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# Reserve Fund Policy

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College of Chiropodists of Ontario

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## Background

The College of Chiropractors of Ontario (the College) is a Regulated Health Profession governing the chiroprody and podiatry professions in the Province of Ontario with a legislative mandate pursuant to the *Regulated Health Professions Act* (RHPA) to protect the public. The College is a member-based statutory professional regulatory body that is independently funded, primarily through membership fees.

In keeping with its fiduciary responsibilities, and in compliance with the Ministry of Health's College Performance Measurement Framework, the College must implement a Reserve Fund Policy. Such policy is to ensure the College has appropriate operating/contingency ("Reserve Fund") available to provide for unanticipated expenses, unexpected, reduced revenue and/or ongoing unanticipated operational costs. The Reserve Fund allows for appropriate financial adjustments at year end beyond the constraints of the fiscal year. It also may be used to fund future development, renewal and expansion of both programming and infrastructure, which is a desirable goal for the College.

## General Policy

1. Withdrawals from the Reserve Fund occur in the audited financial statements but are subject to approval by the Council and are otherwise subject to approval by Council.
2. The appropriate level of the Reserve Fund is subject to approval by Council.

## Operating Guidelines

1. The College maintains the Reserve Fund for the following purposes:
  - a. to offset any annual deficit;
  - b. to cover unpredictable/fluctuating College expenses;
  - c. to fund unexpected legal expenses, such as judicial reviews and/or appeals of decisions of the College and its Committees; Committee;
  - d. to fund program support/development;
  - e. to fund specific projects/one-time expenditures (i.e. database, infrastructure);
  - f. to fund unexpected employment costs; and
  - g. to fund any other expenditure if so directed by Council.
2. The Registrar will identify needs to withdraw funds from the reserve fund and present a request to the Executive Committee or Council for review, consideration and approval of the request. The Executive Committee and/or Council may refuse the request, or may grant the request in whole or in part.
3. The Registrar shall be responsible to ensure the Reserve Fund is appropriately maintained in keeping with the Reserve Fund Policy.
4. Approved expenditures from the Reserve Fund will be reflected as a separate entry apart from the annual operating budget.
5. The target amount for the Reserve Fund shall be an amount of money that should ideally be maintained in the Reserve Fund at all times (Target Amount). The Target Amount

shall be \$700,000 unless and until the Council approves a change in the Target amount. Where the Target Amount falls below \$700,000 the Registrar shall advise the Council and Council shall consider the steps necessary to restore the Targeted Amount including considering amending the fees bylaw by an amount determined to be appropriate to restore the Target Amount.

6. Where the amount of the Reserve Fund is more than 200% of the Targeted Amount at the end of the College's fiscal year, the Council shall consider what action is appropriate to reduce the Reserve Fund to the Targeted Amount. This may include amending the fees bylaw to reduce the amount of revenue which the College would receive in future years.
7. The Reserve Fund shall be funded in 2022 with a seed amount of \$300,000. In 2023 an additional amount of \$200,000 will be placed in the Reserve Fund and in 2024 an additional and final amount of \$200,000 will be placed in the Reserve Fund to amount to a total of \$700,000.