NP Initials - Extended Class	332	293	350	456	350	350	350	350
NP Specialty Registration	334	298	350	457	350	350	350	350
RN Initials - General	5,193	5,105	5,200	5,243	5,600	5,700	5,800	5,900
RN Initials -Temporary	735	1,007	850	1,407	900	900	900	900
RN Temporary to General	769	923	750	970	850	850	850	850
Total RN Registrant Transactions	128,682	130,946	131,035	133,749	133,311	134,711	136,126	137,541
RPN Renewals - On time	49,675	51,140	52,294	52,278	54,950	57,055	58,740	60,524
RPN Renewals Non-Practising On time	2,366	2,641	3,743	2,782	3,945	4,190	4,440	4,690
RPN Renewals Non-Practising Late	796	827	200	876	200	200	200	200
RPN Renewals Late	3,908	3,789	3,000	3,581	3,000	3,000	3,000	3,000
	56,745	58,397	59,237	59,517	62,095	64,445	66,380	68,414
RPN Reinstatements	57	79	40	66	55	55	55	55
RPN Reinstatements from NonPrac to GEN	74	65	50	105	80	80	80	80
RPN Lifting Administrative Suspension	260	295	150	235	200	200	200	200
RPN Reinstatement Additional Fee	9	9	5	-	5	5	5	5
RPN Initials - General	4,100	3,615	4,540	5,221	4,820	4,400	4,500	4,600
RPN Initials - Temporary	541	591	450	981	600	600	600	600
RPN Temporary to General	519	426	350	643	500	500	500	500
Total RPN Registrant Transactions	62,305	63,477	64,822	66,768	68,355	70,285	72,320	74,454
Total Registrant Transactions	190,987	194,423	195,857	200,517	201,666	204,996	208,446	211,995
2022 Budget Over/(Under) 2021 (%)					3.0%			

Schedule 3c

College of Nurses of Ontario Registrant Revenue (\$000) and Fees (\$) Draft Operating and Capital Budget for the Year 2022

Fee Type	2019	2020	2021		2022		2023	2023	2024	2024	2025	2025
	Actual	Actual	Approved Budget	2021 Forecast	2022 Fee	2022 Draft Budget	Fee	Proj'n	Fee	Proj'n	Fee	Proj'n
RN Renewals On time	28,253	28,798	28,869	29,229	270	29,488	270	29,788	270	30,060	270	30,333
RN Renewals Non-Practising On time	429	432	537	433	50	507	50	516	50	531	50	546
RN Renewals Non-Practising Late	151	166	38	164	75	38	75	38	75	38	75	38
RN Renewals Late	2,079	1,902	1,850	2,055	370	1,850	370	1,850	370	1,850	370	1,850
	<u>30,912</u>	<u>31,298</u>	<u>31,294</u>	<u>31,881</u>		<u>31,882</u>		<u>32,191</u>		<u>32,479</u>		<u>32,766</u>
RN Reinstatements	37	28	19	42	320	19	320	22	320	24	320	26
RN Reinstatements from NonPrac to Gen/Ext	39	53	27	49	270	27	270	27	270	27	270	27
RN Lifting Administrative Suspension	13	20	10	13	50	13	50	13	50	13	50	13
RN Reinstatement Additional Fee	2	2	3	2	500	3	500	3	500	3	500	3
NP Initials - Extended Class	17	15	18	23	50	18	50	18	50	18	50	18
NP Specialty	17	15	18	23	50	18	50	18	50	18	50	18
RN Initials - General	1,682	1,697	1,664	1,678	320	1,792	320	1,824	320	1,856	320	1,888
RN Initials - Temporary	235	322	272	450	320	288	320	288	320	288	320	288
RN Temporary to General	38	46	38	49	50	43	50	43	50	43	50	43
Total RN Registrant Revenue	32,991	33,496	33,361	34,208		34,101		34,445		34,766		35,087
RPN Renewals - On time	13,412	13,808	14,119	14,115	270	14,838	270	15,405	270	15,860	270	16,341
RPN Renewals Non-Practising On time	118	134	187	144	50	197	50	209	50	222	50	234
RPN Renewals Non-Practising Late	60	62	15	66	75	15	75	15	75	15	75	15
RPN Renewals Late	1,446	1,402	1,110	1,325	370	1,110	370	1,110	370	1,110	370	1,110
	<u>15,036</u>	<u>15,406</u>	<u>15,432</u>	<u>15,650</u>		<u>16,160</u>		<u>16,739</u>		<u>17,207</u>		<u>17,701</u>
RPN Reinstatements	24	24	13	21	320	18	320	18	320	18	320	18
RPN Reinstatements from NonPrac to GEN	20	18	14	28	270	22	270	22	270	22	270	22
RPN Lifting Administrative Suspension	13	15	8	12	50	10	50	10	50	10	50	10
RPN Reinstatement Additional Fee	5	5	3	0	500	3	500	3	500	3	500	3
RPN Initials - General	1,314	1,183	1,453	1,671	320	1,542	320	1,408	320	1,440	320	1,472
RPN Initials - Temporary	173	189	144	314	320	192	320	192	320	192	320	192
RPN Temporary to General	26	21	18	32	50	25	50	25	50	25	50	25
Total RPN Registrant Revenue	16,611	16,860	17,082	17,728		17,971		18,416		18,915		19,442
Total Registrant Revenue	49,602	50,356	50,443	51,936		52,072		52,861		53,681		54,529
2022 Budget Over/(Under) 2021 (%)						3.2%						

Registrant Statistics



Section 4 – Expense Category Analysis and Project Summary

The presentation of the 2022 budget is based on CNO-wide operating budget that includes base operations and project activities. Some projects also contain capital costs. All capital expenditures are listed in detail in Section 6.

Staff salaries and benefits have been budgeted using standard rates arrived at by averaging the actual salaries and benefits of all staff at each level. Utilizing standard rates facilitates explanation of variances arising from labour resources and removes the impact of events (e.g. actual negotiated salary) that are outside the control of an individual manager from that manager's reported results. Additionally, the use of standard rates prevents the disclosure of the actual salaries of individual employees while improving visibility of labour costs across the organization.

Schedule 4 provides an explanation by expense category of the changes in budgeted base operating costs for the entire organization. Actual base expenses for 2019 and 2020, the budget and forecast for 2021, and the draft budget for the year 2022 have been included for comparison purposes.

Schedule 4

**College of Nurses of Ontario
Base & Projects Operating Budget Summary (\$000)
Draft Operating and Capital Budget for the Year 2022**

Expense Category	2019 Actual	2020 Actual	2021		2022 Draft Budget	2022 Budget Over /(Under) 2021		Comments
			Approved Budget	2021 Forecast		Budget	%	
Salary & Employee Expenses	28,817	33,613	39,283	36,889	45,450	6,167	15.7%	The 2022 budget includes costs for the net addition of 23.2 new FTE, progression for existing staff, impact of market adjustment and inflation. The new positions are required to address: - increased complexity of work - increased volume
Contractors & Consultants	3,290	3,920	4,077	4,260	4,236	159	3.9%	The 2022 base budget includes higher costs for outsourced investigations partially offset by lower agency charges.
Other Services	1,842	1,635	1,770	1,816	1,854	84	4.8%	The 2022 budget is slightly higher due to marginally higher credit card discounts based on volume of activity and slightly higher payroll processing charges as Council and Committees were added in 2021.
Legal Services	2,657	2,656	3,071	3,119	3,413	342	11.1%	The 2022 budget is higher compared to 2021 due to increased numbers and increased cost of medical reports.
Equipment, Operating Supplies & Telecom Services	2,271	2,462	4,718	3,273	3,436	(1,282)	-27.2%	The 2022 budget is lower because the 2021 budget included higher costs for software-as-a-service (SaaS) in the cloud.
Examination Fees	1,484	1,491	1,472	2,593	190	(1,281)	-87.1%	Applicants will be paying the vendor directly for the RPN exam effective January 2022
Depreciation Expenses	1,241	1,141	1,643	2,156	1,750	107	6.5%	Depreciation is based on the existing assets and expected capital additions.
Non-Staff Remuneration & Expenses	799	409	494	436	631	138	27.9%	The 2022 budget increase reflects one day of committee training held in person as well as increased adhoc ICRC meetings
Taxes & Utilities	269	233	304	269	298	(6)	-2.0%	The 2022 budget reflects a slight decrease in hydro and gas.
Base Total	42,669	47,561	56,832	54,810	61,259	4,427	7.8%	
Projects Costs	3,227	2,249	7,229	2,487	4,724	(2,505)	-34.7%	The 2022 budget includes a project envelope of \$4.724M which is lower than the 2021 budget due to: -the Space Redesign project to be completed in 2021 -lower investment for the information system in 2022
Total	45,896	49,810	64,061	57,297	65,983	1,923	3.0%	

Section 5 – Compensation and Staffing

In determining the annual provision for compensation, the following were considered:

- the compensation principles approved by Council (attached); and
- CNO's fiscal situation, both in the coming year and the projected years.

The compensation principles provide direction that factors in a number of key considerations when looking at compensation changes. This year, these considerations included:

- the rate of inflation since the last time salaries were adjusted;
- the results of a market compensation survey and the reality of a hyper-competitive job market;
- the need to attract and retain the resources required to progress on the Strategic Plan and maintain effective regulatory and supporting functions; and
- input from Council regarding the equitable treatment of staff.

The Sub-Committee on Compensation reviewed the changes to the compensation components incorporated into the 2022 budget. In its report, the Sub-Committee advised the Finance Committee that it believes that these changes are congruent with the Compensation Principles approved by Council (see next page) and with best practices in human resources.

CNO's 2022 proposed compensation budget is \$44.369M excluding agency staffing. This is 67.2% of the overall budget. Employee benefits are 26.26% of the compensation budget. The 2022 compensation budget is \$5.934M (15.4%) higher than the 2021 budget. This increase is due to:

- additional staff (\$2.835);
- inflation and market adjustments (\$2.469M); and
- progression of staff within existing salary ranges (\$0.630M).

The labour budget increases are primarily due to the net addition of 23.2 full time equivalents (FTE). This is made up of changes in temporary and permanent staff FTEs. In addition to supporting progress on the Strategic Plan, the added resources are required to address increased volume of activities, operational improvements, and privacy and information security.

Overall, the proposed budget adds 33 permanent staff by the end of 2022, bringing the total to 355.

Compensation Principles¹

Purpose:

To support an organizational culture of performance excellence by enabling CNO to hire and retain engaged and motivated staffing resources who achieve CNO's mandate.

Definitions:

Compensation:

For the purpose of these principles, compensation is defined to include the following components:

- Annual salary/hourly rates of pay;
- Rewards and recognition to include merit payments, ad hoc performance recognition, growth and learning opportunities;
- Benefits to include insured coverages (such as health and dental) and non-insured plans (such as time away allotments); and
- Retirement savings arrangements to include registered pension plans and Group RRSPs.

CNO's Employment Market:

CNO's primary employment market is defined to be: other regulatory organizations. CNO's general employment market is defined to include: the primary employment market and non-profit organizations; Ontario Public Service; municipal governments; post secondary institutions (colleges and Universities); health care; and, on a targeted basis, private sector organizations with which CNO competes for resources.

Principles:

As foundational assumptions to all Compensation Principles, CNO is committed to ensuring:

- its decisions and activities comply with all relevant legislation; and
- information about individual staff compensation is confidential.

Externally Competitive

Achieve and maintain competitive positioning relative to other employers within CNO's general employment market, as defined, on a total compensation basis. CNO's desired competitive position shall not be less than the market median and may be allowed to lead on a total compensation basis within its general employment market.

Internal Equity

Develop and consistently apply fair and transparent practices and policies to administer CNO's compensation programs for all applicants and employees.

Individual Equity

Ensure compensation-related practices and decisions are ethically, consistently, objectively and equally applied to all employees, with the result that employees perceive and experience fair treatment.

¹ Approved by Council, June 2011
Revised, December 2013, December 2015, March 2020

Schedule 5

**College of Nurses of Ontario
Permanent and Temporary Staff FTE
Draft Operating and Capital Budget for the Year 2022**

Team	2019 FTE	2020 FTE	2021 FTE	2022 FTE
Quality	144.1	156.5	167.5	183.2
Administration	114.6	124.3	130.0	141.6
Executive Office and Strategy	26.5	26.7	28.7	29.7
Total	285.2	307.5	326.2	354.5

**College of Nurses of Ontario
Labour Budget 2022 (\$000)
Draft Operating and Capital Budget for the Year 2022**

	2019 FTE Budget	2020 FTE Budget	2021 Approved Budget	2022 Draft Budget	2022 over 2021	Comment
Permanent	31,111	35,279	38,084	43,739	5,655	23.2 new FTE (16 started in 2021) and progression, inflation & market adjustment
Temporary	928	1,082	351	630	279	Backfilling for permanent resources assigned to projects and leaves.
Total	32,039	36,361	38,435	44,369	5,934	

Section 6 – Capital Budget

Schedule 6 identifies proposed building changes, new or replacement furniture, equipment, and software purchases for the 2022 budget year along with projected estimates through 2025. The listing of capital expenditures is grouped by fixed asset category.

CNO's accounting policy is to capitalize an item when it has a useful life of more than one (1) year **and** its value is greater than \$500. For example, a personal computer (PC) purchased for \$2,000 would be capitalized because it has a useful life of more than 1 year **and** the value is greater than \$500. On the other hand, a computer hard drive purchased for \$400 is not capitalized even though the estimated useful life is greater than 1 year because the cost is less than \$500.

The 2022 capital budget and 2023-2025 projections concentrate on two areas: building and technology infrastructure.

- Building
 - Capital expenditures are planned for 2022 to complete the space redesign project, including costs for:
 - Building improvement \$0.381M
 - Furniture and AV equipment \$0.339M; and
 - 2023 to 2025 projections have an annual allocation of \$0.800M for building improvement and \$0.200M for furniture.
- Technology
 - The 2022 budget has a provision of \$0.540M for hardware refresh and software acquisitions
 - 2023 to 2025 projections include annual investments of \$0.800M for hardware and \$0.200M for software.

Schedule 6

College of Nurses of Ontario
 2020 Capital Budget and 2021-2023 Projections (\$000)
 Draft Operating and Capital Budget for the Year 2022

2022

Fixed Asset Category	Description	2022
Building Improvement	Building improvement	381
Equipment	Audio visual equipment	130
Furniture & Fixture	Furniture	209
Hardware	Servers	229
	New laptops	191
Software	Servers	120
Total Capital for 2022		1,261

2023

Fixed Asset Category	Description	2023
Building Improvement	Building improvement	800
Furniture & Fixture	Furniture	200
Hardware	Personal computers/Servers	800
Software	Software	200
Total Capital for 2023		2,000

2024

Fixed Asset Category	Description	2024
Building Improvement	Building improvement	800
Furniture & Fixture	Furniture	200
Hardware	Personal computers/Servers	800
Software	Software	200
Total Capital for 2024		2,000

2025

Fixed Asset Category	Description	2025
Building Improvement	Building improvement	800
Furniture & Fixture	Furniture	200
Hardware	Personal computers/Servers	800
Software	Software	200
Total Capital for 2025		2,000

Section 7 – Projection Assumptions for 2023-2025

CNO is considered a leader in delivering on its regulatory mandate. To maintain its leadership position, CNO is required to focus on operations enhancements and progress on its strategic plan. This requires continuous improvement of base operations and investments through projects that contribute to the future well-being of the organization. Several projects and initiatives have been planned that will reach their operational/implementation phase in these years, including realization of many components of Strategic Plan 2021-2024.

Reducing reports and complaints backlogs, improving IEN application processes, enhancing the Quality Assurance program, investing in information system enhancement, and building data insights capabilities will continue to be a priority. CNO will be prepared to respond to increases in volumes, adding resources where needed. Costs associated with responding to significant volume increases have not been included in the plan.

The projections do not have provisions for the impact of any legislation changes that might emerge between 2023 and 2025.

A provision of \$4.195M for project operating expenses was included in 2023 and \$4.000 for 2024 and 2025.

Year 2023

Revenues:

- The registrant numbers are expected to increase slightly;
- Application income is expected to increase slightly by \$0.046M;
- Interest revenue is expected to decrease with slightly lower amounts invested and continued low rates.

Expenses:

- General inflation of 2.25%;
- Nurses' Health Program will continue operations;
- Continued implementation of the Strategic Plan 2021-2024 initiatives; and
- Further enhancements to the information and financial systems will be made.

Accumulated Surplus:

CNO will incur an annual operating deficit of \$9.039M that will result in a net unrestricted asset of \$17.263M or 3.03 months of operating costs coverage at the end of the year.

Year 2024

Revenues:

- Overall, growth in registrant numbers is expected to remain consistent with historical trends;
- Application income is expected to increase with the Ontario Government's Nursing Transformation initiatives in Ontario colleges boosting nursing applicants; and
- Interest revenue is expected to decrease with slightly lower amounts invested and low rates.

Expenses:

- General inflation of 2.25%;
- Many components of the Strategic Plan 2021-2024 will have been realized and consideration of the next strategic plan window will be underway.

Accumulated Surplus:

CNO will incur an annual operating deficit of \$9.458M that will result in a net unrestricted asset of \$7.771M or 1.34 months operating coverage. This falls below the Finance Committee guideline of a minimum of three months.

Year 2025

Revenues:

- Revenues are expected to rise marginally with slight growth in the number of registrants;
- Application income is expected to increase slightly; and
- Interest revenue is expected to decrease with slightly lower amounts invested and low rates.

Expenses:

- General inflation of 2.25%;
- Normal level of investments in operational improvements and new initiatives; and
- Execution of elements of a new strategic plan will commence.

Accumulated Surplus:

CNO will incur an annual operating deficit of \$10.045M that will result in a net unrestricted deficit of \$2.330M or -0.39 month's operating costs. This falls below the Finance Committee guideline of a minimum of three months.

Section 8 – Financial Position

Schedule 8 identifies the assets, liabilities and net assets (surplus) that CNO has or is projected to have as a result of this budget. It covers 2019 to 2025.

Assets are current or long term:

- **Current assets** are cash or assets that can readily be changed to cash in a short period of time.
- **Long term assets** are assets that cannot be turned into cash or expensed within one year, such as long-term investments and fixed assets (building, equipment etc.).

The values of fixed assets on the balance sheet are net of accumulated depreciation. Depreciation is an accounting representation of the reduction in useful life of assets over time through wear or technological change.

Liabilities are current or long term.

- **Current liabilities** are the debts owed by CNO for services, supplies, or asset purchases for which a commitment (by contract or receipt) has been made by CNO to pay within one year.
- **Long term liabilities** are the debts owed by CNO for services, supplies, or asset purchases for which a commitment (by contract) has been made by CNO to pay over a period of time greater than one year (e.g. a mortgage). CNO has no long-term debt.

Net Assets are the residual of all assets less all liabilities. The result represents the net worth or net book value of CNO, according to the financial records.

- **Invested in Capital Assets** represents the accumulated value of the cost of long-term assets purchased over time (net of accumulated depreciation/amortization) less any long-term debt associated with those assets. CNO's planned capital surplus of \$13.109M at the end of 2022 represents funds available to purchase additional capital assets. This surplus is considered to be restricted for the purposes of capital asset replacements.
- **Unrestricted Net Assets** represents the accumulated annual operating surpluses, net of accumulated annual operating deficits and net of the accumulated amount **Invested in Capital Assets**, generated each year since the inception of CNO. An accumulated operating surplus of \$26.495M is the result of the 2022 draft budget. These funds are considered to be unrestricted in their use.

Schedule 8

College of Nurses of Ontario
 Statements of Financial Position as at December 31 (\$000)
 Draft Operating and Capital Budget for the Year 2022

	2019 Actual	2020 Actual	2021 Approved Budget	2021 Forecast	2022 Draft Budget	2023 Proj'n	2024 Proj'n	2025 Proj'n
ASSETS								
Current Assets:								
Cash	49,247	46,194	23,943	58,801	54,006	42,908	35,362	27,242
Investments	21,192	31,748	25,046	18,850	18,156	18,000	15,000	15,000
Sundry receivables	23	499	50	16	20	20	20	20
Prepaid expenses	1,026	891	650	900	900	900	900	900
	71,488	79,332	49,688	78,566	73,081	61,828	51,282	43,162
Investments	12,180	14,279	17,070	11,035	8,768	9,458	11,549	9,712
Capital Assets	7,297	6,915	14,356	13,397	12,889	12,972	12,908	12,901
Intangible Assets	342	208	96	201	220	329	427	491
	19,819	21,402	31,522	24,633	21,877	22,759	24,884	23,104
Total Assets	91,307	100,734	81,210	103,199	94,958	84,587	76,166	66,266
LIABILITIES								
Current Liabilities:								
Accounts Payable & Accrued Liabilities	13,357	13,821	3,500	13,000	11,030	8,830	9,139	8,530
Deferred Registrant Fees	43,275	44,175	42,988	43,344	44,325	45,193	45,920	46,675
Defined Benefit liability	797	-	-	-	-	-	-	-
	57,429	57,996	46,488	56,344	55,355	54,023	55,059	55,205
NET ASSETS								
Invested in Capital Assets	7,639	7,123	14,452	13,598	13,109	13,301	13,335	13,392
Unrestricted	26,240	35,615	20,270	33,258	26,495	17,263	7,771	(2,330)
	33,878	42,738	34,722	46,856	39,604	30,564	21,106	11,061
Total Liabilities and Net Assets	91,307	100,734	81,210	103,199	94,958	84,587	76,166	66,266



Section 9 – Cash Flow

Schedule 9 identifies the activities that generate cash and the use of cash through a year. Annual operating surpluses generate cash while the purchases of capital assets use cash. The schedule covers a period from 2019 to 2025 inclusive.

Schedule 9

College of Nurses of Ontario
Statements of Cash Flows (\$000)
Draft Operating and Capital Budget for the Year 2022

	2019 Actual	2020 Actual	2021 Forecast	2022 Draft Budget	2023 Proj'n	2024 Proj'n	2025 Proj'n
Cash flows from operating activities							
Excess of expenses over revenues for the period	11,581	8,539	3,703	(7,252)	(9,039)	(9,458)	(10,045)
Adjustments to determine net cash provided by (used in) operating activities							
Amortization of capital assets	1,103	1,007	1,470	1,648	1,717	1,864	1,807
Amortization of intangible assets	137	134	124	101	91	102	136
Loss on disposal of asset	2	-	414	-	-	-	-
(Increase) decrease net pension expenses over funding	(177)	(476)	-	-	-	-	-
Interest not received during the year capitalized to investments	(619)	(557)	(261)	(650)	(550)	(450)	(450)
Interest capitalized on investments	214	658	719	625	414	350	350
	12,241	9,305	6,169	(5,527)	(7,368)	(7,592)	(8,202)
Change in non-cash working capital							
Decrease (increase) in sundry receivables	148	(477)	483	(4)	-	-	-
(Increase) decrease in prepaid expenses	(498)	135	(9)	-	-	-	-
Increase (decrease) in accounts payables and accrued liabilities	3,726	464	(821)	(2,000)	(2,000)	500	1,000
Increase (decrease) in deferred registrant fees	962	900	(832)	981	868	728	754
	16,578	10,327	4,990	(6,550)	(8,500)	(6,364)	(6,448)
Cash flows from investing activities							
Purchase of investments	(23,684)	(33,289)	(18,315)	(10,000)	(20,000)	(15,000)	(18,000)
Proceeds from disposal of investments	29,838	20,534	34,000	13,015	19,402	15,818	18,328
Purchase of capital assets	(739)	(625)	(7,951)	(1,141)	(1,800)	(1,800)	(1,800)
Purchase of intangible assets	(65)	-	(117)	(120)	(200)	(200)	(200)
	5,351	(13,380)	7,617	1,755	(2,598)	(1,182)	(1,672)
Net increase (decrease) in cash during the year	21,929	(3,053)	12,607	(4,795)	(11,098)	(7,546)	(8,119)
Cash, beginning of the period	27,318	49,247	46,194	58,801	54,006	42,908	35,362
Cash, end of the period	49,247	46,194	58,801	54,006	42,908	35,362	27,242



Decision Note – December 2021 Council

Nursing Education Program Approval

Contact for Questions

Katie Dilworth, Manager, Education Program

Decisions for Consideration¹

Decision 1:

That the annual monitoring review status of nursing programs be approved as listed in [Attachment 1](#) to this decision note.

Decision 2:

That the comprehensive review status of nursing programs be approved as listed in [Attachment 2](#) to this decision note.

Decision 3:

That the preliminary review status of new nursing programs be approved as listed in [Attachment 3](#) to this decision note.

Public Interest Rationale

Program Approval is a mechanism that allows for rigorous assessment of entry level education programs to ensure their graduates have knowledge, skill and judgement to practise safely, ethically and competently. The *Nursing Act, 1991* includes a requirement that in order to be eligible for registration, applicants must:

“successfully complete a program that was specifically designed to educate and train persons to be practising” nurses and that the “program was approved by Council or a body approved by Council for that purpose” [Subsections 2(1)1i, 3(1)1i, and 4(1)2i of Ontario Regulation 275/94].

Approving nursing education programs is an important part of Council’s accountability to protect the public.

¹ Due to the type of approval being sought (annual, comprehensive or preliminary), decisions have been divided into three separate categories.

Background

Program Approval

In accordance with the [Program Approval Framework](#) approved by Council, all entry level nursing programs, including practical nurse diploma (PN), baccalaureate nursing (BScN or BN) and nurse practitioner (NP), come to Council annually for consideration for approval using the Program Approval Framework.

Each year, nursing programs undergo an annual monitoring review or comprehensive review. New programs are assessed for preliminary approval.

- Annual monitoring review: this review is for all programs not doing a comprehensive review and includes assessment of three outcome indicators. This includes a review and update to program scores.
- Comprehensive review: this review is for all programs and occurs once every seven years when all nine indicators are evaluated. CNO is transitioning to the new Program Approval process. All schools will have their initial comprehensive review by 2025.
- Preliminary approval review: all new programs must receive preliminary approval before admitting students which includes a detailed review of the program's curriculum. The remaining indicators are assessed after the first cohort of students have graduated.

Program Approval Scoring Methodology is described in [Attachment 4](#). Information about program scores for all three decisions can be found in Attachments 1, 2 and 3.

New Nursing Programs:

All new nursing programs must receive preliminary approval before admitting students. Two academic institutions' new baccalaureate programs are presented for preliminary approval by Council: Sault College's Bachelor of Science in Nursing and Registered Practical Nurse (RPN) to Bachelor of Science in Nursing programs and Brock University's Concurrent Bachelor of Nursing (BN)/Master of Nursing (MN) Program. Preliminary approval includes the same rigorous curriculum review as in the comprehensive review. Full approval for all new nursing programs, including meeting the other indicators, occurs the year after the initial cohort graduates.

Impact of COVID 19:

In September 2020, Council was informed about delays of Program Approval timelines, impacting annual and comprehensive reviews, due to the ongoing pandemic. In December 2021, Council is being asked to approve annual and comprehensive reviews for 2021. Annual and comprehensive reviews for 2022 will occur in September 2022. In June 2023, we will be back to our regular cycle of bringing forward programs for approval every year in June.

Next Steps:

Following Council's decisions CNO will provide:

- A letter to each of the Nursing Programs addressing the program's approval status and the upcoming dates for the next annual or comprehensive reviews as well as:
 - A Program Approval Annual Report indicating the outcome indicator scores (first time exam pass rates);
 - A Program Approval report outlining the results of a program's comprehensive review; or
 - A Program Approval report outlining the results of the preliminary program review.

Each program's approval status will then be posted on CNO's website.

Attachments:

Attachment 1: Annual approval of nursing programs in Ontario: Detailed Review Scoring

Attachment 2: Comprehensive approval of nursing programs in Ontario: Detailed Review Scoring

Attachment 3: Preliminary approval of new nursing Programs in Ontario: Detailed Review Scoring

Attachment 4: Program Approval Scoring Methodology

Attachment 1 – Annual approval of nursing programs in Ontario: Detailed Review Scoring

Practical Nursing Programs: Annual Reviews¹

Institution	Nursing Program	Indicator 7: First-time Pass Rate ²	Approval Status Recommendation
Algonquin College	Practical Nurse Diploma	Met	Approved
Cambrian College	Practical Nurse Diploma	Met	Approved
Canadore College	Practical Nurse Diploma	Met	Approved
Collège Boréal	Practical Nurse Diploma	Met	Approved
Confederation College	Practical Nurse Diploma	Met	Approved
Conestoga College	Practical Nurse Diploma	Met	Approved
Durham College	Practical Nurse Diploma	Met	Approved
Fanshawe College	Practical Nurse Diploma	Met	Approved
Fleming College	Practical Nurse Diploma	Met	Approved
Humber College	Practical Nurse Diploma	Met	Approved
Lambton College	Practical Nurse Diploma	Met	Approved
Loyalist College	Practical Nurse Diploma	Met	Approved
Mohawk College	Practical Nurse Diploma	Met	Approved
Niagara College	Practical Nurse Diploma	Met	Approved
Northern College	Practical Nurse Diploma	Met	Approved
Sheridan College	Practical Nurse Diploma	Met	Approved
St. Clair College	Practical Nurse Diploma	Met	Approved
St. Lawrence College	Practical Nurse Diploma	Met	Approved

Practical Nursing Programs: Comprehensive reviews updated with Annual approval data³

Institution	Nursing Program	Indicator 7: First-time Pass Rate	Total Approval Score $\geq 75\%$	Approval Status Recommendation
George Brown College	Practical Nurse Diploma	Met	Met	Approved
Georgian College	Practical Nurse Diploma	Met	Met	Approved

Baccalaureate Nursing Programs: Annual Reviews

Institution	Nursing Program	Indicator 7: First-time Pass Rate	Approval Status Recommendation
Brock University	Bachelor of Science in Nursing: Honours Program	Partially Met	Approved
Laurentian University	Bachelor of Science in Nursing Program	Partially Met	Approved
McMaster University	Bachelor of Science in Nursing Program – Basic Stream	Met	Approved
	Bachelor of Science in Nursing Program – Accelerated Stream	Met	Approved
	Bachelor of Science in Nursing Program – Post Diploma Registered Practical Nurse (RPN) Stream	Met	Approved
Ontario Tech University	Bachelor of Science in Nursing Collaborative Program	Partially Met	Approved
	Bachelor of Science in Nursing – RPN Bridge Program	Partially Met	Approved
University of Toronto	Bachelor of Science in Nursing	Met	Approved
University of Windsor	Bachelor of Science in Nursing	Met	Approved
	Bachelor of Science in Nursing for Graduates of Lambton College Practical Nurse Program	Met	Approved
Western University	Western-Fanshawe Collaborative Bachelor of Science in Nursing Program	Met	Approved
	Bachelor of Science in Nursing Compressed Time Frame Program	Met	Approved

¹ Based on a program's evidence, each indicator is evaluated against a rubric (see Attachment 4) that determines whether the indicator is met, partially met, or not met. A partially met Indicator score will not impact approval recommendation if the indicator is not mandatory and the program continues to meet a total score of 75%.

² The first-time pass rates used for program approval purposes is calculated based on the total number of first-time writers that pass the registration exam over a three-year period of time expressed as a percentage.

³ George Brown and Georgian College received Comprehensive Review in the Program Approval Pilot. Total approval scores are updated based on Indicator 7 scores.

Baccalaureate Nursing Programs: Comprehensive reviews updated with Annual approval data⁴

Institution	Nursing Program	Indicator 7: First-time Pass Rate	Total Approval Score >=75%	Approval Status Recommendation
Nipissing University	Bachelor of Science in Nursing Collaborative with Canadore College Program	Met	Met	Approved
	Bachelor of Science in Nursing Scholar Practitioner Program	Met	Met	Approved
	Registered Practical Nurse (RPN) to Bachelor of Science in Nursing Program	Partially Met	Met	Approved
Ryerson University	Bachelor of Science in Nursing Collaborative Program	Met	Met	Approved
	Bachelor of Science in Nursing – Post Diploma Completion Program	Partially Met	Met	Approved
Trent Fleming School of Nursing	Collaborative Bachelor of Nursing Program	Met	Met	Approved
	Compressed Bachelor of Nursing Program	Met	Met	Approved
	Post-RPN Bridging Pathway Bachelor of Nursing Program	Met	Met	Approved
University of New Brunswick at Humber College	Collaborative Bachelor of Nursing Program – Regular 4 Year Pathway	Met	Met	Approved
	Collaborative Bachelor of Nursing Program – Second-entry Pathway	Met	Met	Approved
	Collaborative Bachelor of Nursing Program – Bridge Pathway	Met	Met	Approved
York University	Bachelor of Science in Nursing Collaborative Program	Partially Met	Met	Approved
	Bachelor of Science in Nursing Compressed Program	Met	Met	Approved
	Post RN for Internationally Educated Nurses Program	Partially Met	Met	Approved

Nurse Practitioner Programs: Annual Reviews

Institution	Nursing Program*	Indicator 7: First-time Pass Rate	Total Approval Score >=75%	Approval Status Recommendation
Lakehead University	Primary Health Care Nurse Practitioner	Met	Met	Approved
Laurentian University	Primary Health Care Nurse Practitioner	Met	Met	Approved
McMaster University	Primary Health Care Nurse Practitioner	Met	Met	Approved
Queen's University	Primary Health Care Nurse Practitioner	Met	Met	Approved
Ryerson University	Primary Health Care Nurse Practitioner	Met	Met	Approved
University of Ottawa	Primary Health Care Nurse Practitioner	Met	Met	Approved
University of Toronto	Primary Health Care Nurse Practitioner – Global Health	Met	Met	Approved
University of Toronto	Primary Health Care Nurse Practitioner – Adult	Met	Met	Approved
University of Toronto	Primary Health Care Nurse Practitioner – Pediatrics	Met	Met	Approved
University of Windsor	Primary Health Care Nurse Practitioner	Met	Met	Approved
Western University	Primary Health Care Nurse Practitioner	Met	Met	Approved
York University	Primary Health Care Nurse Practitioner	Met	Met	Approved

* Approval includes masters and post-master's programs, as well as French programs as relevant.

⁴ Trent Fleming School of Nursing and University of New Brunswick at Humber College received Comprehensive Reviews in the Program Approval Pilot. Nipissing University, Ryerson University, and York University received Comprehensive Reviews in 2020. Total approval scores are updated based on Indicator 7 scores.

Attachment 2 – Comprehensive approval of nursing programs in Ontario: Detailed Review Scoring

Practical Nursing Programs: Comprehensive Reviews¹

Institution	Nursing Program	Mandatory Indicator: Curriculum	Mandatory Indicator: Client & Student Safety	Indicator 7: First-time Pass Rate ²	Total Approval Score $\geq 75\%$	Approval Status Recommendation
Centennial College	Practical Nurse Diploma	Met	Met	Partially Met	Met	Approved
	Practical Nurse Diploma for Internationally Educated Nurses	Met	Met	Met	Met	Approved
La Cité Collegiale	Practical Nurse Diploma	Met	Met	Met	Met	Approved
Sault College	Practical Nurse Diploma	Met	Met	Met	Met	Approved
Seneca College	Practical Nurse Diploma	Met	Met	Met	Met	Approved

Baccalaureate Nursing Programs: Comprehensive Reviews

Institution	Nursing Program	Mandatory Indicator: Curriculum	Mandatory Indicator: Client & Student Safety	Indicator 7: First-time Pass Rate	Total Approval Score $\geq 75\%$	Approval Status Recommendation
Lakehead University	Bachelor of Science in Nursing Program	Met	Met	Partially Met	Met	Approved
	Bachelor of Science Nursing Compressed Program	Met	Met	Met	Met	Approved
Queen's University	Bachelor of Nursing Science Program	Met	Met	Met	Met	Approved
	Bachelor of Nursing Science Program – Accelerated Standing Track	Met	Met	Met	Met	Approved
University of Ottawa	Bachelor of Science in Nursing	Met	Met	Met	Met	Approved
	Registered Practical Nurse Bridging Program	Met	Met	Met	Met	Approved
	Bachelor of Science in Nursing Second Entry Program	Met	Met	Met	Met	Approved

¹ Based on a program's evidence, each indicator is evaluated against a rubric (see Attachment 4) that determines whether the indicator is met, partially met, or not met. A partially met Indicator score will not impact approval recommendation if the indicator is not mandatory and the program continues to meet a total score of 75%.

² The first-time pass rates used for program approval purposes is calculated based on the total number of first-time writers that pass the registration exam over a three-year period of time expressed as a percentage.

Attachment 3 – New Baccalaureate Programs: Detailed Review Scoring

New Baccalaureate Nurse Programs: Preliminary Review

Institution	Nursing Program	CNO Program Category	Indicator: Curriculum	Approval Status Recommendation
Sault College	BScN Bachelor of Science in Nursing program	Direct Entry Full	Met	Preliminary Approval
	Registered Practical Nurse (RPN) to Bachelor of Science in Nursing Program	Pre-health Education Entry Specified	Met	Preliminary Approval
Brock University	Concurrent Bachelor of Nursing (BN)/ Master of Nursing (MN) Program	Second level entry compressed	Met	Preliminary Approval

Attachment 4 – Program Approval Scoring Methodology

Nursing education programs are evaluated based on the three standards (Structure, Curriculum and Outcomes) and the associated 9 indicators. A score is calculated for each indicator, standard and overall for each program leading to entry-to-practice.

1. Program Approval Scorecard Overview

Nursing program approval is based on the total program score achieved on the program approval scorecard (see Table 1 next page).

2. Mandatory Indicators

Two indicators have been defined as “mandatory” from a regulatory perspective and need to be fully met for the program to receive an Approved status. The mandatory indicators include:

- Client and student safety; and
- Entry-to-practice (ETP) competencies integrated into the curriculum.

3. First-time pass rates on registration exams (3-year cumulative totals)

Schools are scored based on their exam results which contributes to their overall approval score. Exam results are scored based on the following rubric:

The first-time pass rate used for program approval purposes is calculated based on the total number of first-time writers that pass the registration exam over a three-year period expressed as a percentage. Using three years of data provides a larger denominator of students for the calculation and helps to mitigate single-year result variations – both commonly seen in smaller programs.

CNO NURSING EDUCATION PROGRAM APPROVAL SCORECARD	
Structure Standard (Total weight 25%)	
Indicator¹ (Sub-indicator)	Weight
1. Nursing program governance	6
1a. Nursing program governance structure	2
1b. Curriculum review structure	2
1c. Annual review of program outcomes	2
2. Client and student safety (mandatory indicator)	13
2a. Orientation of student and faculty to clinical setting	2
2b. Student supervision in all clinical placements	3
2c. Regular evaluation of student performance in clinical setting which includes documented assessments and mechanisms for remediation as required.	3
2d. Processes are in place to manage safety incidents involving clients and students.	5
3. Qualified Faculty	6
3a. Faculty who are RN, RPN and NP's have current certificate of registration in Ontario	2
3b. Regular process to evaluate teaching	4
Sub-total – Structure Indicators	25%
Curriculum Standard (Total weight 40%)	
4. Curriculum incorporates entry-to-practice competencies and foundational standards (mandatory Indicator)	25
5. Clinical learning opportunities support learners to attain and demonstrate acquisition of program objectives	10
6. Processes in place to communicate expectations for the student placement to preceptor for the integrated practicum.	5
Sub-total – Curriculum Indicators	40%
Outcome Standard (Total weight 35%)	
7. Registration exam scores – 1 st time pass rates (3-year cumulative total)	7
8. Recent graduates' ratings of their preparation to practice safely, competently and ethically ²	18
9. Preceptor ratings of student's readiness to practice	10
Sub-Total -Outcome Indicators	35%
All Standards and Indicators (Total weight 100%)	100%

¹ Based on a program's evidence, each indicator is evaluated against a rubric that determines whether the indicator is met (has met indicator criteria), partially met (has partially met indicator criteria), or not met (has not met indicator criteria). A partially met Indicator score will not impact approval recommendation if the indicator is not mandatory and the program continues to meet a total score of 75%.

² Collection of outcome Indicators 8 and 9 commenced in 2021. Program approval outcome indicators' scores are based on a cumulative 3-years of aggregate data, these indicators will be part of annual assessments presented to Council in the future.

For each program, one of four approval statuses are granted:

Status	Criteria
Approved	Granted when the program meets a score of 75% and the mandatory indicators for program approval. Graduates from a program with this status are considered graduates of an approved nursing program and eligible for registration in Ontario.
Approved with Conditions	Granted when the program does not meet the score of 75% OR does not meet the mandatory indicators. Graduates from a program with this status are considered graduates of an approved nursing program and are eligible for registration in Ontario. Programs that receive conditional approval status are required to develop an action plan to address the gaps based on the recommendations and schedule provided by CNO.
Preliminary Approval	Given to a new program with curriculum that meets required criteria. For full approval, programs receiving preliminary approval must undergo a comprehensive review in the academic year following the first class of graduates. Graduates from programs with this status are considered graduates of an approved nursing program and are eligible for registration in Ontario.
Not Approved	The program fails to meet the score of 75% OR does not meet the mandatory indicators over a number of consecutive years and does not demonstrate improvement in meeting the requirements. Graduates of a program with this status are not eligible for registration in Ontario.



Discussion Note – December 2021 Council

Modernizing Practice Standards

Contact for Questions or More Information

Kevin McCarthy, Director of Strategy

Introduction

We are seeking Council's input on key considerations and next steps to support modernizing CNO's practice standards.

Public Interest Rationale

Modern standards act as a proactive contributor to inform nurses of their accountabilities in safe nursing practice, thereby reducing the chance of patient harm.

Strategic Outcome

Modernizing practice standards supports the implementation of CNO's [Strategic Plan 2021-2024](#). Specifically, modernized practice standards advance CNO's strategic outcome so that *nurses' conduct will exemplify understanding and integration of CNO standards for safe practice*.


Informed by evidence, the objectives of this initiative are to ensure practice standards are:

- accessible (clear and easy-to-understand)
- defensible (evidence-informed, measurable) and
- relevant (reflect contemporary practice to prevent risk, informed by stakeholders, and meet stakeholder needs).

Background

In [March 2021](#) and [June 2021](#), Council reviewed and provided feedback on a draft evidence-informed¹ framework to guide CNO's standards modernization.

¹ Literature (academic, grey), environmental scan, legislative analysis, and preliminary stakeholder perspectives. Refer to the March 2021 and June 2021 briefing note for more information.



At the [June 2021](#) Council meeting, Council discussed the importance of clearly articulating nurses' accountabilities in the practice standards and guidance, including addressing issues related to health equity. It was noted that maintaining guidance, such as decision trees, would be important practice resources if specific practice standards were to be retired. Council confirmed that the framework will support CNO in becoming a more proactive regulator.

In [September 2021](#), Council discussed the importance of practice standards in articulating nursing accountabilities as the health care environment evolves, such as addressing changes in technology, informatics, and care delivery. Council highlighted the importance of stakeholder engagement, including involving employers and nurses working in non-traditional nursing roles so that modern standards reflect evolving nursing practice. It was noted that retaining salient concepts from existing practice standards would be an important consideration as the project evolves.

This work continues to evolve and be informed by many sources of evidence including:

- literature,
- jurisdictional scans,
- data analysis to identify risk of harm to the public,
- consultation with CNO teams and,
- preliminary stakeholder perspectives.

These sources of evidence have led to the development of a conceptual diagram, key features of a modern standard, and a stakeholder engagement strategy for 2022.

A Conceptual Diagram


Based on the evidence gathered to date, a conceptual diagram² has been developed to guide this work and illustrate the connectivity of the following elements:

- The goal of Modernizing Practice Standards, which is to promote safe nursing practice in the interest of patient safety
- The entry-level competencies as foundational to the practice standards
- The *Code of Conduct* as the central “hub” of the practice standards
- Topic specific practice standards as “spokes” supporting the *Code of Conduct* and
- The objectives of modern standards: accessible, defensible and relevant.

The *Code of Conduct* will be updated to be more robust and comprehensive to reflect the universal accountabilities applicable to every nurse. The topic specific practice standards that support the *Code of Conduct* are evidence-informed and reflect areas of risk in nursing practice. For example, approximately 9% of all inquiries received in Professional Conduct to date in 2021 reflect issues related to the therapeutic nurse-patient relationship, such as abuse issues and boundary violations. In another example, many of the questions Practice Quality received from nurses and stakeholders in 2021 are about scope of practice. In general, internal College data supports retaining and modernizing the following topic specific practice standards:

- *Confidentiality and Privacy: Personal Health Information*

² The conceptual diagram will be shared during the December 2021 Council presentation.

- 
- *Consent*³
 - *Decisions About Procedures and Authority*⁴
 - *Documentation*
 - *Medication*
 - *Nurse Practitioner and*
 - *Therapeutic Nurse-Client Relationship.*

In 2022, other practice areas will be further explored. For example, stakeholder input and additional evidence will help to inform focused areas of modern standards such as diversity, equity and inclusion and virtual care. These topic specific standards will continue to evolve as additional evidence is gathered.

Key Features of a Modern Standard

Based on the evidence gathered to date, the following key features of a modern standard have been identified. These key features will guide and support a consistent approach to modern standard development, which include:

- **An accessible format:** which will be accessible through a variety of methods for a variety of stakeholders
- **A brief introduction:** which describes the purpose of the standard and will outline any applicable legislation
- **Nurses' professional accountabilities:** which will be communicated by listing key principles that are accessible, defensible and relevant. The number of principles and accountabilities will vary depending on the content of the practice standard but will be succinct and contain only key information
- **Embedded links to additional resources:** which will support application of the practice standard
- **A link to a single, online glossary:** which will provide a list of definitions universally used across practice standards and resources, instead of separate glossaries in individual practice standards and resources
- **Appendices (if applicable)**


Stakeholder Engagement Strategy 2022

In 2022, a wide range of stakeholders will be engaged, including but not limited to nurses, the public, employers and key informants in diversity, equity and inclusion. The engagement will involve the following:

- **January to March 2022:** Introducing the initiative and communicating the conceptual diagram to stakeholders

³ Consent is currently a practice guideline and will be transitioned to a practice standard.

⁴ The practice standard "Decisions About Procedures and Authority" will need to be further explored and the final title will be changed so that it is more clearly understood.

- 
- **April to September 2022:** Consulting on a draft updated *Code of Conduct*, a draft topic specific practice standard, and usability and dissemination strategies and co-designing diversity, equity and inclusion content
 - **October to December 2022:** Communicating the updated *Code of Conduct* and a topic specific practice standard

It will be important for us to remain agile as we assess the health care environment to determine if stakeholders are prepared for engagement, given the COVID-19 pandemic. Additionally, the change to modern standards will also impact stakeholders in a variety of ways. Therefore, we are proposing a soft launch, where modern standards would be communicated to stakeholders in advance but would not take effect until a later date to allow them the time to prepare for the change. This transition period will allow for system changes and readiness.

This stakeholder engagement strategy affirms CNO's [Strategic Plan 2021-2024](#) by creating a foundation for successful stakeholder collaboration to understand the health care system and risks to patient safety.

Next Steps

- In 2022, Council can expect:
 - Ongoing updates on the Modernizing Practice Standards project
 - Update on the stakeholder engagement and communication strategies
 - An updated Code of Conduct and
 - A topic specific practice standard.

Questions for Council

- What key considerations does Council have for CNO staff as the modernizing standards project progresses?

**Executive Committee zoom meeting
November 11, 2021 at 9:00 a.m.**

Minutes

Present

S. Robinson, Chair
T. Holland

N. Thick
M. Sheculski

D. Thompson

Staff

A. Coghlan
J. Hofbauer

R. Jabbour

K. McCarthy

Agenda

The agenda had been circulated and was approved on consent.

Minutes

Minutes of the meetings of August 26, 2021 and September 14, 2021 had been circulated. They were approved on consent.

September Council de-brief

The Executive de-briefed on the September Council meetings:

- the professional development (PD) session and
- the business meeting.

The Executive noted that the social opportunity at the start of the PD session was well received.

It was noted that there was extensive engagement in the PD session on standards. The knowledge gained in the session was reflected in the engagement and input during discussion on modernizing the standards at the open Council meeting.

It was suggested that the approach of a PD session to support understanding be considered when planning for discussion of a complex topic at Council.

It was noted that there was significant engagement at the Council business meeting and positive feedback in the discussion on norms.

Filling Council and committee member vacancy

The Executive received a briefing note on filling the Council and committee vacancies created when B. MacKinnon resigned.

Motion 1

Moved by N. Thick, seconded by T. Holland,

That Sylvain Leduc, NP, be appointed to fill the RN/NP Council member position from the Northeastern District until June 2023 and

That Sylvain Leduc, NP be appointed to fill the RN/NP Council member vacancy on the Quality Assurance Committee.

CARRIED

T. Holland offered to mentor S. Leduc.

Staff shared plans for orientation of the new member. The Executive was informed of staff's ongoing work to enhance learning and orientation for Council members.

Nominating Committee update

The Executive was updated on the Nominating Committee appointments. It was noted that plans are being developed for onboarding and orienting the committee members in January.

The Nominating Committee will recommend the members of statutory committees to Council in March 2022.

December Council Professional Development

The Executive was informed that the professional development session will take place the afternoon of December 1, 2021.

It was noted that over the past year, with the goal of ongoing improvement and enhancing governance, Council has begun a learning and teambuilding journey. The past year saw a focus on addressing culture and enhancing understanding of regulation and regulatory governance.

To continue supporting Council's commitment to its governance vision, CNO is planning to conduct a Council evaluation in 2022. The Executive supported that the December PD session introduce the concepts of board evaluation. It was agreed that a brief preparatory document would support discussion and learning.

It was suggested that it be clear that the evaluation is about Council, not CNO, and that this session would be the start of Council exploring how to evaluate itself in a meaningful and structured way, to identify gaps and learning needs.

December Council agenda

The Executive received annotated and draft agendas for the December 2021 Council meeting. It was noted that December includes the discussion about the budget. The Executive suggested that more time be provided for some items where significant discussion is anticipated.



The Executive approved the draft Council agenda, for posting, on consent.

Dates of meeting

S. Robinson noted that the Executive will meet again on February 10, 2022 in the afternoon and May 19, 2022 in the morning. The Patient Relations Committee will meet on February 10 to review its Annual Report to Council.

Executive Session

J. Hofbauer, R. Jabbour and K. McCarthy left the meeting. The Executive and A. Coghlan met.

Conclusion

On completion of the agenda and following the Executive session, the meeting of the Executive Committee concluded.

Chair

DRAFT

Decision Note – December 2021 Council

Revised Stipend and Expense Policies

Contact for questions or more information

Stephen Mills, Chief Administrative Officer

Decisions for consideration re. recommendation of the Finance Committee

That the revised Stipend and Expense policies, as they appear in [Attachment 1](#) to this briefing note, be approved to come into effect January 1, 2022.

Background

Based on advice from the Sub-Committee on Compensation, the Finance Committee is recommending changes to the Stipend and Expense Policies for Council and Committee Members (see [Attachment 1](#)).


The content of these policies is substantively the same as the current version¹. However, the policies have been updated to reflect changes (see below for an example), reorganized to group similar items and rewritten for clarity and understanding.

To support members in applying the policies to claims for stipends and expenses, a “How to Claim” section has been added to the policies, where relevant. Examples appear in the attached draft. These are operational and not part of what Council is being asked to approve. For that reason they are greyed out.

The substantive changes are to the Stipend Policy. They are highlighted in the attachment and include:

- Changes to the preparatory stipend for the Registration and Inquiries, Complaints and Reports committees (#2 c) i) and ii))
- Adjustments for inflation and a change in how inflation is calculated for the President’s honorarium (#4) and payment to the President’s employer (# 5) and

¹ Available in the Boardvantage on the Reference Card on the Council dashboard – Expenses and Stipends – Nurse Members.

- 
- Changes to align the calculation of stipend for in-person meetings with a 7-hour day, consistent with calculations of stipend for virtual attendance (#6i).

Recognizing that we are in a time of constant change, the policies now include two provisions for revision:

- a regular biennial review and
- a review of part or all of the policies whenever there is a substantive change in either how work is done or in benchmarks.

The next regular review of the policies will be in 2023. A goal of that review will be to establish, if possible, a common framework for determining preparatory stipend. To that end, staff will be collecting data regarding preparatory work over the next two years.

Attachment:

Proposed Revised Stipend and Expense Policies for Council and Committee Members

Attachment 1

Draft Proposed Stipend and Expense Policies

Revisions in bold-faced italics

Introduction

This package includes stipend and expense policies, and supporting information, that apply to all members of Council and committees who are not Lieutenant Governor in Council appointees.

Throughout the policies:

- “member” refers to any person eligible to receive payment under these policies
- “attendance” refers to virtual and in-person attendance
- “meetings” include hearings

1. Authority

These policies exist under Article 44 of By-Law No. 1: General.

2. Purpose

These policies:

- recognize the service of members (Stipend Policy: 1, 2, 3 (a) to (c) and 4)
- ensure that participation in Council and committee business does not place an undue financial burden on members (Stipend Policy: 3(d) to 3(f) (claimable for shift loss) and Expense Policy) and
- support the appropriate use and documentation of CNO funds for Council and committee activities

3. Member Accountabilities

Members are accountable for:

- following the stipend and expense policies and the expectations of members
- limiting claims to stipend and expenses directly related to the business of Council or committees
- ensuring the accuracy of claims submitted
- submitting claims using the CNO expense form and providing all required documentation
- claiming stipend and expenses within 15 days of the end of any month in which there are claims
- reconciling monthly stipend and expense payments against meetings attended and claims made by the end of any month where payment is received and raising any concerns, in writing, within two months. (See #4 - Addressing Concerns)
- obtaining prior authorization from the Executive Director and CEO before incurring any stipends or expenses outside regular Council and committee involvements

The following member claims are subject to third party review (audit):

- stipend under policy 3 and
- expenses

Claims for stipend for shift loss may be subject to verification by CNO staff with the member’s employer.

4. Addressing Concerns

Following monthly reconciliation of the payment from CNO with the member's records, if the member discovers an inconsistency between their claim and the payment, they are asked to contact the Manager of Finance and Hearings, in writing, and to provide the following information:

- the specific meeting (committee name and date)
- the specific item of concern (e.g., stipend, meal, travel)
- the amount of the difference and any documentation to support the claim of the initial amount

The Manager of Finance and Hearings will respond to the member, in writing, within 20 business days of receipt of the member's concerns, including the Manager's decision and reasons.

If, following review of the response from the Manager of Finance and Hearings, the member remains dissatisfied with the outcome, the member may appeal in writing to the Chief Administrative Officer providing:

- the decision and reasons from the Manager of Finance and Hearings
- their specific concern about the decision
- the documentation specific to their concern and
- their statement on how their request is appropriate under the circumstances and in relation to CNO's Stipend and Expense Policies for Council and Committee Members

If, following the response of the Chief Administrative Officer, the member continues to be concerned, they may appeal in writing to the Council President.

5. Maintaining Currency of the Policies

The stipend and expense policies are approved by Council on advice of the Finance Committee (Article 44 of By-Law No. 1: General).

To maintain currency, a review of all stipend and expense policies takes place biennially, subject to the exception noted below.

Where there is a significant change, in how a committee operates, the benchmarks¹ or in the cost of relevant services, a review will be undertaken to address that change and determine if the policies require interim amendment.

¹ Benchmarks include the ONA Contract for stipends and [Statistics Canada's CPI](#) for Ontario - all items, for the President's Honorarium and payment to the President's employer.

Stipend Policy

Overview

Stipend is a fixed amount, agreed upon by Council, which is given to members in recognition of the service provided on Council and committees or in carrying out Council business. Stipend is not salary replacement.

1. Stipends

Stipends payable under this policy are:

- a) \$275.00 per stipend day for members
- b) \$375.00 per stipend day for Chairs of statutory committees and statutory committee panel chairs, when chairing meetings, including deliberations and reason writing (when done by the panel)
- c) \$375.00 per stipend day for the President for any meeting attended or chaired on behalf of CNO, except attendance at educational conferences and workshops and
- d) \$325.00 per stipend day for each Vice-President for any meeting attended or chaired on behalf of CNO, except attendance at educational conferences and workshops

2. Automatic Stipend

A stipend under this policy will be automatically paid for:

- a) time in attendance at meetings of Council and committees
Note: If your employer receives this stipend and you attend on a day when you should receive stipend (e.g., vacation day), please inform the committee administrator in writing before the meeting
- b) one stipend day will be paid for a scheduled one-day of in person attendance where CNO has requested that the member attend the meeting in person and where the meeting is prematurely terminated
- c) preparatory time for meetings attended for the following committees where the preparatory time for decision-making is ongoing and burdensome, at the rates stipulated² below:
 - i) Registration Committee: **10 minutes per matter**
 - ii) Inquiries, Complaints and Reports Committee (ICRC)
 - a. case review meetings: two stipend days for each day of meeting and
 - b. meetings to deliver cautions: one-half stipend day per day of meeting**
 - iii) ICRC Chair: an additional one quarter stipend day for each day of meeting for review of decisions
 - iv) Executive Committee: one stipend day for each day of meeting

² Where relevant, preparatory time will be pro-rated based on the rates established and a seven-hour day

- v) Discipline Committee pre-hearing conferences: one-half stipend day for 250 pages of reading, pro-rated to 70 pages/hour
- vi) Discipline Committee motion preparation on personal time: one hour stipend for every 30 pages of required reading
- vii) Quality Assurance Committee: one half stipend day for each day of meeting
- viii) Fitness to Practise consent order meetings: one hour stipend for every 30 pages of required reading and
- ix) Finance Committee: one stipend day per day of meeting

3. Claimable Stipend

A stipend payment under this policy may be *claimed* for:

- a) time while otherwise engaged in the business of Council for which prior eligibility for stipend has been confirmed
- b) preparatory time payable under 2(c) if a member is suddenly and unexpectedly unable to attend a meeting and has done the preparatory work
- c) time spent in drafting the reasons and decision of a Discipline hearing, under the following circumstances (see How to Claim):
 - i) the member has been assigned the task of drafting reasons on behalf of a panel and is doing the work on their own time and
 - ii) the amount paid is based on the documented amount of time spent in preparing the reasons, in accordance with the criteria itemized in section 6ii of this policy (see How to Claim)
- d) a member may claim up to one stipend day for salary loss (part or whole shift) which they cannot recover by rearranging their work schedule for (see How to Claim):
 - i. attending part-day meetings for which a member needs to book off a full shift
 - ii. time committed to meetings which are unexpectedly cancelled or prematurely terminated
 - iii. a shift or part shift booked off to travel to scheduled meetings, which CNO has required that the member attend in person, and which are unexpectedly cancelled and
 - iv. time while otherwise engaged in Council business for which prior authorization has been confirmed
- e) for time committed to meetings which are unexpectedly cancelled or end prematurely, a member who works part time, casual or contract and who has declined to schedule work in order to attend a meeting scheduled for a full day, may claim up to one stipend day for salary loss which they cannot recover by rearranging their schedule.

- f) The difference between one and a half stipend days and the stipend paid for time in attendance at a meeting may be claimed by a member who lost a 12-hour shift when the member or their employer receives a part day or a one-day stipend

Salary loss can be claimed if the member takes a vacation day to attend or travel to or from a meeting at CNO or another location, on CNO's request.

How to Claim

Claims for stipend are documented in Section 4 of the Expense Claim Form: Claimable Stipends and Salary Loss Stipends

State the specific policy (e.g., 3f) and reason.

In the "No. days" column, note the total number of stipend days required for the meeting. For example, one stipend day for a regular shift, 1.5 stipend days for a 12-hour-shift. CNO staff will adjust for stipend that has been paid automatically.

If claimable stipend is to be paid to your employer, please note on the claim.

For stipend claimed under policy 3c (drafting Discipline decisions), the member is expected to track the time spent preparing the decision and provide documentation of with their claim. The claim is to be made based on a seven-hour day, with any time that is more than a multiple of seven hours claimed in hours. For example, 16 hours would be claimed as two days and two hours.

4. President's honorarium

The President's annual honorarium is **\$6,200**.³

5. President's Employer

CNO will offer to provide lump-sum payments to the President's employer of up to 25% of the President's annual salary at the time the President's term commences to a maximum of **\$42,000** in any one year.⁴

³ The increase to the honorarium will be based on the cumulative inflationary increase since the last time the honorarium was adjusted, **calculated using Statistics Canada's CPI for Ontario - all items**, rounded up to the nearest \$100.

⁴ The increase of the payment to the President's employer will be based on the cumulative inflationary increase since the last time the payment was adjusted, **calculated using Statistics Canada's CPI for Ontario - all items**, rounded up to the nearest \$500.

The President's employer will receive the amount split into two equal payments, the first following start of the President's term of office and the second early in the following calendar year.

6. Criteria for determining amount paid

Stipend is based on a seven-hour day.

The following are criteria for determining the amount of stipend to be paid/claimed:

- i. for one calendar day of in person attendance at a meeting or hearing, where CNO has requested that the member attend in person:
 - ***under 3.5 hours of meeting time -- one half stipend day***
 - ***3.5 to seven hours of meeting time -- one stipend day***
 - ***over seven hours of meeting time -- one and a half stipend days***
- ii. stipend paid for virtual attendance at meetings and remote preparatory work for virtual meetings is pro-rated based on a seven-hour day, calculated based on the start and end times of the meeting, rounded up to the nearest half hour

7. Payee

Stipends will be paid to the member as taxable income, subject to income tax deduction and issuance of a tax form at year end. Income tax will automatically be deducted from a member's stipend based on the information submitted on the TD-1 form.

Upon written confirmation from the member, their stipend payments for meeting attendance will be paid to the member's employer as a fee for service. Income tax will not be deducted.

Expense policy

Overview

The following policy sets out expenses that CNO will cover when CNO requires that a member attend a meeting in person at CNO's offices or another location.

CNO does not pay expenses to members for attending meetings remotely.

CNO will either reimburse the member for out-of-pocket expenses that are allowed under these policies, on receipt of a completed expense claim form, or will arrange and prepay for select services (e.g., hotel accommodation including parking and taxes, air travel and taxis).

Member Responsibilities

Members are expected to be fiscally responsible in the use of services, attempting where possible to minimize costs to CNO through selection of the most cost-effective alternative and/or through sharing of services (e.g., taxis) where possible.

Members are expected to follow the travel policies and procedures.

How to claim expenses

All expenses are claimed on CNO's Expense Claim Form.

Expenses Claim Forms need to include:

- your name
- the date of the meeting
- the purpose – the committee name, and for hearings, the name of the matter (e.g., Discipline, nurse name)
- your signature and
- the date of the claim

Unless otherwise specified, all expenses must be supported by the original receipts, including the vendor's HST tax registration number. Credit card payment slips will not be considered proof for an expense.

The claim and related receipts can be sent electronically to the committee administrator. Either scans or photographs are acceptable. If sending photographs, please take separate pictures of the claim form and each receipt.

It is recommended that you retain the original claim form and receipts for one year.

If you are submitting several receipts, it is helpful to number the item on the claim form and the supporting receipt.

Specifics for how to claim particular expenses are noted under the expense category.

Specific Policies

1. Overnight accommodation

Only members who live more than 40 kilometers from the meeting site⁵, are eligible to be reimbursed the cost of overnight accommodation:

- a) Hotel/Motel
Members are eligible to be reimbursed for the costs of hotel accommodation and taxes.
- b) Short-term rental
Members are eligible to be reimbursed a maximum of CNO's lowest corporate hotel rate plus taxes per night for overnight stays in short-term rental facilities such as Air B&B, Vacation Rental by Owner.
- c) Private Accommodation:
Members who are eligible to be reimbursed the cost of overnight accommodation may claim an allowance of \$50.00 per night, without receipt, when staying in private accommodation.

Expectations of Members

To be eligible for reimbursement of any costs greater than CNO's corporate rate for hotel accommodation, members must book hotel rooms with CNO's travel service provider within five business days following notification of a meeting.

Members planning to stay in short-term rental should verify CNO's lowest corporate hotel rate with CNO's travel service provider.

If a meeting has been cancelled in advance and the member notified, the member must either:

- for hotel accommodation: ask CNO's travel service provider to cancel the reservation
- for short-term rental: cancel the reservation

If the reservation is not cancelled, the member will be responsible for the cost.

On checking out of either a hotel or short-term rental, the member is responsible for checking the bill and verifying that the charges are correct.

⁵ Eligibility to stay in a hotel will be decided based on the shortest travel distance between the member's home and the meeting site on Google maps.

How to Claim

For rooms booked in accordance with CNO's policies, CNO will cover the room cost, taxes and cost for parking. Any other charges on the bill are the responsibility of the member.

Where provisions are in place, the above will be charged to CNO.

Any charges that fall within the policies and are not paid directly by CNO will need to be claimed on the expense claim form. That includes accommodation and any charges for food. Claims for food charged to the member's hotel bill need to be claimed under meals.

Claims for hotel, short-term rental, or payment for private accommodation should be entered under "Accommodation", noting the name of the facility and the number of nights. The amount of the accommodation expenses should be entered into the "Amount Claimed" column.

An initialled copy of the bill should be submitted with the expense claim.

2. Travel

CNO will cover the costs of travel from the member's electoral district (either home or work) to the meeting site.

a) Between cities:

The following are allowable expenses for transportation required between centres:

- i. Economy airfare booked with CNO's travel service provider (Airfare class that provides advanced standard seat selection and allows for checked baggage for a fee)⁶
- ii. Train travel (can be booked with CNO's travel service provider or by the member)
 - Economy class for train journeys of two hours or less or
 - Business class for train journeys exceeding two hours
- iii. Bus
- iv. Private automobile at the rate published by CNO at the start of each calendar year⁷
- v. Car rental
- vi. Use of the Union Pearson (UP) Express between Pearson International Airport and the city centre
- vii. **GO Transit** and
- viii. Toll roads

⁶ The cost of checked baggage is a reimbursable expense.

⁷ The approved car allowance is equal to the applicable maximum allowable Canada Revenue Agency rate less 2 cents per kilometre

b) Within a City:

The following are allowable expenses for transportation within a city for travel related to CNO business (including the Council dinner):

- i. Private automobile at the rate published by CNO at the start of each calendar year
- ii. Parking for private automobile
- iii. Taxi fare and gratuities (the greater of \$1.50 or 15% of the fare), with receipts
- iv. Ride-sharing service, regular pricing or
- v. Bus/subway fare (no receipt required)

Business Travel Insurance

CNO provides all members with accidental death and dismemberment insurance in the principal sum of \$100,000. This insurance provides 24-hour protection for members while travelling on CNO business.

Expectations of Members

Travel expenses claimed must reflect travel via the most expedient means, consistent with convenience and economy. If a more time-consuming mode of travel is selected voluntarily by the member, the maximum entitlement under this policy is the equivalent of those reasonable expenses had economy airfare been selected.

Members must book air travel with CNO's travel service provider, as soon as possible following notification of the meeting date.

Members who are asked (on an emergency basis) to alter personal travel arrangements to support CNO business, may be eligible for reimbursement of the difference in costs (e.g., change fees) associated with making the change. Each request for reimbursement will be considered on a case-by-case basis and requires prior approval by the Chief Administrative Officer. Members will be required to submit a written request, including documentation of the additional costs and options considered, provided by CNO's travel service provider. Requests can be forwarded to the committee administrator or the Council Affairs Coordinator.

Members are expected to hold automobile insurance including \$1M for third party liability for any vehicle used for travel to CNO.⁸

Members will be reimbursed for ride-sharing services at regular rates. Surge rates are not eligible for reimbursement.

Members who travel on GO are eligible for reimbursement for ticket costs, as proved by receipts or documentation of PRESTO purchase. CNO does not reimburse for amounts loaded on a Presto Card in anticipation of travel on CNO business.

Reimbursement for use of toll roads is limited to when travel time can be reduced and the trip is occurring during peak commuting hours (6am to 10am or 4pm to 8pm on weekdays).

⁸ This is a requirement of CNO's insurance provider.

How to Claim

Content will be added when the Expense Claim Form is revised

3. Meals

The cost of meals for travelling members is an allowable expense to a maximum of \$65.00 per day inclusive of taxes and gratuities.

In-town members may claim the cost of a meal with Council or committee members for business purposes.

Members with special dietary requirements, such as gluten free or vegan, are eligible to be reimbursed \$15.00 for food purchased and brought to CNO for lunch and breaks.

Expectations of Members

CNO covers the cost of meals for the individual member only.

When members dine together, separate bills must be requested and submitted with individual expenses. If it is not possible to secure separate bills, it is expected that the costs (including tax and tip) will be calculated, and each member will submit a copy of the bill with details of their costs (including tax and tip).

Where CNO provides meals and beverages during meetings, the cost of replacing that meal or beverage is not an allowable expense. This does not include breakfast.

When the President hosts a dinner for Council, the costs for attendees are covered by CNO. Members who attend are not eligible to claim for any food or beverages between the Council meeting and the dinner or during the dinner.

When a member dines with a friend or family member, it is expected that the member will request separate bills. If it is not possible to secure separate bills, it is expected that the costs (including tax and tip) for the guest will be subtracted from the detailed bill and the claim adjusted to reflect costs for the member only.

Members with special dietary requirements, are eligible for reimbursement of \$15.00 for food purchased if:

- they have identified on the catering form that they will not eat the meals provided by CNO
- they do not eat the food provided by CNO and
- the claim falls within the maximum daily meal allowance.

CNO will reimburse for gratuities for meals to a maximum of 15% of the total bill, even if the total claim for meals is less than the daily maximum.

The cost of meals on arrival in a member's hometown is not an allowable expense.

How to Claim

Claim meal expenses in the Meals section of the expense claim form.

Enter each meal on a separate line. Include the date, the type of expense in the “details” column (e.g., coffee, dinner) and the total amount claimed in the “amount claimed” column.

Submit all receipts together with your claim.

If a meal was shared and the receipt covers expenses other than yours, please claim only your portion and include documentation on how your portion was calculated (amounts removed for food, beverages, taxes and gratuity).

If you do not have a receipt, please provide a written explanation.

Meal allowances are daily. Unused amounts are not transferable.

4. Incidentals

A daily incidental allowance of \$10.00 may be claimed without supporting receipts each night for which the member used hotel accommodation.

How to Claim

TBD – waiting on changes to expense form

5. Non-Reimbursable Expenses

CNO will not reimburse for the following expenses:

- child or elder care
- personal services (e.g., dry cleaning)
- movie rentals
- parking violations
- tips for porters, housekeeping (covered by incidentals) and
- telephone calls (covered by incidentals)

6. Cancelled meetings and extended stays due to unforeseen circumstances

CNO will reimburse members for unavoidable expenses incurred relating to:

- a cancelled meeting for which it was not possible to cancel travel plans and
- extended stays due to unforeseen circumstances such as cancelled flights caused by inclement weather

How to claim

Submit a written explanation with your expense claim form, including evidence, if relevant, that you notified CNO’s travel service provider as soon as possible after learning of the cancellation to cancel travel and hotel arrangements.

Include receipts for the costs incurred.

Approved by Council:

Effective:

Next Review:

Decision Note – December 2021 Council

Filling committee vacancy

Contact for questions or more information

Kevin McCarthy, Director, Strategy

Decision for consideration

That Council confirm the appointment of Sylvain Leduc, NP to fill the RN/NP Council member vacancy on the Quality Assurance Committee.

Background

In September, Council was informed that Bonnie McKinnon, an RN from the Northeastern district, resigned her Council seat on Council. Bonnie was a member of the Quality Assurance Committee.

Council membership:

Bonnie was elected in 2020 and her term was scheduled to end June 2023. Article 55 of the by-laws (see attachment 1) sets out the options for addressing Council vacancies. In order to expedite onboarding a new Council member, the Executive Committee acted on behalf of Council and appointed Sylvain Leduc, the runner up in the 2020 election in that district, to Council until June 2023¹.

Appointment to the Quality Assurance Committee:

The Executive also appointed Sylvain to fill the vacancy on the Quality Assurance Committee. According to Article 31.05, this appointment needs to be confirmed by Council at its next meeting.

Attachment

1. Extracts from relevant By-Laws related to filling of committee and Council vacancies

¹ Article 55.04 specifies that the term of a member appointed to fill a vacancy ends when the term being filled ends.



By-Law Extracts Regarding Filling Council and Committee Vacancies

Filling committee vacancies

31.03 Where a vacancy occurs in respect of the membership of a committee, other than the Executive Committee, the Executive Committee may and, if necessary for such committee to achieve its quorum shall, appoint a person(s) to fill any vacancy in the membership of such committee.

31.05 A member of a committee appointed by the Executive Committee in accordance with Article 31.03 is subject to confirmation by Council at its next regular meeting.

Filling elected Council member vacancies

55.01 The seat of an elected councillor or elected committee member shall be deemed to be vacant upon the death, resignation or disqualification of the elected councillor or elected committee member.

55.02 If the seat of an elected councillor becomes vacant for an electoral district not more than sixteen months before the expiry of his or her term, the Council shall

- i. leave the seat vacant; or
- ii. appoint as a councillor a member who meets the requirements for eligibility for election in that electoral district to serve the balance of the former elected member's term.

55.03 If the seat of an elected councillor becomes vacant for an electoral district **more than sixteen months** before the expiry of his or her term, the Council shall

- i. direct the holding of a by-election for that electoral district which shall be held in a manner consistent with the elections held under this by-law; or
- ii. appoint as a councillor the eligible candidate who had the most votes of the unsuccessful candidates in the last election for that electoral district or if that candidate is not willing to accept the appointment, the eligible candidate with the next highest number of votes.

55.04 The term of an elected councillor or an elected or appointed committee member elected or appointed under Article 55.02, 55.03 or 55.03.2 shall continue until the term of the former elected councillor or former elected or appointed committee member would have expired.

