



The College of Naturopaths of Ontario

Council of the College of Naturopaths of Ontario

Meeting #30

Draft Agenda

Date: July 27, 2022 (2022/23-02)

Time: 9:15 a.m. to 12:15 p.m. Location:

Zoom Video Conference Platform¹

¹ Pre-registration is required.

**Excerpt from the Health Professions Procedural Code
Regulated Health Professions Act.**

COLLEGE

College is body corporate

2. (1) The College is a body corporate without share capital with all the powers of a natural person.

Corporations Act

(2) The *Corporations Act* does not apply in respect to the College. 1991, c. 18, Sched. 2, s. 2.

Duty of College

2.1 It is the duty of the College to work in consultation with the Minister to ensure, as a matter of public interest, that the people of Ontario have access to adequate numbers of qualified, skilled and competent regulated health professionals. 2008, c. 18, s. 1.

Objects of College

3. (1) The College has the following objects:

1. To regulate the practice of the profession and to govern the members in accordance with the health profession Act, this Code and the *Regulated Health Professions Act, 1991* and the regulations and by-laws.
2. To develop, establish and maintain standards of qualification for persons to be issued certificates of registration.
3. To develop, establish and maintain programs and standards of practice to assure the quality of the practice of the profession.
4. To develop, establish and maintain standards of knowledge and skill and programs to promote continuing evaluation, competence and improvement among the members.
 - 4.1 To develop, in collaboration and consultation with other Colleges, standards of knowledge, skill and judgment relating to the performance of controlled acts common among health professions to enhance interprofessional collaboration, while respecting the unique character of individual health professions and their members.
5. To develop, establish and maintain standards of professional ethics for the members.
6. To develop, establish and maintain programs to assist individuals to exercise their rights under this Code and the *Regulated Health Professions Act, 1991*.
7. To administer the health profession Act, this Code and the *Regulated Health Professions Act, 1991* as it relates to the profession and to perform the other duties and exercise the other powers that are imposed or conferred on the College.
8. To promote and enhance relations between the College and its members, other health profession colleges, key stakeholders, and the public.
9. To promote inter-professional collaboration with other health profession colleges.
10. To develop, establish, and maintain standards and programs to promote the ability of members to respond to changes in practice environments, advances in technology and other emerging issues.
11. Any other objects relating to human health care that the Council considers desirable. 1991, c. 18, Sched. 2, s. 3 (1); 2007, c. 10, Sched. M, s. 18; 2009, c. 26, s. 24 (11).

Duty

(2) In carrying out its objects, the College has a duty to serve and protect the public interest. 1991, c. 18, Sched. 2, s. 3 (2).



The College of Naturopaths of Ontario

COUNCIL MEETING #30
July 27, 2022
9:15 a.m. to 12:10 p.m.
DRAFT AGENDA

Sect/No.	Action		Item		Page	Responsible
0	Pre-Meeting Networking (8:45 am to 9:15 am)					
		Networking	Information networking for Council members (8:45-9:15am)		--	All
1	Call to Order and Welcome					
	1.01	Procedure	Call to Order		--	J. Sokoloski
	1.02	Discussion	Meeting Norms		4-6	J. Sokoloski
	1.03	Discussion	“High Five” – Process for identifying consensus		7	J. Sokoloski
2	Consent Agenda ¹					
	2.01	Approval	i.	Draft Minutes of May 25, 2022	8-15	J. Sokoloski
			ii.	Committee Reports	16-30	
			iii.	Information Items	31-159	
3	Main Agenda (9:20 am)					
	3.01	Approval	Review of Main Agenda		3	J. Sokoloski
	3.02	Discussion	Declarations of Conflict of Interest		160-161	J. Sokoloski
4	Monitoring Reports					
	4.01	Acceptance	Report of the Council Chair		162	J. Sokoloski
	4.02	Acceptance	Report on Regulatory Operations		163-167	A Parr
5	Council Governance Policy Confirmation					
	5.01	Discussion	Review/Issues Arising		--	J. Sokoloski
			i.	Council-CEO Linkage Policies		
			ii.	Governance Process Policies		
			iii.	Ends Policies		
	5.02	Decision	Detailed Review Executive Limitations Policies (Part 1)		168-179	
	5.03	Decision	GP06 – Committee Terms of Reference Amendments		180-219	
6	Regular Business					
	6.01	Acceptance	Audit Committee Report on the 2021-2022 Audit		220-221	E. Rossi
	6.02	Approval	Auditor’s Report and Audited Statements 2021-2022		222-239	T. Kriens
	6.03	Decision	Annual Statutory Committee Reports		240-251	J. Sokoloski
	6.04	Decision	Examinations Policy – Proposed amendments		252-268	D. O’Connor
	6.05	Decision	Clinical Examinations – Proposed amendments		269-276	D. O’Connor
	6.06	Information	Head Office Relocation		277-282	A. Parr
7	Council Education					
	7.01	Discussion	Council and Committee Evaluations		--	S. Verrecchia
8	In-Camera (Pursuant to paragraph (d) of section 7(2) of the HPPC)					
	8.01	Motion	In-camera session to discuss personnel matters.		--	J. Sokoloski
	8.02	Decision	Committee Appointments		283	J. Sokoloski
	8.03	Decision	CEO Performance Evaluation 2021-2022		--	J. Sokoloski
	8.04	Motion	To move out of the in-camera session		--	J. Sokoloski
9	Other Business					
	9.01	Decision			--	J. Sokoloski
10	Evaluation and Next Meeting					
	10.01	Discussion	Meeting Evaluation		On-line	J. Sokoloski
	10.02	Discussion	Next Meeting – September 28, 2022		--	J. Sokoloski
11	Adjournment					
	11.01	Decision	Motion to Adjourn		--	J. Sokoloski

¹ Members of Council may request any item in the Consent Agenda to be added to the main agenda.



The College of Naturopaths of Ontario

**Zoom Meeting
Council of the College of Naturopaths of Ontario**

Meeting Norms

General Norms

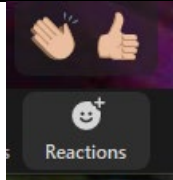
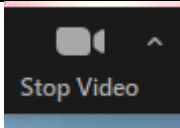
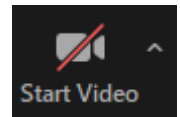
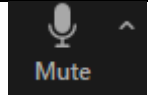
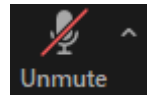
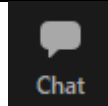
1. We'll listen actively to all ideas
2. Everyone's opinions count
3. No interrupting while someone is talking
4. We will be open, yet honor privacy
5. We'll respect differences
6. We'll be supportive rather than judgmental
7. We'll give helpful feedback directly and openly
8. All team members will offer their ideas and resources
9. Each member will take responsibility for the work of the team
10. We'll respect team meeting times by starting on time, returning from breaks promptly and, avoid unnecessary interruptions
11. We'll stay focused on our goals and avoid getting sidetracked

Additional Norms for Virtual Meetings

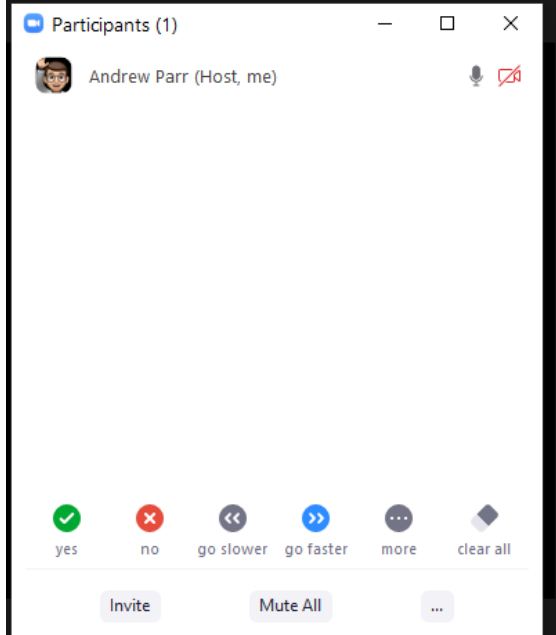
1. No putting the call on hold or using speakerphones
2. Minimize background noise – place yourself on mute until you are called upon to speak and after you have finished speaking
3. All technology, including telephones, mobile phones, tablets and laptops, are on mute or sounds are off
4. If we must take an emergency telephone call, we will ensure that we are on mute and we will stop streaming our video

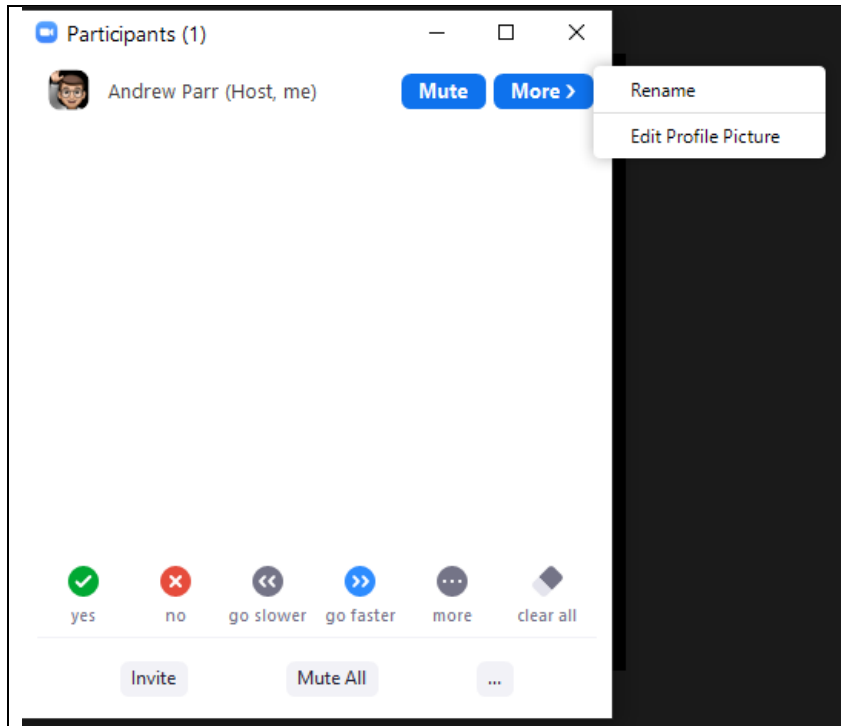
5. Stay present – webcams will remain on (unless we are on a call or there is another distraction on your end)
6. Stay focused – avoid multi-tasking during the meeting
7. Use reactions (thumbs up, applause) to celebrate accomplishments and people
8. Use the Chat feature to send a message to the meeting host or the entire group.

Zoom Control Bar – Bottom of screen

Reactions	Stop or Start Video	Mute/Unmute	
	 	 	

Other Helpful Tips

	• Use the Participants button on the bottom control button to see a list of participants. • On the Participants Menu, you can use the bottoms to send instant message to the Host... yes or no etc. (Not all of these options will appear if you are not the Host)
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The screenshot shows a Zoom application window titled "Participants (1)". Inside the window, there is a list of participants with a single entry: "Andrew Parr (Host, me)". To the right of the name are two buttons: "Mute" and "More >". The "More >" button is highlighted, and a dropdown menu is open, showing two options: "Rename" and "Edit Profile Picture". Below the participant list, there is a row of icons with labels: a green checkmark for "yes", a red X for "no", a double left arrow for "go slower", a double right arrow for "go faster", a three-dot menu for "more", and a trash can for "clear all". At the bottom of the window, there are three buttons: "Invite", "Mute All", and a three-dot menu.

- Hover over your name on the Participants list to get more options
- You can rename yourself to your proper name
- You can add or change a profile picture.



The College of Naturopaths of Ontario

**Zoom Meeting
Council of the College of Naturopaths of Ontario**

Using “High Five” to Seek Consensus



We will, at times, use this technique to test to see whether the Council has reached a consensus.

When asked you would show:

- 1 finger – this means you hate it!
- 2 fingers – this means you like it but many changes are required.
- 3 fingers – this means I like it but 1-2 changes are required.
- 4 fingers – this means you can live with it as is.
- 5 fingers – this means you love it 100%.

In the interests of streamlining the process, for virtual meetings, rather than showing your fingers or hands, we will ask you to complete a poll.

Image provided courtesy of Facilitations First Inc.



The College of Naturopaths of Ontario

**Council Meeting
May 25, 2022**

**Video Conference
DRAFT MINUTES**

Council		
Present		Regrets
Dr. Shelley Burns, ND (1:1)		Ms. Asifa Baig (0:1)
Mr. Dean Catherwood (1:1)		Dr. Jonathan Beatty, ND (0:1)
Mr. Brook Dyson (1:1)		
Ms. Lisa Fenton (1:1)		
Dr. Anna Graczyk, ND (1:1)		
Ms. Sarah Griffiths-Savolaine (1:1)		
Ms. Tiffany Lloyd (1:1)		
Dr. Denis Marier, ND (1:1)		
Mr. Paul Phillion (1:1)		
Dr. Jacob Scheer, ND (1:1)		
Dr. Jordan Sokoloski, ND (1:1)		
Dr. George Tardik, ND (1:1)		
Staff Support		
Mr. Andrew Parr, CAE, CEO		
Ms. Agnes Kupny, Director of Operations		
Ms. Erica Laugalys, Director, Registration & Examinations		
Ms. Monika Zingaro, Administration Coordinator		
Guests		
Ms. Rebecca Durcan, Legal Counsel		

1. Call to Order and Welcome

The Vice-Chair, Ms. Sarah Griffiths-Savolaine, called the meeting to order at 9:21 a.m. She welcomed everyone to the meeting and recognized newly elected Council members Dr. Denis Marier, ND, District 1, and Dr. Anna Graczyk, ND, District 2 to their first meeting, and Council member re-elect Dr. Jacob Scheer, ND, District 3.

The Vice-Chair also noted that the meeting was being live streamed via YouTube to the College's website.

2. Executive Committee Elections

2.01 Council Chair

Upon the submission deadline for nominations, only one nomination was received, Dr. Jordan Sokoloski, ND. Therefore, by acclamation he has been elected to the position of Council Chair.

2.02 Council Vice-Chair

Upon the submission deadline for nominations, only one nomination was received, Ms. Sarah Griffiths-Savolaine. Therefore, by acclamation she has been elected to the position of Council Vice-Chair.

2.03 Officer-at-Large Public member

Upon the submission deadline for nominations, only one nomination was received, Mr. Dean Catherwood. Therefore, by acclamation he has been elected to the position of Officer-at-Large Public member.

2.04 Officers-at-Large Professional members

Upon the submission deadline for nominations, only two nominations were received, Dr. Shelley Burns, ND, and Dr. George Tardik, ND. Therefore, by acclamation they have been elected to the positions of Officer-at-Large Professional members.

3. Consent Agenda

3.01 Review of Consent Agenda

The Consent Agenda was circulated to members of Council in advance of the meeting. The Chair asked if there were any items to move to the main agenda for discussion. There were none.

MOTION:	To approve the Consent Agenda as presented.
MOVED:	George Tardik
SECOND:	Jacob Scheer
CARRIED.	

4. Main Agenda

4.01 Review of the Main Agenda

A draft of the Main Agenda, along with the documentation in support of the meeting had been circulated in advance of the meeting. The Chair asked if there were any items to be added to the agenda. There were none.

MOTION:	To approve the Main Agenda as presented.
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MOVED:	Sarah Griffiths-Savolaine
SECOND:	Shelley Burns
CARRIED.	

4.02 Declarations of Conflicts of Interest

The Chair reminded the Council members of the updated Declarations of Conflict-of-Interest process. A summary of the Annual Conflict of Interest Questionnaires completed by Council members has been included to increase transparency and accountability initiatives, and to align with the College Performance Measure Framework Report (CPMF) launched by the Ministry of Health.

The Chair reminded Council there are a few forms that are still required to be completed and submitted to College staff as soon as possible.

5. Monitoring Reports

5.01 Report of the Council Chair

The Report of the Council Chair was circulated in advance of the meeting. The Chair reviewed the report briefly with Council. He welcomed and responded to questions from the Council.

MOTION:	To accept the Report of the Council Chair as presented.
MOVED:	Lisa Fenton
SECOND:	Dean Catherwood
CARRIED.	

5.02 Report on Regulatory Operations from the Chief Executive Officer (CEO)

The Report on Regulatory Operations from the CEO was circulated in advance of the meeting. Mr. Andrew Parr, CEO, provided highlights of the report and responded to questions that arose during the discussion that followed.

MOTION:	To accept the Report on Regulatory Operations from the CEO.
MOVED:	Paul Phillion
SECOND:	George Tardik
CARRIED.	

5.03 Variance Report and Unaudited Financial Statements for Q4

A Variance Report and the Unaudited Financial statements ending March 31, 2022 (Q4) were included in the materials circulated in advance of the meeting. Ms. Agnes Kupny, Director of Operations, provided a review of the Variance Report and the Unaudited Statements and highlighted the changes in the report from the previous quarters. She responded to questions that arose during the discussion that followed.

MOTION:	To accept the Variance Report and Unaudited Financial statements for the fourth quarter as presented.
MOVED:	Jacob Scheer
SECOND:	Dean Catherwood
CARRIED.	

5.04 Report on Operations – Year End Report

The Report on Operations – Year End Report was included within the materials distributed in advance of the meeting. Mr. Parr provided a thorough review of the Report and explained the information contained within the Report, highlighting the key performance indicators and whether the strategic objectives were met based on the Ends Policies. He responded to questions that arose during the discussion that followed.

MOTION:	To approve the Operating Report – Year End Report from the CEO.
MOVED:	Shelley Burns
SECOND:	Sarah Griffiths-Savolaine
CARRIED.	

6. Council Governance Policy Confirmation

6.01 Review/Issues Arising

6.01(i) Council-CEO Linkage Policies

Council members were asked if they had any questions or matters to note with respect to the Council-CEO Linkage policies based on the reports received. No issues were noted at this time.

6.01(ii) Governance Process Policies

Council members were asked if they had any questions or matters to note with respect to the Governance Process policies based on the reports received. No issues were noted at this time.

6.01(iii) Executive Limitations Policies

Council members were asked if they had any questions or matters to note with respect to the Executive Limitations policies based on the reports received. No issues were noted at this time.

6.01(iv) Ends Policies

Council members were asked if they had any questions or matters to note with respect to the Ends policies based on the reports received. No issues were noted at this time.

6.02 Detailed Review (as per GP08) – Committee Terms of Reference

Council members were asked if there were any members who wished to discuss the Committee Terms of Reference. The Chair provided a detailed overview of the amendments being presented as outlined in the Memorandum included within the Council's package and responded to any questions that arose during the discussion.

MOTION:	To accept the recommendations of the Governance Policy Review Committee.
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MOVED:	George Tardik
SECOND:	Lisa Fenton
CARRIED.	

7. Business

7.01 Exam Appeals Policy

A Briefing Note and corresponding documentation highlighting the proposed changes to the Exam Appeals Policy were circulated in advance of the meeting. Ms. Erica Laugalys, Director, Registration & Examinations provided a detailed overview of the amendments and responded to any questions that arose during the discussion.

MOTION:	To approve the proposed changes to the Examination Appeals Policy as presented.
MOVED:	Paul Phillion
SECOND:	Shelley Burns
CARRIED.	

7.02 Pandemic & Emergency Preparedness Regulations

A Briefing Note highlighting the proposed feedback for submission to the Ministry of Health in relation to new regulations to be made under the *Regulated Health Professions Act, 1991* (RHPA), Bill 106, on behalf of the College was circulated in advance of the meeting. Mr. Parr provided a detailed overview of the feedback and responded to any questions that arose during the discussion.

MOTION:	To approve the submission of proposed feedback to the Ministry of Health relating to new regulations to be made under the RHPA (Bill 106) as presented.
MOVED:	Jacob Scheer
SECOND:	Sarah Griffiths-Savolaine
CARRIED.	

7.03 Canadian Code for Volunteer Involvement (CCVI)

A Memorandum and corresponding documentation explaining how the Code can be used as a guide for volunteering in all levels of an organization and setting out the values of volunteer involvement, guiding principles for volunteer involvement, as well as standards of practice for volunteering was circulated in advance of the meeting. Mr. Parr provided a brief overview of the Code and responded to any questions that arose during the discussion.

The Council expressed their support in adopting this Code as part of the College's Volunteer Program.

MOTION:	To adopt the Canadian Code for Volunteer Involvement as part of the Colleges' Volunteer Program as a means of recognizing the value and contribution of its volunteers.
MOVED:	Shelley Burns
SECOND:	Dean Catherwood
CARRIED.	

7.04 Committee Appointments

A supplemental document was circulated individually in advance of the meeting, as it was not initially included within the meeting package, provided the proposed 2022-2023 fiscal year Committee appointments. Mr. Parr responded to any questions that arose.

MOTION:	To approve the Committee appointments as presented.
MOVED:	George Tardik
SECOND:	Tiffany Lloyd
CARRIED.	

8. Council Education

8.01 Program Briefing – ICRC

A Briefing Note highlighting the Complaints and Reports Processes was circulated in advance of the meeting. Mr. Parr provided a detailed overview of the processes the College follows and responded to any questions that arose during the discussion.

8.02 Program Briefing – Discipline

A Briefing Note highlighting the Discipline Processes was circulated in advance of the meeting. Mr. Parr provided a detailed overview of the processes the College follows and responded to any questions that arose during the discussion.

9. Other Business

The Chair asked if there was any other business to be brought before the meeting ended. There was none.

10. Meeting Evaluation and Next Meeting

10.01 Evaluation

The Chair advised the Council members that a link will be provided within the chat feature via Zoom for each member to copy and paste into a web browser to complete an evaluation form immediately following the end of the meeting.

10.02 Next Meeting

The Chair noted for the Council that the next regularly scheduled meeting is set for July 27, 2022. In addition, the Chair noted the informal networking held prior to the meeting commencing will take place again, as the Council members appreciated being able to speak to one another.

11. Adjournment**11.01 Motion to Adjourn**

The Chair asked for a motion to adjourn the meeting. The meeting adjourned at 11:16 a.m.

MOTION:	To adjourn the meeting.
MOVED:	George Tardik
SECOND:	Sarah Griffiths-Savolaine

Recorded by: Monika Zingaro
Administration Coordinator
May 25, 2022



The College of Naturopaths of Ontario

Action Items List
Council Meeting of May 25, 2022
Meeting No. 29

Item #	Item	Description	Status
29.01	Report on Operations	Upload the approved Report on Operations – Year End Report (April 1, 2022 – March 31, 2022) to the college website.	Complete
29.02	Committee Terms of Reference	Update the Committee Terms of Reference as presented and upload to Smartsheet and to college website.	Complete
29.03	Exam Appeals Policy	Update the Exam Appeals Policy as amended and upload to college website.	Complete
29.04	Pandemic & Emergency Preparedness Regulations	Submit the proposed feedback to the Ministry of Health relating to new regulations to be made under the RHPA (Bill 106) by June 10, 2022.	Complete
29.05	Canadian Code for Volunteer Involvement (CCVI)	Register as a member with Volunteer Canada after adopting the CCVI as a part of the College's Volunteer Program.	Complete
29.06	Committee Appointments 2022-2023	Inform College volunteers of their accepted appointments to various College Committees for fiscal year 2022-2023.	Complete



The College of Naturopaths of Ontario

MEMORANDUM

DATE: July 27, 2022

TO: Members of Council

FROM: Andrew Parr, CAE
Chief Executive Officer

RE: Committee Reports

Please find attached the Committee Reports for item 3.01 (iii) of the Consent Agenda. The following reports are included:

1. Audit Committee.
2. Examination Appeals Committee.
3. Executive Committee.
4. Inquiries, Complaints and Reports Committee.
5. Governance Committee.
6. Patient Relations Committee.
7. Quality Assurance Committee.
8. Registration Committee.
9. Scheduled Substances Review Committee.
10. Discipline Committee.
11. Inspection Committee.
12. Governance Policy Review Committee.
13. Standards Committee.
14. Equity, Diversity and Inclusion Committee.

In order to increase the College's accountability and transparency, all Committee Chairs were asked to submit a report, even if the Committee had not met during the reporting period. Please note the Discipline/Fitness to Practise Committee Chair was not required to submit a report in order to preserve the independent nature of these Committees; however, the Chair has voluntarily provided a report for Council's information.



The College of Naturopaths of Ontario

AUDIT COMMITTEE REPORT

May 1 – June 30, 2022

The Audit Committee met by teleconference on May 5, 2022, to review and approve the Auditor's Engagement letter, Audit Scope letter, and Audit Planning letter in preparation for the College's upcoming audit which will begin at the end of May.

The Committee's follow up meeting is tentatively scheduled for mid July 2022 to review the completed draft audit statements.

Dr. Elena Rossi ND

Chair

July 14, 2022

150 John St., 10th Floor, Toronto, ON M5V 3E3

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collegeofnaturopaths.on.ca



The College of Naturopaths of Ontario

EXAM APPEALS COMMITTEE
(May 1 – June 30, 2022)

The Committee meets on an as-needed basis, based on received exam appeals, those that would require deliberation and decision, or needed appeals-related policy review. The Exam Appeals Committee did not meet in this reporting period.

Rick Olazabal, ND (Inactive)
Chair
Exam Appeals Committee
July 8, 2022



The College of Naturopaths of Ontario

EXECUTIVE COMMITTEE REPORT

July 2022

This serves as the Chair report of the Executive Committee for the period May 1, 2022 to June 30, 2022.

During the reporting period the Executive Committee was not required to undertake any activities, and therefore did not convene.

Respectfully submitted,

Dr. Jordan Sokoloski, ND
Council Chair
July 2022



The College of Naturopaths of Ontario

INQUIRIES, COMPLAINTS AND REPORTS COMMITTEE REPORT

July 2022

Between May 1, 2022 and June 30, 2022, the Inquiries, Complaints and Reports Committee held two regular online meetings – May 5 and June 2.

May 5, 2022: 18 matters were reviewed, ICRC members drafted 7 reports for ongoing investigations, and approved 3 Decision and Reasons, and delivered 1 oral caution.

June 2, 2022: 12 matters were reviewed. ICRC members approved 8 Decisions and Reasons, drafted 3 reports and delivered 1 oral caution.

Meetings continue to be well-attended and productive in the online format.

Dr. Erin Psota, ND

Chair

Junly 18th, 2022



The College of Naturopaths of Ontario

GOVERNANCE COMMITTEE CHAIR REPORT

July 2022

During the reporting period of May 1, 2022 – June 30, 2022, the Governance Committee met once.

On May 16, 2022, the Committee convened and discussed various educational sessions for volunteers and how each session would be delivered and when. In addition, the Committee reviewed the Canadian Code for Volunteer Involvement and agreed to recommend to Council to adopt the Code for the College's volunteer program. Lastly, the Committee held a discussion about the Volunteer Virtual Open House, a session designed to have current volunteers and potential volunteers, attend an online session to gain a better understanding about volunteering with the College and to provide volunteers an opportunity to interact with one another.

The Committee expects to meet again on September 14, 2022.

Thank you,

Hanno Weinberger
Chair
July 2022



The College of Naturopaths of Ontario

PATIENT RELATIONS COMMITTEE REPORT

May 1, 2022 – June 30, 2022

Since the date of the last report, the Patient Relations Committee (PRC) held one meeting on May 11, 2022. The PRC has been periodically experiences issues with public members not attending which can impact quorum.

Ongoing Issues/Topics for Discussion

Funding for Therapy and Counselling

Since the date of the last report, there are five active files with a total of \$27,369.80 of funding accessed with a total of \$2,865 being accessed since the last report.

Policy Review

At its meeting the PRC reviewed and approved amendments to the Program Policies to align them with current practices.

Boundary Scenarios

The PRC approved an additional scenario related to boundaries to be used by the College in future communications.

Next Meeting Date

The Committee's next meeting is scheduled for August 17, 2022

Dr. Gudrun Welder, ND

Chair

July 2022



The College of Naturopaths of Ontario

QUALITY ASSURANCE COMMITTEE REPORT July 2022

Meetings and Attendance

Since the date of our last report to Council in May, the Quality Assurance Committee has met on two occasions, both via teleconference, on May 31st and June 28th respectively. No concerns regarding quorum were experienced.

Activities Undertaken

Over the past two meetings, the Committee continued with its regular ongoing review and approval where appropriate, of new and previously submitted CE category A credit applications.

Additionally, at its **May** meeting, the Committee discussed and accepted staff recommendations with respect to the operation of the Peer and Practice Assessment component of the Quality Assurance Program for 2022/23.

The Committee also considered one matter of a Registrant who had not made a submission with respect to discrepancies identified in their Peer and Practice Assessment.

At its **June** meeting, the Committee also reviewed and made decisions with respect to three CE Reporting Extension requests, as well as nine Peer and Practice Assessment Extension requests.

The Committee also reviewed and approved a number of staff-proposed amendments to the policies relating to the Peer and Practice Assessment component of the Quality Assurance Program.

Finally, the Committee commenced its review of the Continuing Education (CE) component of the Quality Assurance Program

Next Meeting Date

August 30, 2022

Respectfully submitted by,

Barry Sullivan, Chair,
July 12, 2022



The College of Naturopaths of Ontario

REGISTRATION COMMITTEE REPORT (July 2022)

At the time of this report, the Registration Committee met on June 22, 2022.

Exam Remediation Review

The Committee continued to set plans of remediation for candidates who had made two unsuccessful attempts of an examination. In this reporting period the Committee set plans of remediation related to the Ontario Biomedical examination, and Ontario Clinical Sciences examination (for entry-to-practise) and the Ontario Prescribing and Therapeutics examination (for meeting the post-registration Standard of Practise for Prescribing).

Application For Registration

The Committee reviewed an application for registration under subsection 3(4) of the Registration Regulation.

Policy Review

The Committee reviewed and approved draft amendments to the Language Proficiency policy.

Danielle O'Connor, ND
Chair
Registration Committee
July 8, 2022



The College of Naturopaths of Ontario

SCHEDULED SUBSTANCES REVIEW COMMITTEE REPORT

May 1, 2022 – June 30, 2022

During the reporting period the SSRC did not meet as it has been experiencing problems securing dates where quorum can be met.

At the Council's May meeting two additional committee members were appointed and the committee anticipates meeting at the end of August 2022.

Respectfully submitted by

Dr. George Tardik, ND
Chair
July 2022



The College of Naturopaths of Ontario

DISCIPLINE COMMITTEE REPORT

July 2022

The Discipline Committee (DC) is independent of Council and therefore has no obligation to submit bimonthly reports addressing Committee matters. However, in the interest of transparency and to acknowledge Committee members' involvement in the discipline process, the Chair is pleased to provide this report to Council.

This report is for the period from 1 May 2022 to 30 June 2022 and provides a summary of the hearings held during that time as well as any new matters referred by the Inquiries, Complaints and Reports Committee (ICRC) of the College. Committee meetings and training sessions are also reported.

Overview

As of June 30, 2022, there were three ongoing matters before the Committee. In addition, a Panel is currently working on one Decision and Reasons for a hearing held in May.

Discipline Hearings

CONO vs. Natasha Turner (DC21-02)

The following members of the Discipline Committee were appointed to a panel to hear the above-noted matter referred to the DC by the ICRC on 4 November 2021:

Lisa Fenton – Chair, public member
 Dr. Jonathan Beaty, ND – professional member
 Paul Philion – public member
 Samuel Laldin – public representative

The Panel held a one-day uncontested electronic hearing on 2 May 2022 and imposed an order requiring the Registrant to appear before the panel to be reprimanded immediately following the hearing and directing the CEO to suspend the Registrant's certificate of registration for a period of 12 months.

The Panel issued its Decision and Reasons in this matter on 27 June 2022.

CONO vs. Allan Bortnick (DC20-04)

The following members of the Discipline Committee were appointed to a panel to hear the above-noted matter referred to the DC by the ICRC on 3 December 2020:

Dr. Shelley Burns, ND – Chair, professional member
 Dr. Vaishna Sathiamoorthy, ND - professional member
 Lisa Fenton – public member

Dean Catherwood – public member
Samuel Laldin - public representative

The Panel held a one-day uncontested electronic hearing on 16 May 2022 and imposed an order directing the CEO to suspend the Registrant's certificate of registration for a period of 12 months.

The Panel is currently working on its Decision and Reasons in this matter.

New Referrals

No new referrals were made to the Discipline Committee from the ICRC during the reporting period.

Committee Meetings and Training

There were no Committee meetings held during the reporting period.

Respectfully submitted,

Dr. Jordan Sokoloski, ND
Chair
18 July 2022



The College of Naturopaths of Ontario

**Governance Policy Review Committee (GPRC)
Bi-Monthly Report
July 2022**

Meetings and Attendance

The Governance Policy Review Committee met on one occasion between May 1 and June 30, 2022, via video conference, on May 16, 2022. Attendance was good with no concerns regarding quorum experienced.

Activities Undertaken

At its **May** meeting, as part of the mandated detailed annual review of all Policies, the Committee reviewed and discussed the Committee Terms of Reference, specifically policies CC01 to CC08 and SC01 to SC07. No Council member feedback was received with respect to these policies; however, the Exam Appeals Committee submitted a Memorandum with recommendations for changes to CC03. Members of the GPRC submitted revision suggestions for many of the policies as well. The proposed amendments suggested by the Committee members were submitted to Council for review and approval at their May Council meeting.

Next Meeting Date

July 14, 2022

Respectfully submitted by,

Dr Brenda Lessard-Rhead, ND (Inactive)
Chair
July 6, 2022



The College of Naturopaths of Ontario

STANDARDS REVIEW COMMITTEE REPORT

May 1, 2022 – June 30, 2022

During the reporting period the Standards Committee met once on May 25, 2022.

Prior to the meeting, committee members independently reviewed a large group of Standards of Practice and submitted their feedback and proposed changes. The amendments were combined by staff into one document and were discussed at the meeting.

The Committee is next scheduled to meet on August 10th, 2022 where it anticipates continuing its review of the proposed amendments to the Standards of Practice.

Respectfully submitted,

Dr. Elena Rossi, ND
Chair
July 2022



The College of Naturopaths of Ontario

EQUITY, DIVERSITY AND INCLUSION COMMITTEE REPORT

May 1, 2022 – June 30, 2022

For the reporting period of May 1, 2022 to June 30, 2022 the Equity, Diversity and Inclusion Committee (EDIC) did not meet.

The Committee is next scheduled to meet on July 11, 2022 where it intends to review a workplan, a draft EDI statement as well as several draft policies.

Dr. Jamuna Kai, ND
Co-Chair
July 2022

Dr. Shelley Burns, ND
Co-Chair
July 2022



The College of Naturopaths of Ontario

MEMORANDUM

DATE: July 27, 2022

TO: Council members

FROM: Andrew Parr, CAE
Chief Executive Officer

RE: Items Provided for Information of the Council

As part of the Consent Agenda, the Council is provided a number of items for its information. Typically, these items are provided because they are relevant to the regulatory process or provide background to matters previously discussed by the Council.

To ensure that Council members, stakeholders and members of the public who might view these materials understand the reason these materials are being provided, an index of the materials and a very brief note as to its relevance is provided below.

As a reminder, Council members have the ability to ask that any item included in the Consent Agenda be moved to the main agenda if they believe the items warrants some discussion. This includes the items provided for information.

No.	Name	Description
1.	Gray Areas (No. 267,268B,269)	Gray Areas is a monthly newsletter and commentary from our legal firm, Steinecke Maciura LeBlanc on issues affecting professional regulation. The issues for this past quarter are provided to Council in each Consent Agenda package.
2.	Legislative Update (May and June 2022)	This is an update provided by Richard Steinecke to the members of the Health Profession Regulators of Ontario (HPRO), formerly the Federation of Health Regulatory Colleges of Ontario (FHRCO). The updates identify legislation or regulations pertaining to regulation that have been introduced by the Ontario Government. The updates for the past quarter are provided to Council in each Consent Agenda package.
3.	Guidelines	Three Guidelines to reference as noted within Briefing Notes throughout the agenda items. These include the following,

No.	Name	Description
		<i>Understanding the Public Interest, Understanding the Rush Analysis Terminology and Understanding Transparency.</i>
4.	Council Meeting Evaluation	Graphs summarizing the responses of Council member's feedback from the May 2022 Council meeting.
5.	Type 2 Occurrences	Graphs summarizing the information received in relation to Type 2 Occurrences.
6.	CPA – Guide to Financial Statements of Not-for-Profit Organizations	This Guideline has been shared as a reference tool to help Directors (Councils) of not-for-profit organizations (NFPs) understand the financial statements of the organization.

100 Registration Cases Over Three Years Part 3: Policy Issues Related to Registration

by Rebecca Durcan
June 2022 - No. 267

The Health Professions Appeal and Review Board (HPARB) renders a lot of decisions. Many, of course, have similar issues and reviewing them can become repetitive. Few people have the luxury of reading all of the decisions. As an experiment, we reviewed 100 recent registration decisions of HPARB decided over the past three years. Our goal was to see if we could identify principles and concepts underlying HPARB's approach to recurring registration issues, especially those that might be different from approaches taken in the past.

The following summarizes our analysis, which may be instructive both to regulators appearing before HPARB and regulators who deal with registration issues scrutinized by other tribunals and the courts. This is the third of a four-part series.

Use of Policies and Guidelines

HPARB is sometimes faced with a registration requirement that can be interpreted or applied in different ways. Regulators frequently develop policies or guidelines to assist in the process. For example, where language fluency is required, regulators sometimes develop policies as to what score on established language fluency tests would indicate reasonable fluency to practice the profession. HPARB is supportive of using test scores established in policy where the policy is based on an analysis of the language fluency necessary to practise the profession safely and effectively: *Z. S. v College of Occupational Therapists of Ontario*, 2020 CanLII 28323 (ON HPARB), <https://canlii.ca/t/j6gn2>.

HPARB sometimes accepts that policies are a reasonable interpretation or application of the

registration requirement. For example, HPARB has accepted a policy that 100 hours of education and training related to the scope of practice of psychotherapy is sufficient to "demonstrate that the applicant is competent to safely practise psychotherapy": *E.D. v College of Registered Psychotherapists and Registered Mental Health Therapists of Ontario*, 2020 CanLII 62578 (ON HPARB), <https://canlii.ca/t/j9h17>.

Likewise, in another case, HPARB concluded that a guideline indicating that a program must include a practicum or internship to be considered substantially equivalent to an approved program, was acceptable:

... it is improper for a health profession college to create guidelines regarding registration that effectively create requirements that are contrary to regulatory provisions, but in this case the Board finds that the College guideline in question is in keeping with the requirements of the Regulation and, thus, the guideline is not contrary to the regulatory requirement. (*Stubbs v College of Psychologists of Ontario*, 2021 CanLII 37 (ON HPARB), <https://canlii.ca/t/jccqt>.)

However, where it appears to HPARB that the regulator is creating a substantive registration requirement (rather than interpreting and guiding an existing registration requirement), HPARB is unlikely to apply the policy. For example, HPARB declined to accept a regulator's policy that educational courses in psychology should be taught through a psychology department. HPARB concluded that substantively similar courses taught through another department (e.g., family studies) should be accepted, and that the regulator's policy was not a reasonable / liberal interpretation of the legislation: *A.M. v College of Psychologists of Ontario*, 2020 CanLII 27935 (ON HPARB), <https://canlii.ca/t/j6g17>.

FOR MORE INFORMATION

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WANT TO REPRINT AN ARTICLE

A number of readers have asked to reprint articles in their own newsletters. Our policy is that readers may reprint an article as long as credit is given to both the newsletter and the firm. Please send us a copy of the issue of the newsletter which contains a reprint from Grey Areas.

Grey Areas

A COMMENTARY ON LEGAL ISSUES AFFECTING PROFESSIONAL REGULATION

In another case, HPARB did not accept a policy that appeared to require clinical supervisors to be from the same profession or same province as the regulator: *Breton v College of Psychologists of Ontario*, 2020 CanLII 90815 (ON HPARB), <https://canlii.ca/t/jbqk3>.

HPARB is of the view that work experience requirements should include any work experience within the scope of practice of the profession as contained in the legislation. A policy that defines acceptable work experience more restrictively than the definition in the legislation was not applied: *D.V. v College of Registered Psychotherapists and Registered Mental Health Therapists of Ontario*, 2019 CanLII 18849 (ON HPARB), <https://canlii.ca/t/hz12s>; *D.F. v College of Registered Psychotherapists of Ontario and Registered Mental Health Therapists of Ontario*, 2019 CanLII 22723 (ON HPARB), <https://canlii.ca/t/hzbjs>.

Similarly, HPARB did not accept a policy that appeared to reject asynchronous online education without a full analysis as to whether the education was substantially similar, especially where that qualification was not clear from the registration regulation: *Manley v College of Psychologists of Ontario*, 2021 CanLII 41498 (ON HPARB)¹, <https://canlii.ca/t/jfz6j>; *Santhirasegaram v College of Psychologists of Ontario*, 2021 CanLII 802 (ON HPARB), <https://canlii.ca/t/jckf5>; *Mor v College of Psychologists of Ontario*, 2021 CanLII 109382 (ON HPARB), <https://canlii.ca/t/jk4hd>.

Experience Requirements

Some regulators require practice experience within the scope of practice of the profession. Often that practice must be supervised. HPARB shows some deference to the regulator as to whether the practice

experience is acceptable: *R.W. v College of Registered Psychotherapists and Registered Mental Health Therapists of Ontario*, 2020 CanLII 39300 (ON HPARB), <https://canlii.ca/t/j870s> (look for objective evidence as to the nature of the experience including the job description and case file examples).

However, HPARB will intervene where it finds that the description of the practice activities by the applicant, supervisors and documents demonstrate that there were an acceptable number of hours within the scope of practice of the profession: *C.B. v College of Registered Psychotherapists and Registered Mental Health Therapists of Ontario*, 2019 CanLII 72763 (ON HPARB), <https://canlii.ca/t/j1tr>.

Canadian Experience Requirements

There has been considerable discussion in recent years about whether Canadian-experience requirements are appropriate or even consistent with human rights law. HPARB has occasionally been asked to address Canadian-experience requirements.

HPARB has upheld them in some circumstances. For example, it was upheld where it was a transitional requirement to accommodate existing practitioners when new legislation came into force: *N. M. A. G. v College of Registered Psychotherapists and Registered Mental Health Therapists of Ontario*, 2020 CanLII 64010 (ON HPARB), <https://canlii.ca/t/j9k29>.

However, in the decisions we reviewed HPARB did not address the policy or human rights concerns head on.

Currency Requirements

Some Colleges require applicants who graduated some time ago to either have recent practice

¹ However, on this point the Divisional Court disagreed with HPARB's approach to the issue: *College of Psychologists of Ontario v. Ontario (Health Professions Appeal and Review Board)*, 2022 ONSC 1365 (CanLII), <https://canlii.ca/t/jn1vs>.

Grey Areas

A COMMENTARY ON LEGAL ISSUES AFFECTING PROFESSIONAL REGULATION

experience or to undergo a refresher program. HPARB accepts the purpose of these requirements:

In the Board's view, standards of qualification for registration that require an applicant to demonstrate currency ensure that health professionals update their knowledge, skills and judgment and serve to protect the public interest. The currency requirement is based on the rationale that knowledge in healthcare continues to evolve through research and the introduction of new techniques and by staying up-to-date with developments, health professionals provide safe care to patients. (*Bourdeau v College of Occupational Therapists of Ontario*, 2020 CanLII 23920 (ON HPARB), <https://canlii.ca/t/j61gr>.)

In another case HPARB said:

The purpose of the currency requirement is to ensure applicants are aware of developments in the field of psychotherapy, and that their competencies do not recede over time. To ensure adequate protection of the public, applicants must demonstrate that they are competent to practise psychotherapy immediately upon entry to the profession. (*Keen v College of Registered Psychotherapists and Registered Mental Health Therapists of Ontario*, 2021 CanLII 108446 (ON HPARB), <https://canlii.ca/t/jk1tw>.)

HPARB is cautious about accepting informal substitutes for the currency requirement:

Neither the Applicant's work as a Staff Development Officer, assistance with occupational therapy related matters provided to family and friends nor unevaluated reviews of the College's Standards and PREP module, demonstrate that the Applicant possesses current knowledge, skills and judgment to

provide care that will protect the public. (*Bourdeau v College of Occupational Therapists of Ontario*, 2020 CanLII 23920 (ON HPARB), <https://canlii.ca/t/j61gr>.)

Likewise, volunteer hours in which the profession is not being practised, even though the work is related, do not count towards currency hours: *Veronica Gabriela Videla v College of Registered Psychotherapists of Ontario*, 2019 CanLII 29116 (ON HPARB), <https://canlii.ca/t/hznln>.

Substitutions / Alternatives

One of the more challenging aspects in registration matters is whether an applicant can provide substitutions or alternatives for meeting a requirement. At least where the requirement is non-exemptible, HPARB is reluctant to accept alternatives that do not meet the registration requirements: *J.H. v College of Psychologists of Ontario*, 2019 CanLII 121575 (ON HPARB), <https://canlii.ca/t/j480l> (teaching and work experience cannot substitute for program hours of instruction; teaching experience cannot substitute for supervised work experience).

HPARB has said that: "Exemptions are warranted where an applicant meets the spirit of a registration requirement though not the specific requirement itself." (*Keen v College of Registered Psychotherapists and Registered Mental Health Therapists of Ontario*, 2021 CanLII 108446 (ON HPARB), <https://canlii.ca/t/jk1tw>.)

In another case, HPARB has identified its approach as follows:

However, a requirement should only be exempted if the reasons for the requirement's existence can be satisfied in another way. (*Zhang v College of Traditional Chinese Medicine Practitioners and Acupuncturists of*

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A COMMENTARY ON LEGAL ISSUES AFFECTING PROFESSIONAL REGULATION

Ontario, 2019 CanLII 141813 (ON HPARB), <https://canlii.ca/t/j8t30>.)

Even where a registration requirement is exemptible, HPARB is reluctant to accept subjective evidence, that is not external to the applicant, as an alternative to the requirement at issue: *A.H.-A.O. v Ontario (College of Physicians and Surgeons)*, 2019 CanLII 50927 (ON HPARB), <https://canlii.ca/t/j0tm9> (opinion testimony of skill and competence not a substitute for an examination requirement).

Significant prior practice experience is not an adequate substitute for an objective, valid and reliable examination especially where there has been a history of failed examination attempts: *Ciurleo v Ontario (College of Chiropractors)*, 2021 CanLII 85583 (ON HPARB), <https://canlii.ca/t/jhsrg>; *Gareiw v College of Physicians and Surgeons of Ontario*, 2022 CanLII 915 (ON HPARB), <https://canlii.ca/t/jlqds>.

Similarly, clinical experience is not a substitute for formal education: *Andrews v College of Registered Psychotherapists and Registered Mental Health Therapists of Ontario*, 2021 CanLII 120892 (ON HPARB), <https://canlii.ca/t/jkw15>.

Likewise, reference letters related to language fluency, especially where they are based on observations in another capacity (e.g., as a volunteer) or language fluency test success for another purpose (e.g., admission to a training program) are not substitutes for the objective evidence of an approved language fluency test: *Z. S. v College of Occupational Therapists of Ontario*, 2020 CanLII 28323 (ON HPARB), <https://canlii.ca/t/j6gn2>.

Terms, Conditions and Limitations

A related concept is whether, rather than fully meeting an exemptible requirement, an applicant can be registered with terms, conditions and limitations (TCLs) that address the gap in qualifications. HPARB

has stated: “the imposition of terms, conditions or limitations is not intended to be an alternate path by which the requirements of registration can be satisfied.” See: *A.R. v Ontario (College of Registered Psychotherapists and Registered Mental Health Therapists)*, 2019 CanLII 50278 (ON HPARB), <https://canlii.ca/t/j0srq>.

The more significant the registration requirement, the less likely that TCLs will be considered: *C.G.D. v College of Traditional Chinese Medicine Practitioners and Acupuncturists of Ontario*, 2020 CanLII 39017 (ON HPARB), <https://canlii.ca/t/j85tm> (TCLs not considered where there was an unsuccessful Prior Learning Assessment and Recognition (PLAR) result); *C.L.C. v College of Traditional Chinese Medicine Practitioners and Acupuncturists of Ontario*, 2019 CanLII 24916 (ON HPARB), <https://canlii.ca/t/hzgghs> (TCLs not available for deficiencies that are serious, relate to matters which are fundamental to competency in the profession TCLs should only be used for gaps that be easily remedied); *E.H. v College of Registered Psychotherapists and Registered Mental Health Therapists of Ontario*, 2019 CanLII 85405 (ON HPARB), <https://canlii.ca/t/j2dnm> (TCLs not a viable alternative to education that is not substantially equivalent to an approved educational program).

Even for competencies that are sometimes viewed as “non-core”, such as language fluency, TCLs may be inappropriate where the competency relates to safe and effective services, especially when supervision cannot adequately address the concern: *Z. S. v College of Occupational Therapists of Ontario*, 2020 CanLII 28323 (ON HPARB), <https://canlii.ca/t/j6gn2>.

An interesting issue is whether TCLs should be applied where an applicant meets the registration requirement but would benefit from some additional supervision or other protective measure. HPARB has done so in at least one case: *D. E. S. v College of Registered Psychotherapists and Registered Mental*

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A COMMENTARY ON LEGAL ISSUES AFFECTING PROFESSIONAL REGULATION

Health Therapists of Ontario, 2020 CanLII 10757 (ON HPARB), <https://canlii.ca/t/j57cs> (TCL requiring supervision on proper use of credentials even though prior use did not constitute unsuitable conduct).

In the next issue of Grey Areas we will examine how HPARB approaches various procedural and jurisdictional issues related to registration.

100 Registration Cases Over Three Years Part 4: Procedure and Jurisdiction

by Erica Richler
Summer 2022 - No. 268

The Health Professions Appeal and Review Board (HPARB) renders a lot of decisions. Many, of course, have similar issues and reviewing them can become repetitive. Few people have the luxury of reading all of the decisions. As an experiment, we reviewed 100 recent registration decisions of HPARB decided over the past three years. Our goal was to see if we could identify principles and concepts underlying HPARB's approach to recurring registration issues, especially those that might be different from approaches taken in the past.

The following summarizes our analysis, which may be instructive both to regulators appearing before HPARB and regulators who deal with registration issues scrutinized by other tribunals and the courts. This is the fourth of a four-part series.

Procedure

HPARB states: "Procedural fairness requires that an applicant be given an opportunity to respond to any concerns that the Committee has before it makes a determination." The lack of adequate notice of the regulator's concerns and adequate reasons for its decision can result in a referral back to the regulator to allow the applicant to provide more information to enable an informed decision to be made: *Y. F. P. v College of Psychologists of Ontario*, 2020 CanLII 63852 (ON HPARB), <https://canlii.ca/t/j9jxp>.

However, not every inadequacy of notice will result in a referral back to the regulator: *College of Registered Psychotherapists of Ontario and Registered Mental Health Therapists of Ontario*, 2019 CanLII 93539 (ON HPARB), <https://canlii.ca/t/j2r8m>.

Even if the regulator did not provide full notice of the concerns it has with the application, HPARB will often consider whether the defect is cured by the process before HPARB where the applicant is given an opportunity to provide information and make submissions on the point: *Cohen v College of Registered Psychotherapists and Registered Mental Health Therapists of Ontario*, 2020 CanLII 91886 (ON HPARB), <https://canlii.ca/t/jbs3n>.

This approach to curing any procedural unfairness also means that HPARB will often accept additional evidence that was not before the regulator at the time that the original decision was made. However, in those cases any decision favourable to the applicant will generally result in a referral back to the regulator to consider the additional information: *Breton v College of Psychologists of Ontario*, 2020 CanLII 90815 (ON HPARB), <https://canlii.ca/t/jbqk3>; *P. D.-R. G. v College of Registered Psychotherapists and Registered Mental Health Therapists of Ontario*, 2020 CanLII 49272 (ON HPARB), <https://canlii.ca/t/j8th6>.

HPARB looks to whether the regulator's process is transparent, objective, impartial and fair. The use of forms and guides (such as a mapping tool for assessment of educational equivalency) provides assurance that the procedure meets these expectations: *C.F. v College of Registered Psychotherapists*, 2019 CanLII 115465 (ON HPARB), <https://canlii.ca/t/j3scb>.

Procedural shortcomings by the regulator cannot substitute for an objective requirement that is not met by the applicant: *K.B. v College of Registered Psychotherapists and Registered Mental Health Therapists of Ontario*, 2020 CanLII 49615 (ON HPARB), <https://canlii.ca/t/j8v7z> (delay in processing the application). However, HPARB has indicated that it will exercise discretion in analyzing objective requirements in the applicant's favour where there is no "identifiable and significant public interest to the contrary": *E.M. v Ontario (College of Registered*

FOR MORE INFORMATION

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WANT TO REPRINT AN ARTICLE

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A COMMENTARY ON LEGAL ISSUES AFFECTING PROFESSIONAL REGULATION

Kinesiologists), 2019 CanLII 75371 (ON HPARB), <https://canlii.ca/t/j1zb9> (assessing educational substantial equivalency).

HPARB will reconsider a decision it has made if it appears that factual errors were made (e.g., in counting the minimum required hours of instruction): *J.H. v College of Psychologists of Ontario*, 2019 CanLII 121575 (ON HPARB), <https://canlii.ca/t/j480l>.

Other Similarly Situated Registrants

In some cases, the applicant asserts that others with similar education or experience have been accepted for registration. HPARB's approach is to state that it expects consistency on the part of the regulator but, in the absence of detailed information about the education and experience of other applicants, it is unwilling to accept this assertion as a basis for appeal:

For registration decisions, the Board has found that "in the interests of transparency and fairness, and as an assurance that the College's assessment can be relied on to produce justifiable results, the Board would expect to see that similarly situated applicants are assessed with similar results." [citation omitted] The Board does not have any information on the work or education that were sufficient for the Applicant's colleagues to be registered with the College. However, the Board would expect that if the colleagues performed similar work to the Applicant and that work was found to fall within the scope of practice of psychotherapy, the Applicant's work would similarly be found to fall within that scope. Also, if the colleagues' education that met the requirements was similar to that of the Applicant, his education would also be found to meet the requirements. (*C.B. v College of Registered Psychotherapists and Registered Mental Health Therapists of Ontario*, 2019

CanLII 72763 (ON HPARB), <https://canlii.ca/t/j1trr>.)

In addition, if other applicants were admitted under a different route, such as grandparented provisions for existing practitioners at the time the legislation was enacted, HPARB will generally not compare individual requirements from the distinct pathways: *Siegel v College of Registered Psychotherapists and Registered Mental Health Therapists of Ontario*, 2021 CanLII 34199 (ON HPARB), <https://canlii.ca/t/jflrl>; *McLeod v College of Registered Psychotherapists and Registered Mental Health Therapists of Ontario*, 2021 CanLII 41966 (ON HPARB), <https://canlii.ca/t/jq03b>.

Jurisdictional Issues

There are very few cases in which the jurisdiction of HPARB is raised. Its role is fairly well defined in the enabling legislation. However, sometimes jurisdictional issues arise.

For example, in one case HPARB determined that it did not have jurisdiction to direct how information should be posted on the public register of the regulator: *Solomon v College of Psychologists of Ontario*, 2021 CanLII 63354 (ON HPARB), <https://canlii.ca/t/jh2zv>.

HPARB has not dealt with the retrospectivity issue very often in recent years. However, its view appears to be that a new registration requirement applies to applicants even though they obtained the education (or other registration component) previously, even where the component at issue met the requirements at the time it was obtained: *O.V. v College of Psychologists of Ontario*, 2020 CanLII 51677 (ON HPARB), <https://canlii.ca/t/j8zsv>. However, this interpretation may depend on the wording of the provisions: *Narula v College of Psychologists of Ontario*, 2021 CanLII 74804 (ON HPARB), <https://canlii.ca/t/jhksj>.

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A COMMENTARY ON LEGAL ISSUES AFFECTING PROFESSIONAL REGULATION

Labour Mobility and Human Rights

HPARB considers the mobility provisions of the legislation based on the Canadian Free Trade Agreement: *College of Physicians and Surgeons of Ontario v R.R.*, 2019 CanLII 18858 (ON HPARB), <https://canlii.ca/t/hz13w> (examination requirement no longer applies, but suitability concerns can be considered).

However, where those provisions do not apply (e.g., because language fluency was not assessed in the other Canadian jurisdiction), HPARB does not see its role as further enhancing labour mobility: *Z. S. v College of Occupational Therapists of Ontario*, 2020 CanLII 28323 (ON HPARB), <https://canlii.ca/t/j6qn2>.

HPARB does not consider a practitioner who is still being monitored by their home regulator for billing infractions as being “in good standing”, and conduct concerns constitute another basis upon which to deny registration under the mobility provisions: *W.-S. (V.) W. v College of Optometrists of Ontario*, 2019 CanLII 35335 (ON HPARB), <https://canlii.ca/t/hzzfl>.

There are very few cases where discrimination based on race or place of origin are raised before HPARB. Where raised, HPARB considers the evidence provided in support of the claim, whether the registration requirement itself has an apparent adverse impact, and whether the process and criteria used by the regulator considered irrelevant factors: *Gonash-Nelson v Ontario (College of Registered Psychotherapists and Registered Mental Health Therapists)*, 2021 CanLII 80179 (ON HPARB), <https://canlii.ca/t/jht6c>.

In another case, HPARB found that there was no evidence to support the assertion that refusal of a third-party body to admit the applicant into their program was because of the applicant's age: *A.H.S.M. v College of Physicians and Surgeons of Ontario*,

2020 CanLII 30676 (ON HPARB), <https://canlii.ca/t/j6ch7>.

Similarly, HPARB recognizes the need to accommodate for an applicant's disabilities, but that such accommodation cannot substitute for an applicant's lack of knowledge, skill and judgment: *C.S. v Ontario (College of Physicians and Surgeons)*, 2019 CanLII 49856 (ON HPARB), <https://canlii.ca/t/j0s7f>. The applicant must indicate how the regulator should have accommodated a disability; the failure of an educational program to accommodate a disability is not something the regulator can address: *Sloss v College of Registered Psychotherapists and Registered Mental Health Therapists of Ontario*, 2021 CanLII 88746 (ON HPARB), <https://canlii.ca/t/ji5vt>; *Garew v College of Physicians and Surgeons of Ontario*, 2022 CanLII 915 (ON HPARB), <https://canlii.ca/t/jlqds>.

Treatment of the *Payne* Decision

The Divisional Court of Ontario indicated in *College of Physicians and Surgeons of Ontario v. Payne*, 2002 CanLII 39150 (ON SCDC), <https://canlii.ca/t/7bh9> that the Registration Committee of the regulator had expertise in the significance of registration requirements. The Court held that the role of HPARB was to provide a “civilian overlay on the operation of the self-governing health professions.” As such, the Court's direction was that HPARB should defer to the expertise of the regulator on issues relating to competence to practise.

In only one of the cases we reviewed, the *Payne* case appears to have been applied by HPARB in the context of whether an examination requirement should be exempted: *Ciurleo v Ontario (College of Chiropractors)*, 2021 CanLII 85583 (ON HPARB), <https://canlii.ca/t/jhsrq>.

However, HPARB often distinguishes the application of *Payne* (i.e., in the remaining five cases). For

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example, HPARB has indicated that applying *Payne* depends on whether the issue in the case calls for that expertise: *J.H. v College of Psychologists of Ontario*, 2019 CanLII 121575 (ON HPARB), <https://canlii.ca/t/j480l>.

HPARB also distinguishes *Payne* on the basis of whether it had evidence before it that was not before the regulator: *M. K. P. v College of Nurses of Ontario*, 2020 CanLII 101091 (ON HPARB), <https://canlii.ca/t/jc6v5>. HPARB also interprets that it complies with the principle in *Payne* where it refers a matter back for reconsideration rather than directs the registration of the applicant. For both propositions, see: *Mor v College of Psychologists of Ontario*, 2021 CanLII 109382 (ON HPARB), <https://canlii.ca/t/jk4hd>.

In yet another case that made no reference to *Payne*, HPARB describes its role as to consider its reviews independently from the regulator:

The Board's mandate when conducting a review of an application is to consider de novo whether the Applicant meets the requirements for registration, based upon all the information before it. In this case, the Board's role is to review the application and not ... the decision of the Committee refusing to issue a certificate of registration. (*R.Y. v College of Registered Psychotherapists and Mental Health Therapists of Ontario*, 2019 CanLII 91588 (ON HPARB), <https://canlii.ca/t/j2npc>.)

In other cases HPARB appears to make findings of an expert nature contrary to those made by the regulator without referencing *Payne*: *J.P. v College of Registered Psychotherapists and Registered Mental Health Therapists of Ontario*, 2019 CanLII 84510 (ON HPARB), <https://canlii.ca/t/j2chq> (hours were within the scope of practice of psychotherapy and applicant demonstrated the "safe and effective use of self"); *Manley v College of Psychologists of Ontario*, 2021 CanLII 41498 (ON HPARB), <https://canlii.ca/t/jfz6j>

(regulator's expertise in asynchronous online learning is not definitive).

However, the Divisional Court has reversed the Board's decision in the *Manley* case: *College of Psychologists of Ontario v. Ontario (Health Professions Appeal and Review Board)*, 2022 ONSC 1365 (CanLII), <https://canlii.ca/t/jn1vs>. The Court concluded that on issues like whether an unapproved educational program was substantially similar to an approved program, the Board was required to defer to the expertise of the regulator. However, as is often the case on Board reviews, where additional information is before the Board than was before the regulator, the impact of the regulator's expertise changes:

In those circumstances, absent evidence that the Registration Committee exercised its powers improperly, the Board is limited in what it can do. It cannot do more than refer the application back to the Registration Committee for further consideration by a panel on the basis of the more extensive evidentiary record together with the Board's reasons and recommendations.

It appears that the *Payne* decision will be given new life.

Reviewing HPARB's registration decisions over a three-year period indicates that it is a busy tribunal dealing with a variety of registration issues.

Regulators Breathe a Sigh of Relief

by Julie Maciura
July 2022 – Special Edition

The Supreme Court of Canada has just released its most significant decision for professional regulators since *Green v. Law Society of Manitoba*, 2017 SCC 20 (CanLII), [2017] 1 SCR 360, <https://canlii.ca/t/h2wx1>.

The issue of when inordinate delay constitutes an abuse of process in the professional disciplinary context has been uncertain since some very restrictive rules were imposed in criminal proceedings. There was concern that the Supreme Court would impose fixed deadlines (e.g., 30 months) rather than continuing to apply the “consider all of the circumstances” approach adopted more than two decades ago in *Blencoe v. British Columbia (Human Rights Commission)*, 2000 SCC 44 (CanLII), [2000] 2 SCR 307, <https://canlii.ca/t/525t>.

However, in *Law Society of Saskatchewan v. Abrametz*, 2022 SCC 29 (CanLII), <https://canlii.ca/t/jqbs7>, the Supreme Court maintained the *Blencoe* approach with some minor modifications. In the *Abrametz* case the lawyer had been the subject of an extensive, and hotly contested, investigation into his trust accounts. While there had been no misappropriation of funds, the lawyer was found to have disregarded the rules in a dishonest way, possibly to conceal income from the tax authorities. He also was found to have made loans to clients without full disclosure and charged excessive fees for the loans.

The primary issue was whether there was inordinate delay on the part of the regulator. The Saskatchewan Court of Appeal thought so, calculating the delay as follows: “... of the 53-month period in issue, only 18 months were inherent to the process, and only 2 ½ months were attributable to Mr. Abrametz. The

remainder, totaling 32 ½ months, the Court of Appeal concluded, was undue delay.”

The majority of the Supreme Court disagreed with the Court of Appeal’s analysis. Abuse of process in discipline matters can occur in two ways: where the hearing becomes unfair (e.g., because a key witness is no longer available) or where the delay directly causes significant prejudice to one of the parties. On the second type of abuse of process, the majority held that the *Blencoe* test continued to apply:

Blencoe sets out a three-step test to determine whether delay that does not affect hearing fairness nonetheless amounts to an abuse of process. First, the delay must be inordinate. Second, the delay must have directly caused significant prejudice. When these two requirements are met, courts or tribunals will proceed to a final assessment of whether the delay amounts to an abuse of process. Delay will amount to an abuse of process if it is manifestly unfair to a party or in some other way brings the administration of justice into disrepute

In evaluating whether a delay is inordinate, one has to look at all of the circumstances including the nature and purpose of the proceedings, the length and causes of the delay, and the complexity of the facts and issues in the case.

The majority of the Court explicitly chose not to apply the criminal law principles. They stated that administrative law proceedings (especially professional disciplinary proceedings) are designed to protect the public and raised different considerations. “The purposes of disciplinary bodies are to protect the public, to regulate the profession and to preserve public confidence in the profession.... Disciplinary proceedings are neither civil nor criminal, but rather [are in a category of their own].”

FOR MORE INFORMATION

This newsletter is published by Steinecke Maciura LeBlanc, a law firm practising in the field of professional regulation. If you are not receiving a copy and would like one, please contact: Steinecke Maciura LeBlanc, 401 Bay Street, Suite 2308, P.O. Box 23, Toronto, ON M5H 2Y4, Tel: 416-599-2200 Fax: 416-593-7867, E-Mail: info@sml-law.com

WANT TO REPRINT AN ARTICLE

A number of readers have asked to reprint articles in their own newsletters. Our policy is that readers may reprint an article as long as credit is given to both the newsletter and the firm. Please send us a copy of the issue of the newsletter which contains a reprint from Grey Areas.

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In terms of significant prejudice, that had to result directly from the delay itself and not from the fact that the registrant was facing serious allegations. “Examples include significant psychological harm, stigma attached to the individual’s reputation, disruption to family life, loss of work or business opportunities, as well as extended and intrusive media attention....” The registrant has an obligation to raise the issue of delay within the process and seek an expedited process.

In terms of the final assessment of abuse of process, the majority of the Court said: “When these two requirements are met, the court or tribunal should conduct a final assessment as to whether abuse of process is established. This will be so when the delay is manifestly unfair to a party to the litigation or in some other way brings the administration of justice into disrepute.”

Perhaps the most significant development from *Blencoe* is the Court’s discussion of the remedy of a stay of proceedings for inordinate delay:

When faced with a proceeding that has resulted in abuse, the court or tribunal must ask itself: would going ahead with the proceeding result in more harm to the public interest than if the proceedings were permanently halted? If the answer is yes, then a stay of proceeding should be ordered. Otherwise, the application for a stay should be dismissed. In conducting this inquiry, the court or tribunal may have regard to whether other available remedies for abuse of process, short of a stay, would adequately protect the public’s interest in the proper administration of justice.

A stay will be more difficult to obtain where the charges are more serious.

The majority of the Court indicated that regulatory tribunals should actively consider remedies short of staying (or halting) the proceedings, such as a

reduced sanction (to compensate for the harm caused by the delay) or a reduction in costs payable by the registrant to the regulator.

In applying the above principles to the particular case, facts of the *Abrametz* case the majority of the Court found that the Court of Appeal had not shown sufficient deference to the tribunal’s findings of fact about the complexity of the investigation, in attributing portions of the delay to the registrant’s failure to cooperate with the investigation, in assessing the significance of the prejudice suffered by the registrant directly because of the delay itself, and in the impact of the restrictions on the registrant’s practice during the entire process.

The majority of the Court held that there was no abuse of process.

Regulators should not become complacent as a result of this decision. The Court said that: “... insufficient agency resources cannot excuse inordinate delay in any case Administrative tribunals have a duty to devote adequate resources to ensure the integrity of the process....”

There are a number of other noteworthy points in the decision that will keep regulatory lawyers busy for years. For example, the Court touched, in passing, on the argument that the absence of complaints by members of the public against the registrant was a mitigating factor for the registrant. The Court said:

The absence of a complainant is a neutral factor. The public at large expects a professional who is guilty of misconduct to be effectively regulated and properly sanctioned. A professional misconduct hearing involves more than the interests of those affected; rather one needs to consider “the effect of the individual’s misconduct on both the individual client and generally on the profession in question. This public dimension is of critical significance to the mandate of professional disciplinary bodies”

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Lawyers for regulators will also be analyzing the comments of the Court on the standard of review for procedural unfairness when there is a statutory ground of appeal. The Court seemed to suggest that the palpable and overriding error test should apply to the factual findings while the correctness test should be applied to the issue of whether those facts demonstrated an abuse of process.

In any event, even though the argument was unsuccessful in this case, regulators should prepare for more frequent instances where registrants place the regulator on notice that they are concerned about delay (in order to preserve their rights later in the process). In addition, delay arguments will likely be frequently raised in the sanction and costs portions of discipline hearings where findings are made against the registrant.

Prepared by Richard Steinecke

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Ontario Bills

(www.ola.org)

The Ontario Legislature is in recess.

Proclamations

(www.ontario.ca/search/ontario-gazette)

There were no relevant proclamations this month.

Regulations

(<https://www.ontario.ca/laws> Source Law - Regulations as Filed)

Pharmacy Act – The regulation expands the number of drugs that pharmacists can prescribe such as for smoking cessation and minor ailments. (O.R. 460/22)

Proposed Regulations Registry

(www.ontariocanada.com/registry/)

Regulated Health Professions Act - Consultation on proposed regulations made under Bill 106 amendments to the *RHPA*. The details of the proposed regulations are as follows:

The proposed regulations would support the Ministry of Health's broader goal of increasing health human resource capacity to help Ontario respond and recover from the pandemic by enabling the implementation of amendments to the *RHPA* contained in Schedule 6 of Bill 106, *Pandemic and Emergency Preparedness Act, 2022*, should that Act be passed.

Canadian experience

Canadian experience would be defined as: "Any period of work experience or experiential training in Canada".

Unless an exemption is obtained, any requirement for Canadian experience as a qualification for registration with a health regulatory College would become void after implementation. Exemptions would be granted through a regulation made under the *RHPA*.

A health regulatory College may continue to accept Canadian experience in satisfaction of an experience-related qualification for registration if it also accepts international experience as a viable alternative to Canadian experience.

Language proficiency

Health regulatory Colleges would have to accept proof of completion of a language test accepted by Immigration, Refugees and Citizenship Canada for immigration purposes (with results satisfactory to the regulated profession) as proof of English or French language proficiency. Regulated professions may also accept (but not require) other tests or demonstrations of proficiency of their choosing.

Language test results that are valid at the time an application is received will be deemed to remain valid for the duration of the time it takes an applicant to complete the registration process.

Timely registration decisions

The proposed regulation would prescribe the following time-limits to make and communicate registration decisions with respect to domestic labour mobility applicants:

- Initial registration decisions of the Registrar be made within 30 business days of receiving a complete application.
- Decisions by panels of the Registration Committee be made within 10 business days of the deadline for receiving an applicant's submission.

The Ministry is also seeking input and advice on appropriate time-limits for decisions of the Registrar and panels of the Registration Committee for applicants who are not domestic labour mobility applicants.

Emergency class of certificates of registration

This regulation would prescribe the requirements that a regulation made by a College setting out an emergency class of registration must meet. The proposed regulation would require that regulations made by the Colleges set out the:

- circumstances in which an emergency class of registration would be used;
- length of time an individual's registration in the emergency class would be valid; and
- process for individuals registered in the emergency class to seek registration in the general class(es).

Analysis of regulatory impact

There are no anticipated compliance costs as a result of the proposed regulations. Updates to any College regulations, by-laws and processes to come into compliance with the legislation and proposed regulations are expected to be undertaken as part of regular College operations. The proposals may improve the competitiveness of Ontario's health care sector by streamlining registration processes.

Comments are due by June 10, 2022.

Bonus Features

Many of these items will appear in our blog:
[\(www.sml-law.com/blog-regulation-pro/\)](http://www.sml-law.com/blog-regulation-pro/)

New Evidence in Hearings De Novo Cuts Both Ways

Hearings de novo are strange creatures of administrative law. In effect, they are a complete redoing of a prior administrative decision – by a different body using a hearing format. They are quite unlike a review or appeal which are generally confined to the issues and information before the original tribunal, and which consist primarily of legal arguments and submissions.

One of the criticisms that regulators frequently make of hearings *de novo* is that the applicant or registrant can introduce new evidence and new arguments that were never before the original decision-maker. However, a recent decision indicates that this expanded scope of consideration also applies to the regulator: *D. Michael Goldlist v. Registrar, Alcohol, Cannabis and Gaming Regulations and Public Protection Act, 1996*, 2022 ONSC 2505 (CanLII), <https://canlii.ca/t/jnxxpm>.

In that case, an applicant for a cannabis retail manager licence was refused by the regulator on the basis that there were reasonable grounds for belief that the applicant would not act in

accordance with the law or with integrity, honesty, or in the public interest. The primary basis of the refusal was that the applicant had not made full and candid disclosure on their application. The applicant appealed to an independent Tribunal which held a hearing *de novo*. The Tribunal found that the answers on the application form did not warrant a refusal of a licence, but that the conduct underlying the questionable disclosure (i.e., a criminal finding, forced entry into premises to remove property, allegations of bad faith in a civil proceeding) provided a basis to refuse the licence. The applicant argued that this changed the nature of the issues to be addressed and was procedurally unfair.

The Court disagreed.

The Appellant was aware of the case he had to meet. During the hearing *de novo*, he raised new issues and produced new evidence. Submissions were made with respect to the totality of the evidence. The LAT [Tribunal] properly considered and weighed the evidence and submissions....

Finally, given that hearings before the LAT are hearing *de novo*, there was no legitimate or reasonable expectation that the Tribunal would not consider the totality of the evidence. The Tribunal is not limited to the particulars set out in the Proposal....

The Proposal put the Appellant's honesty, integrity, and his ability to act in compliance with the law and the public interest squarely at issue. The Appellant was aware that the allegations in the Proposal involved, amongst other things, misrepresentations regarding the nature of his civil litigation and his involvement in the illegal cannabis dispensary. He also received disclosure related to these particulars before the hearing commenced.

The Court also noted that some of the evidence relied upon by the Tribunal in supporting the refusal to issue a licence were introduced by the applicant. The Tribunal was entitled to consider that evidence.

A notice of proposal that triggers a hearing *de novo* is not as strictly construed as, for example, a notice of hearing in a disciplinary matter.

Discriminatory Tests Again

On the heels of *Ontario Teacher Candidates' Council v. The Queen*, 2021 ONSC 7386 (CanLII), <https://canlii.ca/t/jlcvg>, regulators can expect more challenges to their registration examinations on the basis that they are discriminatory.

In one such case, the Court said that any such challenges need to particularize the manner in which the test, or other regulatory action, has a discriminatory impact on applicants for registration: *Shaulov v. Law Society of Ontario*, 2022 ONSC 2732 (CanLII), <https://canlii.ca/t/jp4mf>. In that case the applicant (who was actually conditionally registered)

failed one of the licensing examinations for the maximum number of times. The applicant sued for damages on the grounds that the examination was discriminatory both on the basis of its unfair impact on those with cognitive disabilities and because of the applicant's racial / ethnic background.

The Court held that the proceeding could not proceed because no basis for either category of discrimination had been pleaded. In fact, the applicant conceded that they did not have a cognitive disability. The Court was unwilling to allow them to challenge the examination for any impact it might have on those with such disabilities. Similarly, no particulars were provided to support the assertion that the examination had an adverse impact because of the applicant's race / ethnicity beyond the fact that the applicant was unsuccessful and the applicant's perception from looking around the examination room that an unusually high number of applicants repeating the examination appeared to be non-white.

The Court also found that the applicant could not challenge the validity and reliability of the examinations on the basis of the liberty and (psychological) security of the person protections conferred under s. 7 of the *Charter*.

... the rights guaranteed under section 7 are not engaged in the context of written examinations that are part of a regulated profession's licensing process. The right to liberty is not engaged as the only reason to write the Licensing Examinations is to be able to pursue a profession, which is not a protected interest under section 7. Further, it cannot be said that the Licensing Examinations interfere with the Plaintiff's ability to make decisions of fundamental personal importance.

The Court did not allow the applicant to challenge the jurisdiction of the regulator to administer the examination or its psychometric validity and reliability in a civil proceeding; such challenges must be made by way of judicial review. The applicant was granted permission to make limited amendments to their claim, so this matter may be considered by the courts again in the future.

Intimate Partner Violence Is a Regulatory Issue

Many regulators view intimate partner violence as a serious matter in which they have a significant role to play. For the medical profession, at least, the legal basis for this scrutiny was upheld by the Divisional Court of Ontario.

In *Dr. Jha v. College of Physicians and Surgeons of Ontario*, 2022 ONSC 769 (CanLII), <https://canlii.ca/t/jp0xr>, a physician was found guilty of criminal offences related to the assault on his girlfriend. The Court granted him an absolute discharge. The regulator disciplined him solely on the basis of the criminal findings (i.e., the regulator did not re-prove the allegations) and imposed a three-month suspension, a reprimand and ordered him to pay significant costs. The physician challenged the authority of the regulator to discipline him on the basis that this

outcome frustrated the purpose of the absolute discharge he received in the criminal process. He also challenged the findings and sanction on the merits.

In a very detailed analysis, the Court found that the paramountcy of federal law did not prevent a provincial regulatory body from relying on a criminal court finding in a discipline proceeding. The Court found that the scope and purposes of criminal law and the related provisions related to an automatic records suspension (previously called a “pardon”) did not preclude a provincial regulator from relying on the underlying finding. There may be practical difficulties in the regulator obtaining the court evidence related to any findings after one year (for absolute discharges), but that did not affect the authority of the regulator to rely upon them. The purpose of the provision in the regulator’s enabling statute specifying that a criminal finding relevant to a practitioner’s suitability to practise constitutes professional misconduct was designed to avoid forcing regulators to relitigate the same facts.

The Court also rejected the physician’s assertion that the conduct was part of his private life and was not relevant to his suitability to practise the profession (i.e., that the regulator had no role policing the private morality of the practitioner).

It is well-established that actions of members of a profession in their private lives may in some cases be relevant to and have an impact on their professional lives – including where the conduct is not consistent with the core values of a profession and/or where there is a need for a regulated profession to maintain confidence of the public in the profession and not be seen to condone certain types of conduct by its members....

Discipline committees of regulated health professions in this province have consistently found that criminal findings of guilt of assault in a domestic violence context are relevant to a member’s suitability to practise because such conduct displays “poor judgment, lack of self-control, and capacity for violent acts which stands in stark opposition to the caring, protecting, and healing goals and values” characteristic of health professions

Some of these decisions also find that the conduct is relevant to a member’s suitability to practise based on the fact that in some medical specialities, physicians will be called on to treat victims of domestic violence, and must be sensitive to issues related to domestic violence; and also on the need for the profession to demonstrate to the public that acts of domestic violence by physicians, who stand in a position of trust towards patients, are not condoned by the profession.

The Court upheld the sanction including the three-month suspension. It affirmed that, while a Panel cannot treat the vigorous defence of the allegations as an aggravating factor, it can treat such a defence as the lack of a mitigating factor that an early admission to the allegations would have afforded. The Court found that the three-month suspension was not clearly unfit despite the evidence of rehabilitation, given some of the aggravating factors of gender-based violence and the relevant principles with respect to penalty, including denunciation, maintaining public confidence in the profession, general deterrence, rehabilitation, and protection of the public.

The Court also found that the hearing panel could award costs for the entire hearing including preliminary motions heard before a differently constituted panel.

Credibility Considerations

The main issue in *Caine v. Ontario College of Teachers*, 2022 ONSC 2592 (CanLII), <https://canlii.ca/t/jnzv7>, was the discipline panel's consideration of the credibility of witnesses. The allegations related to allegations of sexual comments and touching of middle school students by a teacher. The teacher denied the allegations.

The Court found that the reasons for decision were adequate.

A trier is entitled to believe the complainant and to reject the denial of the respondent based on the totality of the evidence. As this court recognized in *Lee*, where the standard of proof is the balance of probabilities, believing one party may in fact mean disbelieving the other. Furthermore, a trier's failure to explain why it rejected a respondent's plausible denial of the allegations will not render the reasons deficient, as long as the reasons generally demonstrate that where the complainant's evidence and the respondent's evidence conflicted, the trier accepted the complainant's evidence. This is particularly so in cases where there are no witnesses other than the member and the complainant and no corroborating evidence to tip the scales in favor of one version of events. *[footnotes omitted]*

The Court also found that the hearing panel had considered the teacher's theory that the allegations were fabricated and the product of collusion, and the Court also found that the panel had not based its findings on the lack of credibility of the teacher only because it rejected the fabrication theory.

The Panel considered the Appellant's theory of the case as it was required to do. It found the students' version of events to be more probable than that of the Appellant and then went on to consider and reject the theory that they had fabricated their evidence or colluded in their evidence. The Panel did not find that the Appellant lacked credibility because they rejected his position or legal theory. Rather, the Panel rejected his position because it found the students were more credible than him. Separate and apart from this, the Panel concluded that the students lacked any motivation to fabricate the allegations against the Appellant.

The Court found no indication that the hearing panel had scrutinized the students' evidence less stringently than the teacher's evidence.

The Court also found that the hearing panel had not reversed the burden of proof by the language it used when rejecting the fabrication theory. Rejecting a defence does not mean that the panel was requiring the registrant to disprove the allegations:

The Panel correctly stated the burden of proof on the Respondent to prove the allegations on a balance of probabilities. Where, as here, the trier expressly articulates the correct standard of proof, it is presumed that the correct standard was applied

Despite instances in which the courts hold that credibility findings by disciplinary panels were not defensible, courts generally are deferential to such findings.

Understanding the Authority to Issue Interim Orders

Issuing an interim order during an investigation is an extraordinary power that can have significant consequences for the practitioner. Courts scrutinize them to ensure that any legislative preconditions have been met and that the orders do not go further than necessary. In *Thirlwell v. College of Physicians and Surgeons of Ontario*, 2022 ONSC 2654 (CanLII), <https://canlii.ca/t/jp4mq>, a physician was under investigation for issuing inappropriate letters exempting individuals from COVID vaccinations. There was evidence that the registrant had issued such letters based on an ideological view about the government's response to the pandemic, the coaching of prospective patients on what to say in order to be issued such a letter, charging a fee for such letters, and failing to cooperate with the regulator's investigation. The regulator issued an interim order preventing the issue of such letters and monitoring compliance, including requiring access to the practitioner's billings to OHIP.

The practitioner's challenge to the interim order was narrowed to the requirement to provide access to the registrant's OHIP billings. In upholding the interim order provisions, the Court made the following points:

- The Court quoted another case that said: "If society once erred on the side of protecting doctors' reputations, times have rightly changed. The law prefers and gives primacy to the goal of protecting vulnerable patients."
- There only needs to be some evidence to support a risk of harm to patients, which was certainly the case here.
- On the issue of the harm to patients being speculative given the practitioner's recent cooperation, the Court said: "The future is always speculative. It's the past on which any concern is based. In this case, there is more than enough to evoke concern for the safety of patients. This is not a circumstance where the court is being asked to speculate based "in essence on one incident" or where the court is being asked to search for the existence of the evidence. The history demonstrates the willingness of Celeste Jean Thirlwell to put

at risk, not just the health of these patients, but all members of the general public who may, without knowing of the exemption, come in contact with those patients.” *[footnotes omitted]*

- The proposition that the interim order should be the least restrictive one necessary to protect the public applied to the order as a whole and not each, individual component of the order.
- The motivation of the practitioner (in this case ideological belief) was relevant to what kind of interim order was necessary to protect patients.
- In this case, it was reasonable for the regulator to seek third party information to verify the accuracy and completeness of the practitioner’s self-reports as part of the monitoring regime.

The interim order was upheld.

Remediation in Disputed Cases

Complaints screening committees frequently direct that the registrant participate in education and remediation. Registrants who dispute the accuracy of the complainant’s recitation of events sometimes perceive such remediation options as amounting to a finding against them. In yet another case, the Court has affirmed that remediation can be directed even where the facts are disputed: *Kumer v. Royal College of Dental Surgeons of Ontario*, 2022 ONSC 3090 (CanLII), <https://canlii.ca/t/jpf3b>.

In that case the registrant abandoned a wisdom teeth extraction mid-procedure because a sedated client was not tolerating it. The client complained, primarily about the lack of informed consent, asserting that they believed they would be “put under”. The registrant provided detailed information suggesting that they and their staff had had numerous discussions with the client who had given informed consent to a sedation approach.

The Court upheld as reasonable the direction that the registrant participate in remediation with a focus on the principles of informed consent. While different inferences could be made from all of the available information, the Court held it was not unreasonable for the screening and reviewing bodies to infer that there remained some ambiguity in the client’s mind as to the nature of the sedation and anaesthesia: “There was no credibility finding regarding that conversation. At most, the ICRC [screening committee] engaged in a limited weighing of the facts, which the ICRC was entitled to do” The Court also noted that the screening committee made the undisputed observation that the registrant could have tested the effectiveness of the sedation before making significant incisions.

Legislative Update – What Happened in May 2022?

Further, the Court found that the screening committee’s reference to the benefit of one-on-one communications with the registrant during the consent process was not inconsistent with the regulator’s guidance that some of the informed consent steps could be delegated to others. The Court also found that the screening committee was able to rely on the presence of a concurrent similar complaint as supporting a remedial direction.

Courts allow regulators to apply broad criteria when assessing whether a remedial direction would help serve the public interest. Those considerations do not require a finding of disputed facts against the registrant so long as there is some basis to conclude that a remedial direction would help protect the public in the future.



Prepared by Richard Steinecke

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The Ontario Legislature is in recess.

Proclamations

(www.ontario.ca/search/ontario-gazette)

There were no relevant proclamations this month.

Regulations

(<https://www.ontario.ca/laws> Source Law - Regulations as Filed)

There were no relevant regulations this month.

Proposed Regulations Registry

(www.ontariocanada.com/registry/)

There were no relevant consultations this month.

Bonus Features

These are early drafts of some of the items that will appear in our blog:

(www.sml-law.com/blog-regulation-pro/)

Limits on a Reviewing Tribunal's Ability to Issue Directions

Many complaints screening committees have their decisions subject to scrutiny by an independent tribunal. One of the options for the reviewing tribunal is to return the matter to the complaints screening committee for reconsideration. Sometimes the reviewing tribunal issues directions as to how that reconsideration should be conducted. In *College of Dental Surgeons Of British Columbia v Health Professions Review Board*, 2022 BCSC 941 (CanLII), <https://canlii.ca/t/jpnkr>, the limits to those directions were explored.

The complaint was about a dental specialist's conduct towards and care of a patient. The registrant refused to sign a requested undertaking after the first screening committee's decision and requested a meeting with a different panel. The second panel, after hearing from the registrant (but not the complainant) decided to take no action. The complainant sought a review by the tribunal. During the process of the review, the complainant advised the reviewing tribunal that the registrant had approached them directly in a threatening and intimidating manner. The tribunal directed the registrant not to communicate directly with the complainant.

After the review, the tribunal returned the matter to the screening committee for reconsideration and issued a number of directions. No issue was taken with the directions that the reconsideration be before a differently constituted panel, that the panel review the tribunal's entire decision and reasons (not just a summary of it), and that the panel address the concerns identified by the tribunal. In addition, no issue was taken with the direction that any submissions be in writing so that the registrant did not have different access to the panel and so that there was a record of the communications and that such a record could be shared with the complainant for comment.

However, the Court found that the other directions were beyond the scope of the authority of the reviewing tribunal. For example, it was beyond the jurisdiction of the tribunal to direct the qualifications of those appointed to the new panel. It was for the regulator to decide whether a particular dental specialist needed to sit on the panel. Such decisions involved a number of factors including resources and alternative methods of obtaining relevant information (e.g., obtaining an independent expert opinion).

The Court took particular exception to the direction that the regulator ordered the registrant not to have any direct contact with the complainant and that, if the registrant would not undertake to refrain from doing so or did contact the complainant, there must be a referral to discipline. Any directions had to relate to the reconsideration of the original complaint. The communication between the registrant and the complainant occurred after the screening committee's decision. In addition, there was no jurisdiction for the regulator (let alone the reviewing tribunal) to refer a matter to discipline without the investigation and procedural safeguards specified in the legislation. There was not even jurisdiction for the screening committee to issue a direction prohibiting the registrant from directly contacting the complainant.

Directions from a reviewing tribunal to a screening committee to reconsider a matter must relate directly to that reconsideration, must not usurp the functions assigned to the regulator, and must be within the jurisdiction of both the screening committee and the tribunal.

Assistance to Self-Represented Registrants

Many regulators hold discipline hearings for registrants who do not have legal counsel. In *Hirtle v. College of Nurses of Ontario*, 2022 ONSC 1479 (CanLII), <https://canlii.ca/t/jpmwm>, the main issue was whether the regulator had provided sufficient assistance to the self-represented registrant who was suspended for five months for inappropriate sexual remarks and behaviour towards students the registrant was training.

The Court found that more than adequate assistance was provided despite the fact that the hearing that took a full week, was hotly contested, included findings of disputed credibility, and involved a number of procedural and evidentiary rulings. The assistance was, in fact, quite extensive including:

- Legal counsel prosecuting the allegations provided the registrant in advance of the hearing a twelve-page description of the hearing process specially designed for self-represented registrants, the rules and guidelines of the committee and other explanatory documents (e.g., on how to summons a witness);
- Other written communications by legal counsel about procedure at the hearing, all of which invited the registrant to approach them if they had any questions;
- Discussion about the process at the pre-hearing conference (evidence of the nature of those discussions were admitted during the appeal);
- A detailed overview of the process by the chair of the hearing panel at the outset of the hearing, again with an invitation to ask questions at any time;
- Guidance offered about the procedure during the hearing, which advice was on the record; and
- Evidence of communications outside of the hearing room by legal counsel prosecuting the allegations and independent legal counsel (again, evidence of the nature of those discussions were admitted during the appeal).

The registrant indicated that they did not recall receiving or reviewing much of the written material, but the court inferred it had been received since it was sent to the correct address and not returned. The notice of hearing itself was served personally on the registrant and its receipt was not disputed.

The Court viewed the 2006 *Statement of Principles on Self-Represented Litigants and Accused Persons* established by the Canadian Judicial Council as relevant to disciplinary bodies and accepted that, while there was an obligation on adjudicators to provide some assistance, the registrant also had some responsibility to familiarize themselves with the hearing procedures and to prepare their own case. The Court found that the materials provided:

... included information about the following topics now at issue: the burden of proof, the ability to call and question witnesses, how to summons witnesses, the ability to deny or admit allegations and the procedural consequences of doing so, the examination and cross-examination of witnesses, the right to object, and the distinction between submissions and evidence. The appellant was also provided with a memo on the specific topic of summoning witnesses.

The Court also found that some of the assistance suggested by the registrant on the appeal, such as that the hearing panel should have suggested the registrant cross-examine witnesses on purportedly inconsistent prior statements, was beyond the appropriate role of the adjudicator. Such an intervention would have involved the adjudicator usurping the responsibility of the registrant to present their own case and could compromise the adjudicator's impartiality.

Because the assistance provided by this regulator was so extensive, it is difficult to ascertain what lesser amount of assistance would still be adequate. Regulators may wish to review the materials they now provide to self-represented litigants to put themselves in a strong position to respond to any future appeals of this nature. Also, regulators would be prudent to document the assistance they provide, especially outside of the hearing itself.

Some other “hidden gems” in this decision include:

- The Court found it unhelpful for the panel's reasons to include a general finding of credibility for each witness in one part of the reasons and specific findings of credibility on each of the disputed allegations in other parts of their reasons. The latter was the most useful.
- The Court was not concerned about the notice of hearing referring to the time period that the students were conducting their training where some of the allegations referred to behaviour after the training period. The registrant was not confused or misled about the nature and content of the allegations.
- The Court gave significant deference to the sanction, including the five-month suspension, even though it was at the high end of the range and there were some mitigating factors.

Limits to Bad Faith Allegations Against Regulatory Staff

Generally, regulators cannot be sued successfully for damages unless they acted in bad faith. Bad faith must be pleaded with particulars; a bald allegation is insufficient. In *Savic v. College of Physicians and Surgeons of Ontario*, 2022 ONSC 3403 (CanLII), <https://canlii.ca/t/jpp3g>, the issue was whether an allegation of a statement by a staff person was sufficient to impute bad faith in the regulator as a whole. The registrant alleged that a senior staff person threatened the registrant at a meeting a decade earlier as follows: “From now on, we are going to put you under microscopic scrutiny for the rest of your career ...We are going to go after you, and eventually, we will get you”. The threat was allegedly made to assist a friend of the senior staff person whose practice competed with that of the registrant.

Subsequently, the registrant was the subject of a number of complaints and proceedings and their registration was eventually revoked. The registrant could not sue for malicious prosecution because the proceedings were not resolved in the registrant’s favour (which is a requirement for suing for malicious prosecution). The registrant sued under the lesser-known grounds of abuse of process and intentional infliction of mental distress.

The Court held that the registrant had no real chance of success. Even if the threat was accurate (which the Court did not have to determine), it “strains credulity to the breaking point” to conclude that the subsequent proceedings were caused by the staff person because:

- many of the proceedings were externally generated by complaints,
- the proceedings involved decisions by independent committees beyond the control of the senior staff person
- the registrant consented to many of the dispositions,
- the revocation occurred after the senior staff person retired, and
- appeals by the registrant had been dismissed.

The Court also noted that it would be very difficult for the registrant to prove the allegations as the documents and findings of the proceedings of the committees of the regulator were inadmissible under the regulator’s enabling legislation.

The Court concluded:

There have been unimpeachable processes since then that have been concluded without any participation of those two doctors. To allow this claim to proceed would be to authorize a collateral attack on those completed proceedings.

Considering Unproven Allegations When Imposing Sanction

When a disciplinary finding is made, hearing panels need to consider the relevant circumstances and not consider the irrelevant circumstances when imposing sanction. Are unproven allegations relevant to the issue of sanction?

In *Yendamuri v. Immigration Consultants of Canada Regulatory Council*, 2022 FC 888 (CanLII), <https://canlii.ca/t/jpsd6>, a registrant admitted to issuing a false letter. The conduct resulted in only two criminal convictions, despite the laying of 88 charges. In the discussion of sanction, the hearing panel said:

Although the [Applicant] was convicted on only 2 of the 88 charges, the panel is of the opinion that the charges seen in their totality suggest a pattern of unethical conduct, even though no previous complaints were made against the Respondent.

The panel had no information about the other 86 charges. The Court was concerned by this statement. It would be rare for charges that do not result in findings to be relevant to sanction on the two matters before them. The reasons of the panel did not explain what limited relevance those charges might have. In fact, the reasons suggest that the reference to the other charges may have been improperly considered.

However, in the end, the Court determined that this flaw did not result in a reversible error. This one sentence needed to be read in context. The reasons indicate that the sanction was selected from appropriate and relevant reasons:

He was convicted of two criminal charges relating to fraud arising from the false letter he submitted; this was done in the course of his work as an Immigration Consultant; and it could have resulted in a person obtaining status in Canada based on deliberately falsified information. The Disciplinary Committee viewed the matter from its perspective as the profession's regulator. It took into account the impact of such conduct on public faith and confidence in the profession. None of this reasoning rested on the finding that the Applicant had engaged in a "pattern" of unethical conduct. The discussion of the factors that guided the Committee in reaching its penalty decision do not reflect any aspect of increasing the severity of the punishment to reflect a long-standing or ongoing pattern of misconduct.

The overall decision remained reasonable.

Make Those Restrictions Clear

Regulators often negotiate, or even impose, restrictions on registrants in various contexts including registration with conditions, resolution of complaints and discipline orders. In *Rak v.*

Ontario College of Pharmacists, 2022 ONSC 3269 (CanLII), <https://canlii.ca/t/jprqt>, the registrant consented to a discipline restriction requiring supervision by another registrant when “dispensing to” or advising or counselling a minor. This order followed criminal convictions for “computer luring, sexual interference and criminal harassment regarding minors, who were not pharmacy patients”. When investigating another registrant, College investigators observed the registrant interacting with minors and their parents without supervision. After an investigation, including reviewing video evidence, the registrant was referred to discipline.

The discipline panel found the registrant had breached the previous discipline restrictions in respect of four minors. However, on appeal, the Court set aside three of those findings because the evidence was consistent with the registrant merely interacting with the parents in the presence of the minors. In only one case (where the registrant altered a record of counselling a minor to indicate counselling of a parent) was the finding upheld. The Court indicated that the discipline panel erred in applying a broad definition of “dispensing”. The language of the restriction referred to dispensing to the minor and not in respect of the minor or in the presence of a minor. The Court also interpreted the restriction in accordance with its purpose of protecting the public from direct and unsupervised contact with minors.

The court rejected the registrant’s argument that the investigation was illegal from the outset because representatives of the regulator made observations without an appointment in respect of the conduct of the registrant. The Court affirmed an earlier case indicating that “regulators have an implied authority to do an informal investigation where they do not need the powers accompanying a formal appointment to investigate.”

Regulators should be as clear as possible in the wording of any restrictions that they negotiate or impose on registrants.

Misconceptions About Costs Awards

Many regulators are permitted to require registrants to pay some or all of the costs of a discipline hearing if a finding is made against the registrants. Generally, regulators are allowed a fair degree of latitude in selecting the amount of costs awarded. However, if the amount is based on an incorrect assumption, a court will intervene.

In *Dr. Ignacio Tan III v Alberta Veterinary Medical Association*, 2022 ABCA 221 (CanLII), <https://canlii.ca/t/jptvr>, a veterinarian was disciplined for inappropriate care, communications and record keeping related to the treatment of a pet dog. The hearing tribunal’s finding were upheld at an internal appeal within the regulator. The internal appeal body ordered the registrant to pay 80% of the costs of the internal appeal amounting to \$23,000. On appeal to the Court, the findings of misconduct were upheld. However, the proportion of the costs of the internal appeal payable by the registrant was reduced to 50%.

The Court noted that with the privilege of self-regulation:

... comes the responsibility to supervise and, when necessary, discipline members. The disciplinary process must necessarily involve costs, and any professional regulator must accept some of those costs as an inevitable consequence of self-regulation. It is acceptable for the profession to attempt to recover some of those costs back from disciplined members, but some burden of the costs of regulation is unavoidable and a proper consequence of the regulator's mandate.

The Court noted that while it is appropriate to transfer some of these costs to the registrant where a finding is made,

... full indemnity for costs is seldom appropriate. Leaving some of the burden of the costs of disciplinary proceedings on the professional regulator helps to ensure that discipline proceedings are commenced, investigated, and conducted in a proportional matter, with due regard to the expenses being incurred.

In addition, "... disciplinary system should not include a cost regime that precludes professionals [from] raising a legitimate defence".

In this case, the Court found that the appeal body fell into the misapprehension that there was a presumption or expectation that the registrant should pay most or all of the costs. The Court concluded in all of the circumstances that the registrant should only be expected to pay half of the costs of the internal appeal.

Tips to Assessing Credibility

One of the most difficult tasks for a discipline panel is assessing the credibility of witnesses, particularly in sexual misconduct cases where most of the key events do not have corroborative witnesses. In *Taliano v. College of Physicians and Surgeons of Ontario*, 2022 ONSC 3529 (CanLII), <https://canlii.ca/t/jpw2q>, the Court upheld findings of sexual abuse and sexual impropriety. Embedded in the Court's decision are some indications of why it accepted that the assessment of credibility by the discipline panel and concluded that the panel's assessment did not contain a palpable and overriding error:

- The reasons of the panel indicated that it "evaluated the totality of the evidence, engaging with the substance of the live issues and identified what was material to its decision".
- It is open to a panel to give more weight to oral evidence that was cross-examined upon than a business record that, while admissible, was not cross-examined upon.

- It is open to a panel to place minimal weight where a “failure to recall statements on tangential issues made in a stressful context such as a hospital [and the failure to recall] is not a factor that would have any significant effect on the reliability assessment of a witness.”
- While exaggeration or embellishment by a witness is a reason to give their weight less credibility, the absence of such does not make the evidence or a witness more credible “because it could have been worse”.
- Where there is inconsistency in the evidence of a witness, such as not mentioning a key detail in an initial interview with a regulator’s investigator, the panel can accept a plausible explanation for the omission, such as embarrassment and shame when talking to an uninvited stranger.
- A common challenge to credibility findings is that the panel engaged in uneven scrutiny of the witnesses of one side over the other. However, where the panel analyzes the concerns about all witnesses (e.g., their inconsistencies), the “fact that it was more troubled by the inconsistencies in the defence evidence than those in the College’s evidence does not mean that it subjected the former to an unfair level of scrutiny.”
- Similarly, it is open to a panel to differentiate the degree of hostility demonstrated by two witnesses where it analyzes whether that degree of hostility is understandable in the circumstances compared to a pattern of exaggeration and deflection.
- It is important for a panel addressing concerns about collusion amongst witnesses including such aspects as whether the communications amongst witnesses involved sharing details of the incident or whether the testimony of the witnesses who communicated with each other used strikingly similar language in their descriptions of the events.

Overall, hearing panels’ findings of credibility are more likely to be accepted where they engage with the issues raised in the course of the hearing.

Access to Crown Disclosure Briefs

A recent Alberta case reaffirms that regulators with the authority to compel information from registrants can require a registrant to give the regulator a copy of the Crown disclosure brief that the registrant received when facing criminal charges. In *College of Physicians v Dr Ghassan Al-Naami*, 2022 ABQB 438 (CanLII), <https://canlii.ca/t/jpxw4>, the registrant, a pediatrician, was charged with various child pornography offences. Despite providing some assurances that the regulatory investigation would be put in abeyance pending the criminal trial, the regulator re-

opened its investigation and sought the Crown disclosure brief from the registrant. The registrant objected.

The Court upheld the regulator's authority to require production of the Crown brief. It was obviously relevant to the regulator's investigation and the legislation required the production of it. The Court declined to address any concerns about the regulator discontinuing its previous assurances about putting the investigation in abeyance as that issue was not before the Court. The Court adopted the approach taken in *College of Physicians and Surgeons of Ontario v. Peel Regional Police*, 2009 CanLII 55315 (ON SCDC), <https://canlii.ca/t/264fv>, that the public interest concerns about access to the Crown disclosure brief were properly addressed by the regulator notifying the Attorney General who, in this case, did not object to the regulator receiving it. The Court also found that the registrant's right to silence in criminal proceedings did not reduce the regulator's right to receive the document.

The Court also found that providing the Crown brief to the regulator did not constitute a breach of the Criminal Code prohibitions against distributing child pornography because the regulator "is a public interest regulator entrusted by the Alberta Legislature to maintain the confidentiality of sensitive information."

It is noteworthy that regulators often have more success in obtaining the Crown disclosure brief from their registrants than directly from law enforcement.



The College of Naturopaths of Ontario

Understanding the Public Interest

In carrying out its objects, the College has a duty to serve and protect the public interest (section 3(3) of the Regulated Health Professions Act, 1991 (RHPA).

The term “public interest” is not defined in any legislation or regulation. What is the public interest?

- It is first and foremost a concept.
- It is contextual, the circumstances of decision-making help determine what it is.
- It is an unbiased concern for society.
- Places the benefit to the whole ahead of the benefit to a group, a few, or any one person.

Serving the public interest means ensuring the following.

- The public has access to professions of choice.
- Individuals are treated with sensitivity and respect.
- There are appropriate standards for the profession.
- There are ethical, safe, competent professionals and services.
- The patient interest is placed over professional interest.
- The principle-driven governance and operations are fair, objective, transparent and accountable.

The public interest is also about public protection and safety. Protecting the public from:

- Harm (physical, psychological, financial).
- Dishonesty and disrespect.
- Poor quality care.
- Sexual abuse.
- Breach of laws.
- Ineffective or unnecessary care.

In its deliberations, Council and Committees should consider the following factors.

- Is the decision fair to all parties?
- Is the decision objective, e.g. evidence-based?
- Is the decision impartial, e.g. made without bias?
- Is the decision transparent, e.g. are all of the relevant considerations clearly articulated and in the public domain?

Considerations/Questions to ask oneself during deliberations include:

- Does the matter relate to the College’s statutory objects (section 3(1) of the Code)?
- Does the decision further one of the College’s four regulatory activities?
- Is the decision being done transparently?
- Who is the primary beneficiary of the initiative?
- Would this better fit into another’s mandate (e.g. the educators, the associations)?
- Who would be unhappy with the initiative and why?

- How would it look on the front page of (any local or national newspaper) or on the evening newscast?
- How would our accountability bodies (e.g. the Government of Ontario, Office of the Fairness Commissioner, Health Professions Appeal Review Board) respond?
- Is our decision consistent with the mandate of the College (e.g. to ensure that Ontarians who wish to receive naturopathic services have access to individuals who have the knowledge, skill and judgment to practice safely, ethically and competently) and with other recent similar decisions.

What the public interest is NOT!

- Advancing the profession's self-interest (e.g. increasing fees charged by or earnings of the profession by limiting the number of members through creating barriers to access to the profession, or by expanding the scope of practice of the profession).
- Advancing personal interests of Council members (e.g. getting good PR in the profession in a re-election year).
- Advancing the interests of a small group of patients who feel that the general health care system is not serving them sufficiently (e.g. patients advocating for expanded scope for illness-specific purposes).

UNDERSTANDING THE RISK ANALYSIS TERMINOLOGY

The risk analysis provided to Council as part of its briefing process is becoming more sophisticated. New terminology will begin to be introduced that may be unfamiliar to many Council members and stakeholders. The table below provides information to allow a reader to interpret the information being provided.

RISK CATEGORY	Risk Type	Type Description	Indicators
HAZARD	People	Loss of key people.	Sudden and unforeseen loss of CEO or senior staff due to resignation, retirement, death or illness.
	Property	Damage or destruction.	Property damage due to fire, weather event, earthquake etc.
	Liability	Claims, and cost of defense claims.	Cost of defending a liability claim or awards paid due to a liability claim.
	Net Income Loss	Net Income loss from hazards.	Loss of Net Income (after expenses) from any of the above noted hazard risks.
OPERATIONAL	People	Risks from people selected to run an organization.	Education, professional experience, staffing levels, employee surveys, customer surveys, compensation and experience benchmarking, incentives, authority levels, and management experience.
	Process	Procedures and practices of an organization.	Quality scorecards, analysis of errors, areas of increased activity or volume, review of outcomes, internal and external review, identification of high-risk areas, and quality of internal audit procedures.
	Systems	Technology or equipment owned by an organization.	Benchmark against industry standards, internal and external review, and analysis to determine stress points and weaknesses.
	External Events	Failure of others external to an organization.	Suppliers unable to provide or deliver supplies, or consultants unable to complete projects on time or on budget.

FINANCIAL	Market risk	Currency price, interest rates, commodity price, equity price, and liquidity risk.	Interest rates, savings, and return on investments.
	Credit risk	Risk of people in an organization lent money to defaulting.	If the College were to lend money or credit to Registrants, the risk of defaulting.
	Price risk	Risk of prices of an organization's products or services, price of assets bought or sold by an organization.	Price increases of supplies, consultants, and personnel.
STRATEGIC (external to an organization)	Economic environment	GDP changes, inflation, financial crises, and international trade.	GDP, CPI, and Interest rates.
	Demographics	Changing landscape of people, i.e., aging.	Aging population, lower birth rates.
	Political	Changes in the politics where an organization operates.	Changes in government or government policy, locally, regionally, or nationally.
	Reputation	Damage to the reputation of the organization based on decisions taken or perils encountered.	Confidence and trust of stakeholders, the public, and Registrants.

Risk Treatment or Mitigation Techniques

Technique		Description	General Usage?
Avoidance		Stop or never do an activity to avoid any loss exposure	All risk categories
Modify			
	Separation	Isolate the loss exposures from one another to minimize impact of one loss. Relates to correlation of risks.	Financial risk
	Duplication	Use of back up or spares to keep in reserve to offset exposures.	Operational risk
	Diversify	Spread loss exposure over numerous projects, products, or markets.	Financial risk
Transfer		Transfer risk to another organization, typically an insurer.	Hazard risks
Retain		Assume the risk of loss within the organization, typically done when severity and frequency are both low and sometimes when frequency is high, but severity is always low.	Hazard, Operational
Exploit		Use the risk to your advantage	Strategic

To Treat or Not to Treat	Techniques
Do Not Treat	If potential impact is low and likelihood of occurring is low, do not need to treat the risk. May also choose not to treat a risk that has low potential impact and high likelihood in some circumstances.
Treat the risk	Treat a risk that has a high potential impact and high likelihood of occurring. Also treat a risk that has a high potential impact and low likelihood. Treatment methods 1. Avoidance 2. Change the likelihood or impact 3. Finance risk – transfer (insurance or hedging for market risk) or retain

UNDERSTANDING THE COLLEGE'S COMMITMENT TO TRANSPARENCY

To help protect the public, the College and its Council are committed to transparency. This means providing Ontarians with the tools to make informed decisions, and ensuring that our own decision-making processes are easily understood.

The College and its Council have adopted the Transparency Principles developed by the Advisory Group for Regulatory Excellence (AGRE), a working group of health regulators, as the framework for its decisions.

The following table summarizes the transparency principles adopted by the Council.

Principle	Description
Information to foster trust.	The mandate of regulators is public protection and safety. The public needs access to appropriate information in order to trust that this system of self-regulation works effectively.
Improved patient choice and accountability.	Providing more information to the public has benefits, including improved patient choice and increased accountability for regulators.
Relevant, credible, and accurate information.	Any information provided should enhance the public's ability to make decisions or hold the regulator accountable. This information needs to be relevant, credible, and accurate.
Timely, accessible and contextual.	In order for information to be helpful to the public, it must be; a) timely, easy to find, understandable and, b) include context and explanation.
Confidentiality when it leads to better outcomes.	Certain regulatory processes intended to improve competence may lead to better outcomes for the public if they happen confidentially.
Balance.	Transparency discussions should balance the principles of public protection and accountability, with fairness and privacy.
Greater risk, greater transparency.	The greater the potential risk to the public, the more important transparency becomes.
Consistent approaches.	Information available from Colleges about Registrants and processes should be similar.



The College of Naturopaths of Ontario

Council Meeting Evaluation
May 25, 2022
9 Evaluations Received

Topic	Question	Data	Overall
Were issues discussed essential?	Please rate how essential you feel the issues covered in today's meeting were using a scale: 1 - Not all all essential to 5 - Very Essential.	0 @ 1 0 @ 2 0 @ 3 4 @ 4 5 @ 5	4.5
Achieve Objectives?	Please rate how well you feel the meeting met the intended objectives using the following scale: 1 - Not at all met to 5 - All objectives met.	0 @ 1 0 @ 2 0 @ 3 4 @ 4 5 @ 5	4.5
Time Management	Please rate how well you feel our time was managed at this meeting using the following scale: 1 - Not at all managed to 5 - Very well managed.	0 @ 1 0 @ 2 1 @ 3 4 @ 4 7 @ 5	4.6
Meeting Materials	Please rate how helpful you feel the meeting materials for today's meeting were using the following scale: 1 - Not at all helpful to 5 - Very helpful.	0 @ 1 0 @ 2 0 @ 3 1 @ 4 8 @ 5	4.8
Right People	Please rate the degree to which you felt the right people were in attendance at today's meeting using the following scale: 1 - None of the right people were here to 5 - All of the right people were here.	0 @ 1 0 @ 2 3 @ 3 6 @ 4 2 @ 5	4.1
Your Preparedness	Please rate how you feel your own level of preparedness was for today's meeting using the following scale: 1 - Not at all adequately prepared to 5 - More than adequately prepared.	0 @ 1 0 @ 2 2 @ 3 1 @ 4 6 @ 5	4.4
Group Preparedness	Please rate how you feel the level of preparedness of your Council colleagues was for today's meeting using the following scale:	0 @ 1 0 @ 2 1 @ 3 5 @ 4	4.4

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	1 - Not at all adequately prepared to 5 - More than adequately prepared.	4 @ 5	
Interactions between Council members	Please rate how well you feel the interactions between Council members were facilitated using the following scale: 1 - Not well managed to 5 - Very well managed.	0 @ 1 0 @ 2 0 @ 3 3 @ 4 6 @ 5	4.6
What Worked Well	From the following list, please select the elements of today's meeting that worked well.		
	• Meeting agenda		9/9
	• Council member attendance		8/9
	• Council member participation		9/9
	• Facilitation (removal of barriers)		9/9
	• Ability to have meaningful discussions		8/9
	• Deliberations reflect the public interest		9/9
	• Decisions reflect the public interest		9/9
Areas of Improvement	From the following list, please select the elements of today's meeting that need improvement.		
	• Meeting agenda		0/9
	• Council member attendance		1/9
	• Council member participation		0/9
	• Facilitation (removal of barriers)		0/9
	• Ability to have meaningful discussions		1/9
	• Deliberations reflect the public interest		0/9
	• Decisions reflect the public interest		0/9
Things we should do	Are there things that you feel that the Council should be doing at its meetings that it is not presently doing?	None	
Final Feedback	Good first meeting. Not sure why we had the DC and ICRC orientations baked into this meeting, as we all have to have those training sessions separately.		
	Jordan did an excellent job Chairing his first meeting.		
	As a new member, it was very helpful when the council explained the background of sections.		
	Very well organized and facilitated.		
	Keep up the good work, you continuation exceed my expectations.		

Comparison of Evaluations by Meeting 2022-2023

	2021/22 Overall	2022-2023						
Topic		May	July	Sept	Nov	Jan	Mar	Ave

		2022	2022	2022	2022	2023	2023	
Were issues discussed essential? 1 - Not at all essential to 5 - Very Essential.	4.5	4.5						4.5
Achieve Objectives? 1 - Not at all met to 5 - All objectives met.	4.8	4.5						4.5
Time Management 1 - Not at all managed to 5 - Very well managed.	4.7	4.6						4.6
Meeting Materials 1 - Not at all helpful to 5 - Very helpful.	4.8	4.8						4.8
Right People 1 - None of the right people to 5 - All of the right people.	4.7	4.1						4.1
Your Preparedness 1 - Not at all adequately prepared to 5 - More than adequately prepared.	4.6	4.4						4.4
Group Preparedness 1 - Not at all adequate 5 - More than adequate.	4.5	4.4						4.4
Interactions between Council members 1 - Not well managed to 5 - Very well managed.	4.6	4.6						4.6
Number of Evaluations	10.7	9						9



The College of Naturopaths of Ontario

MEMORANDUM

DATE: July 4, 2022

TO: Council

FROM: Mary-Ellen McKenna

RE: Type 2 Occurrence Annual Report

The following information is being provided to Council for information purposes.

Type 2 Occurrence Annual Reports Summary

The Designated Registrants for all applicable premises (175) submitted the Type 2 Occurrence Annual Report for the reporting period of March 2, 2021 to March 1, 2022.

Of the 175 premises, 159 submitted the form by the deadline date of May 1, 2021; 9 premises reported late with the final report being received on May 13, 2021.

The General Regulation defines Type 2 occurrences as:

1. Any infection occurring in a patient in the premises after an IVIT procedure was performed at the premises.
2. An unscheduled treatment of a patient by a Registrant occurring within five days after an IVIT procedure was performed at the premises.
3. Any adverse drug reaction occurring in a patient after an IVIT procedure was performed at the premises.

An adverse drug reaction is defined as a harmful and unintended response by a patient to a drug or substance, or combination of drugs or substances that occurs at doses normally used or tested in humans for the diagnosis, treatment or prevention of a disease or the modification of organic function.

The Inspection Program Policies state that a summary of Type 2 occurrences will be provided to the Inspection Committee and Council on an annual basis for statistical and planning purposes.

For the Council's information, below is a 5-year comparison of the number of:

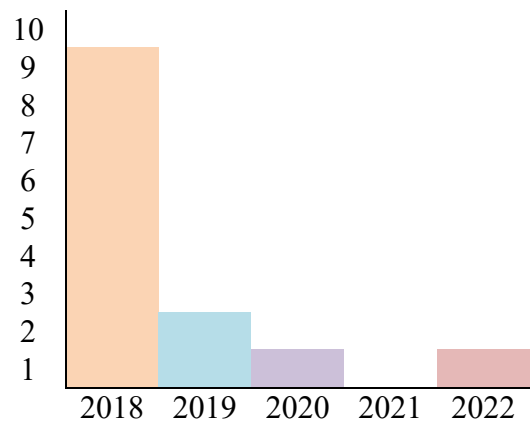
- infections occurring,
- unscheduled treatments,
- adverse drug reactions,
- number of premises required to report,
- number of premises reporting a Type 2 occurrence at the premises.

150 John St., 10th Floor, Toronto, ON M5V 3E3

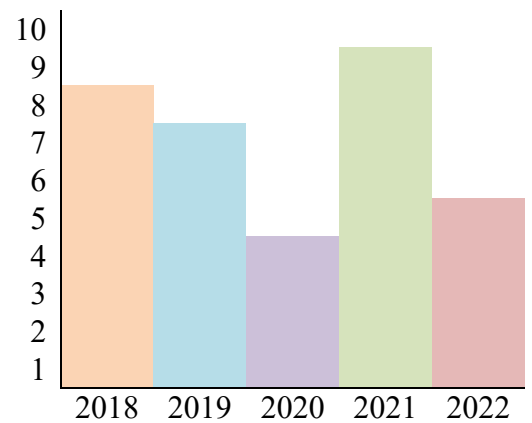
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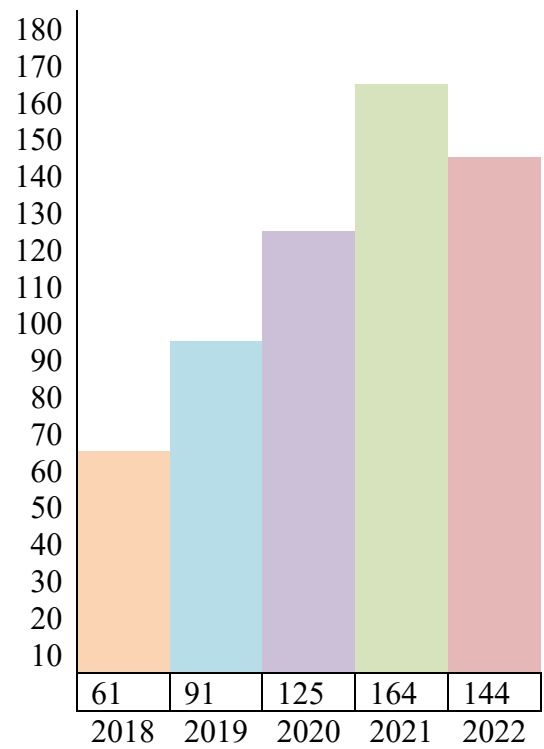
Infections



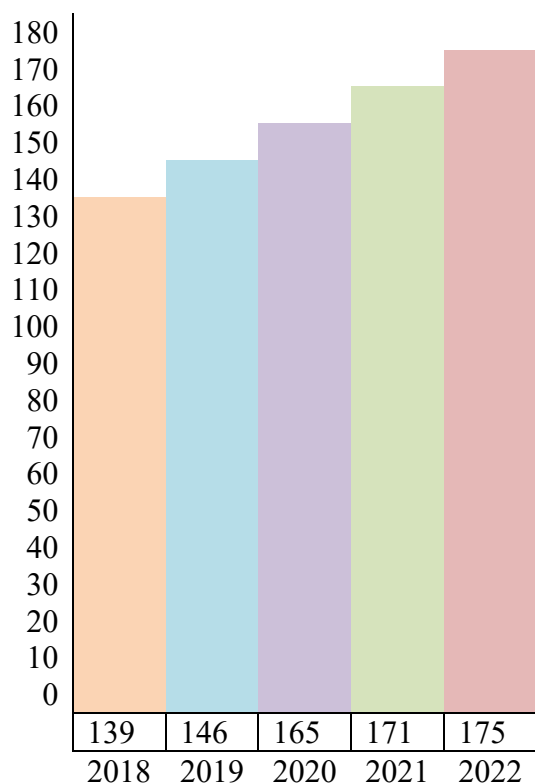
Unscheduled treatments



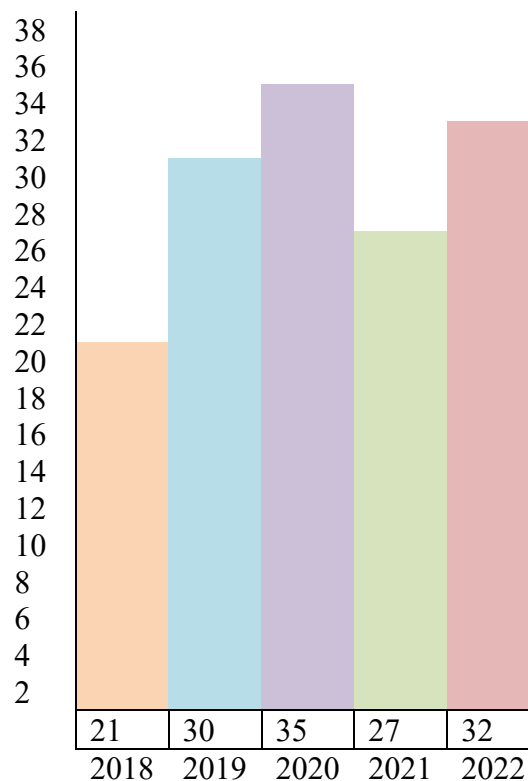
Adverse Drug Reactions



Number of IVIT premises required to report



Number of premises reporting a Type 2 occurrence at the premises

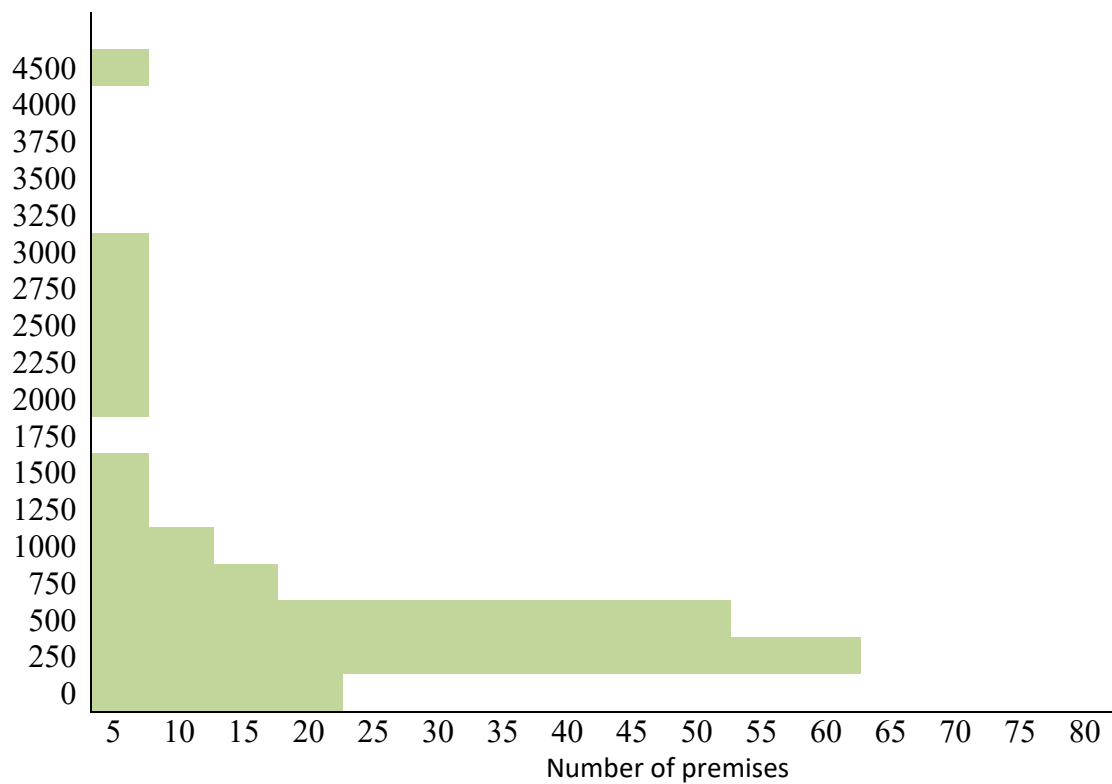


For the March 1, 2021 – March 2, 2022 period, designated Registrants were asked for the first time to report an estimate of the number of iv bags they compounded at the premises and the number of times IVIT was administered. A total of 79,068 iv bags were compounded and 77,213 were administered.

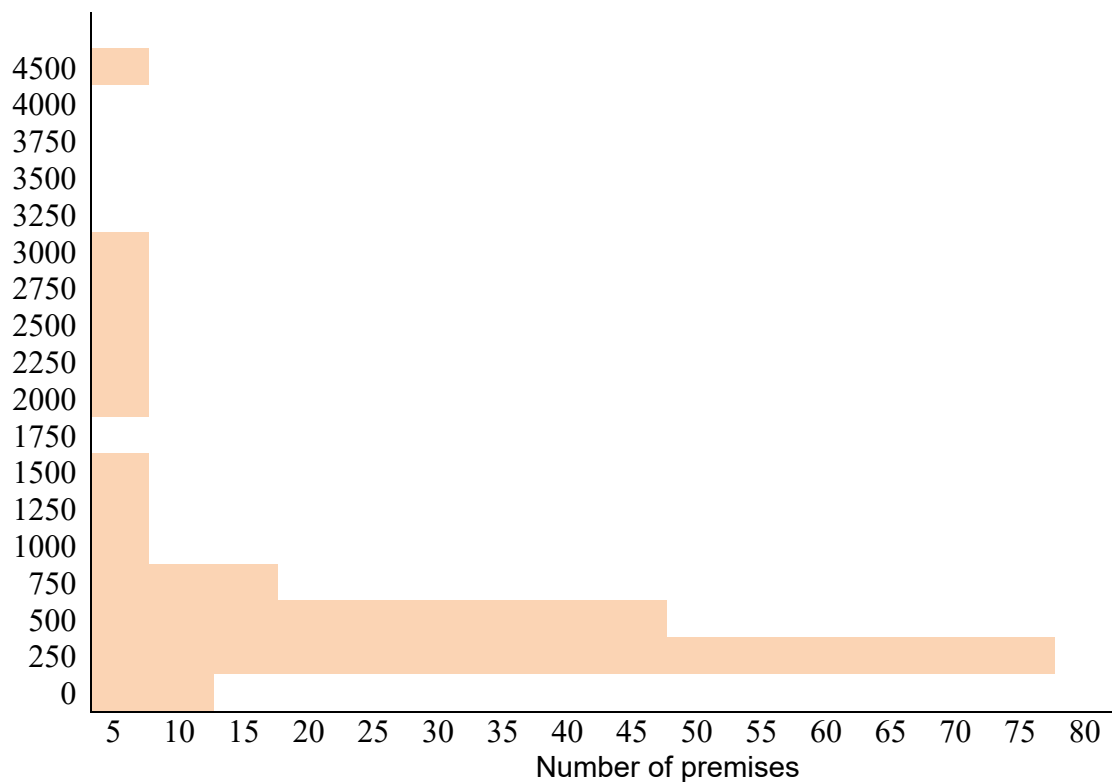
A total of 167 Type 2 occurrences were reported to have happened during 77,213 iv administrations. This is a 0.2% rate of Type 2 occurrences during the past reporting period.

Below is a summary of the number of iv bags compounded and administered and the number of premises.

Number of IV Bags Compounded 2021-2022



Number of IV Bags Administered 2021-2022



Below are the Type 2 occurrences reported for the March 1, 2021 – March 2, 2022 period.

Infect ions		Delegation - Yes	Delegation - No
Cystitis	1		1
Total	1		1

Unscheduled Treatments	Condition		Delegation - Yes	Delegation - No
Rescue remedy	Anxiety	2		2
Acupuncture	Low back strain	1		1
After questioning the patient, the hallucinations were due to a new medication which was confirmed by their MD	Hallucinations	1		1
Phone visit to provide counselling	Anxiety	1		1
Total		5		5

Adverse Drug Reactions	Number	Severity	Delegation
Diarrhea	2	Mild	No
Dizziness	2	Mild	Yes
Dizziness	1	Mild	No
Fever	1	Mild	No
Headache	1	Mild	Yes
Headache	10	Mild	No
Hypertension	3	Mild	No
Hypertension	5	Moderate	Yes
Hypertension	1	Severe	No
Hypoglycemia	1	Mild	Yes
Hypoglycemia	3	Mild	No
Hypoglycemia	1	Moderate	No
Infusion site extravasation*	12	Mild	Yes
Infusion site extravasation*	43	Mild	No
Itchiness	1	Severe	No
Maculo-papular rash	2	Moderate	No
Muscle spasm	2	Mild	No
Nausea	2	Mild	Yes
Nausea	10	Mild	No
Nausea	2	Moderate	No

Pain at insertion site*	3	Mild	Yes
Pain at insertion site*	8	Mild	No
Phlebitis	1	Mild	Yes
Phlebitis	5	Mild	No
Phlebitis	1	Severe	Yes
Pressure in abdomen	1	Mild	No
Pre-syncope	3	Mild	Yes
Pre-syncope	7	Mild	No
Rhinitis	2	Mild	No
Shortness of breath	1	Mild	No
Shortness of breath	1	Severe	No
Swelling of the lip	1	Mild	No
Syncope	2	Mild	No
Syncope	1	Moderate	No
Syncope	1	Severe	No
Urticaria	1	Mild	Yes
Urticaria	7	Mild	No
Urticaria	2	Moderate	No
Vomiting	3	Mild	No
Vomiting	1	Moderate	Yes
Vomiting	4	Moderate	No
TOTAL	161		

Summary of adverse drug reactions regarding severity and delegation:

Mild = 138 Delegation: No = 112, Yes = 26

Moderate = 18 Delegation: No = 12, Yes = 6

Severe = 5 Delegation: No = 4, Yes = 1

The percentage of adverse drug reactions occurring when there was a delegation in place was 20%, compared to 80% when there was no delegation.

A Guide to Financial Statements of Not-for- Profit Organizations

QUESTIONS FOR DIRECTORS

SECOND EDITION



A Guide to Financial Statements of Not-for-Profit Organizations

Questions for Directors

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Preface

The Corporate Oversight and Governance Board (COGB) of the Chartered Professional Accountants of Canada (CPA Canada) has developed this guide to help directors of not-for-profit organizations (NFPs) understand the financial statements of the organization they serve. Although boards may delegate the detailed aspects of financial oversight to a board committee, all directors have a personal responsibility for ensuring that they understand the financial information provided to them and the financial implications of their decisions and actions. Directors are expected to probe and question until they are satisfied with their organization's financial information and the direction in which the organization is moving. An understanding of financial statements is a prerequisite for effective oversight of the financial affairs of the organization.

Financial statements in the NFP sector can involve accounting methodologies not found in the for-profit sector. NFPs are very diverse and range from small all-volunteer groups to large highly sophisticated enterprises. Some, but not all, have charitable status. This document is directed to NFPs that are of a sufficient size to require a management team and engage the services of an external auditor.

The guide will assist NFP directors to understand:

- the role and responsibilities of the board, management and the auditor in financial reporting
- the concepts and terminology of financial reporting in the NFP sector
- the ways in which contributions (i.e., donations) to the organization can be accounted for
- the various financial statements they will encounter in their role as an NFP director

Directors of government-sponsored NFPs and NFPs that operate "social enterprises" may find this guide helpful; however, they face particular financial reporting issues that are not covered in this briefing.

Throughout the guide, there are sections entitled "Items for directors to watch for and questions to ask." These sections are intended to assist directors to undertake their governance oversight role in an effective manner. Directors are encouraged to frame additional questions in the particular circumstances they face.

The COGB acknowledges the author, Deryck Williams, as well as William G. Wolfson and William Harper, the authors of the previous edition of this publication. The COGB also thanks the members of CPA Canada's Not-for-Profit Organizations Committee for their invaluable input and direction, and the CPA Canada staff who provided support for the project.

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Chair, Corporate Oversight and Governance Board

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Introduction

The Importance of the Sector and the Role of Directors in Oversight of Financial Affairs

It is estimated that 12.7 million Canadians volunteer with not-for profit organizations (NFPs). Many of these volunteers serve as members of their organization's board of directors.¹ NFP boards are responsible for overseeing the affairs of organizations that constitute about 8.5% percent of Canada's GDP, generate economic activity of approximately \$169 billion and provide 2.4 million jobs for Canadians.² Being a director in the NFP sector is a vitally important role.

Board members in the NFP sector have a wide variety of skills and interests. Some may feel uncomfortable reviewing financial information and may be poorly equipped to provide the required oversight of the financial affairs of the organizations which they have been elected to govern. This gap presents a threat to the sustainability of the organization. It may also expose individual board members themselves to legal liability. The bottom line is that overseeing the financial affairs of NFPs is a key responsibility of the board, and of every member of the board.

Directors have a "fiduciary duty" to their not-for-profit organization to act honestly and in good faith in the best interests of the organization. This responsibility is sometimes referred to as the "duty of loyalty," but it is much broader than just loyalty. It speaks to concepts such as the duty of confidentiality and not participating in decisions in which the director may have a personal interest. Directors also have a "duty of care" that requires them to act with the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. This obligation means that directors must diligently apply their skill, expertise, education and intelligence to the job of being a director to make reasonable business decisions.

Directors have fiduciary responsibilities to take steps to ensure that funds are spent in accordance with donors' or funders' criteria, that statutory obligations are fulfilled, such as payroll deductions being remitted to the Canada Revenue Agency, and that internal

1 Statistics Canada (2013) *Survey of Giving, Volunteering and Participating*.

2 Statistics Canada (2017) *Satellite Account of Nonprofit Institutions and Volunteering*.

controls are in place to avoid the occurrence of fraudulent transactions within the organization. A proper understanding of the financial statements and information provided to the directors assists the directors in fulfilling these responsibilities.

A board can delegate the work to prepare financial information, but the board as a whole is ultimately responsible for financial reporting. Indeed, one of the fundamental roles of the board of directors is stewardship of the organization's resources. This duty includes the responsibility to protect the organization's assets and to oversee its financial affairs. Financial statements are the primary means of communicating information about the organization's financial position (at a point in time) and financial results of its operations (over a period of time).

Though financial information is not the only information required to develop an understanding of the organization, it is a key component. Financial information is typically measurable, objective, comparable over time, sometimes comparable across organizations, and can provide an indicator of organizational health. Board members require the ability to understand various financial statements in order to discharge their stewardship responsibility to the organization.

Each board member does not need to have financial expertise, or to be a financial expert, but all directors should develop a basic level of financial literacy. This guide for NFP Directors aims to provide a practical tool to help board members understand financial concepts and comprehend financial statements. Most importantly, this guide will help directors focus on certain elements in the financial statements and understand how they can use that information to critically assess and oversee their organization's financial affairs.

Some Common Barriers Impeding Full Board Participation in Financial Oversight

We have an experienced accountant on our board — why should I have to deal with this?

Financial experts such as accountants bring a valuable skill set to the board table, along with their field experience and their professional mindset. They are in a strong position to help their board peers deepen their understanding of financial matters. Organizations with a financial professional on the board are fortunate and should use that person as a resource. Further, that director should expect to play a key role in the oversight of financial affairs, perhaps by becoming a member of the audit or finance committee of the board. (In some NFP organizations, the functions of these two committees are combined into one board committee.) However, as noted above in the “duty of loyalty,” board members cannot

abdicate their responsibility or transfer it to another board member. Each and every board member must fulfill their obligations for the oversight of financial matters to the best of their ability.

Shouldn't the board be focusing on our organization's mission?

The ultimate goal of every not-for-profit organization, and hence every organization's board, is the achievement of its mission. Consequently, a significant portion of the board's time and energy needs to be focused on the organization's mission and progress in achieving it. However, the organization must protect its assets, pay its bills, compensate its employees, receive and manage donations, and undertake a host of other financial activities. Doing so in an efficient and effective manner is critical to achieving its mission. An organization that is not financially secure cannot focus on achieving its mission, as efforts of the board and management are directed to financial survival.

Accounting is just too complex for me!

Accounting is indeed a complex subject. There are various financial concepts and accounting principles. However, all board members do not need to be accounting experts. Directors should strive to acquire a basic understanding of financial matters, and a basic ability to read, assess and question financial statements and other financial information. Turning to experts for assistance and advice is entirely appropriate, but making final decisions within the context of the organization's total financial picture is the responsibility of every member of the board.

Isn't this the job of the auditor³ or of management?

The auditor and management both have important and distinct roles to play in ensuring fair and complete financial reporting for the organization. So does the board of directors. Management is responsible for selecting the organization's accounting policies and preparing, presenting and acting on financial information. The board is responsible for overseeing management and the processes for preparing financial information, and for satisfying itself that the resulting information reasonably reflects the organization's reality. The auditor, on the other hand, is responsible for providing an independent professional opinion on the fair presentation of the organization's financial position and its financial results. These three parties to financial reporting are inter-dependent: Each relies on the other, but each has its own role and responsibilities.

³ Depending on the legislation governing an NFP in the jurisdiction where it is incorporated, the organization may have options regarding the engagement of an auditor. These options are beyond the scope of this guide.

Outline of this Guide

This guide is designed to help directors of not-for-profit organizations to fulfill their fiduciary duties. Many NFPs have charitable status which brings additional reporting obligations and oversight duties for directors.

The guide outlines the process of financial reporting and the various roles and responsibilities within an NFP for financial reporting. It describes the concepts and terminology used in financial reporting, providing both definitions and examples. With that foundation in place, the guide describes two key financial reports that directors will encounter most frequently:

- statement of financial position (sometimes called the “balance sheet”)
- statement of operations (sometimes called the “statement of activities” or “income statement”)

This guide will use the terminology of statement of financial position and statement of operations; NFPs are free to use other designations. [Appendix 1](#) and [Appendix 2](#) provide descriptions and analysis of other financial concepts and statements that NFP directors may encounter, depending on the operations of their organization.

There is particular emphasis in the guide on questions directors might consider asking about various financial processes and statements that they will encounter in their oversight role.

The Process of Financial Reporting

Financial reporting must serve both the interests of internal users and the interests of external stakeholders.

Internal Financial Reporting

Internally, staff members of the organization are both creators and users of financial reports. Finance staff collect the appropriate data, manage the associated information systems and create financial reports. Managers responsible for financial integrity, risk, quality, program delivery and other key internal responsibilities use these reports in fulfilling their job responsibilities.

Certain financial reports are submitted to the board and/or board committees.

Financial reporting to the board of an NFP tends to follow a natural cycle:

- the budget for the coming year (prepared by management, usually influenced by, but not identical to, management's year-end estimates from the preceding year and other information)
- the audited financial statements for the previous year (issued usually in the first or second quarter of the next fiscal year, upon completion of the external auditor's work on the NFP's financial statements)
- internal in-year financial statements to report on actual results compared to the budget, often including projected results to year-end (prepared by management)

Directors can expect to review each of these types of financial reports at various points in time. The dates in the "calendar year" depend on the NFP's fiscal year-end. The fiscal year is the 12 month period used for calculating the figures in an annual financial statement. The fiscal year may not coincide with the calendar year. For those organizations with a December 31 year-end, directors can expect the following:

- budget review in the fall
- draft audited financial statements in the spring
- internal in-year financial reports at least every quarter (and in some organizations, every month or bi-monthly)

External Reporting to Stakeholders

Not-for-profit organizations have many stakeholders and each one has an interest in the financial affairs of the organization. All stakeholders have a common interest in areas such as:

- the protection of the assets entrusted to the organization
- the efficient and effective use of the organization's resources in furtherance of its purpose

Some stakeholders have quite specific interests. For example:

- Funders (e.g., governments or foundations) want assurances that their contributions to the organization have been used in accordance with the funding submission and subsequent approval.
- Donors (particularly major donors) want assurances that their contributions have been applied according to their wishes.
- Members have an interest in how their fees have been deployed and more generally in how the organization is performing.
- The Canada Revenue Agency (CRA) requires all NFPs to submit an annual filing that includes financial information.⁴

The organization, through its management, has a reporting duty to all of these stakeholders. Financial statements and other financial reports are communication tools that the organization uses to meet the information needs of its stakeholders.

Common information requirements are usually met through the issuance of general purpose audited annual financial statements, supported by the organization's annual report. These are good tools for communicating to a variety of audiences about the organization's financial affairs. However, they may not answer all the questions of certain stakeholders. Special purpose reports are used to supplement audited financial statements to answer these additional questions. For example, many funders require reporting about the use of "their" funds, in specific formats, as a condition of granting the funding to the organization.

4 An NFP that is not a registered charity and has assets over \$200,000 or receives certain investment income over \$10,000 must file Form T1044 annually. If an NFP is incorporated but not a registered charity, it must file a T2 Corporate Tax Return annually. Charitable NFPs file Form T3010 and do not file T2s or T1044s. Certain financial information submitted by charities is made available to the public on the CRA website.

The Roles and Responsibilities Associated With Financial Reporting

A Three-Way Arrangement

Responsibility for an organization's financial reporting is shared among three parties — management, the board and the external auditor — as follows:

- management, which is responsible for preparing financial reports
- the board, which is responsible for overseeing management and its financial reporting processes and satisfying itself as to the appropriateness of financial reports for those outside the organization
- the auditor, who is responsible for making an independent assessment of the financial statements, and giving a professional opinion on whether they give a fair presentation of the organization's financial position and results of operations⁵

Each party relies on the work of the other two in discharging its own responsibilities. Each one brings a unique perspective to the preparation of financial reports:

- Management has an intimate understanding of the organization's activities and plans; management also exercises judgment on how certain items are accounted for in the financial reports.
- The board offers a high-level, strategic view of the organization, coupled with due diligence duties with respect to internal policies, procedures and processes, and an accountability to external stakeholders.
- The auditor brings a different level of financial expertise that may not exist within the organization; more importantly, the auditor brings an outside, independent perspective on the organization's financial affairs

⁵ The auditor examines the general purpose financial statements of a not-for-profit organization prepared in accordance with generally accepted accounting principles (GAAP) as determined by the Accounting Standards Board (AcSB) and published in the *CPA Canada Handbook — Accounting*. Under GAAP, NFPs have the choice of applying International Financial Reporting Standards (IFRS® Standards) or Accounting Standards for Not-for-Profit Organizations (ASNPO). As most NFPs report using ASNPO, this guide is based on that accounting framework. Some NFPs are not required to engage the services of an auditor; nevertheless, this guide will still be helpful to directors of those organizations.

Management is responsible for preparing financial reports. The perspectives provided by the auditor and the board could not exist without management first preparing the reports for these two other parties to consider.

Management is also responsible for developing internal financial controls. Robust internal controls are essential to the integrity of financial reporting. The board has an obligation to pay close attention to the details of management's approach to internal controls and to satisfy itself that all appropriate areas have been covered to minimize the risk of financial mismanagement or fraud.

In the process of performing the independent external audit, the auditor will expect management to sign a "representation letter." This letter confirms, among other things, that the financial information provided to the auditor is, to the best knowledge of the signatories, complete and that there has been full disclosure of all material financial matters.

The Relationship Between the Board and the Auditor

A significant underpinning of external financial reporting is that the information be credible. Users must have a strong level of assurance that financial information is a fair presentation of the organization's affairs. The annual audited financial statements provide a key measure of accountability and control for not-for-profit organizations. The auditor, with a mandate to directly inspect the books and records of the organization, provides an important check on the presentation of financial information by management.

The choice of the auditor and the reporting relationship for the auditor are therefore key considerations. The board selects the auditor and recommends the appointment of the auditor for approval of the organization's members at the Annual General Meeting. Governance best practices for not-for-profit organizations dictate that the auditor reports directly to a committee of the board (in some organizations, directly to the board). The auditor is also expected as a matter of best practices to meet *in camera* (see [Appendix 5](#)) with the board committee (or the board as a whole), without management present.

Understanding Financial Statements

There are two key types of financial statements that directors will encounter most frequently, whether as part of the budgeting process, in-year monitoring of results or the review of the external auditor's formal financial statements. These are:

- *statement of operations* for a period of time
- *statement of financial position* at a point in time

Two other financial statements are included in the audited financial statements at year-end: *statement of changes in net assets* and *statement of cash flows*. These two statements are discussed in [Appendix 1](#). The main body of this guide focuses on the two statements above that directors will review on a regular basis. When reviewing these statements, directors should pay special attention to the cash position of the organization, as healthy cash balances are key to long-term viability.

The Time Frame

The first thing to keep in mind is the difference between figures presented on the statement of operations, which are “cumulative sums over time,” with those on the statement of financial position, which are “at a point in time.”

- Financial figures calculated as *cumulative sums over time* show the total financial value of an activity during a fixed period of time, such as a full year or a quarter of a year, ending at the reporting date. For example, fees for service is the sum of all fees earned by the organization over the specified period. Another example is salaries and benefits paid in the period.
- Some financial figures are calculated at *a point in time*: in other words, as at a particular reporting date. For example, the accounts payable figure is the total dollar amount owed by the organization to suppliers at the specified date. Another example is the value of investments held by the organization at the specified reporting date.

There is a relationship between the two concepts. The “point in time” figures on the statement of financial position are the net result of all the transactions over time. As an example, the investment balance (a “point in time” figure) is the result of all transactions

that have cumulatively impacted the balance over time, which include gains, losses, dividends and interest. Each of the latter appear on the statement of operations (cumulative sums over time) in the period when they occur.

Accrual Accounting vs. Cash Accounting

An important consideration in measuring and recording revenues and expenses, as well as assets and liabilities, is when to record a transaction. Transactions need not involve cash. In these circumstances, the accounting question is when to record the event in the books of the organization (and thereby in the financial reports).

- *Accrual accounting* records transactions when they occur, regardless of when money actually changes hands between the organization and third parties. Examples are a fee-for-service delivered and invoiced but where payment has not yet been received by the NFP (this would be included in revenues and accounts receivable) or a purchase of office supplies using a credit card where payment has not yet been made (this would appear as an expenditure and account payable).
- *Cash accounting* records transactions only when there is an exchange of cash. Under this system, the sample transactions above would not be recorded until the fee-for-service was received (an increase in revenues) and until the NFP paid its credit card bill (an increase in expenditures).

Accrual accounting provides a more accurate record of financial activities because it records the economic substance of transactions, whether or not cash has been received or paid. Compliance with GAAP requires that NFPs use the accrual method.

The Statement of Operations

The primary purpose of a statement of operations is to communicate information about changes in the organization's economic resources and obligations for the period. It does this by providing a summary of the organization's revenues and expenditures over the period of time. It also shows the net balance between the two periods: in other words, the excess (or deficiency) of revenues over expenditures for the period.

Sample Statement of Operations

The following is an example of an *internal* statement of operations for a simple not-for-profit organization. We will review the statement to understand the information it is providing for decision-making. It is "internal" because it also includes the budget for the year, which is not usually included in the external financial statements. Internal financial statements are intended for board and management review.

NOT-FOR-PROFIT ORGANIZATION STATEMENT OF OPERATIONS For the 12 months ended December 31 A			
	Budget	Current year	Prior year
Revenues			
Government Grants	8,700	8,700	8,150
Fees for Service	950	975	920
Investment Income	35	35	35
Interest and Other	12	10	15
Total Revenues B	9,697	9,720	9,120

NOT-FOR-PROFIT ORGANIZATION STATEMENT OF OPERATIONS For the 12 months ended December 31 A			
	Budget	Current year	Prior year
Expenditures			
Salaries and Benefits	6,822	6,940	6,560
Rent and Building Occupancy	1,845	1,845	1,600
Office	450	490	440
Depreciation of Capital Assets G	24	24	30
Other	4	5	4
Total Expenditures B	9,145	9,304	8,634
Excess of Revenues Over Expenditures B	552	416	486

Using a “big picture first” approach, the reader of the statement of operations looks first at four key items: the time frame, total revenue, total expenditures and the excess or deficiency of revenue over expenditures.

- A. What is the period over which these numbers have been accumulated? The answer shown in the statement’s title (**A**) is that it is for the 12 months ended December 31. External financial statements are commonly presented for a 12-month fiscal period. However internal financial statements may show shorter periods, such as monthly or quarterly and so on, providing year-to-date information as the organization progresses to its 12-month fiscal year-end.
- B. What are total revenues, expenditures and the excess or deficiency between them? In this case, looking at the column for the current year, observe (**B**) that total revenues of \$9,720 exceeded total expenditures of \$9,304 by \$416. The reader can draw an initial big-picture conclusion that the organization had an acceptable year. Now, drill down to understand this further.
- C. What are the major components of revenues and expenditures? Government grants are 90% (8,700/9,720) of total revenues. This organization is therefore critically dependent on government funding. Observe that as in many not-for-profit organizations, staffing

costs are by far the largest cost component, at about 75% (6,940/9,304) of total expenditures. The excess of revenues over expenditures is about 4% of total revenues (416/9,720). A low percentage of excess or deficiency is normal for an NFP.

- D. Drill down further through comparisons. This sample statement allows comparisons with both the prior twelve months and the current twelve-month budget. In NFP's, because their objective is to maximize mission rather than profit, budgets are a particularly important benchmark for understanding how well the organization did financially.
- E. Total revenues increased over last year by \$600. As a percentage this is $9,720/9,120 = 6.6\%$. They also were higher than budget by \$23. Looking at the items that add up to the total, note that the largest part of the increase is government grants, from \$8,150 to \$8,700. The organization budgeted for this increase. So, the unexpected component of the increase is fees for service, which are \$25 higher than budget. The reader can conclude that this is the main reason total revenues are up over budget.
- F. Total expenditures increased over last year by \$670. As a percentage, this is $9,304/8,634 = 7.8\%$. They were also higher than budget by \$159. Looking at the items that add up to the total, note that the largest part of the increase is salaries and benefits, increasing from \$6,560 to \$6,940. The expenditure is also significantly over budget by \$118. Observe that office expenditures were up over last year's and over budget by \$40. A director would expect explanation from management for these unplanned increases and discussion of whether the trend will continue.
- G. The term "depreciation of capital assets" (**G**) bears special explanation. Depreciation (used interchangeably with the term "amortization") is the expensing of the cost of an asset spread out over its useful life. Capital assets are assets held for use on a continuing basis in the ordinary course of operations (see a full definition in the [Glossary](#)).

For example, suppose the organization purchases a van for use in carrying out its operations, and it estimates that it will have a useful life of six years. The van is a capital asset. The portion of the original cost of the van that is expensed in each of the six years is its depreciation expense for the year, which is shown in the statement of operations. If the organization had purchased the van for cash, its depreciation expense for that first year would be considerably lower than the cash paid for its purchase. However, at the end of the six years the cumulative depreciation expense would equal the full cost of the van (net of any estimated value on disposition).

- H. How much detail should be in the statement of operations?

Based on the NFP's chart of accounts,⁶ the statement of operations organizes revenues and expenditures in various categories, usually listed from largest dollar value to smallest.

⁶ A chart of accounts is a way of organizing the many hundreds — indeed likely thousands — of transactions an NFP engages in every year. See [Appendix 1](#) for more details.

Revenues are organized according to their type (e.g., grants, contributions, fees, sales, interest).

Expenditures are grouped together in meaningful categories and may be classified by object (e.g., salaries, rents, supplies), by function (e.g., program delivery, administration, fundraising) or by program (e.g., children's programs, youth programs, adult programs).

Management needs to develop an expenditure listing that is both short enough to digest (typically less than one page) and long enough to provide insight into the major types of revenues and expenditures. External financial statements will normally have less detail than internal statements. Materiality is a useful concept to apply in determining the amount of detail on external financial statements.

Note that when expenditures are organized by function or program, this means that expense objects, such as salaries and rent and amortization, have been allocated on a consistent basis to regroup them by function or program. GAAP requires that the basis for the allocation of fundraising and general support expenses be disclosed in the accounting policies and, where material, that a chart be provided in the notes to the financial statements showing these allocations. It is good governance for the directors to review the amount and basis for these allocations.

The Statement of Financial Position

The statement of financial position is a financial snapshot taken at a point in time. This statement is sometimes called the “balance sheet” because it shows that total assets equal (i.e., balance) the sum of liabilities and net assets.

How is it that the statement of financial position balances? The net assets (N) of an NFP are defined as its assets (A) minus its liabilities (L): $A - L = N$, which is known as the “balance sheet equation.” The statement of financial position shows this equation in a rearranged form: $A = L + N$. This proof of balance (“the books are balanced”) is important because it shows that what has been entered in the underlying accounts is complete. (However, it does not prove that everything that should have been entered has been.) An important extension of this balancing principle is that the excess or deficiency of revenues over expenditures for the period between two statements of financial position must be the same in the statement of operations as it is in the final statement of financial position. If it is not, then at least one of the statements is in error.

Sample Statement of Financial Position

The following is an example of a statement of financial position for the same not-for-profit organization at the December 31 current year-end, with comparison to the previous year-end. NFP directors can expect that their organization might use different terminology and additional categories, but the fundamental relationships within the statement of financial position will be the same as shown here.

**NOT FOR PROFIT ORGANIZATION
STATEMENT OF FINANCIAL POSITION
as at December 31 of current year**

Current year**Previous year****ASSETS****Current Assets**

Cash and Cash Equivalents	2,370	2,005
Grants Receivable	100	65
Accounts Receivable	25	20
Prepaid Expenses	42	35
	2,537	2,125

Investments	500	500
Capital Assets (Property and Equipment)	1,126	1,150
Total Assets	4,163	3,775

LIABILITIES AND NET ASSETS**Current Liabilities**

Bank Indebtedness	85	115
Accounts Payable	122	87
Government Remittances Payable	65	48
Current Portion of Mortgage Payable	75	75
	347	325

NOT FOR PROFIT ORGANIZATION STATEMENT OF FINANCIAL POSITION as at December 31 of current year		
	Current year	Previous year
Mortgage Payable	825	900
Other	65	40
	890	940
Net Assets	2,926	2,510
Total Liabilities and Net Assets	4,163	3,775

The statement of financial position organizes assets and liabilities based on how close each is to cash (liquidity). Consequently, in the assets section, current assets are shown first followed by assets not expected to become cash in the next twelve months — investments and capital assets. Similarly, in the liabilities section, current liabilities expected to be paid within twelve months are shown first, followed by longer-term items — in this case the balance of the mortgage payable.

Shown below liabilities is the result of subtracting the liabilities from assets, which is normally “net assets.” If the result is negative, it is titled “net deficiency.”

Using a “big picture first” approach, the reader of the statement of financial position looks first at four key items: the time frame, total assets, total liabilities and the net assets or deficiency.

- A. What is the point in time of the statement? The answer in the title (A) is that it is prepared as at December 31 with the first column showing the current year and, for comparison, the second column showing the balances as they were twelve months prior.
- B. What are the total assets, liabilities and their net? The assets are \$4,163, the liabilities are \$347 plus \$890 = \$1,237. When the liabilities are subtracted from the assets, the result is net assets of \$2,926. It is essential to understand that the net asset balance is not another type of asset. It is simply the arithmetical result of subtracting the liabilities from the assets. That said, it is a very important figure. A large net asset balance usually indicates that the organization is financially strong and, conversely, a net deficiency

(where liabilities exceed assets) usually indicates the organization is in financial difficulty. In this case, the reader can draw an initial big-picture conclusion that the organization is in a very strong financial position. Now, drill down to understand this further.

- C. What are the major components of the assets? The major current asset is “cash and cash equivalents” with a balance of \$2,370. Cash equivalents are short-term highly liquid investments that are readily convertible to cash. Note that the organization is in a strong cash position because cash is 93% ($2,370/2,537$) of current assets, and a portion of that cash is earning income.

There are some grants and accounts due to be received, but they are proportionately small. The balances are higher than the previous year, which might prompt a question as to why. When receivables grow in amount, it can be a sign of difficulty in collecting. In this case, it could be a sign of the increase in fees for service revenue over last year. Prepaid expenses are expenses paid in advance, very often including insurance and rent.

The investment balance stayed the same, meaning there were no withdrawals or new investments. In particular, this means that the amount earned on investments of \$35, (shown on the statement of operations), was not reinvested. Observe that the capital assets amount went down by \$24, which is the amount of the amortization shown on the statement of operations.

- D. Drilling down on current liabilities, note that their total (\$347) is well within the means of the organization to be paid, given its cash balance. The bank indebtedness has decreased and accounts payable have increased by similar amounts. These changes may be due to later payments to suppliers compared to last year. Government remittances, which include employee tax withholdings, have increased. This may partly be due to the increase in salaries shown on the statement of operations. However, the size of the increase, which is greater than the percentage increase in salaries, might prompt a question as to why.

The largest item in long-term liabilities is the mortgage payable. Note that it went down as expected by the amount due in the year. A reader would look in the financial statement notes to see when the full balance will come due.

Restricted Contributions, a Special Type of Revenue

NFP organizations often receive donations from their supporters. For some NFPs, especially charitable organizations, the amounts can be significant. The accounting term for donations is contributions.

Contributions are a type of revenue unique to not-for-profit organizations. The main characteristic of a contribution that sets it apart from other types of revenue is that it is a non-reciprocal transfer. In other words, the contributor does not receive anything in exchange for the contribution. Government funding to an NFP is considered to be a contribution.

A not-for-profit organization typically has multiple goals, and its supporters may choose to support one or another of these goals or place some other restriction on the use of the contributions they provide. For example, a restriction might be to use the contribution only for one particular program, or to purchase a capital asset, or it may be that the contribution is not to be used at all, but rather invested as an endowment with the income from the invested funds to be used for a particular program. Accepting such restricted contributions places an obligation on the organization to respect those restrictions, and to use those monies only in accordance with donors' wishes.

Accordingly, there are three types of contributions:

1. An *unrestricted contribution* has no externally imposed conditions and the NFP is free to use the funds in any manner it chooses. (It is neither a restricted contribution nor an endowment contribution.)
2. A *restricted contribution* is a contribution subject to externally imposed stipulations as specified by the donor.
3. An *endowment contribution* is a special type of restricted contribution requiring that the resources contributed be maintained permanently.

Accounting for Contributions

NFPs are required to distinguish between contribution revenues and other revenues, and to report on them and on unspent restricted contributions in their financial statements. As each of the three types of contributions has different stipulations as to their use, each one needs to be tracked separately and reported on separately.

There are two methods of revenue recognition for contributions:

1. the *deferral method* (the default method)
2. the *restricted fund method*

An NFP typically makes a choice of revenue recognition policy early in its existence, when contributions are first received. Altering the method after that is a significant accounting change which would need to be disclosed in the audited financial statements as a change in accounting policy.

The two methods can result in significant differences in the amount of revenue recognized each year and in presentation of the related balances on the statement of financial position. Each method has advantages in the information it provides for decision-making. Choosing the method most suitable for a particular organization requires careful consideration.

Below we discuss the application of each method to the sample financial statements.

Deferral method of accounting for restricted contributions

The overall concept of the deferral method is that restricted contributions are recognized as revenue on the statement of operations in the same period that the related expenditures are recognized. Until the related expenditures are recognized, the restricted contributions are recorded on the statement of financial position.

To achieve this, the accounting treatment depends on which type of contribution is made and the nature of the item it is intended to be spent on.

- An unrestricted contribution is taken into revenue in the period it is received.
- An externally restricted contribution for which the related expenditures are made in the current period is also included in the current period revenue.
- Where the related expenditures of an externally restricted contribution are not made in the current period, the contribution is recorded on the statement of financial position as a *deferred contribution*. In a future period when the related expenditure is made, the deferred contribution balance is reduced and revenue on the statement of operations is increased by the corresponding amount.
- If the externally restricted contribution is for the purchase of a capital asset, (e.g., a building or a vehicle), as the related capital asset is amortized into expenditures, the deferred contribution is amortized at the same rate, meaning that it is reduced and revenue increased by the corresponding amount.
- In the sample statement of operations below, the contribution revenues of \$270 and \$180 are a combination of any unrestricted, current-year restricted and previously deferred restricted contributions. Since any restrictions on these revenues are fulfilled in the current year, the term “restricted” is not required.
- A special situation occurs when there will never be a corresponding expenditure for a restricted contribution:
 - An endowment contribution, which is essentially an asset contribution to be held in perpetuity, is never recognized in revenue. Instead it is recorded on the statement of financial position as an increase in a category within net assets called *net assets restricted for endowments*.
 - An externally restricted contribution for the purchase of land is also never recognized in revenue but is instead recorded on the statement of financial position as a direct increase in net assets.

NOT-FOR-PROFIT ORGANIZATION STATEMENT OF OPERATIONS (deferral method) For the 12 months ended December 31		
	Current year	Previous year
Revenues		
Government Grants	8,700	8,150
Fees for Service	975	920
Contributions	270	180
Investment Income	35	35
Interest and Other	10	15
Total Revenues	9,990	9,300
Expenditures		
Salaries and Benefits	6,940	6,560
Rent and Building Occupancy	1,845	1,610
Office	490	440
Depreciation of Capital Assets	24	30
Other	5	4
Total Expenditures	9,304	8,644
Excess of Revenues Over Expenditures	686	656

Despite any underlying complications in computing which portion of deferred contributions should be recognized in the statement of operations, as shown above the statement using this method is typically quite concise.

The deferral method has the effect of reducing swings in excess or deficiency of revenues over expenditures that can occur, for example, when a major restricted contribution is received in one year and spent in the subsequent year. If instead the restricted contribution had not been deferred, then the organization would show a large excess in the first year and a large deficiency in the subsequent year when the expenditure is made.

Because of the way it reduces swings in net results, this method is popular with organizations that receive government funding for programs, where there is a requirement to report a matching of program revenues and expenditures. Examples would be community care organizations and municipally and federally supported arts organizations.

A disadvantage of the deferral method is that the contributions reported on the statement of operations can be very different from the total amount of restricted contributions the organization received in the year. The amount of restricted contributions received can be found in a note to the financial statements, explaining the changes in the deferred contributions balances.

NOT FOR PROFIT ORGANIZATION STATEMENT OF FINANCIAL POSITION (deferral method) as at December 31 of current year		
	Current year	Previous year
ASSETS		
Current Assets		
Cash and Cash Equivalents	2,585	1,938
Restricted Short-Term Investment	75	50
Grants Receivable	100	65
Accounts Receivable	25	20
Prepaid Expenses	42	35
	2,827	2,108

NOT FOR PROFIT ORGANIZATION STATEMENT OF FINANCIAL POSITION (deferral method) as at December 31 of current year		
	Current year	Previous year
Investments	330	350
Restricted Investments	170	150
Capital Assets (Property and Equipment)	1,126	1,150
Total Assets	4,453	3,758
LIABILITIES AND NET ASSETS		
Current Liabilities		
Bank Indebtedness	85	115
Accounts Payable	122	87
Government Remittances Payable	65	48
Current Portion of Mortgage Payable	75	75
Deferred Contributions	75	50
	422	375
Mortgage Payable	825	900
Other	65	40
Deferred Contributions — Capital Assets	35	43
	925	983

NOT FOR PROFIT ORGANIZATION STATEMENT OF FINANCIAL POSITION (deferral method) as at December 31 of current year		
	Current year	Previous year
Net Assets		
Net Assets Restricted for Endowments	170	150
Unrestricted Net Assets	2,936	2,250
	3,106	2,400
Total Liabilities and Net Assets	4,453	3,758

Above are new line items that can result on the statement of financial position with the deferral method of accounting for restricted contributions. Notice the new line for deferred contributions, being restricted contributions that have not yet been expended. In this statement they are divided into two groups: those in current liabilities, which are expected to be expended within the next twelve months (\$75 and \$50), and the restricted contributions accumulated to pay for capital assets (\$35 and \$43), which are expected to be drawn down over a period of years and so have been grouped with long-term liabilities.

While the presentation above, splitting the deferred contributions into current and long-term, is common practice, its level of detail is not strictly required. The applicable accounting standard simply requires that deferred contributions balances be presented outside of net assets. The standards do require that the changes in the balances of deferred contributions be reported. The change information is typically provided in a note to the financial statements showing opening balances plus receipts and less expenditures, to equal the closing balances for each significant type of deferred contribution. The receipts total in this note is the amount of restricted contributions given to the organization in the year.

Notice the new line showing net assets restricted for endowments. The reader can see that the increase for the year was \$20. Detail on changes in this balance would be included in the statement of changes in net assets, which is described further in [Appendix 1](#).

A concern with the deferral method disclosure on the statement of financial position is that it does not make clear where the assets are that will be used to fund the expenditures required by the deferred contributions. In this example, the organization has followed a best

practice of restricting the cash (into short-term investments) of \$75 that will be needed to meet the requirements of the current deferred contributions. Similarly, it has disclosed the \$170 restricted portion of the investments that provide the endowment.

This additional disclosure is not always provided. A discerning director will investigate whether sufficient funds have been set aside to meet restrictions, particularly in situations where the organization liquidity is low.

Restricted fund method of accounting for restricted contributions

The overall concept of the restricted fund method is that restricted contributions are accumulated in funds. The funds are then drawn down when expenditures compliant with their restrictions are made. The method is particularly useful to organizations that have long time horizons for spending and receive contributions where the eventual timing of their expenditure is flexible and varying in amount. It is useful for educational institutions, hospital foundations and many faith-based organizations.

The restricted fund method is a specialized use of fund accounting (see [Glossary](#)). A sure sign of fund accounting is when the statement of operations consists of multiple columns showing the results for the current year (rather than a single column). Under the restricted fund method, the organization reports a *general fund* (sometimes called an *operating fund*) and at least one *restricted fund* and, if it receives endowment contributions, an *endowment fund*. Each of these funds is displayed as a column on the statement of operations, or it may have its own page. Depending on the organization and usually based on the complexity of the funds, the statement of financial position may (if complex) also have multiple columns for the current year. However, all funds and their totals must be included within the statement of financial position.

Once again, the accounting treatments of restricted contributions differ depending on the type of contribution and the nature of the item it is intended to be spent on:

- An unrestricted contribution is taken into revenue in the period it is received.
- An externally restricted contribution is immediately reported as revenue of its corresponding restricted fund. Note that if there is *no* restricted fund corresponding to the nature of the restriction of the contribution, the contribution is recognized in the general fund using the deferral method.
- An endowment contribution is reported as revenue of the endowment fund.

An illustration of financial statements using the restricted fund method can be found in [Appendix 2](#).

The Concept of Materiality

The figures in financial statements may not be perfectly accurate for a variety of reasons including inadvertent omission of entries, accounting coding errors that place an amount in the wrong account, or other similar factors. *Materiality* is the term used to describe the significance of financial statement information to decision-makers. Misstatements of financial information are said to be material if they (individually or in aggregate with other misstatements) could reasonably be expected to influence the economic decisions of users of the organization's financial statements.

Materiality is a matter of professional judgment in the particular circumstances where misstatements are identified. If the misstatements are not material, there is no requirement under Canadian accounting standards to correct the financial statements. Nevertheless, management is encouraged to correct discovered errors.

The auditor's application of their professional judgment in determining materiality can be a complex process. An auditor of an NFP may begin their determination by considering differing percentage ranges applied to benchmarks, such as total assets, gross revenue or total expenses. The results will be very different, for example, for an asset-rich but low-transaction foundation, compared to an organization running many programs from a low asset base. Consequently, some benchmarks may be much more relevant than others in particular circumstances.

To these benchmark ranges, the auditor will consider many matters such as:

- the volatility of the benchmark
- the overall financial strength of the organization
- its nature
- trends in its economic environment
- the question of whether there are items of particular focus to the financial statement users
- the specific nature of the types of revenue, expense, assets and liabilities
- their risk of misstatement

It follows that the auditor's determination of materiality may quite reasonably be different for two organizations that initially appear similar. It also follows that, in order to make a sound judgment of materiality, it is important that the auditor have sufficient knowledge and experience of the nature of the activities and environment of the organization being audited, including access to relevant experts.

Items for Directors to Watch for and Questions to Ask

Oversight of the Two Key Financial Statements

The statement of operations and the statement of financial position are inextricably linked. For instance, investment income shown on the operations statement is linked to the size and return on investment assets shown on the financial position statement. Consequently, oversight review and questioning by directors may well arise on essentially the same topic from either of the two statements.

Nevertheless, presented below are some possible questions directors may wish to ask based on the major categories in each statement. The statement of financial position traditionally comes first in audited financial statements, and hence it comes first below.

Questions to ask about the statement of financial position

- What are the components of *cash and cash equivalents*? Are any of these at risk of losing value?
- Who owes us the *accounts receivable*? What is the age profile of these accounts? Is there likely to be a problem in collecting these amounts? Has any provision been taken for uncollectable amounts?
- What are the components of *prepaid expenses*? (These often arise from amounts paid for services before they are rendered, like insurance or rent.) Do we have any choice about paying in advance?
- What are the major types of *invested assets (investments)* we hold? Do we have an investment policy? Are the investments in accordance with that policy? What are the prospects for future changes in value and income from these investments? What are the risks associated with these types of investments? Are the risks appropriate for our organization at this time?⁷ What happens to these assets if we wind down the organization?

⁷ If the organization has significant investments, the board may establish an investment committee and engage professional investment advisors. In their oversight role, board members still need to review the major elements of the investment portfolio.

- What are the *capital assets* we own? Where in the organization are they used? How are these assets depreciated or amortized? That is, how do we record the “consumption” or use of these assets over time to reflect their declining useful life and utility to the organization? Does this charge reflect reality? Do we have plans to replace these assets as needed? Are we building a replacement fund to pay for replacements? Do we have appropriate insurance on these assets in case they are damaged or lost?
- To whom do we owe *accounts payable*? Do we pay these amounts on a timely basis, and specifically, in accordance with the payment terms that suppliers or others have specified in order to avoid further costs?
- Are government remittances being paid promptly? In certain circumstances, directors can be held liable for non-payment of government remittances.
- What is the renewal date for the *mortgages or loans* outstanding? What new interest rates can be anticipated and how do they compare to the rates we are currently paying? We have a large cash balance — what are the penalties, if any, involved in paying down the mortgage? Should we consider doing so, or do we have plans for the use of the cash balance in the future?
- What is included in *other liabilities*? To whom are these owed and why? When will these amounts come due, and will we have the cash resources to pay them?

Directors will want to have a keen eye for comparing the figures for the current year compared to the previous year. Significant changes over time (both increases and decreases) may well spark questioning. Directors can themselves undertake simple calculations for items not shown directly on the statement such as the working capital ratio (see [Glossary](#)), the percentage change in the value of invested assets, or the percentage change in capital assets.

Questions to ask about the statement of operations

The questions that apply to *revenues* raised to support operations tend to be identical for the many potential sources. They are:

- Who provides each category of revenue to the organization and why? Are there restrictions on how these revenues are used?
- Where the organization conducts fundraising, what are the costs associated with raising this kind of revenue? Is the effort of raising these funds worthwhile? Are there opportunities to increase this type of revenue?

- What are fundraising expenditures as a percentage of funds raised?⁸ How does this compare with similar charitable NFPs?⁹ Are the fundraising costs warranted, relative to the benefits received? Do we have fundraising protocols that provide guidance to management?
- Who are our competitors for these revenues? Do they represent possible collaborators?
- Have we remained true to our mission in pursuing funding for specific programs, or have we focused too much on acquiring the revenues, even if the activities funded blur our focus (so-called “mission creep”)?
- Are there revenues devoted for a specific program, project or activity? Do these revenues include funding to sustain the organization’s overhead (so-called “core funding”)? If not, how is infrastructure to be funded as the program, project or activity places greater stress on it?
- How do we go about soliciting these revenues? Are we adhering to board policies or standards around ethical fundraising activities?
- How secure is each source of revenue for future periods?

There may be additional questions related to certain components of revenues:

- What is the source of *investment income*? What is our target return on investments? Is this achievable in the current economic climate?
- What is included in *other income*? Should any of these components be reported separately?

Here are some potential questions related to the major components of expenditures:

- What lies behind the expenditures on *salaries and benefits*? Where in the organization are employees deployed? What is our compensation policy? When did we last award raises and when is the next scheduled change? What benefits do we provide our employees? How do we handle vacations and vacation pay? How does our compensation stack up in the marketplace? How senior is our staff group? What costs would we incur if we had to lay off staff?
- What explains *rent and occupancy* costs? What spaces do we rent (or own)? What are they used for? Are they sufficient? What are the major lease or rental terms? How long until we have to move or negotiate a new lease?
- What is the nature of our *marketing and communication* costs? How do we select communications channels to use, especially new, digital media channels? How do we identify, select and reach our target audiences?

8 As this percentage may not be evident from the financial statements, management may have to prepare a separate report.

9 As noted earlier, certain financial information provided by charitable NFPs is publicly available on the CRA website. Also available on the CRA website is *Guidance on Fundraising by Registered Charities* (Document CG-013); among other topics it includes a section on the CRA’s concerns when the ratio of fundraising costs to revenue exceeds 35%.

- What is the policy for *amortization of capital assets*?
- What is included in *other expenses*? Should any of the items be disclosed separately?

As with the statement of financial position, directors will want to compare the figures in the statement of operations for the current year to the previous year. Significant changes over time (both increases and decreases) may well spark questioning. Directors will have particular interest in comparing the results to budget. Since the budget is based on the organization's mission, variances in the budget are signals of how well the organization is achieving its mission.

Directors are encouraged to undertake their own calculations of certain items not appearing directly on the statement of operations, such as the percentage of total revenues each revenue source represents. Some organizations, for instance, are heavily dependent on government grants (and, indeed, in some cases, government grants from a single source). Other organizations may be heavily dependent on donations, which in turn are dependent on the state of the economy.

Oversight at Points in Time

At various points in time — during the budgeting process, when monitoring the internal in-year financial statements, and later when reviewing and approving the audited statements — there are certain additional things directors should watch for.

When approving the budget as a forward-looking financial statement

A budget is a powerful and useful tool to help boards discharge their fiduciary responsibilities. By satisfying itself that budgets reflect appropriate and prudent uses of an organization's funds, boards are well on their way to meeting their responsibility for overseeing the effective use of the organization's assets.

Directors should be familiar with their organization's plans. It is often the case that they have been directly involved in strategic planning toward achieving the organization's mission. Plans provide the roadmap directing the NFP's efforts toward achieving its mission. The budget is the financial dimension of an approved organizational plan.

A budget is also a prediction. It is based on various assumptions about the future. There is obviously uncertainty about how the future will unfold, and it may be prudent for management to produce various draft budgets based on different scenarios (e.g., inflation rates, government funding renewals, donation levels) for review by the board before one version is selected as the approved budget for the coming year.

Here are some questions that directors may wish to ask during the budget review and approval process:

- What are the key assumptions behind the estimates of revenues and the estimates of expenditures for the coming year?
- Are there significant differences between the current year-end projections and the budget estimates for the upcoming year? If so, what are the explanations for these differences?
- What is the plan for staffing levels and staff compensation for the coming year?
- Are there any significant changes planned for programs and services inherent in the budget?
- Is the budget fully in accord with our strategic plan?
- What “scenarios” have been considered in the budget planning process?
- How much of a cushion do we have against unanticipated adverse events?

It is important to note that operational plans can change during the year as situations crystalize. On that basis, budgets can also change. However, best practice is to maintain a single budget, once approved, and monitor the effect of changed plans on the actual results. Any changes in budgets should be approved by the board.

When monitoring the internal financial statements

The internal financial statements prepared by management during the fiscal year will show budget figures versus actual results, and will show the difference between the two, called the *variance*. As noted above, a budget is a prediction. It would be rare if everything unfolds as assumed; consequently, budgets are unlikely to be precisely achieved, as shown by the variances. When actual results have significant variance to budget, good practice is to include reporting of projected results to year-end and compare them to the year-end budget. Directors and management can then see the extent of remedial action necessary.

By carefully monitoring activities against the plan — and financial results against the budget — boards can assess the effectiveness of the organization’s use of its resources and can determine whether any in-year alterations in the operational plan are warranted. Here are some questions that may assist in that regard:

- Are the variances related to revenues or to expenditures or to both?
- What is the explanation for the significant variances (both “over” and “under”)?
- Are variances arising from external factors beyond the organization’s control (e.g., an unanticipated increase in utility usage or utility rates)?
- What are management’s plans for responding to the variances?

- How realistic are the projections to year-end? What are the assumptions that underpin those projections?
- Is there a need for action now related to our operations to deal with the variances and/or projections to year-end?

In extreme circumstances, the board may need to consider a change to the strategic plan in order to respond to a financial crisis as evident from large variances from budget projections.

When reviewing and approving the year-end audited financial statements

The audit offers a key measure of accountability and control for not-for-profit organizations. The auditor, with a mandate to directly review the books and records of the organization, provides an important check on the activities of management.

Very simply put, an auditor reviews what an organization's finance staff creates. This checking is referred to as "gathering audit evidence," which means that auditors look for evidence that the accounting information audited is correct. This "audit trail" may be well documented within organizations. However, some organizations sponsor events where significant cash or cheques are collected, possibly by a single volunteer. This situation is problematic for the auditor, since it may be impossible to be satisfied that all the cash has been collected, deposited and recorded properly in the organization's accounts. Some charitable organizations go to great lengths to implement procedures and controls regarding cash and cheque donations, thereby providing documentation that the auditor can review.

The auditor will also assess internal controls and procedures in the organization, to the extent that this might impact the assessment of the validity of information recorded in the accounts.

In very small organizations, controls and procedures may be extremely limited due to lack of formal systems and limited resources available to implement them. On the other hand, in a very large organization, there might be extensive documentation of accounting policies and procedures, the use of computer systems and internal controls. If these systems are determined to be strong and well-functioning, the auditor might be able to reduce the other evidence needed to be gathered to form the audit opinion.

The auditor will also analyze much of the information in the accounts to see whether it is consistent with the organization's activities. Finally, the auditor will look at the financial statements and the accounting policies used by the organization.

In view of all the information the auditor has gathered about the organization, and with all of the auditor's professional experience, the key question the auditor will answer is: *Do the financial statements paint a picture that is a fair presentation of the organization's financial position and results of operations?* At the end of the auditor's engagement, the auditor communicates that opinion to financial statement users through the auditor's report.

The report contains both the audited financial statements with accompanying notes and the auditor's opinion. The notes provide additional important information that support certain figures in the audited statements. Notes are often essential to clarify or further explain the items in the financial statements. They have the same significance as if the information or explanations were set out in the body of the statements themselves.

The opinion can be unqualified or qualified, the latter situation most often due to the auditor's inability to verify the completeness of donations. See [Appendix 3](#) for samples of the auditor's report addressed to the board of directors, one illustrating an unqualified opinion and one illustrating a qualified opinion.

When reviewing the draft audited statements, directors may wish to consider these questions of the auditor:

- Did the auditor initiate any significant changes to management's year-end financial information prior to issuance of the audit opinion and approval of the financial statements? (In the language of accountants, did the auditor require significant adjustments through "journal entries" to the statements originally prepared by management?)
- Are the audited financial statements consistent with the results shown in the internal financial statements that have been monitored by board members during the year? Internal financial statements should be more detailed than external financial statements but consistent with them. If not, then their reliability for decision-making is in question.
- Did the auditor find any weaknesses in internal controls or accounting policies?
- Did the auditor have any concerns about the activities of the organization that have impacted on the financial results?
 - Did management make significant estimates in the financial statements and did the auditor have any concerns about them?
 - Were there any issues that might have caused the auditor to issue a qualified report?
 - Was there an *in camera* meeting with the auditor (without management present) and an *in camera* meeting with management (without the auditor present)?

Once satisfied with the audited financial statements, the board will approve them and make them available for wider distribution.

Conclusion

The board of directors is obliged to fulfill its stewardship responsibilities on an ongoing basis. It will do so by regular reviews of financial information prepared for that purpose, by engaging in thorough questioning and probing of the information presented and by continuing to do so until satisfied with the answers to questions. Directors should pay particular attention to variances between budget and actual figures, to major differences between the current year figures and the previous year results, and to consistency between the various statements (operations, financial position, changes in net assets, cash flows).

Questioning and probing by the board serves many purposes, including helping directors to develop a sound understanding of the organization's operations and of both the accounting treatment and the choice of accounting policies in financial statements. It also serves as a jumping-off point for substantive debates about the organization's strategies, tactics, plans, policies and risks. There is a time and place for each type of questioning. A comprehensive understanding of the financial state of the organization will be developed over time, rather than in a single, marathon session.

Boards typically review financial reports, including at least a statement of operations and a statement of financial position, at a minimum quarterly. However, the exact frequency and level of detail of such reviews will be influenced by many factors, including the adequacy of internal financial processes, the level of expertise of management in financial matters, the complexity of the organization, the financial position of the organization, and the involvement of board committees such as the audit or finance committee.

The board needs to satisfy itself that general purpose reporting documents (audited financial statements and supporting annual reports) are fair and balanced communications of the affairs of the organization, and that the reports address the common questions that many stakeholders may have. The board will do this by reviewing drafts of these reports including any note disclosures and accompanying narrative commentary, comparing them to the more detailed internal reports that the board has used, and by satisfying itself that the financial reporting is sufficient to inform stakeholders who do not have access to the detailed information available to the board.

The board will oversee the process for preparing other specialized reports, satisfying itself as to the adequacy of this process, and will review, as appropriate, specific reports to stakeholders. Where many reports to different funders are prepared, based extensively on financial data that the board has already reviewed (i.e., where the preparation is essentially

reformatting rather than new reporting), the board may choose to rely upon management for preparation of these reports. On the other hand, extensive new reporting, or reporting that is critical to the ongoing operations of the organization, may well be reviewed directly by the board or one of its committees before issuance. The board may choose to establish protocols to determine which reports require its review prior to release. Although there may be a number of specialized reports prepared, there is only one set of complete financial statements for an organization, and specialized reports must be consistent with the figures in the financial statements.

As noted earlier, the board may delegate some or all of these tasks to an audit or finance committee. Doing so can be particularly effective. The board can rely in good faith on the work of its committees. However, the board cannot delegate its ultimate responsibility; the entire board remains responsible for the work delegated to its committees.

In sum, the board of directors of a not-for-profit organization has serious duties with respect to oversight of the organization's financial affairs. Directors do not need to be financial experts, but they do need to have an understanding of how financial information is presented. They need to actively review what is presented and participate in the discussions. They need to be able to question and probe management and the auditor, until they are satisfied that their issues have been addressed. In the end, it is the board of directors that holds ultimate accountability for the financial affairs of the organization.

APPENDIX 1

Other Financial Concepts and Statements

1. Other Financial Concepts

This appendix deals with certain additional concepts and statements that NFP directors are likely to encounter.

Accounts and chart of accounts

Even a small organization can have hundreds or perhaps even thousands of transactions every year. All this information needs to be recorded in one place, historically in a set of ledger books and now, almost without exception, in a computerized accounting system. Every organization needs someone assigned to collect and input every financial transaction.

Keeping track of all this activity in a way that allows for the preparation of many different kinds of reporting requires careful organization of the basic data.

- The *account* is the fundamental unit of organization for all this information. Accounts are established for every type of asset, liability, net assets, revenue and expense that the organization is likely to encounter, and in as much detail as practical, to allow for maximum flexibility in reporting later on. An ordinary, mid-sized NFP can easily have hundreds of accounts to record all its different activities.
- The *chart of accounts* is a highly structured document that shows all accounts, organized in various ways. The chart delineates accounts within the major categories and sub-categories of assets and liabilities, revenues and expenditures, and also, for example, by program or activity or by type of transaction. It is the structure of the chart of accounts that is the key to all subsequent summarization, analysis and reporting of financial information.

It is management's responsibility to develop and maintain a coherent chart of accounts. Directors see the product of the chart of accounts as financial reports are provided to them showing various categories, based on the organization's chart of accounts.

2. Other Financial Statements

Two additional statements will appear in the audited financial statements. These two are not typically included by management in budgets or in-year internal reports:

- statement of changes in net assets
- statement of cash flows

Statement of changes in net assets

The statement of changes in net assets provides details about what has happened to the balance of net assets over a period of time (usually a year). Net assets are disaggregated into categories, and the statement will identify the changes that have taken place in each category. We have previously seen two categories within net assets on the statement of financial position: “net assets restricted for endowments” and “unrestricted net assets.” Two other categories that are sometimes shown within net assets are “invested in capital assets” and “internally restricted net assets.”

The purpose of showing “invested in capital assets” (which is an optional disclosure) is to separate within net assets the portion that is illiquid. This amount is calculated by subtracting from the net balance of capital assets any related debt or deferred contributions. In the case of the sample financial statements, this is $\$1,126 - \$75 - \$825 - \$35 = \$191$. This portion of net assets would not be available to the organization in liquid form unless the organization sold or financed the capital assets.

Internally restricted assets occur when the board decides to set aside a portion of net assets for a special purpose. It is called “internally restricted” because the action is done by the board and can be undone by the board. Normally the purpose of doing so is to signal to readers a key intention, such as setting aside net assets for a contingency. Corresponding assets also need to be set aside to provide the actual funds required. Note that increases or decreases in internally restricted funds have no impact on the statement of operations.

Sample statement of changes in net assets (deferral method)

The following is a sample statement of changes in net assets. This NFP has received endowment contributions during the year. It has created an internally restricted fund, and it has chosen to show the amount invested in capital assets.

NOT-FOR PROFIT ORGANIZATION STATEMENT OF CHANGES IN NET ASSETS (deferral method) For the current year ended December 31						
	Current Year					Previous Year
	\$000					\$000
	Invested in Capital Assets	Endowment	Internally Restricted For Special Projects	Unrestricted	Total	Total
Balance, Beginning of Year	132	150	315	1,803	2,400	1,744
Excess (Deficiency) of Revenues Over Expenditures	-16*			702	686	656
Endowment Contributions		20			20	
Mortgage Principal Payment	75			-75		
Transfer to Internally Restricted Fund			15	-15		
Balance, End of Year	191	170	330	2,415	3,106	2,400

NOT-FOR PROFIT ORGANIZATION STATEMENT OF CHANGES IN NET ASSETS (deferral method) For the current year ended December 31						
Current Year						Previous Year
\$000						\$000
	Invested in Capital Assets	Endowment	Internally Restricted For Special Projects	Unrestricted	Total	Total
*Consists of:						
a) Revenue From Amortization of Deferred Capital Contributions	8					
b) Depreciation Expense for Capital Assets	-24					
	-16					

A review of this sample statement of changes in net assets generates the following observations:

- The end of year balance totals of net assets are identical to the values shown in the net asset section in the statement of financial position (\$3,106 and \$2,400).
- The excess of revenues over expenditures for the current year of \$686 is shown in the current year total column and equals the amount in the sample statement of operations. Note the \$20 below the \$686. This is the total of endowment contributions received for the year, which (in accordance with the deferral method) are not included in the statement of operations, but nevertheless increase total assets, as shown here.
- The mortgage principal payment of \$75 has the effect of increasing the net amount invested in capital assets and decreasing the unrestricted net asset balance.
- The transfer into the internally restricted fund for special projects of \$15, which would have required a board resolution, has the effect of decreasing unrestricted net assets by the same amount.

We have provided an explanatory calculation for the portion of the change in the amount invested in capital assets resulting from operations. The amount invested decreases by the depreciation of \$24, which is shown as an expense on the statement of operations, but this is offset by the amortization of the deferred contributions made to fund capital assets, which is \$8, and is included in contributions on the statement of operations. This explanatory calculation would not normally be provided with the financial statements.

For simplicity, this sample statement does not include new capital asset purchases. Had there been any, paid out of current funds, their amount would show in exactly the same manner as the mortgage principal payment. Invested in capital assets would increase by the value of the purchases, and unrestricted net assets would decrease by the same amount. If a portion of the purchase was funded by debt secured by the capital assets, thereby increasing debt, then the statement would show a decrease in invested in capital assets, by the amount of the debt, and a corresponding increase in unrestricted net assets.

Statement of cash flows

The statement of cash flows provides additional information that explains how cash has been used or generated by the organization from operations, through investments and through financing.

As an example, suppose during the year an organization had a significant increase in revenue and excess of revenue over expenditure, yet now found itself short of cash to pay its bills. One reason this could happen would be that payment of the fees for the revenue had not been received. Accounts receivable had greatly increased, which accountants think of as a use of cash. A reader could detect this change from the comparative statement of position. However, on the statement of cash flows it is specifically highlighted, as the statement directly shows the increase in accounts receivable as using up cash.

The statement of cash flows identifies cash provided by, or used in, three areas over the year:

- operations (i.e., cash generated by an operating surplus; cash used to fund an operating deficit); operations includes working capital items (see [Glossary](#)) such as accounts receivable, prepaid expenses, accounts payable and similar items)
- investing activities (i.e., using cash to acquire investments; generating cash from selling investments)
- financing activities (i.e., generating cash through borrowing; paying cash to repay borrowing)

There are two methods for presenting the statement of cash flows:

- The direct method focuses on cash transactions: Cash acquired increases the cash balance; cash expended decreases the cash balance. Under the direct method, the equation that underpins the statement of cash flows is *Ending cash balance = Opening cash balance + Cash acquired – Cash expended*.

- The indirect method focuses on the operating surplus derived from the statement of operations and makes certain adjustments to that figure. As this method is used by most NFPs, it is described in more detail below.

For an NFP that did not engage in any investing activities or financing activities during the year, the fundamental equation for a statement of cash flows under the indirect method is: *Opening cash balance + Surplus from operations + Adjustments for operating items not requiring cash + Changes in non-cash working capital = Ending cash balance.*¹⁰

Under this method, the statement of cash flows is typically presented in a “reconciliation” format, starting with the excess (deficiency) of revenues over expenditures, then adjusting for the non-cash items in operations and the changes in non-cash working capital items, to arrive at cash provided by (or used in) operations. In equation form, this mode of presentation involves two equations:

1. *Surplus from operations + Adjustments for operating items not requiring cash + Changes in non-cash working capital = Change in cash balance*
2. *Ending cash balance = Opening cash balance + Change in cash balance during the year*

Although this formula appears more complicated than the one for the direct method, it is typically easier to prepare and — because it ties directly into the changes in the statement of financial position — it is often more useful to the reader.

Sample statement of cash flows

The following sample statement of cash flows is based on the reconciliation method, starting with the excess (or deficiency) of revenues over expenditures, as taken from the statement of operations for the same not-for-profit organization.

¹⁰ If the organization did engage in investing and financing activities, the equation becomes: *Opening cash balance + Surplus from operations + Adjustments for operating items not requiring cash + Changes in non-cash working capital + Investing activities + Financing activities = Ending cash balance.*

NOT-FOR-PROFIT ORGANIZATION STATEMENT OF CASH FLOWS For the current year ended December 31		
	Current year	Previous year
Operating Activities		
Excess of Revenues Over Expenditures	686	656
Add (deduct) Items Not Involving Cash:		
Depreciation of Capital Assets	24	30
Amortization of Deferred Capital Contributions	-8	-10
	702	676
Change in Non-Cash Working Capital Balances		
Grants Receivable	-35	5
Accounts Receivable	-5	10
Prepaid Expenses	-7	-1
Accounts Payable	35	-20
Government Remittances Payable	17	
Deferred Contributions	25	5
	30	-1
Cash (Used in) Provided by Operating Activities	732	675
Investing Activities		
Restricted Short-Term Investments	-25	12
Purchase of Restricted Investments	-20	-85

NOT-FOR-PROFIT ORGANIZATION STATEMENT OF CASH FLOWS For the current year ended December 31		
	Current year	Previous year
Sales of Investments	20	85
Endowment Contributions	20	5
Deferred Contributions — Capital assets	-	10
Purchase of Capital Assets	-	-250
	-5	-223
Financing Activities		
Bank Indebtedness	-30	-60
Mortgage Payment	-75	-75
Other	25	-2
	-80	-137
Net Increase (Decrease) in Cash During the Year	647	315
Cash Balance, Beginning of Year	1,938	1,623
Cash Balance, End of Year	2,585	1,938

The statement of cash flows is perhaps the most difficult one for directors to “decode,” most likely because positive and negative entries can occur within the same category.

Further, a positive entry in one year can become a negative entry in the next year and vice-versa. Always note that the amounts in this statement are changes that occurred during the year. In reviewing this sample statement of cash flows, directors can determine the following:

- The “end of year” cash balance of \$2,585 for the current year as shown above is identical to that amount shown on the statement of financial position.
- The cash balance increased from the previous year by \$647, even though the excess of revenue over expenditures for the year was \$687.
- One of the drivers of the increase in cash was donor contributions since deferred contributions for operations increased by \$25. In other words, certain new contributions were received during the current year but were not used during the year. The unspent balance was added to deferred contributions, leading to an increase of \$25.
- New endowment contributions of \$20 were also received during the year. They were invested in restricted investments.
- Another source of cash was a significant increase in accounts payable of \$35; this amount was included in expenditures but cash was not yet expended in the current year to pay for these obligations.
- On the other hand, grants receivable in the current year increased by \$35 and accounts receivable increased by \$5. In total, \$40 was added to revenues related to these two items, but cash was not received for them in the current year.
- Cash of \$75 was expended in both years to pay mortgage obligations.

3. Items for Directors to Watch for and Questions to Ask

The statement of changes in net assets and the statement of cash flows provide an opportunity for the board to review in detail its trusteeship over restricted contributions, to understand the prior year cash flows and anticipate any upcoming cashflow concerns.

Questions to ask about the statement of net assets

- For each category, what caused the change in net asset value? What changes are anticipated in the coming year?
- Is the amount invested in capital assets appropriate for the needs of organization? It is a common problem that NFPs run down their assets, without sufficient replenishment. Is there any repayment risk of the long-term debt associated with the capital assets?

- Are the investments corresponding to the endowment fund prudently invested? Have the terms of the endowment specified by the donors been honoured? Have the calculations of endowment principal and amounts available for expenditure been correctly computed?
- Is the amount being accumulated in the internally restricted fund sufficient for its intended purpose? Have the corresponding assets been set aside? Has the purpose and progress of the internally restricted fund been clearly communicated to the stakeholders of the organization?
- One of the most significant accumulated balances of an NFP is its unrestricted net asset balance, as this is a clear indicator of its net financial strength and ability to withstand downturns. After reviewing the balance within the context of the statement of net assets, do the directors have any concerns about the financial strength of the organization?

Questions to ask about the statement of cash flows

- What is the explanation for any significant differences, year to year, in the entries on this statement?
- Are there any concerning trends in working capital (see [Glossary](#)) as shown by the cash used in or provided by operations? Is surplus cash idle? Should it be employed in the organization's mission?
- Where "invested in capital assets" is not separated out of net assets, these questions could be triggered from review of the statement of cash flows: Is the amount invested in capital assets appropriate for the needs of organization?
- Are the investments prudent (neither too conservative nor too risky or illiquid)? Is the organization earning returns commensurate with market results? Is there a long-term investment strategy? Are knowledgeable board members exercising appropriate oversight of significant investments?
- Are there any major financing activities anticipated in the near future? Are cash resources sufficient for debt repayments?

APPENDIX 2

Fund Accounting

1. The Use of Fund Accounting

How fund accounting works

When an organization presents its financial statements using fund accounting, the statement of operations shows columns containing revenue and expenditures for each fund, with a column cross totalling all the funds. For example, a sports organization may choose to have a column for its youth programs, one for adult programs, one for its property including facility fees and expenses, another for bursaries, and an administration column. This presentation provides readers with the ability to rapidly see which revenues and expenditures are trending up or down and the degree of cost recovery of each area generated from its associated fees and sponsorships.

However, to be a true application of fund accounting, the funds *must carry forward their balances* on the statement of financial position. In this example, the organization chooses that the net balance of the property fund (capital assets less associated debt) will be carried forward with accumulated earnings and that the bursary fund balance is carried forward. The other programs' excess or deficiency are closed out (added together) into the net asset balance.

The property and bursary fund balances would appear separately within net assets (now called the fund balances). Alternatively, the statement of financial position could be presented with a full column for each of these two balances, one for all the other items, and a cross total. This level of detail would only make sense if there were many items associated with the balances, such as segregated cash and investments, accounts receivable and payable, and capital assets and related debt. It is fairly common for NFPs to show columns on the statement of operations, but much less common for them to also do so on the statement of financial position.

Restricted fund accounting

As noted earlier, restricted fund accounting is a specialized type of fund accounting. It is designed with a focus of making clear to readers what restricted funds have been received, how they are being managed and how expended. It applies a revenue recognition policy — the

restricted fund method (in which restricted contributions may be recognized in revenue when received rather than deferred from revenue until expended), with the use of fund accounting to show the receipt, expenditure and carryforward balances of restricted contributions.

Restricted funds on the statement of financial position may be shown in detailed columns or as balances within the “fund balances” section (which has replaced the “net assets” section) along with note disclosure of restrictions. In the sample we provide below, the funds are shown in full-column format.

Restricted funds in the statement of operations will always be shown as separate columns. A key difference between the restricted method and regular fund accounting is that there is no requirement to cross add the columns of the statement of operations (although this is common practice). The basis for this exemption is that it is sometimes not meaningful to cross add the revenue and expenditures of operating activities with those of restricted fund contributions, earnings and expenditures.

Sample statements using restricted fund accounting

Under fund accounting, the statement of changes in fund balances can often be conveniently combined with the statement of operations, resulting in only three financial statements:

- statement of financial position
- statement of operations and changes in fund balances
- statement of cash flows

As discussed above, the statement of financial position may utilize columns, and the statement of operations will do so. It is common practice to show the statement of cash flows on a total basis, without separation into funds.

The sample set of statements shown below demonstrating restricted fund accounting includes three funds for the not-for-profit organization, defined as follows:

1. an operating fund, which holds the accumulated unrestricted operating surpluses, the internally restricted funds (in this example for special projects), and any restricted amounts for which there is no applicable restricted fund
2. a property fund, which is an externally restricted fund to provide capital assets
3. an endowment fund, which is an externally restricted fund for endowment contributions from donors

The three sample statements that follow are based on the same financial information presented in the previous sample statements.

Comparative balances

Note that for each of the statements of financial position and operations and fund balances shown below, there are five columns: one for each of the three funds, one for the current year total and one for the previous-year total.

It can be helpful for the user of the financial statement to instead be presented with the current-and prior-year results for each column. This would result in two columns for each of three funds and one column for each of the two total funds, for a grand total of eight columns.

It is a matter of judgment whether the additional detail provided is helpful to the user of the financial statement. Many comparative changes may be readily determinable from the five-column presentation. Users may find an eight-column presentation to be overwhelming in its size. On the other hand, important details of comparative changes may otherwise be hidden in the five-column presentation.

NOT-FOR-PROFIT ORGANIZATION STATEMENT OF FINANCIAL POSITION As at December 31 of current year					
	Current year				Previous year
	Operating Fund	Property Fund	Endowment Fund	Total	Total
ASSETS					
Current Assets					
Cash and Cash Equivalents	2,585	33		2,618	1,938
Restricted Short-Term Investments	75			75	50
Grants Receivable	100			100	65
Accounts Receivable	25			25	20
Prepaid Expenses	42			42	35
	2,827	33	-	2,860	2,108

NOT-FOR-PROFIT ORGANIZATION STATEMENT OF FINANCIAL POSITION As at December 31 of current year					
	Current year				Previous year
	Operating Fund	Property Fund	Endowment Fund	Total	Total
Investments	330		170	500	500
Capital Assets (Property & Equipment)		1,126		1,126	1,150
	330	1,126	170	1,626	1,650
	3,157	1,159	170	4,486	3,758
LIABILITIES AND FUND BALANCES					
Current Liabilities					
Bank Indebtedness	85			85	85
Accounts Payable	122			122	135
Government Remittances Payable	65			65	
Mortgage Payable		75		75	75
Deferred Contributions	75			75	
	347	75	-	422	295
Mortgage Payable		825		825	900
Other	65			65	40
	65	825	-	890	940

NOT-FOR-PROFIT ORGANIZATION STATEMENT OF FINANCIAL POSITION As at December 31 of current year					
	Current year				Previous year
	Operating Fund	Property Fund	Endowment Fund	Total	Total
Fund Balances					
Unrestricted	2,415			2,415	1,803
Internally Restricted Special Project Fund	330			330	315
Externally Restricted Property Fund	-	259		259	175
Endowment	-		170	170	150
	2,745	259	170	3,174	2,443
	3,157	1,159	170	4,486	3,758

NOT-FOR-PROFIT ORGANIZATION STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES For the current year ended December 31					
	Current Year				Previous year
	Operating Fund	Property Fund	Endowment Fund	Total	Total
Revenues					
Government Grants	8,700			8,700	8,150
Fees for Service	975			975	920

NOT-FOR-PROFIT ORGANIZATION STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES For the current year ended December 31					
	Current Year				Previous year
	Operating Fund	Property Fund	Endowment Fund	Total	Total
Contributions	262	33	20	315	180
Investment Income	35			35	35
Interest and Other Income	10			10	15
<i>Total Revenues</i>	<i>9,982</i>	<i>33</i>	<i>20</i>	<i>10,035</i>	<i>9,300</i>
Expenditures					
Salaries and Benefits	6,940			6,940	6,560
Rent and Building Occupancy	1,845			1,845	1,610
Office	490			490	440
Depreciation of Capital Assets		24		24	30
Other	5			5	4
<i>Total Expenditures</i>	<i>9,280</i>	<i>24</i>	<i>-</i>	<i>9,304</i>	<i>8,644</i>
Excess of Revenues Over Expenditures	702	9	20	731	656
Fund Balances, January 1	2,118	175	150	2,443	1,787
Transfer to Fund Mortgage Payment	-75	75			

NOT-FOR-PROFIT ORGANIZATION STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES For the current year ended December 31					
	Current Year				Previous year
	Operating Fund	Property Fund	Endowment Fund	Total	Total
Transfer to Internally Restricted Special Project Fund	15				
Transfer From Unrestricted Fund	-15				
Rent and Building Occupancy	1,845			1,845	1,610

NOT-FOR-PROFIT ORGANIZATION STATEMENT OF CASH FLOWS For the current year ended December 31		
	Current year	Previous year
Operating Activities		
Excess (Deficiency) of	731	656
Revenues Over Expenditures		
Add (Deduct) Items Not Involving Cash:		
Depreciation of Capital Assets	24	30
	755	686
Change in Non-Cash Working Capital Balances		
Grants Receivable	-35	5

NOT-FOR-PROFIT ORGANIZATION STATEMENT OF CASH FLOWS For the current year ended December 31		
	Current year	Previous year
Accounts Receivable	-5	10
Prepaid Expenses	-7	-1
Accounts Payable	35	-20
Government Remittances Payable	17	-
Deferred Contributions	25	5
	30	-1
Cash (Used in) Provided by Operating Activities	785	685
Investing Activities		
Restricted Short-Term Investments	-25	12
Purchase of Restricted Investments	-20	-85
Sales of Investments	20	85
Purchase of Capital Assets	-	-250
	-25	-238
Financing Activities		
Bank Indebtedness	-30	-60
Mortgage Payment	-75	-75
Other	25	-2
	-80	-137
Net Increase (Decrease) in Cash During the Year	680	310

**NOT-FOR-PROFIT ORGANIZATION
STATEMENT OF CASH FLOWS
For the current year ended December 31**

	Current year	Previous year
Cash Balance, Beginning of Year	1,938	1,623
Cash Balance, End of Year	2,618	1,938

We now review each of the statements to see how the results contrast with those of the same statements previously presented using the deferral method of revenue recognition.

The reader is presumed to have read the explanations of the meanings of the accounting terms as well as the explanation of the two revenue recognition methods, which are provided in the main body of this document.

Observations about the statement of financial position

- When readers unfamiliar with fund-based statements are first introduced to them, they often find the increased level of detail challenging to absorb. However, once they are used to the format, they find a clarity resulting from the accountability inherent within the method.
- To compare the sample statement balances with the previously presented deferral method statements, focus first on the total column, and then work back through each of the fund columns.
- The endowment column shows investments of \$170 that match the endowment fund balance at the bottom of the statement. Contrast this with the deferral statement where the \$170 investment is optionally segregated and shown as restricted. Had that not been done, a reader of those statements would not know whether the endowment investments were in fact segregated. This is an example of the increased accountability provided by the restricted fund method. In fact, were the assets of the endowment fund being used by another fund in order to balance the restricted fund method, it would force presentation of an amount due from that fund to show in the endowment fund column. Since such a borrowing of endowment funds would likely be improper, it would encourage corrective action.

- The property fund column shows the arithmetic that results in the fund balance and makes clear that as the mortgage is paid off, the fund balance increases. For illustration, we have added a restricted contribution of \$33 received in the year. The presentation makes clear that the contribution is held in the fund but has not yet been expended on capital asset purchases.
- The operating fund column contains all other assets and liabilities. Note that it also contains a deferred contribution balance of \$75. This means that an externally restricted contribution has been received that is intended for a purpose other than property or endowment. As previously stated, where a restricted contribution is received for which there is no corresponding restricted fund, it is presented in the operating (or general) fund with the deferral method.
- Note also in this column that the board has created an internally restricted fund of \$330 for special projects. The balance has been extracted from the unrestricted fund balance.

Observations about the statement of operations and fund balances

- Once again, the reader will find it beneficial, when contrasting these statements with the previously presented deferral method statements, to focus first on the total column and then work back through the fund columns.
- The endowment fund column shows revenue of \$20 being the contributions given to the fund in the year. Under the deferral method, this amount is recorded as a direct increase in net assets and included in the statement of changes in net assets.
- Note that while in this example there is a single endowment fund, it is not uncommon for the funds presented on the statements to be the aggregate of many underlying funds of the same nature (e.g., endowment or externally restricted) but with different restrictions on their expenditure. The notes to the financial statements will usually provide additional detail on the underlying funds.
- The property fund shows \$33 in revenue (as mentioned above this is included for illustration, it was not included in the deferral statements). It also shows the depreciation of \$24, which does appear on the deferral statements. However, note that contributions in the operating fund have gone down by \$8 from \$270 to \$262. Recall that under the deferral method, the restricted contributions for capital assets were being amortized into revenue over the estimated useful of the associated capital assets that they originally funded. This type of amortization does not occur in the restricted fund method. Consequently, the contribution revenue is lower by the amount of the amortization. Note that in the year the restricted contribution was made, revenue would have been higher, in the same way the property fund revenue has been increased by \$33 this year, even though the contribution has not been expended on a capital asset.

- An item of particular note is the transfer to fund the mortgage payment that is shown in the second last row of the statement. Each fund within this statement is a self-balancing set of accounts. What this means is that the movement of assets or liabilities between the funds must be accounted for. Such a movement is a transaction, and it will either result in an amount payable or receivable between the funds or be satisfied by a board authorized transfer between the funds.
- In this example, the annual mortgage repayment of \$75 has been paid by the operating fund. Rather than show this as an amount receivable by the operating fund from the property fund the board has chosen to transfer a corresponding amount out of the unrestricted fund balance of the operating fund to the property fund balance.
- Finally, note that the excess of revenue over expenditures is different between the two methods. Under the restricted fund method of revenue recognition, the \$20 endowment fund contribution is included in revenue but not included under the deferral method. And the amortization of deferred capital contributions of \$8 is not included in revenue under the restricted fund method but is included under the deferral method. In this example, the difference in the excess of revenue over expenditures between the two is not large, but there are many instances where it can be.¹¹
- Canada is the only accounting jurisdiction where NFPs may choose between revenue recognition methods that produce differing results. There are many who consider this problematic, and a research project is in progress at the Accounting Standards Board to determine if a single method can be developed that meets the different needs of users.

2. Items for Directors to Watch for and Questions to Ask Related to Fund Accounting

Fund accounting is a different way of organizing and presenting the same financial information for an NFP. Consequently, most of the questions directors might have about the statement of financial position and statement of operations and changes in balances and the statement of cash flows are the same as in the main body of the guide and are not repeated here. However, as the example for the same not-for-profit organization has shown, fund accounting does give prominence to each of the fund categories, leading to additional questions directors might wish to ask:

- Is the use of fund accounting still warranted in the current circumstances?
- For each externally restricted fund, has the use of the monies been in accordance with the restrictions imposed by the donors?

¹¹ For those interested in reconciling the two amounts, beginning with the \$686 excess or revenue over expenditures on the deferral statements, subtract the \$8, add the \$20 and add the \$33 contribution, which was added for illustration, to equal the \$731 excess of revenue over expenditures on the restricted fund statements.

- For each internally restricted fund, has the use of monies been in accordance with the restrictions created by the board?
- Have all the inter-fund transfers as shown on the statement of operations and changes in fund balances been approved by the board?
- Are the summary categories for reporting on restricted funds and unrestricted funds the most appropriate ones?

APPENDIX 3

Samples of the Auditor's Report Addressed to the Board of Directors — Unqualified and Qualified Opinions

As mentioned in the discussion of [the roles and responsibilities associated with financial reporting](#), responsibility for an organization's financial reporting is shared among three parties — management, the board and the external auditor. Considerable effort is applied to clearly express the auditor's opinion of the organization's audited financial statements. The auditor's report details management and the auditor's responsibilities and the limitations that must be applied when relying on the auditor's opinion.

Below is an auditor's report of an NFP, prepared in accordance with Canadian accounting standards for not-for-profit organizations and containing no qualification to the opinion. It is well worth careful reading by members of the board and management. Auditors will always welcome discussion and clarification of the meaning of the report.

INDEPENDENT AUDITOR'S REPORT

To the board of directors of "NFP Society"

Opinion

We have audited the financial statements of NFP Society (the Society), which comprise the statement of financial position as at December 31, 20X1, the statements of operations, changes in net assets and cash flows for the year then ended and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at December 31, 20X1, and its financial performance and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the section of our report entitled *Auditor's Responsibilities for the Audit of the Financial Statements*. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statement in accordance with Canadian accounting standards for not-for-profit organizations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Society's ability to continue as a going concern and for disclosing, as applicable, matters related to going concerns; management must also use the going concern basis of accounting unless they intend to either liquidate the Society or to cease operations or unless they have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also carry out these activities:

- Identify and assess the risks of material misstatement of the financial statements (whether due to fraud or error), design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than it would be for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

City
Date

Name of Licensed Public Accountant

Qualified Audit Opinion

It is common for auditors to qualify their opinion of the financial statements of charities that receive substantial revenue through donations. This results from the auditor being unable to verify the completeness of some or all of the types of donation revenues being received.

A contribution is a non-reciprocal transfer to a not-for-profit of cash or other assets. Its non-reciprocal nature means that it is not generated by a service or sale and has not been invoiced by the charity. This means the charity may have no way of determining the *completeness* of the contributions it is to receive. A contribution may be received but not recorded, may be discovered well after its intended delivery, or may go astray or be misappropriated.

When the auditor is unable to verify the completeness of contributions, the auditor will qualify their opinion. The qualification means that the organization revenue may have been higher or lower than shown in the current and prior year, and consequently the cash flows and assets may have been different than shown.

Note that there is a trend for charities to reduce the scope of the qualification to only specific types of revenue and, at times, to eliminate the qualification altogether. This is coming about through a combination of additional internal controls and opportunities provided by the increasing use of digital methods to make donations.

Below is an example of the first two paragraphs of the independent auditor's report containing a qualification with respect to the completeness of contribution revenue. The remaining paragraphs of the auditor's report would be substantially the same as the example above.

INDEPENDENT AUDITOR'S REPORT

To the board of directors of "NFP Society"

Qualified opinion

We have audited the financial statements of NFP Society (the Society), which comprise the statement of financial position as at December 31, 20X1, the statements of operations, changes in net assets and cash flows for the year then ended and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at December 31, 20X1, and its financial performance and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for qualified opinion

In common with many not-for-profit organizations, the Society derives revenue from fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Society. Therefore, we were not able to determine whether any adjustments might be necessary to donations revenue, excess of revenues over expenses, and cash flows from operations for the years ended December 31, 20X1 and December 31, 20X0, current assets as at December 31, 20X1 and December 31, 20X0 and net assets as at December 31, 20X1 and December 31, 20X0. Our audit opinion on the financial statements for the year ended December 31, 20X0 was modified accordingly because of the possible effects of this limitation in scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the section of our report entitled *Auditor's Responsibilities for the Audit of the Financial Statements*. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

APPENDIX 4

Contributed Materials and Services, Pledges, Bequests, Gifts of Life Insurance and Annuities

There are several other types of contributions that create special accounting considerations.

Recognizing Contributed Materials and Services

Organizations may receive substantial contributed materials and services. In these situations, recognition of the fair value of these contributions may provide useful information. Examples include contributed food for food banks and gifts of clothing and construction materials for certain charities. Fair values can be determined from published prices, by industry trading values and through appraisals.

Judgment is required in determining the practicality and cost of the record keeping required to determine the fair values and the cost of its audit against the benefit of the recognition. For example, it is normally impractical to recognize a fair value for the work of volunteers because valuing the hours worked is difficult.

Where the fair value of contributed materials and services can be reasonably estimated, the organization may want to establish a policy to record the amount on the financial statements.

Recognizing a Pledge

Whether collection of a pledge is reasonably assured determines whether it can be recognized. Since its collection depends on factors outside the organization's control, such as changing economic conditions and the continued goodwill and the donor's ability to pay, in almost all cases pledges do not meet the criteria for recognition. They are therefore not recognized until the pledge is actually received. Arguments have been made for recognizing certain pledge agreements that are enforceable in law when the organization would be willing to go to court to enforce them. However, recent jurisprudence has increased the uncertainty of collection, even in these cases.

There is an exception to the above non-recognition of pledges. Certain organizations that have large annual fundraising campaigns are able to provide a reasonable estimate of how many pledges will be received, based on their previous annual experience and the high volume of individual low-value pledges. For these organizations, the ability to compare campaign revenues has a high value to the readers, justifying the effort in calculating the estimate of the net pledges to be received.

Recognizing a Bequest

Although the trustee of an estate may signal to the organization that they have been included in a bequest, there remains uncertainty with when the bequest will be received and the amount that will be received. It is increasingly common for gifts in large estates to be litigated, leading to further uncertainty. Organizations should not record bequests until they know the timing and amount of the gift with reasonable certainty.

Recognizing Life Insurance Policies and Gifts of Annuities

Financial planning for gifts can involve many tax and accounting complexities and is best undertaken by professionals trained in the field. Gifts of life insurance and the creation of gift annuities are two examples of these types of gifts. The amount and timing of revenue recognition will depend on the specific terms of the gift and the associated financial instrument. For example, for life insurance, it will depend on whether the policy is whole life or term and who is paying the premiums. Annuities will typically require the cost of an annual independent valuation.

Organizations should accept these types of gifts only when they have a full understanding of both the net amount of the gift and any risks involved. For example, there have been situations with gift annuities where financial results over time have been a net loss to the receiving organization.

APPENDIX 5

Glossary of Financial Terms

The following definitions are taken from the *CPA Canada Handbook* and other sources, as appropriate.

Accounting policies are the specific principles, bases, conventions, rules and practices applied by an entity in preparing and presenting financial statements.

Accounts payable are amounts owed by an organization.

Accrual accounting records transactions when they occur, regardless of when money actually changes hands between the organization and third parties.

Amortization is the writing off of the cost of an asset, less any residual value, in a rational and systematic manner over its useful life. Depreciation accounting is a form of amortization applied to tangible capital assets.

Assets, in general, are possessions having value. In accounting, assets are resources owned, or in some cases controlled, by an individual or organization as a result of transactions or events from which future economic benefits are expected to flow to that individual or organization.

Capital assets, comprising tangible properties, such as land, buildings and equipment, and intangible properties, are identifiable assets that meet all of the following criteria:

- They are held for use in the provision of services, for administrative purposes, for production of goods or for the maintenance, repair, development or construction of other capital assets.
- They have been acquired, constructed or developed with the intention of being used on a continuing basis.
- They are not intended for sale in the ordinary course of operations.

Cash accounting records transactions only when there is an exchange of cash.

Contributions are non-reciprocal transfers to a not-for-profit organization of cash or other assets or non-reciprocal settlements or cancellations of its liabilities. Government funding provided to a not-for-profit organization is considered to be a contribution.

Current assets are those assets that are in the form of cash or expected to become cash within the coming year.

Current liabilities are those obligations that have to be paid within the coming year.

Deferral method Under the deferral method of accounting for contributions, restricted contributions related to expenses of future periods are deferred and recognized as revenue in the period in which the related expenses are incurred. Endowment contributions are reported as direct increases in net assets. All other contributions are reported as revenue of the current period. Organizations that use fund accounting in their financial statements without following the restricted fund method would account for contributions under the deferral method.

Deferred contribution is a restricted contribution received or receivable but carried forward to be taken into income in future periods as the related restrictions are met.

Endowment contribution is a type of restricted contribution subject to externally imposed stipulations specifying that the resources contributed be maintained permanently, although the constituent assets may change from time to time.

Endowment fund is a self-balancing set of accounts which reports the accumulation of endowment contributions. Under the restricted fund method of accounting for contributions, only endowment contributions and investment income subject to restrictions stipulating that it be added to the principal amount of the endowment fund would be reported as revenue of the endowment fund. Allocations of resources to the endowment fund that result from the imposition of internal restrictions are recorded as interfund transfers.

Expenditures / Expenses are decreases in economic resources, either by way of outflows or reductions of assets or incurrences of liabilities, resulting from an entity's ordinary activities.

Fair value is the amount of the consideration that would be agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

Fiscal year is the twelve month period designated by the organization for its "business year."

Fund accounting comprises the collective accounting procedures resulting in a self-balancing set of accounts for each fund established by legal, contractual or voluntary actions of an organization. Elements of a fund can include assets, liabilities, net assets, revenues and expenses (and gains and losses, where appropriate). Fund accounting involves an accounting segregation, although not necessarily a physical segregation, of resources.

General fund is a self-balancing set of accounts which, under the restricted fund method of accounting for contributions, reports all unrestricted revenue and restricted contributions for which no corresponding restricted fund is presented. The fund balance represents net assets that are not subject to externally imposed restrictions.

In-camera is a legal term taken from the Latin for “in a chamber” and means “in private.” A board of directors would normally meet along with management at least annually with its auditors. It is best practice for time to be set aside for the board to meet in-camera with the auditors — i.e., without management present. It is also common for boards to arrange time to meet simply in-camera as a board.

Internal controls are all measures taken to safeguard assets, check the accuracy and reliability of accounting data, promote operating efficiency and ensure compliance with the organization’s policies and legislation under which it operates.

Liabilities, a synonym for debt, represent amounts that it is expected will require settlement in the future as a result of events and transactions that occurred prior to the accounting date, or obligations for future delivery of goods or services for which payment has already been received.

Long-term assets (or capital assets) are not expected to be converted to cash within a year.

Long-term liabilities are obligations to make payments in the future, beyond one year.

Materiality is the quality of being important. As a general rule, in the context of financial reporting, materiality may be judged in relation to the reasonable prospect of an item or aggregate of items being significant to financial statement users in making decisions.

Net assets, sometimes referred to as equity or fund balances, is the residual interest in a not-for-profit organization’s assets after deducting its liabilities. Net assets may include specific categories of items whose use may be either restricted or unrestricted.

Not-for-profit organizations are entities, normally without transferable ownership interests, organized and operated exclusively for social, educational, professional, religious, health, charitable or any other not-for-profit purpose. A not-for-profit organization’s members, contributors and other resource providers do not, in such capacity, receive any financial return directly from the organization.

Note disclosure is explanatory or supplementary information that elaborates on data summarized in the main body of the financial statements or provides additional information that is important to understanding the situation being reflected in the statements.

Related parties exist when one party has the ability to exercise, directly or indirectly, control, joint control or significant influence over the other. Two or more parties are related when they are subject to common control, joint control or common significant influence. Two not-for-profit organizations are related parties if one has an economic interest in the other. Related parties also include management and immediate family members.

Related party transaction is a transfer of economic resources or obligations between related parties, or the provision of services by one party to a related party, regardless of whether any consideration is exchanged. The parties to the transaction are related prior to the transaction. When the relationship arises as a result of the transaction, the transaction is not one between related parties.

Restricted contribution is a contribution subject to externally imposed stipulations that specify the purpose for which the contributed asset is to be used. A contribution restricted for the purchase of a capital asset or a contribution of the capital asset itself is a type of restricted contribution.

Restricted fund is a self-balancing set of accounts, the elements of which are restricted or relate to the use of restricted resources. Under the restricted fund method of accounting for contributions, only restricted contributions, other than endowment contributions, and other externally restricted revenue would be reported as revenue in a restricted fund. Allocations of resources that result from the imposition of internal restrictions are recorded as interfund transfers to the restricted fund.

Restricted fund method of accounting for contributions is a specialized type of fund accounting which involves the reporting of details of financial statement elements by fund in such a way that the organization reports total general funds, one or more restricted funds and an endowment fund, if applicable. Reporting of financial statement elements segregated on a basis other than that of use restrictions (e.g., by program or geographic location) does not constitute the restricted fund method.

Restrictions are stipulations imposed that specify how resources must be used. External restrictions are imposed from outside the organization, usually by the contributor of the resources. Internal restrictions are imposed in a formal manner by the organization itself, usually by resolution of the board of directors. Restrictions on contributions may only be externally imposed. Net assets or fund balances may be internally or externally restricted. Internally restricted net assets or fund balances are often referred to as “reserves” or “appropriations.”

Revenues are increases in economic resources, either by way of inflows or enhancements of assets or reductions of liabilities, resulting from the ordinary activities of an entity.

Statement of changes in net assets provides information about changes in the portions of net assets attributable to endowments, internal and external restrictions, and unrestricted net assets.

Statement of cash flows provides information about the sources and uses of cash by the organization in carrying out its operating, financing and investing activities for the period.

Statement of financial position presents the organization's economic resources, obligations and net assets as at the reporting date.

Statement of operations presents information about changes in the organization's economic resources and obligations for the period.

Unrestricted contribution is a contribution that is neither a restricted contribution nor an endowment contribution.

Working capital is the difference between current assets and current liabilities.

Working capital ratio describes how many dollars of current assets are on hand for each dollar of current liabilities.

Where to Find More Information

CPA Canada Publications on Not-for-Profit Governance

Available at www.cpacanada.ca/nfpgovernance

About the Author

Deryck Williams, FCPA, FCA

Although he had no idea what the word “auditor” meant, Deryck was inspired at a young age to follow in the footsteps of his uncle, a Chartered Accountant. Then, while studying accounting at Queen’s University, Deryck inadvertently discovered a passion for not-for-profit work and became intensely involved — to the detriment of his marks — as a volunteer in a charity that takes kids in trouble with the law on ten-day wilderness canoe trips. And the rest, as they say, is history! Deryck met and married a fellow volunteer, and together they now have five wonderful children. His wife spent her entire career teaching troubled youth while he exclusively audited and primarily consulted with NFPs including some of Canada’s largest, as well as a great many that are not so large. Along the way, they both served as volunteers and board members in a variety of different charities and not-for-profit organizations.

Deryck has long been present in the halls of CPA Canada and its predecessor organization, advocating for the not-for-profit sector. He has travelled the country delivering seminars and helping organizations troubleshoot. He has always enjoyed helping leaders of NFPs to achieve excellence — for on their shoulders rests the quality of life for millions of Canadians. At the time he retired, Deryck was the national leader of the not-for-profit sector practice of Grant Thornton and a member of both the Not-for-Profit Advisory Committee of the Accounting Standards Board and the Not-for-Profit Organizations Committee of the CPA Canada Corporate Oversight and Governance Board.



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The College of Naturopaths of Ontario

**Conflict of Interest
Summary of Council Members Declarations 2022-2023**

Each year, the Council members are required to complete an annual Conflict of Interest Declaration that identify where real or perceived conflicts of interest may arise.

As set out in the College by-laws, a conflict of interest is:

16.01 Definition

For the purposes of this article, a conflict of interest exists where a reasonable person would conclude that a Council or Committee member's personal or financial interest may affect their judgment or the discharge of their duties to the College. A conflict of interest may be real or perceived, actual or potential, and direct or indirect.

Using an Annual Declaration Form, the College canvasses Council members about the potential for conflict in four areas:

Based on positions to which they are elected or appointed;
Based on interests or entities that they own or possess;
Based on interests from which they receive financial compensation or benefit;
Based on any existing relationships that could compromise their judgement or decision-making.

The following potential conflicts have been declared by the Council members for the period April 1, 2022 to March 31, 2023.

Elected or Appointed Positions

Council Member	Interest	Explanation
None		

Interests or Entities Owned

Council Member	Interest	Explanation
None		

Interests from which they receive Financial Compensation

Council Member	Interest	Explanation
Dr. Shelley Burns, ND	Robert Schad Naturopathic Clinic (at CCNM) – PT Faculty	Provides supervision to students of CCNM at the clinic.

Existing Relationships

Council Member	Interest	Explanation
	None	

Council Members

The following is a list of Council members for the 2022-23 year and the date they took office for this program year¹, the date they filed their Annual Conflict of Interest Declaration form and whether any conflict of interest declarations were made.

Council Member	Date Assumed Office	Date Declaration Received	Any Declarations Made
Asifa Baig	May 25, 2022		
Dr. Jonathan Beatty, ND	May 25, 2022		
Dr. Shelley Burns, ND	May 25, 2022	May 11, 2022	Yes
Dean Catherwood	May 25, 2022	May 10, 2022	None
Brook Dyson	May 25, 2022		
Lisa Fenton	May 25, 2022	May 10, 2022	None
Dr. Anna Graczyk, ND	May 25, 2022	May 10, 2022	None
Tiffany Lloyd	May 25, 2022	May 17, 2022	None
Dr. Denis Marier	May 25, 2022	May 10, 2022	None
Sarah Griffiths-Savolaine	May 25, 2022	May 17, 2022	None
Paul Phillion	May 25, 2022	May 9, 2022	None
Dr. Jacob Scheer, ND	May 25, 2022	May 10, 2022	None
Dr. Jordan Sokoloski, ND	May 25, 2022	May 15, 2022	None
Dr. George Tardik, ND	May 25, 2022	May 17, 2022	None

A copy of each Council members' Annual Declaration Form is available on the [College's website](#).

Updated: May 18, 2022

¹ Each year, the Council begins anew in May at its first Council meeting. This date will typically be the date of the first Council meeting in the cycle unless the individual was elected or appointed.



The College of Naturopaths of Ontario

Report from the Council Chair

This is the first Chair's Report of the current Council cycle and provides information for the period from May 1, 2022 to June 30, 2022.

I would like to thank members of Council and Andrew for their support in making the transition into the role of Chair a smooth one thus far. During this period, I have been learning about the new responsibilities that come with the role. Communication with Andrew has occurred as needed. I am looking forward to really getting into the work of the Council Chair in the coming months and expect meetings with some stakeholders to occur in the near future. I will also be reaching out to Council members soon to give them the option to discuss their experience on Council, hear their priorities, and learn if there is anything that can be done to further support them in fulfilling their role.

As always, I encourage Council members not to hesitate to contact me should they have any questions, concerns, or should they wish to discuss any issue that may be before us.

Respectfully submitted,

Dr. Jordan Sokoloski, ND
Council Chair
18 July 2022



The College of Naturopaths of Ontario

Report on Regulatory Operations

Regulatory Activity	May-Jun	Jul-Aug	Sep-Oct	Nov-Dec	Jan-Feb	Mar-Apr	YTD
1.1 Regulatory Activity: Registration							
Registrants (Total)							1769
General Class							1577
In Good Standing	1561						1561
Suspended	16						16
Inactive Class							170
In Good Standing	162						162
Suspended	8						8
Life Members	22						22
Changes in Registration Status							
Suspensions	10						10
Resignations	4						4
Revocations	3						3
Reinstatements	3						3
Class Changes							
GC to IN	0						0
IN to GC (< 2 years)	0						0
IN to GC (> 2 years)	1						1
Life Membership Applications							
Approved	0						0
Not Approved	0						0
Professional Corporations (Total)							
New applications approved	0						0
Renewed	14						14
Revoked	0						0
Resigned/Dissolved	0						0
1.2 Regulatory Activity: Entry-to-Practise							
New applications received	10						10
On-going applications	20						16
Certificates issued	11						11
Referred to RC	1						1
Approved	1						1
Approved – TCLs	0						0
Approved – Exams required	0						0
Approved – Education required	0						0
Denied	0						0

Regulatory Activity		May-Jun	Jul-Aug	Sep-Oct	Nov-Dec	Jan-Feb	Mar-Apr	YTD
1.2 Regulatory Activity: Entry-to-Practise continued								
	PLAR Applications							0
	New	0						0
	On-going	1						1
1.3 Regulatory Activity: Examinations								
	CSE							
	Scheduled	0						0
	Held	0						0
	Candidates	N/A						0
	BME							
	Scheduled	0						0
	Held	0						0
	Candidates	N/A						0
	Clinical Practical Exam							
	Scheduled	0						0
	Held	0						0
	Candidates	N/A						0
	Therapeutic Prescribing							
	Scheduled	0						0
	Held	0						0
	Candidates	N/A						0
	IVIT							
	Scheduled	1						1
	Held	1						1
	Candidates	19						19
	Exam Appeals							
	CSE							
	*** Granted	0						0
	*** Denied	0						0
	BME							
	*** Granted	0						0
	*** Denied	0						0
	Clinical Practical							
	*** Granted	0						0
	*** Denied	0						0
	Therapeutic prescribing							
	*** Granted	0						0
	*** Denied	0						0
	IVIT							
	*** Granted	0						0
	*** Denied	0						0
	Exam Question Development							
	*** CSE questions developed	0						0
	*** BME questions developed	0						0

Regulatory Activity		May-Jun	Jul-Aug	Sep-Oct	Nov-Dec	Jan-Feb	Mar-Apr	YTD
1.4 Regulatory Activity: Patient Relations								
	Funding applications							
	New applications	0						0
	Funding application approved	0						0
	Funding application declined	0						0
	Number of Active Files	5						5
	Funding Provided	\$1,320						\$1,320
1.5 Regulatory Activity: Quality Assurance								
	Peer & Practice Assessments							
	Scheduled	0						0
	Completed	0						0
	CE Reporting							
	Number in group							
	Number received							
	P&P Assessment required							
	QAC Reviews							
	Accepted	0						0
	Work Required	0						0
	QAC Referrals to ICRC							
1.6 Regulatory Activity: Inspection Program								
	New premises registered	3						3
	New Premise Inspection							
	Part I Scheduled	0						0
	Part I Completed	0						0
	Part II Scheduled	5						5
	Part II Completed	5						5
	New premises-outcomes							
	Passed	6						6
	Pass with conditions	0						0
	Failed	0						0
	Secondary Inspections							
	Scheduled	6						6
	Completed	6						6
	Second inspections							
	Passed	9						9
	Pass with conditions	3						3
	Failed	0						0
	Type 1 Occurrence Reports							
	Patient transferred to emergency	4						4
	Patient died	1						1
	Emergency drug administered	0						0

Regulatory Activity		May-Jun	Jul-Aug	Sep-Oct	Nov-Dec	Jan-Feb	Mar-Apr	YTD
1.7 Regulatory Activity: Complaints and Reports								
	New complaints/reports							
	Complaints	1						1
	CEO Initiated	1						1
	ICRC Outcomes							
	Letter of Counsel	6						6
	SCERP	4						4
	Oral Caution	1						1
	SCERP & Caution	0						0
	No action needed	3						3
	Referred to DC	0						0
	Summary of concerns							
	Advertising	0						0
	Failure to comply	1						1
	Ineffective treatment	0						0
	Out of scope	0						0
	Record keeping	0						0
	Fees & billing	0						0
	Lab testing	0						0
	Delegation	0						0
	Harassment	1						1
	QA Program comply	0						0
	C&D compliance	0						0
	Failure to cooperate	0						0
	Boundary issues	1						1
	Practising while suspend.	0						0
	Unprofessional, unbecoming conduct	2						2
1.8 Regulatory Activity: Cease & Desist								
	C&D Issued	0						0
	C&D Signed	0						0
	Injunctions	0						0
	Sought	0						0
	Approved	0						0
	Denied	0						0
1.9 Regulatory Activity: Hearings								
	Pre-hearing conferences							
	Scheduled	0						0
	Completed	1						1
	Discipline hearings							
	Contested	0						0
	Uncontested	2						2
	Contested Outcomes							
	Findings made	0						0
	No findings made	0						0
	FTP Hearings	0						0

Regulatory Activity		May-Jun	Jul-Aug	Sep-Oct	Nov-Dec	Jan-Feb	Mar-Apr	YTD
1.10 Regulatory Activity: Regulatory Guidance								
	Inquiries							
	E-mail	56						56
	Telephone	54						54
	Top inquiries							
	COVID-19	7						7
	Scope of practice	9						9
	Conflict of interest	6						6
	Tele-practice	4						4
	Inspection program	10						10
	Patient visits	9						9
	Advertising	0						0
	Lab testing	4						4
	Notifying patients when moving	0						0
	Fees & billing	10						10
	Record keeping	0						0
	Consent and Privacy	4						4
	Delegation and Referrals	6						6
1.11 Regulatory Activity: HPARB Appeals								
	RC Appeals							
	Filed	0						0
	Upheld	0						0
	Returned	0						0
	Pending	0						0
	ICRC Appeals							
	Filed	0						0
	Upheld	0						0
	Returned	0						0
	Overturned	0						0
	Pending	0						0
1.12 Regulatory Activity: HRT0 Matters								
	In progress							1
	Decided							
	In favour of applicant							0
	In favour of College							0



The College of Naturopaths of Ontario

MEMORANDUM

DATE: July 27, 2022

TO: Council members

FROM: Dr. Brenda Lessard-Rhead, ND (Inactive)
Chair, Governance Policy Review Committee

RE: Review of the Executive Limitations Policies (Part 1)

The Governance Policy Review Committee (GPRC) met on July 14, 2022, to review the Executive Limitations Policies EL01-EL09 (Part 1) policy suggestions that had been submitted as part of the regular policy review, as well as to consider on-going changes to other policies.

1. Executive Limitations Policies.

In keeping with the revised Council Annual Cycle, the July meeting of the Council includes a detailed review of the Executive Limitations Policies EL01-EL09 (Part 1):

- EL01.01 – Governance Commitment
- EL02.02 – Governing Style
- EL03.01 – Council Code of Conduct
- EL04.01 – Council Job Description
- EL05.02 – Role of the Council Chair
- EL06.03 – Committee Principles
- EL07.01 – Cost of Governance
- EL08.03 – Annual Planning Cycle
- EL09.03 – Council Communication

The staff circulated information to Council members in advance of the Committee meeting. No feedback was provided by Council members with respect to any of the Executive Limitations Policies EL01-EL09 (Part 1); however, the Committee has reviewed the policies in detail and has several recommendations for consideration of Council.

EL01.02 – Global Executive Constraint

The Committee reviewed this policy and made a grammatical amendment to the paragraph.

Recommendation – That the word “either” within the second sentence of the paragraph be removed.

EL03.02 – Communications and Council Support

The Committee reviewed this policy and made a grammatical amendment to the paragraph of the second bullet point.

Recommendation – That the word “be” within the second sentence of the paragraph be removed.

EL04.02 – Treatment of Staff

The Committee read through this policy and made three grammatical amendments to the policy.

Recommendation – That the opening paragraph have the word “the” removed within the second line, bullet point #4 be amended to read as the following “Protect from discrimination any staff member who expresses an ethical dissent”, and the beginning of bullet point #5 be reworded to read as “Allow staff to present...”.

EL05.03 – Financial Condition and Activity

The Committee read through this policy and made two grammatical amendments to the policy.

In addition, the Committee had a thorough discussion about the two new bullet points #14 and #15 with Mr. Andrew Parr, CEO, after he had spoken with the College’s Auditor to provide guidance and feedback on the information and wording to be included.

Recommendation – That the policy being referenced in bullet point #2 be amended to the correct policy EL17 – Restricted Reserve Funds, to remove the term “President” within bullet point #10, and to include the two new bullet points #14 and #15.

EL06.04 – Financial Planning and Budgeting

The Committee reviewed this policy and made a grammatical amendment to the sixth bullet point.

Recommendation – That the word “not” be removed.

EL09.04 – Workplace Violence

The Committee reviewed this policy and is of the view to remove the existing bullet point #7 as the wording is similar to the newly numbered bullet point #7, add wording to bullet point #5 and one grammatical change to the newly numbered bullet point #7.

Recommendation – That bullet point #5 be amended to include the wording “and maintain a...”, that the existing bullet point #7 be removed entirely, and newly numbered bullet point #7 have the word “are” changed to “is”.

2. EL08.04 – Asset Protection

The Committee had an in-depth conversation and came to the agreement to defer this policy to be included within the review of the second half of the Executive Limitations policies to ensure

they have a full understanding of the policy, especially bullet point #12 and its reference to borrowing money on the credit of the College.

3. GP06 – Committee Terms of Reference

The Committee reviewed a memorandum sent to Dr. Jordan Sokoloski, ND, Council Chair, from Mr. Andrew Parr, CEO, highlighting the requirements of having a Council member on every College Committee and the possibility of removing this from select Committee Terms of Reference.

As a result of the Committee's thorough discussion of the Terms of Reference, the corresponding documents have been included to show the recommended amendments should the Council adopt the changes as presented.

Respectfully submitted,

Dr. Brenda Lessard-Rhead, ND (Inactive)
Chair, Governance Policy Review Committee

July 2022

 The College of Naturopaths of Ontario	Policy Type	COUNCIL POLICIES
	EXECUTIVE LIMITATIONS	Item 5.02
	Title	Policy No.
Global Executive Constraint		EL01.012
		Page No.
		1

The Chief Executive Officer (CEO) shall not cause or allow any practice, activity, decision, or organizational circumstance of the College of Naturopaths of Ontario that is ~~either~~ unlawful, imprudent, or in violation of the Regulated Health Professions Act, 1991, the Naturopathy Act, 2007, the regulations, by-laws or commonly accepted business and professional ethics.

DATE APPROVED	DATE LAST REVISED
July 30, 2013	January 27, 2021

 The College of Naturopaths of Ontario	Policy Type	COUNCIL POLICIES	
	EXECUTIVE LIMITATIONS	Item 5.02	
	Title	Policy No.	EL03.012
	Communications and Council Support	Page No.	1

The Chief Executive Officer (CEO) shall not permit the Council to be uninformed or unsupported in its work.

Accordingly, the CEO shall not fail to perform any of the following duties.

1. Submit monitoring data required by the Council in accordance with CCL03 (Monitoring the CEO) in a timely, accurate, and understandable fashion, directly addressing provisions of Council policies being monitored.
2. Make the Council ~~be~~ aware of relevant trends, anticipated adverse media coverage, material internal and external changes, and particularly changes in the assumptions upon which any Council policy has previously been established.
3. Advise the Council if, in the CEO's opinion, the Council is not in compliance with its own policies on Governance Process and Council-CEO Linkage, particularly in the case of Council behavior that is detrimental to the working relationship between the Council and the CEO.
4. Collect for the Council as many staff and external points of view, issues and opinions as needed for fully informed Council choices.
5. Present information in a form that is succinct and concise and differentiates between decision-making, background information for discussion and data for monitoring.
6. Provide a mechanism for official Council, Officer or Committee communications in a timely fashion.
7. Deal with the Council as a whole, except in the following three circumstances.
 - a) Fulfilling individual requests for information.
 - b) Responding to Committees that are exercising their statutory obligations.
 - c) Responding to Officers or Committees duly charged by the Council.
8. Report in a timely manner an actual or anticipated non-compliance with any policy of the Council and provide an explanation for such non-compliance.
9. Provide the reports of the Council Committees to the Council for the information of Council members as soon as possible.

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July 30, 2013	January 27, 2021

 The College of Naturopaths of Ontario	Policy Type EXECUTIVE LIMITATIONS	COUNCIL POLICIES <i>Item 5.02</i>
	Title Treatment of Staff	Policy No. EL04.012
		Page No. 1

*With respect to employment, compensation, and benefits to employees, consultants, contract workers and volunteers, the Chief Executive Officer (CEO) shall not cause or allow jeopardy to **the** fiscal integrity or public image of the College.*

Accordingly, the CEO shall not fail to do any of the following.

- 1 Treat employees in a fair, respectful and ethical manner and in keeping with the values articulated by the Council in GP02 (Governing Style).
- 2 Comply with employment standards as set by the Governments of Ontario and Canada.
- 3 Establish personnel policies, acceptable to the Council, that govern employees and their working conditions.
- 4 ~~Protect any staff member who expresses an ethical dissent from discrimination.~~
Protect from discrimination any staff member who expresses an ethical dissent.
- 5 ~~Prevent staff from presenting~~ Allow staff to present concerns to the Council Chair, provided that the staff person has exhausted internal resolution procedures and the employee alleges that either Council policy has been violated or Council policy does not protect human rights.
- 6 Acquaint staff with the characteristics of their job responsibilities and obligations to the College, including but not necessarily limited to position descriptions, reporting relationship, security and confidentiality.
- 7 Take adequate measures to prevent sexual harassment or workplace violence and investigate any internal complaints promptly.
- 8 Objectively evaluate staff annually on their performance based on their job responsibilities and agreed upon performance measures.
- 9 Take reasonable measures to minimize overtime or temporary assistance.
- 10 Employ expert professional help when required.
- 11 Provide appropriate professional development opportunities for all staff in order that they may operate effectively.
- 12 Refrain from changing the compensation (including all benefits) the CEO receives without prior Council approval except where so authorized by the agreement governing his or her employment or by Council policies.
- 13 Establish compensation and benefits packages for staff, which are representative of

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July 30, 2013	January 27, 2021

 The College of Naturopaths of Ontario	Policy Type	COUNCIL POLICIES
	EXECUTIVE LIMITATIONS	Item 5.02
	Title	Policy No.
	Treatment of Staff	EL04.012
		Page No.
		2

the market value for skills employed.

- 14 Provide the same basic level of benefit to all full-time employees although differential benefits to encourage longevity on the job for key employees are not prohibited.
- 15 Inform staff of the compensation and benefits provided to them by their employment with the College.
- 16 Review with staff any possible changes to compensation and benefits on an annual or shorter timeframe.

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July 30, 2013	January 27, 2021

 The College of Naturopaths of Ontario	Policy Type	COUNCIL POLICIES
	EXECUTIVE LIMITATIONS	
	Title	Policy No.
	Financial Condition and Activity	EL05.023
		Page No.
		1

With respect to the actual, ongoing financial conditions and activities, the Chief Executive Officer (CEO) may not cause or allow fiscal jeopardy or deviation of actual expenditures from Council priorities.

Definitions	Expenses	Means the purchasing or leasing of goods or the acquisition of services.
	Payment instruments	Means cheques, drafts, notes or orders for payment of money and all notes and acceptances and bills of exchange.
	Tax payments	Means payments, and related corporate filing of documents, to the Government of Canada and Ontario, including but not necessarily limited to harmonized sales tax (HST), payroll withholdings, payroll taxes paid by the College, income tax.

Accordingly, the CEO shall not undertake any of the following.

- 1 Cause the College debt in an amount greater than the debt limit established by Council and that can be covered by the currently approved line of credit without prior approval of the Council.
- 2 Use any restricted reserve funds established under ~~GP~~ EL 17 (Restricted Reserve Funds) without the approval of Council, except as authorized within that Governance Process policy.
- 3 Fail to settle payroll and debts in a timely manner.
- 4 Allow tax payments or other government ordered payments or filings to be overdue or intentionally inaccurately filed.
- 5 Fail to authorize expenses that are valued at \$25,000 or less and that have been previously accepted as an item in the College budget (s.4.08(i) of the By-laws)
- 6 Authorize expenses that are valued in excess of \$25,000 and that have previously been approved as an item in the College budget without first obtaining the agreement of the Council Chair or Council Vice-Chair (s4.08(ii) of the budget)
- 7 Fail to report to the Council, as soon as practicable, expenses that they have approved at a value of \$5,000 or less that were not previously accepted as a line item in the College budget that they believed were necessary for the operations of the College (s 4.08(iii) of the By-laws).
- 8 Authorize expenses that are in excess of \$5,000 and that were not previously accepted as a line item in the College budget unless the expense is approved by the Council or, if the matter requires urgent action, is approved by the Executive Committee on behalf of the Council or, if the expense applies to an activity which the College is legally

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July 30, 2013	

 The College of Naturopaths of Ontario	Policy Type EXECUTIVE LIMITATIONS	COUNCIL POLICIES	
	Title	Policy No.	EL05.023
	Financial Condition and Activity	Page No.	2

obligated to perform, in which case the CEO will inform the Council as soon as practicable thereafter.

- 9 Fail to sign all payment instruments in an amount less than \$5,000 in a prompt and timely manner (s 4.03 of the by-laws).
- 10 Fail to obtain the signature of the Council Chair or Council Vice-Chair ~~President~~ on payment instruments in an amount greater than \$5,000 (s. 4.04 of the by-laws) and in any amount where the instrument is in a payment to the CEO (best practice).
- 11 Fail to regularly monitor and report on the financial condition of the College to the Council on a quarterly basis.
- 12 Fail to aggressively pursue receivables, such as registration fees etc., within a reasonable grace period.
- 13 Exceed budgeted amounts in any one line item by more than 25% without informing the Council as soon as practicable thereafter.
- 14 Fail to record as an asset on the balance sheet any of the following items provided they have a useful life of more than one year:
 - Computer or technological equipment valued at \$750 or more at the time of purchase;
 - Any furniture or equipment valued at \$500 or more at the time of purchase;
 - Any construction or alterations to the physical office space during the term of the lease valued at \$25,000 or more at the time of construction.
- 15 Fail to depreciate assets on the balance sheet in accordance with the following schedules:
 - Computer or technological equipment on a three-year straight-line schedule starting in the fiscal year following the purchase;
 - Furniture or other equipment on a five-year straight-line schedule starting in the fiscal year following the purchase;
 - Alterations to the physical space on a five-year straight-line schedule or on a straight-line for the remaining duration of the lease, whichever is shorter.

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DATE APPROVED	DATE LAST REVISED
July 30, 2013	

 The College of Naturopaths of Ontario	Policy Type EXECUTIVE LIMITATIONS	COUNCIL POLICIES <i>Item 5.02</i>
	Title Financial Planning and Budgeting	Policy No. EL06.034
		Page No. 1

Financial planning for any fiscal year or the remaining part of any fiscal year shall not deviate materially from the Council's Ends priorities, risk fiscal jeopardy, or fail to be derived from a multi-year plan.

Definitions **Fiscal year** Means the period commencing on the first day of April and concluding on the last day of March of the following year.

Accordingly, the Chief Executive Officer (CEO) shall not cause or allow budgeting that fails to conform to the following requirements.

- 1 Contains sufficient information to enable credible projection of revenues and expenses, separation of capital and operational items and disclosure of planning assumptions.
- 2 Is based on an annual operating plan which specifies the operational priorities for the year based on the broad *Ends* policies of Council.
- 3 Appropriately balances financial resources between the budget and the *Ends* policies and informs the Council if there is a concern in being able to do so.
- 4 Provides sufficient funds in the annual budget for the direct expenses associated with fulfilling the regulatory objectives of the College and the costs of internal College Governance, including all Council meetings and meetings of all Committees established by the Council in accordance with GP06 (Committee Principles).
- 5 Meet any financial obligations to the Ontario Ministry of Health, the Ontario Finance Agency and the Ontario Ministry of Finance.
- 6 Is ~~not~~ presented to the Council for review and acceptance within a minimum period of two months prior to and one month following the start of the next fiscal year.

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July 30, 2013	July 28, 2021

 The College of Naturopaths of Ontario	Policy Type EXECUTIVE LIMITATIONS	COUNCIL POLICIES Item 5.02
	Title	Policy No. EL09.034
	Workplace Violence Policy	Page No. 1

Violent behaviour in the workplace from any person is unacceptable. The College of Naturopaths of Ontario is committed to the prevention of workplace violence and the Council, through the Chief Executive Officer (CEO), is responsible for the protection of employees from workplace violence from all sources.

Accordingly, the CEO shall not fail to undertake any of the following duties and responsibilities.

- 1 Take whatever steps are reasonable to protect workers from workplace violence from all sources. Workplace violence includes but is not limited to:
 - a) the exercise of, or an attempt to exercise, physical force by a person against a worker, in a workplace, that causes or could cause physical injury to the worker;
 - b) a statement or behaviour that it is reasonable for a worker to interpret as a threat to exercise physical force against the worker, in a workplace, that could cause physical injury to the worker;
 - c) Unwanted physical acts against another person (e.g. hitting, shoving, pushing, kicking, sexual assault);
 - d) Any threat, behavior or action which is interpreted to carry the potential to harm or endanger the safety or others, result in an act of aggression, or destroy or damage property; and
 - e) Disruptive behavior, in the workplace, that is not appropriate to the work environment (e.g. yelling, swearing).
- 2 Ensure that all workers are educated about and uphold this policy.
- 3 Ensure that all workers collaborate to prevent workplace violence.
- 4 Undertake a risk assessment of the physical environment initially and at a minimum of every two years thereafter or at any time of altering the physical premises or moving the office location.
- 5 Develop **and maintain a** Workplace Violence Prevention Program, acceptable to the Council, which implements this policy including but not limited to measures and procedures to protect employees from workplace violence, a means of summoning immediate assistance and a process for employees to report incidents, or raise concerns.
- 6 Ensure that this policy and the supporting program are implemented and maintained and that all workers have the appropriate information and instruction to protect them from violence in the workplace.
- ~~7 Ensure that all workers adhere to this policy and the supporting program.~~
- ~~8~~⁷ Ensure that every worker is in compliance with this policy and the supporting program and ~~are~~^{is} encouraged to raise any concerns about workplace violence and to report any violent incidents or threats.

DATE APPROVED	DATE LAST REVISED
July 30, 2013	July 28, 2021

 The College of Naturopaths of Ontario	Policy Type	COUNCIL POLICIES
	EXECUTIVE LIMITATIONS	Item 5.02
	Title	Policy No. EL09.034
	Workplace Violence Policy	Page No. 2

- 98 Investigate and deal with all incidents and complaints of workplace violence in a timely and fair manner, respecting the privacy of all concerned to the extent it is possible.

This policy is not intended to limit or constrain the reasonable exercise of management functions in the workplace. Nothing in this policy prevents or discourages a worker from filing an application with the Human Rights Tribunal of Ontario (or any successor agency) on a matter related to Ontario's Human Rights Code within one year of the last alleged incident. A worker also retains the right to exercise any other legal avenues that may be available.

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July 30, 2013	July 28, 2021



The College of Naturopaths of Ontario

MEMORANDUM

DATE: June 6, 2022

TO: Dr. Jordan Sokoloski, ND
Council Chair

FROM: Andrew Parr, CAE
Chief Executive Officer

RE: Committee issues and challenges

This is further to our recent email communications regarding committee appointments. I have prepared this memorandum as it will provide a better understanding as well as allow you the opportunity to simply forward the issue to a committee for consideration.

In general terms, the College's committee composition requirements are set out in several places. First, the Code sets requirements for Public members (appointed by Government) to sit on panels of certain Statutory Committees (Discipline, Fitness to Practice, ICRC and Registration). Second, the Council has set out composition requirements in the College's Regulations and by-laws, some of which add a need for Public members in order to ensure that the public voice is heard. Finally, the Council's Governance Process policy governing Committees and the associated Terms of Reference reflect specific requirements as well.

The College Council now has a total of 16 Committees, all of which must have at least one Council member appointed. This requirement is derived from the Governance Review where the Council determined that a link to each committee was important to be maintained. When combined with requirements in the Code, the total number of Council members needed to be appointed is 20. The College has 14 Council members meaning that some Council members will be appointed to more than one Committee. Additionally, there are three operational committees to which the College appoints Registrants many of whom also overlap with the Council committees.

Several requirements under the Health Professions Procedural Code, place obligations on the Council as to how it appoints the Public members to the Committees. These include:

- A panel of the Discipline Committee (DC) must have two Public members appointed to it. Since there is the potential for conflicts to arise and times when they may not be available, the Council has been advised to appoint more than the minimum of two. It therefore appoints five Public members to the DC in order to ensure availability for panels.
- A panel of the Fitness to Practise Committee (FTPC) must have one Public member appointed to it. Since there is the potential for conflicts to arise and times when the Public member may not be available, the Council has been advised to appoint more than the minimum of one. It therefore appoints the same five Public members to the FTPC as it does to the DC.

- A panel of the Registration Committee must have one Public member appointed to it. Since there is the potential for conflicts to arise and times when the Public member may not be available, the Council has been advised to appoint more than the minimum of one. It therefore appoints two Public members to the Committee.
- A panel of the Inquiries, Complaints and Reports Committee (ICRC) must have one Public member appointed to it. Since there is the potential for conflicts to arise and times when the Public member may not be available, the Council has been advised to appoint more than the minimum of one. It therefore appoints two Public members to the Committee.
- A panel of the Quality Assurance Committee must have one Public member appointed to it. Although this is not a requirement set out in the Code but rather, set out in the Quality Assurance Regulation made under the *Naturopathy Act, 2007*. Since there is the potential for conflicts to arise and times when the Public member may not be available, the Council has been advised to appoint more than the minimum of one. It therefore appoints two Public members to the Committee.
- Under the College's by-laws, the Executive Committee must have two Public members elected to it from the Council by the Council, one of whom must serve as Council Vice Chair.

All totaled, a minimum of eight Public members are required, however, the recommended number of appointments is 13 Public members. The Government appoints seven Public members meaning that most Public members must be on two Committees. Additionally, the Council does not appoint anyone on the ICRC to also sit on the DC/FTP due to rules of procedure adding more complexity.

As noted in an earlier email communication, four Public members have indicated that they wish only to be appointed to a single committee (Sarah, Asifa, Brook, and Tiffany). This leaves nine committees to be covered by the three remaining Public members.

The College continues to solicit more volunteers to become involved. New strategies will be developed to try to increase the level of participation of both individuals from the public and from the profession.

Recommendations

Council may wish to review its requirement that each Committee has a minimum of one Council member. This stated position runs contrary to the research that was discussed at the time of the Governance Review and the Ministry has recently signaled that in the near future, changes to the RHPA may be made to creating complete independence of Committees from the Council. In other words, no Council member may sit on a Committee of the College.

If the Council were to change its position (and therefore the terms of reference), doing so would eliminate the requirement that a Council member be appointed to the following Committees:

- Audit Committee
- Examination Appeals Committee.
- Equity, Diversity and Inclusion Committee.
- Governance Committee.
- Patient Relations Committee.
- Scheduled Substances Review Committee.
- Standards Committee.

Additionally, as Public members must be appointed to the following Committees, the need for a professional Council members sitting on them could be eliminated:

- Quality Assurance.
- ICRC.
- Registration.

From a practical perspective, if the Council were to eliminate both the requirements for Council members to be on Committees and the actual appointments, most of the Committees could not function. Ergo, the first step is to remove the requirement for an appointment and keep Council members appointed where they are needed for overall proper constitution of the Committees.

COMMITTEE TERMS OF REFERENCE

Section	Committee	Page
Governance Process	Audit Committee (CC01.045)	1
		Create Date November 5, 2013

Authority and Accountability	The Audit Committee is a non-statutory committee of the Council of the College of Naturopaths of Ontario and is established pursuant to section 12.02 of the by-laws and GP06 - Committee Principles of the Council governing policies. The Committee is accountable directly to the Council of the College.	
Limitations	The Audit Committee shall only exercise the authority and fulfill the duties and responsibilities authorized in the by-laws and by these Terms of Reference.	
Responsibilities	The Audit Committee shall review and make recommendations to the Council for approval with respect to: - the annual financial statements, having discussed them with the Auditors; - the Auditor's Report on the annual financial statements, and related issues including accounting practices and financial controls; - the appointment of the auditors and their fees; - any areas of disagreement between management and the Auditors; - the adequacy of the systems of internal control; - the financial Executive Limitations policies to ensure compliance; - such other matters that are within the scope of the Audit Committee in accordance with legislation; and - to review the following to ensure that they are transparent, objective, impartial, fair and free of discrimination and bias and to make any recommendations to the Council for amendments: - Annually, all relevant program policies and related procedures; and - Bi-annually, all relevant regulations made under the <i>Naturopathy Act, 2007</i>.	
Appointment and composition	The Committee shall be appointed by the Council and shall be comprised of no fewer than three but as many individuals as the Council may deem appropriate, such that the Committee members include: One or more Council members. - One or more Registrants who are not Council members. - Any number of Public Representatives as defined in the by-laws. A Committee Chair, and where deemed necessary by the Council a Committee Vice Chair, shall also be appointed by the Council.	
Term of Office	The Audit Committee members shall be appointed for approximately one year and may be re-appointed annually by the Council, at its sole discretion, such that no committee member may serve more than nine consecutive years.	
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COMMITTEE TERMS OF REFERENCE

Section	Committee	Page
Governance Process	Audit Committee (CC01.045)	2
		Create Date November 5, 2013

Meetings	The Audit Committee shall meet on a date and at a time set by the Committee Chair at least ten days in advance of the meeting date unless a majority of Committee members agree to a shorter period. In the event that the Committee Chair is unable to preside at a duly called meeting, the Chair may designate an acting Chair from among the Committee members, or where the Chair has not done so, an acting Chair for the meeting shall be selected by and from among the Committee members present.
Quorum	Pursuant to section 12.06 of the by-laws, quorum for meetings of the Audit Committee shall be three members of the Committee, at least one of which shall be a Public member or a Public Representative as defined in the by-laws. In cases of urgency as determined by the Chair, the Public member/Public Representative requirement for the purposes of quorum may be waived.
Reports	The Committee Chair, on behalf of the Committee, shall provide to the Council an Annual Report on the performance of its responsibilities and outcomes of its activities for the period of April 1st of the previous year to March 31st of the current year, subject to any requirements of the <i>Regulated Health Professions Act, 1991</i>. The Annual Report shall be submitted to the Chief Executive Officer no later than June 1st annually for delivery to the Council. The Committee Chair shall also submit a bi-monthly report to the Council addressing matters of importance to the Committee, including but not necessarily limited to volunteer resources, attendance issues, trends in activities before the committee and volume of work.

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		Council

COMMITTEE TERMS OF REFERENCE

Section	Committee	Page
Governance Process	Scheduled Substances Review Committee (CC02.067)	1
		Create Date February 10, 2012

Authority and Accountability	The Scheduled Substances Review Committee is a non-statutory committee of the Council of the College of Naturopaths of Ontario and is established pursuant to section 12.02 of the by-laws and GP06 - Committee Principles of the Council governing policies. The Committee is accountable directly to the Council of the College.
Limitations	The Scheduled Substances Review Committee shall only exercise the authority and fulfill the duties and responsibilities authorized in the by-laws and by these Terms of Reference.
Responsibilities	The Scheduled Substances Review Committee shall: - At the direction of Council: - Initiate a call for submissions from and/or undertake consultations with stakeholders regarding amendments to the Tables of the General Regulation and the laboratory tests and specimen collections authorized under the <i>Laboratory and Specimen Collection Centre Licensing Act</i> (LSCCLA); - Review feedback provided and make recommendations to the Council regarding proposed changes to the regulations; - Undertake any other duties with respect to the Schedules of Substances under the Controlled Acts Regulation and laboratory testing and specimen collection under the LSCCLA as assigned by the Council; and to review the following to ensure that they are transparent, objective, impartial, fair and free of discrimination and bias and to make any recommendations to the Council for amendments: - Annually, all relevant program policies and related procedures; and - Bi-annually, all relevant regulations made under the <i>Naturopathy Act, 2007</i> and the LSCCLA (as it applies to the profession), including but not necessarily limited to the Tables within the General Regulation.
Appointment and composition	The Scheduled Substances Review Committee shall be appointed by the Council and shall be comprised of no fewer than five but as many individuals as the Council may deem appropriate, such that the Committee members include: One or more Council members. - One or more Registrants who are not Council members. - Any number of Public Representatives as defined in the by-laws. A Committee Chair, and where deemed necessary by the Council a Committee Vice Chair, shall also be appointed by the Council.

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COMMITTEE TERMS OF REFERENCE

Section	Committee	Page
Governance Process	Scheduled Substances Review Committee (CC02.067)	2
		Create Date February 10, 2012

Term of Office	The Scheduled Substances Review Committee members shall be appointed for approximately one year and may be re-appointed annually by the Council, at its sole discretion, such that no committee member may serve more than nine consecutive years.
Meetings	The Scheduled Substances Review Committee shall meet on a date and at a time set by the Committee Chair at least ten days in advance of the meeting date unless a majority of Committee members agree to a shorter period. In the event that the Committee Chair is unable to preside at a duly called meeting, the Chair may designate an acting Chair from among the Committee members, or where the Chair has not done so, an acting Chair for the meeting shall be selected by and from among the Committee members present.
Quorum	Pursuant to section 12.06 of the by-laws, quorum for meetings of the Scheduled Substances Review Committee shall be three members of the Committee, at least one of which shall be a Public member or a Public Representative as defined in the by-laws. In cases of urgency as determined by the Chair, the Public member/Public Representative requirement for the purposes of quorum may be waived.
Reports	The Committee Chair, on behalf of the Committee, shall provide to the Council an Annual Report on the performance of its responsibilities and outcomes of its activities for the period of April 1st of the previous year to March 31st of the current year, subject to any requirements of the <i>Regulated Health Professions Act, 1991</i>. The Annual Report shall be submitted to the Chief Executive Officer no later than June 1st annually for delivery to the Council. The Committee Chair shall also submit a bi-monthly report to the Council addressing matters of importance to the Committee, including but not necessarily limited to volunteer resources, attendance issues, trends in activities before the committee and volume of work.

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COMMITTEE TERMS OF REFERENCE

Section	Committee	Page
Governance Process	Examination Appeals Committee (CC03.067)	1
		Create Date November 5, 2013

Authority and Accountability	The Examination Appeals Committee is a non-statutory committee of the Council of the College of Naturopaths of Ontario and is established pursuant to section 12.02 of the bylaws and GP06 - Committee Principles of the Council governing policies. The Committee is accountable directly to the Council of the College.
Limitations	The Examination Appeals Committee shall only exercise the authority and fulfill the duties and responsibilities authorized in the by-laws and by these Terms of Reference.
Responsibilities	The Examination Appeals Committee shall: • Advise on and recommend to the Council policies and procedures governing the examination appeals process; • Annually review all program policies and related procedures and report to the Council on the outcome of the review and make any recommendations for amendments; • Receive, review and dispose of appeals filed by candidates of all examinations set and approved by the Council, including but not necessarily limited to the following examinations: ○ Clinical Sciences, ○ Biomedical, ○ Clinical (Practical), ○ Intravenous Infusion Therapy, and ○ Therapeutic Prescribing; and • to review the following to ensure that they are transparent, objective, impartial, fair and free of discrimination and bias and to make any recommendations to the Council for amendments: ○ Annually, all relevant program policies and related procedures; and ○ Bi-annually, all relevant regulations made under the <i>Naturopathy Act, 2007</i>.
Appointment and composition	The Examination Appeals Committee shall be appointed by the Council and shall be comprised of no fewer than three but as many individuals as the Council may deem appropriate, such that the Committee members include: • One or more Council members. • One or more Registrants who are not Council members. • Any number of Public Representatives as defined in the by-laws. A Committee Chair, and where deemed necessary by the Council a Committee Vice Chair, shall also be appointed by the Council.
Term of Office	The Examination Appeals Committee members shall be appointed for approximately one year and may be re-appointed annually by the Council,

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Section	Committee	Page
Governance Process	Examination Appeals Committee (CC03.067)	2
		Create Date November 5, 2013

	at its sole discretion, such that no committee member may serve more than nine consecutive years.
Meetings	The Examination Appeals Committee shall meet on a date and at a time set by the Committee Chair at least ten days in advance of the meeting date unless a majority of Committee members agree to a shorter period. In the event that the Committee Chair is unable to preside at a duly called meeting, the Chair may designate an acting Chair from among the Committee members, or where the Chair has not done so, an acting Chair for the meeting shall be selected by and from among the Committee members present.
Quorum	Pursuant to section 12.06 of the by-laws, quorum for meetings of the Examination Appeals Committee shall be three members of the Committee, at least one of which shall be a Public member or a Public Representative as defined in the by-laws. In cases of urgency as determined by the Chair, the Public member/Public Representative requirement for the purposes of quorum may be waived.
Reports	The Committee Chair, on behalf of the Committee, shall provide to the Council an Annual Report on the performance of its responsibilities and outcomes of its activities for the period of April 1st of the previous year to March 31st of the current year, subject to any requirements of the <i>Regulated Health Professions Act, 1991</i>. The Annual Report shall be submitted to the Chief Executive Officer no later than June 1st annually for delivery to the Council. The Committee Chair shall also submit a bi-monthly report to the Council addressing matters of importance to the Committee, including but not necessarily limited to volunteer resources, attendance issues, trends in activities before the committee and volume of work.

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COMMITTEE TERMS OF REFERENCE

Section	Committee	Page
Governance Process	Governance Committee (CC04.045)	1
		Create Date November 5, 2013

Authority and Accountability	The Governance Committee is a non-statutory committee of the Council of the College of Naturopaths of Ontario and is established pursuant to section 12.02 of the by-laws and GP06 - Committee Principles of the Council governing policies. The Committee is accountable directly to the Council of the College.
Limitations	The Governance Committee shall only exercise the authority and fulfill the duties and responsibilities authorized in the by-laws and by these Terms of Reference.
Responsibilities	The Governance Committee shall: • Review and make a final ruling on any disputes regarding a Registrant's eligibility to vote in an election (s.10.07 of the bylaws); • Review and make a determination on the acceptability of the biography and personal statement submitted by a candidate for election (s. 10.13 of the bylaws); • Upon the request of the CEO, assist the CEO in the supervision and administration of elections of candidates for the Council (s. 10.16 of the by-laws); • Upon a referral from the Council, shall hold an inquiry into the validity of the election of a Council member and shall make a report and recommendations to the Council; • Working with the CEO, develop and maintain a comprehensive volunteer program for Council and Committee members that is acceptable to Council and that: ○ Provides for a process of recruitment and application for elections and/or appointments to Council and its Committees. ○ Provides for a competency-based framework for election and/or appointment to Council and its Committees. ○ Provides for an induction program for the assessment of candidates for Council and Council Committees. ○ Provides for orientation and training of new Council and Committee members appointed by Council. ○ Provides for an evaluation process for Council and Committee members. ○ Provides for a feedback process for all volunteers. ○ Provides for a volunteer recognition program for serving Council and Committee members; and • to review the following to ensure that they are transparent, objective, impartial, fair and free of discrimination and bias and to make any recommendations to the Council for amendments: ○ Annually, all relevant program policies and related procedures; and

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Section	Committee	Page
Governance Process	Governance Committee (CC04.04 5)	2
		Create Date November 5, 2013

	○ Bi-annually, all relevant regulations made under the <i>Naturopathy Act, 2007</i>.
Appointment and composition	The Governance Committee shall be appointed by the Council and shall be comprised of no fewer than three but as many individuals as the Council may deem appropriate, such that the Committee members include: • One or more Council members. • One or more Registrants who are not Council members and who are not seeking election to the Council in the year on which they sit on the Committee. • Any number of Public Representatives as defined in the by-laws. A Committee Chair, and where deemed necessary by the Council a Committee Vice Chair, shall also be appointed by the Council.
Panels	The Governance Committee may meet in panels. Any panel of the Committee shall be appointed by the Committee Chair in accordance with any requirements set out in the Code. When appointing a panel, the Committee Chair shall designate one panel member as the Chair of the Panel.
Term of Office	The Governance Committee members shall be appointed for approximately one year and may be re-appointed annually by the Council, at its sole discretion, such that no committee member may serve more than nine consecutive years. The term of office of any panel appointed by the Committee Chair shall be until the matter referred to it has been disposed of.
Meetings	The Governance Committee shall meet on a date and at a time set by the Committee Chair at least ten days in advance of the meeting date unless a majority of Committee members agree to a shorter period. In the event that the Committee Chair is unable to preside at a duly called meeting, the Chair may designate an acting Chair from among the Committee members, or where the Chair has not done so, an acting Chair for the meeting shall be selected by and from among the Committee members present.
Quorum	Pursuant to section 12.06 of the by-laws, quorum for meetings of the Governance Committee shall be three members of the Committee, at least one of which shall be a Public member or a Public Representative as defined in the by-laws. In cases of urgency as determined by the Chair, the Public member/Public Representative requirement for the purposes of quorum may be waived.

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COMMITTEE TERMS OF REFERENCE

Section	Committee	Page
Governance Process	Governance Committee (CC04.045)	3
		Create Date November 5, 2013

Quorum for panels	Quorum for a panel of the Governance Committee shall be in accordance with any requirements set out in the Code.
Reports	The Committee Chair, on behalf of the Committee, shall provide to the Council an Annual Report on the performance of its responsibilities and outcomes of its activities for the period of April 1st of the previous year to March 31st of the current year, subject to any requirements of the <i>Regulated Health Professions Act, 1991</i>. The Annual Report shall be submitted to the Chief Executive Officer no later than June 1st annually for delivery to the Council. The Committee Chair shall also submit a bi-monthly report to the Council addressing matters of importance to the Committee, including but not necessarily limited to volunteer resources, attendance issues, trends in activities before the committee and volume of work.

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COMMITTEE TERMS OF REFERENCE

Section	Committee	Page
Governance Process	Inspection Committee (CC05.045)	1
		Create Date January 15, 2016

Authority and Accountability	The Inspection Committee is a non-statutory committee of the Council of the College of Naturopaths of Ontario and is established pursuant to section 12.02 of the by-laws and GP06 - Committee Principles of the Council governing policies. The Committee is accountable directly to the Council of the College.
Limitations	The Inspection Committee shall only exercise the authority and fulfill the duties and responsibilities authorized in the by-laws and by these Terms of Reference.
Responsibilities	The Inspection Committee shall: • Advise on and recommend to the Council the requirements for, and policies and procedures relating to, the Inspection Program of the College; • Appoint and train appropriate individuals as inspectors; • Ensure that adequate inspections are undertaken and completed in a timely way using appropriate tools and mechanisms; • Determine, after reviewing inspection reports and other material referred to in Part IV of the General Regulation: ○ whether the premises pass, pass with conditions, or fail; ○ specify the conditions that shall be attached to each “pass with conditions”; ○ deliver written reports as required; ○ direct the Registrar to refer a Registrant to the Quality Assurance Committee, if the result of an inspection report made by the Committee finds that a member’s knowledge, skill or judgment is unsatisfactory; and ○ direct the Registrar to refer a Registrant to the Inquiries, Complaints and Reports Committee, if the result of an inspection report made by the College finds that a member may have committed an act of professional misconduct or may be incompetent or incapacitated; and • to review the following to ensure that they are transparent, objective, impartial, fair and free of discrimination and bias and to make any recommendations to the Council for amendments: ○ Annually, all relevant program policies and related procedures; and ○ Bi-annually, all relevant regulations made under the <i>Naturopathy Act, 2007</i>.
Appointment and composition	The Inspection Committee shall be appointed by the Council and shall be comprised of no fewer than three but as many individuals as the Council may deem appropriate, such that the Committee members include: • One or more Council members.

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COMMITTEE TERMS OF REFERENCE

Section	Committee	Page
Governance Process	Inspection Committee (CC05.045)	2
		Create Date January 15, 2016

	- One or more Registrants who are not Council Members and who have met the Standard of Practice on Prescribing and the Standard of Practice on Intravenous Infusion Therapy established in the General Regulation. - Any number of Public Representatives as defined in the by-laws. A Committee Chair, and where deemed necessary by the Council a Committee Vice Chair, shall also be appointed by the Council.
Term of Office	The Inspection Committee members shall be appointed for approximately one year and may be re-appointed annually by the Council, at its sole discretion, such that no committee member may serve more than nine consecutive years.
Meetings	The Inspection Committee shall meet on a date and at a time set by the Committee Chair at least ten days in advance of the meeting date unless a majority of Committee members agree to a shorter period. In the event that the Committee Chair is unable to preside at a duly called meeting, the Chair may designate an acting Chair from among the Committee members, or where the Chair has not done so, an acting Chair for the meeting shall be selected by and from among the Committee members present.
Quorum	Pursuant to section 12.06 of the by-laws, quorum for meetings of the Inspection Committee shall be three members of the Committee, at least one of which shall be a Public member or a Public Representative as defined in the by-laws. In cases of urgency as determined by the Chair, the Public member/Public Representative requirement for the purposes of quorum may be waived.
Reports	The Committee Chair, on behalf of the Committee, shall provide to the Council an Annual Report on the performance of its responsibilities and outcomes of its activities for the period of April 1st of the previous year to March 31st of the current year, subject to any requirements of the <i>Regulated Health Professions Act, 1991</i>. The Annual Report shall be submitted to the Chief Executive Officer no later than June 1st annually for delivery to the Council. The Committee Chair shall also submit a bi-monthly report to the Council addressing matters of importance to the Committee, including but not necessarily limited to volunteer resources, attendance issues, trends in activities before the committee and volume of work.

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COMMITTEE TERMS OF REFERENCE

Section	Committee	Page
Governance Process	Governance Policy Review Committee (CC06.034)	1
		Create Date August 18, 2020

Authority and Accountability	The Governance Policy Review Committee is a non-statutory committee of the Council of the College of Naturopaths of Ontario and is established pursuant to section 12.02 of the by-laws and GP06 - Committee Principles of the Council governing policies. The Committee is accountable directly to the Council of the College.
Limitations	The Governance Policy Review Committee shall only exercise the authority and fulfill the duties and responsibilities authorized in the by-laws and by these Terms of Reference.
Responsibilities	The Governance Policy Review Committee shall be responsible for the development, maintenance, and regular review of the Council's governance policies. As such, it shall: • Establish and maintain a process for the identification of non-substantive changes to policies and present proposed amendments to Council based on these. • Solicit comments from Council members in advance of each Council meeting on the set of policies that will be the subject of a detailed review. • Review all comments received and, where appropriate, lead the discussion at the Council meeting relating to all policies including but not necessarily limited to those that are the subject of a detailed review. • Propose any amendments to any of the Council's governance policies and lead the development of any new policies, either as requested by the Council, Council Chair or as recommended by the Chief Executive Officer (CEO). • to review the following to ensure that they are transparent, objective, impartial, fair and free of discrimination and bias and to make any recommendations to the Council for amendments: ○ Annually, all relevant program policies and related procedures; and ○ Bi-annually, all relevant regulations made under the <i>Naturopathy Act, 2007</i>.
Appointment and composition	The Governance Policy Review Committee shall be appointed by the Council and shall be comprised of no fewer than two but as many individuals as the Council may deem appropriate, such that the Committee members include: • One or more Council members. • Any number of Registrants who are not Council members. • Any number of Public Representatives as defined in the by-laws.

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COMMITTEE TERMS OF REFERENCE

Section	Committee	Page
Governance Process	Governance Policy Review Committee (CC06.034)	2
		Create Date August 18, 2020

	A Committee Chair, and where deemed necessary by the Council a Committee Vice Chair, shall also be appointed by the Council. The CEO shall be an ex officio, non-voting member of this Committee.
Term of Office	The Governance Policy Review Committee members shall be appointed for approximately one year and may be re-appointed annually by the Council, at its sole discretion, such that no committee member may serve more than nine consecutive years.
Meetings	The Governance Policy Review Committee shall meet on a date and at a time set by the Committee Chair at least ten days in advance of the meeting date unless a majority of Committee members agree to a shorter period. In the event that the Committee Chair is unable to preside at a duly called meeting, the Chair may designate an acting Chair from among the Committee members, or where the Chair has not done so, an acting Chair for the meeting shall be selected by and from among the Committee members present.
Quorum	Pursuant to section 12.06 of the by-laws, quorum for meetings of the Governance Policy Review Committee shall be two members of the Committee, at least one of which shall be a Public member or a Public Representative as defined in the by-laws. In cases of urgency as determined by the Chair, the Public member/Public Representative requirement for the purposes of quorum may be waived.
Reports	The Committee Chair, on behalf of the Committee, shall provide to the Council an Annual Report on the performance of its responsibilities and outcomes of its activities for the period of April 1st of the previous year to March 31st of the current year, subject to any requirements of the <i>Regulated Health Professions Act, 1991</i>. The Annual Report shall be submitted to the Chief Executive Officer no later than June 1st annually for delivery to the Council. The Committee Chair shall also submit a bi-monthly report to the Council addressing matters of importance to the Committee, including but not necessarily limited to volunteer resources, attendance issues, trends in activities before the committee and volume of work.

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COMMITTEE TERMS OF REFERENCE

Section	Committee	Page
Governance Process	Standards Committee (CC07.012)	1
		Create Date October 14, 2020

Authority and Accountability	The Standards Committee is a non-statutory committee of the Council of the College of Naturopaths of Ontario and is established pursuant to section 12.02 of the by-laws and GP06 - Committee Principles of the Council governing policies. The Committee is accountable directly to the Council of the College.
Limitations	The Standards Committee shall only exercise the authority and fulfill the duties and responsibilities authorized in the by-laws and by these Terms of Reference.
Responsibilities	The Standards Committee shall: • Develop, undertake consultations on, and approve the Standards of Practice of the profession. • Develop, undertake consultations on, and approve Guidelines governing the practice of the profession. • Develop, undertake consultations on, and approve policies governing the practice of the profession. • Review and respond, as appropriate, to requests from other regulatory authorities for comments on draft standards and guidelines under consultation. • to review the following to ensure that they are transparent, objective, impartial, fair and free of discrimination and bias and to make any recommendations to the Council for amendments: ○ Annually, all relevant program policies and related procedures; and ○ Bi-annually, all relevant regulations made under the <i>Naturopathy Act, 2007</i>.
Appointment and composition	The Standards Committee shall be appointed by the Council and shall be comprised of no fewer than three but as many individuals as the Council may deem appropriate, such that the Committee members include: • One Council member. • One or more Registrants who are not Council members. • One or more Registrants who have met the Standard of Practice on Prescribing and the Standard of Practice on Intravenous Infusion Therapy established in the General Regulation. • Any number of Public Representatives as defined in the by-laws. A Committee Chair, and where deemed necessary by the Council a Committee Vice Chair, shall also be appointed by the Council.
Exclusions	Any person who is appointed to the following Committees shall not be eligible for appointment to the Standards Committee: 1. Discipline Committee. 2. Inquiries, Complaints and Reports Committee.

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COMMITTEE TERMS OF REFERENCE

Section	Committee	Page
Governance Process	Standards Committee (CC07.012)	2
		Create Date October 14, 2020

Term of Office	The Standards Committee members shall be appointed for approximately one year and may be re-appointed annually by the Council, at its sole discretion, such that no committee member may serve more than nine consecutive years.
Meetings	The Standards Committee shall meet on a date and at a time set by the Committee Chair at least ten days in advance of the meeting date unless a majority of Committee members agree to a shorter period. In the event that the Committee Chair is unable to preside at a duly called meeting, the Chair may designate an acting Chair from among the Committee members, or where the Chair has not done so, an acting Chair for the meeting shall be selected by and from among the Committee members present.
Quorum	Pursuant to section 12.06 of the by-laws, quorum for meetings of the Standards Committee shall be three members of the Committee, at least one of which shall be a Public member or a Public Representative as defined in the by-laws. In cases of urgency as determined by the Chair, the Public member/Public Representative requirement for the purposes of quorum may be waived.
Reports	The Committee Chair, on behalf of the Committee, shall provide to the Council an Annual Report on the performance of its responsibilities and outcomes of its activities for the period of April 1st of the previous year to March 31st of the current year, subject to any requirements of the <i>Regulated Health Professions Act, 1991</i>. The Annual Report shall be submitted to the Chief Executive Officer no later than June 1st annually for delivery to the Council. The Committee Chair shall also submit a bi-monthly report to the Council addressing matters of importance to the Committee, including but not necessarily limited to volunteer resources, attendance issues, trends in activities before the committee and volume of work.

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COMMITTEE TERMS OF REFERENCE

Section	Committee	Page
Governance Process	Equity, Diversity and Inclusion Committee (CC08.0 4 2)	1
		Create Date May 26, 2021

Authority and Accountability	The Equity, Diversity and Inclusion Committee is a non-statutory committee of the Council of the College of Naturopaths of Ontario and is established pursuant to section 12.02 of the by-laws and GP06 - Committee Principles of the Council governing policies. The Committee is accountable directly to the Council of the College.
Limitations	The Equity, Diversity and Inclusion Committee shall only exercise the authority and fulfill the duties and responsibilities authorized in the by-laws and by these Terms of Reference.
Responsibilities	Working closely with the CEO and senior staff, the Equity, Diversity and Inclusion Committee shall develop and maintain a program of equity, diversity and inclusion that ensures that: • Appropriate policies are developed, approved by the Council and implemented that reflect the values of the Council and its commitment to equity, diversity, inclusion and an environment that is free of bias, discrimination and racism; • All recruitment of volunteers to work with the College is one that is based on equity and diversity and includes every individual who is qualified to participate; • Training for all volunteers includes addressing critical issues surrounding equity and inclusion, in particular but not limited to anti-discrimination and anti-bias training; • Reviewing the College's regulatory framework and processes to ensure that they are equitable to all individuals within society; and • to review the following to ensure that they are transparent, objective, impartial, fair and free of discrimination and bias and to make any recommendations to the Council for amendments: ○ Annually, all relevant program policies and related procedures; and ○ Bi-annually, all relevant regulations made under the <i>Naturopathy Act, 2007</i>.
Appointment and composition	The Equity, Diversity and Inclusion Committee shall be appointed by the Council and shall be comprised of no fewer than three but as many individuals as the Council may deem appropriate, such that the Committee members include: • One or more Council members. • One or more Registrants who are not Council members. • Any number of Public Representatives as defined in the by-laws. A Committee Chair, and where deemed necessary by the Council a Committee Vice Chair, shall also be appointed by the Council.

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COMMITTEE TERMS OF REFERENCE

Section	Committee	Page
Governance Process	Equity, Diversity and Inclusion Committee (CC08.042)	2
		Create Date May 26, 2021

Term of Office	The Equity, Diversity and Inclusion Committee members shall be appointed for approximately one year and may be re-appointed annually by the Council, at its sole discretion, such that no committee member may serve more than nine consecutive years.
Meetings	The Equity, Diversity and Inclusion Committee shall meet on a date and at a time set by the Committee Chair at least ten days in advance of the meeting date unless a majority of Committee members agree to a shorter period. In the event that the Committee Chair is unable to preside at a duly called meeting, the Chair may designate an acting Chair from among the Committee members, or where the Chair has not done so, an acting Chair for the meeting shall be selected by and from among the Committee members present.
Quorum	Pursuant to section 12.06 of the by-laws, quorum for meetings of the Equity, Diversity and Inclusion Committee shall be three members of the Committee, at least one of which shall be a Public member or a Public Representative as defined in the by-laws. In cases of urgency as determined by the Chair, the Public member/Public Representative requirement for the purposes of quorum may be waived.
Reports	The Committee Chair, on behalf of the Committee, shall provide to the Council an Annual Report on the performance of its responsibilities and outcomes of its activities for the period of April 1st of the previous year to March 31st of the current year, subject to any requirements of the <i>Regulated Health Professions Act, 1991</i>. The Annual Report shall be submitted to the Chief Executive Officer no later than June 1st annually for delivery to the Council. The Committee Chair shall also submit a bi-monthly report to the Council addressing matters of importance to the Committee, including but not necessarily limited to volunteer resources, attendance issues, trends in activities before the committee and volume of work.

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COMMITTEE TERMS OF REFERENCE

Section	Committee	Page
Governance Process	Risk Committee (CC09.012)	1
		Create Date November 25, 2021

Authority and Accountability	The Risk Committee is a non-statutory committee of the Council of the College of Naturopaths of Ontario and is established pursuant to section 12.02 of the by-laws and GP06 - Committee Principles of the Council governing policies. The Committee is accountable directly to the Council of the College.	
Limitations	The Risk Committee shall only exercise the authority and fulfill the duties and responsibilities authorized in the by-laws and by these Terms of Reference.	
Responsibilities	Working closely with the Chief Risk Officer (CRO) and senior management team, the Risk Committee shall: • On behalf of the Council, provide organizational oversight to ensure that a risk management process is in place at all levels of the organization and that risk management policies and processes are being adhered to; • Identify and quantify risks in the organization that may not be addressed in the risk management processes and make recommendations to the Council and CRO that they be addressed; • Define and make recommendations to the Council defining the College's risk appetite and tolerance; • Receive the Integrated Risk Report and Enterprise Risk Map on behalf of the Council and advise the Council on their review and acceptance; • Receive and review such other reports from the CRO that might enable the Committee to offer advice and guidance to the Council and the Senior Management Team on risk-related matters; and • to review the following to ensure that they are transparent, objective, impartial, fair and free of discrimination and bias and to make any recommendations to the Council for amendments: ○ Annually, all relevant program policies and related procedures; and ○ Bi-annually, all relevant regulations made under the <i>Naturopathy Act, 2007</i>.	
Appointment and composition	The Risk Committee shall be appointed by the Council and shall be comprised of no fewer than two but as many individuals as the Council may deem appropriate, such that the Committee members include: • One or more Council members. • Any number of Registrants who are not Council members. • Any number of Public Representatives as defined in the by-laws. A Committee Chair, and where deemed necessary by the Council a Committee Vice Chair, shall also be appointed by the Council.	
Term of Office	The Risk Committee members shall be appointed for approximately one year and may be re-appointed annually by the Council, at its sole discretion,	
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COMMITTEE TERMS OF REFERENCE

Section	Committee	Page
Governance Process	Risk Committee (CC09.012)	2
		Create Date November 25, 2021

	such that no committee member may serve more than nine consecutive years.
Meetings	The Risk Committee shall meet on a date and at a time set by the Committee Chair at least ten days in advance of the meeting date unless a majority of Committee members agree to a shorter period. In the event that the Committee Chair is unable to preside at a duly called meeting, the Chair may designate an acting Chair from among the Committee members, or where the Chair has not done so, an acting Chair for the meeting shall be selected by and from among the Committee members present.
Quorum	Pursuant to section 12.06 of the by-laws, quorum for meetings of the Risk Committee shall be two members of the Committee. In cases of urgency as determined by the Chair, the Public member/Public Representative requirement for the purposes of quorum may be waived.
Reports	The Committee Chair, on behalf of the Committee, shall provide to the Council an Annual Report on the performance of its responsibilities and outcomes of its activities for the period of April 1st of the previous year to March 31st of the current year, subject to any requirements of the <i>Regulated Health Professions Act, 1991</i>. The Annual Report shall be submitted to the Chief Executive Officer no later than June 1st annually for delivery to the Council. The Committee Chair shall also submit a bi-monthly report to the Council addressing matters of importance to the Committee, including but not necessarily limited to volunteer resources, attendance issues, trends in activities before the committee and volume of work.

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COMMITTEE TERMS OF REFERENCE

Section	Committee	Page
Governance Process	Discipline Committee (SC01.056)	1
		Create Date July 30, 2013

Authority and Accountability	The Discipline Committee is a statutory committee of the Council of the College of Naturopaths of Ontario. It is established pursuant to section 10(1) of the Health Professions Procedural Code (the Code), which is Schedule 2 of the <i>Regulated Health Professions Act, 1991</i> (the "RHPA"), section 12.01 of the by-laws and GP06 - Committee Principles of the Council governing policies.
Limitations	The Discipline Committee shall only exercise the authority, and fulfill the duties and responsibilities authorized under the <i>Regulated Health Professions Act, 1991</i> or under these Terms of Reference,
Responsibilities	The Discipline Committee shall: • Develop and maintain policies and procedures governing the disciplinary process of the College of Naturopaths of Ontario; • Annually review the Discipline Rules of Procedure; • Establish panels and conduct hearings into allegations of professional misconduct or incompetence referred to it by the Inquiries, Complaints and Reports Committee; and • to review the following to ensure that they are transparent, objective, impartial, fair and free of discrimination and bias and to make any recommendations to the Council for amendments: ○ Annually, all relevant program policies and related procedures; and ○ Bi-annually, all relevant regulations made under the <i>Naturopathy Act, 2007</i>.
Appointment and composition	The Discipline Committee shall be appointed by the Council and shall be comprised of no fewer than five but as many individuals as the Council may deem appropriate, such that the Committee members include: • At least one Council member who is a Registrant and any number of additional Registrants who are Council members. • Two or more Public Council members. • Two or more Registrants who are not Council members. • Any number of Public Representatives as defined in the by-laws. A Committee Chair, and where deemed necessary by the Council a Committee Vice Chair, shall also be appointed by the Council.
Panels	The Discipline Committee may meet in panels. Any panel of the Discipline Committee shall be appointed by the Committee Chair in accordance with any requirements set out in the Code. When appointing a panel, the Committee Chair shall designate one panel member as the Chair of the Panel.

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COMMITTEE TERMS OF REFERENCE

Section	Committee	Page
Governance Process	Discipline Committee (SC01.056)	2
		Create Date July 30, 2013

Term of Office	The Discipline Committee members shall be appointed for approximately one year and may be re-appointed annually by the Council, at its sole discretion, such that no committee member may serve more than nine consecutive years. The term of office of any panel appointed by the Committee Chair shall be until the matter referred to it has been disposed of.
Meetings	The Discipline Committee shall meet on a date and at a time set by the Committee Chair at least ten days in advance of the meeting date unless a majority of Committee members agree to a shorter period. In the event that the Committee Chair is unable to preside at a duly called meeting, the Chair may designate an acting Chair from among the Committee members, or where the Chair has not done so, an acting Chair for the meeting shall be selected by and from among the Committee members present.
Quorum	Pursuant to section 12.06 of the by-laws, quorum for meetings of the Discipline Committee shall be three members of the Committee, at least one of which shall be a Public member or a Public Representative as defined in the by-laws. In cases of urgency as determined by the Chair, the Public member/Public Representative requirement for the purposes of quorum may be waived.
Quorum for panels	Quorum for a panel of the Discipline Committee shall be in accordance with section 38(5) of the Code of three members on the panel, at least one of whom shall be a Public member of the Council.
Reports	The Committee Chair, on behalf of the Committee, shall provide to the Council an Annual Report on the performance of its responsibilities and outcomes of its activities for the period of April 1st of the previous year to March 31st of the current year, subject to any requirements of the <i>Regulated Health Professions Act, 1991</i>. The Annual Report shall be submitted to the Chief Executive Officer no later than June 1st annually for delivery to the Council. The Committee Chair shall also submit a bi-monthly report to the Council addressing matters of importance to the Committee, including but not necessarily limited to volunteer resources, attendance issues, trends in activities before the committee and volume of work.

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COMMITTEE TERMS OF REFERENCE

Section	Committee	Page
Governance Process	Executive Committee (SC02.034)	1
		Create Date July 30, 2013

Authority and Accountability	The Executive Committee is a statutory committee of the Council of the College of Naturopaths of Ontario. It is established pursuant to section 10(1) of the Health Professions Procedural Code (the Code), which is Schedule 2 of the <i>Regulated Health Professions Act, 1991</i> (the "RHPA"), section 12.01 of the by-laws and GP06 - Committee Principles of the Council governing policies.
Limitations	Notwithstanding section 12(1) of the Code which authorizes the Executive Committee, between meetings of the Council, to have all of the powers of the Council with respect to any matter that, in the Committee's opinion, requires immediate attention, other than the power to make, amend or revoke a regulation or by-law, it is the explicit desire of the Council that the Executive Committee only exercise its authority on matters that are deemed urgent matters by the Council Chair.
Responsibilities	The Executive Committee shall, • Exercise the authority of the Council on urgent matters as determined by the Chair of the Committee, subject to the limitations set out in the Code and in these terms of reference; and • to review the following to ensure that they are transparent, objective, impartial, fair and free of discrimination and bias and to make any recommendations to the Council for amendments: ○ Annually, all relevant program policies and related procedures; and ○ Bi-annually, all relevant regulations made under the <i>Naturopathy Act, 2007</i>.
Appointment and composition	Pursuant to sections 13.01 and 13.08 of the By-laws of the College of Naturopaths, the Executive Committee shall be comprised of the Council Chair, Council Vice-Chair, and three Officers-at-Large as elected by Council from among the Council members. Of the five elected Committee members, three shall be Registrants and two members shall be Public Members. The Council Chair shall serve as the Chair of the Executive Committee.
Term of Office	The Executive Committee shall be elected annually from among the Council members.
Meetings	The Committee will meet at the call of the Chair.
Quorum	Pursuant to section 12.06 of the by-laws, quorum for meetings of the Executive Committee shall be three members of the Committee, at least one of which shall be a Public member of the Council.

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COMMITTEE TERMS OF REFERENCE

Section	Committee	Page
Governance Process	Executive Committee (SC02.034)	2
		Create Date July 30, 2013

Notice of Meeting	When the Council Chair determines that a matter is urgent and calls a meeting of the Executive Committee, the Council Chair shall serve notice to the Council members of the date and time of the meeting and the matter to be addressed by the Executive Committee. Notice shall be provided not less than 48 hours before the meeting.
Disclosure	The Council Chair shall ensure that the notice, along with any materials to be considered by the Executive Committee are posted to the College's website in advance of the meeting and as soon as it is practicable to do so, subject to materials being withheld pursuant to section 7(2) of the Code. Minutes of Executive Committee meetings, except any portion of the meeting minutes where matters set out in section 7(2) of the Code are addressed, shall also be posted to the College's website as soon as practicable after they are approved by the Executive Committee. Where the Executive Committee cites section 7(2), an explanation of the rationale shall be provided within the minutes of that meeting.
Reports	The Committee Chair, on behalf of the Committee, shall provide to the Council an Annual Report on the performance of its responsibilities and outcomes of its activities for the period of April 1st of the previous year to March 31st of the current year, subject to any requirements of the <i>Regulated Health Professions Act, 1991</i>. The Annual Report shall be submitted to the Chief Executive Officer no later than June 1st annually for delivery to the Council. The Committee Chair shall also submit a bi-monthly report to the Council addressing matters of importance to the Committee, including but not necessarily limited to volunteer resources, attendance issues, trends in activities before the committee and volume of work.

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COMMITTEE TERMS OF REFERENCE

Section	Committee	Page
Governance Process	Fitness to Practise Committee (SC03.056)	1
		Create Date July 30, 2013

Authority and Accountability	The Fitness to Practise Committee is a statutory committee of the Council of the College of Naturopaths of Ontario. It is established pursuant to section 10(1) of the Health Professions Procedural Code (the Code), which is Schedule 2 of the <i>Regulated Health Professions Act, 1991</i> (the "RHPA"), section 12.01 of the by-laws and GP06 - Committee Principles of the Council governing policies.
Limitations	The Fitness to Practise Committee shall only exercise the authority, and fulfill the duties and responsibilities authorized under the <i>Regulated Health Professions Act, 1991</i> or under these Terms of Reference,
Responsibilities	The Fitness to Practise Committee shall: • Develop and maintain policies and procedures governing the fitness to practise process of the College of Naturopaths of Ontario; • Annually, in conjunction with the Discipline Committee, review the Discipline Rules of Procedure; • Establish panels and conduct hearings into allegations of incapacity referred to it by the Inquiries, Complaints and Reports Committee as required under Schedule 2 of the Code; and • to review the following to ensure that they are transparent, objective, impartial, fair and free of discrimination and bias and to make any recommendations to the Council for amendments: ○ Annually, all relevant program policies and related procedures; and ○ Bi-annually, all relevant regulations made under the <i>Naturopathy Act, 2007</i>.
Appointment and composition	The Fitness to Practise Committee shall be appointed by the Council and shall be comprised of no fewer than five but as many individuals as the Council may deem appropriate, such that the Committee members include: • At least one Council member who is a Public member and any number of additional Council members. • Two or more Registrants who are not Council members. • Any number of Public Representatives as defined in the by-laws. A Committee Chair, and where deemed necessary by the Council a Committee Vice Chair, shall also be appointed by the Council.
Panels	The Fitness to Practise Committee may meet in panels. Any panel of the Committee shall be appointed by the Committee Chair in accordance with any requirements set out in the Code. When appointing a panel, the Committee Chair shall designate one panel member as the Chair of the Panel.

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COMMITTEE TERMS OF REFERENCE

Section	Committee	Page
Governance Process	Fitness to Practise Committee (SC03.056)	2
		Create Date July 30, 2013

Term of Office	The Fitness to Practise Committee members shall be appointed for approximately one year and may be re-appointed annually by the Council, at its sole discretion, such that no committee member may serve more than nine consecutive years. The term of office of any panel appointed by the Committee Chair shall be until the matter referred to it has been disposed of.
Meetings	The Fitness to Practise Committee will meet at the call of the Chair. Meetings of a Panel shall be at the call of the Chair of the Panel. In the event that the Committee Chair is unable to preside at a duly called meeting, the Chair may designate an acting Chair from among the Committee members, or where the Chair has not done so, an acting Chair for the meeting shall be selected by and from among the Committee members present.
Quorum	Pursuant to section 12.06 of the by-laws, quorum for meetings of the Fitness to Practise Committee shall be three members of the Committee, at least one of which shall be a Public member of the Council. In cases of urgency as determined by the Chair, the Public member/Public Representative requirement for the purposes of quorum may be waived.
Quorum for panels	Quorum of a Panel of the Fitness to Practise Committee shall be three members of the panel, at least one of whom shall be a public member of the Council.
Reports	The Committee Chair, on behalf of the Committee, shall provide to the Council an Annual Report on the performance of its responsibilities and outcomes of its activities for the period of April 1st of the previous year to March 31st of the current year, subject to any requirements of the <i>Regulated Health Professions Act, 1991</i>. The Annual Report shall be submitted to the Chief Executive Officer no later than June 1st annually for delivery to the Council. The Committee Chair shall also submit a bi-monthly report to the Council addressing matters of importance to the Committee, including but not necessarily limited to volunteer resources, attendance issues, trends in activities before the committee and volume of work.

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COMMITTEE TERMS OF REFERENCE

Section	Committee	Page
Governance Process	Inquiries, Complaints and Reports Committee (SC04.067)	1
		Create Date July 30, 2013

Authority and Accountability	The Inquiries, Complaints and Reports Committee is a statutory committee of the Council of the College of Naturopaths of Ontario. It is established pursuant to section 10(1) of the Health Professions Procedural Code (the Code), which is Schedule 2 of the <i>Regulated Health Professions Act, 1991</i> (the "RHPA"), section 12.01 of the by-laws and GP06 - Committee Principles of the Council governing policies.
Limitations	The Inquiries, Complaints and Reports Committee shall only exercise the authority, and fulfill the duties and responsibilities authorized under the <i>Regulated Health Professions Act, 1991</i> or under these Terms of Reference,
Responsibilities	The Inquiries, Complaints and Reports Committee shall: - Advise on and make recommendations to the Council with respect to policies and procedures governing the inquiries, complaints and reports processes of the College of Naturopaths of Ontario; - By way of panels appointed by the ICRC Chair: - investigate complaints filed with the CEO, review the submissions from the Registrant(s), make reasonable efforts to review all relevant records and documents and take appropriate action in accordance with section 26 of the Code; - consider Reports received from the CEO, review the submissions from the Registrant(s), make reasonable efforts to review all relevant records and documents and take appropriate action in accordance with section 26 of the Code; and - consider allegations of professional misconduct, incompetence or incapacity referred to it by the Quality Assurance Committee in accordance with paragraph 4 of section 80.2(1) of the Code; and - inquire into whether a Registrant is incapacitated and take appropriate action in accordance with sections 58 to 63 of the Code; and to review the following to ensure that they are transparent, objective, impartial, fair and free of discrimination and bias and to make any recommendations to the Council for amendments: - Annually, all relevant program policies and related procedures; and - Bi-annually, all relevant regulations made under the <i>Naturopathy Act, 2007</i>.
Appointment and composition	The Inquiries, Complaints and Reports Committee shall be appointed by the Council and shall be comprised of no fewer than three but as many individuals as the Council may deem appropriate, such that the Committee members include:

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Governance Process	Inquiries, Complaints and Reports Committee (SC04.067)	2
		Create Date July 30, 2013

	- At least one Council member who is a Public member and any number of additional Council members. - One or more Registrants who are not Council members. - Any number of Public Representatives as defined in the by-laws. A Committee Chair, and where deemed necessary by the Council a Committee Vice Chair, shall also be appointed by the Council, and, wherever practical, the Chair shall not be a member of the Executive Committee of the Council.
Panels	The Inquiries, Complaints and Reports Committee may meet in panels. Any panel of the Committee shall be appointed from among the members of the Committee by the Chair and shall be comprised of no fewer than three members of the Committee, one of whom shall be a Public member of the Council. When appointing a panel, the Committee Chair shall designate one panel member as the Chair of the Panel.
Term of Office	The Inquiries, Complaints and Reports Committee members shall be appointed for approximately one year and may be re-appointed annually by the Council, at its sole discretion, such that no committee member may serve more than nine consecutive years. The term of office of any panel appointed by the Committee Chair shall be until the matter referred to it has been disposed of. A Panel member may not continue with a matter after that Panel member's term has ended. If a Panel has not concluded a matter before a Panel member's term ends, the remaining Panel members may continue to deal with the matter if quorum exists or the Chair of the Committee may appoint a new Panel.
Meetings	The Inquiries, Complaints and Reports Committee shall meet on a date and at a time set by the Committee Chair at least ten days in advance of the meeting date unless a majority of Committee members agree to a shorter period. In the event that the Committee Chair is unable to preside at a duly called meeting, the Chair may designate an acting Chair from among the Committee members, or where the Chair has not done so, an acting Chair for the meeting shall be selected by and from among the Committee members present.
Quorum	Pursuant to section 12.06 of the by-laws, quorum for meetings of the Inquiries, Complaints and Reports Committee shall be three members of

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Governance Process	Inquiries, Complaints and Reports Committee (SC04.067)	3
		Create Date July 30, 2013

	the Committee, at least one of which shall be a Public member or a Public Representative as defined in the by-laws. In cases of urgency as determined by the Chair, the Public member/Public Representative requirement for the purposes of quorum may be waived.
Quorum for panels	Quorum for a panel of the Committee shall be in accordance with any requirements set out in the Code.
Reports	The Committee Chair, on behalf of the Committee, shall provide to the Council an Annual Report on the performance of its responsibilities and outcomes of its activities for the period of April 1st of the previous year to March 31st of the current year, subject to any requirements of the <i>Regulated Health Professions Act, 1991</i>. The Annual Report shall be submitted to the Chief Executive Officer no later than June 1st annually for delivery to the Council. The Committee Chair shall also submit a bi-monthly report to the Council addressing matters of importance to the Committee, including but not necessarily limited to volunteer resources, attendance issues, trends in activities before the committee and volume of work.

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COMMITTEE TERMS OF REFERENCE

Section	Committee	Page
Governance Process	Quality Assurance Committee (SC05.056)	1
		Create Date July 30, 2013

Authority and Accountability	The Quality Assurance Committee is a statutory committee of the Council of the College of Naturopaths of Ontario. It is established pursuant to section 10(1) of the Health Professions Procedural Code (the Code), which is Schedule 2 of the <i>Regulated Health Professions Act, 1991</i> (the "RHPA"), section 12.01 of the by-laws and GP06 - Committee Principles of the Council governing policies.
Limitations	The Quality Assurance Committee shall only exercise the authority, and fulfill the duties and responsibilities authorized under the <i>Regulated Health Professions Act, 1991</i> or under these Terms of Reference,
Responsibilities	The Quality Assurance Committee shall: • Advise on and recommend to the Council policies and procedures governing the Quality Assurance Program of the College, that includes but is not necessarily limited to: ○ Continuing education or professional development intended to ▪ promote continuing competence, and continuing quality improvement among members, ▪ address changes in practice environments and ▪ incorporate standards of practice, advances in technology, changes made to entry to practice competencies and other relevant issues as determined by the Council. ○ Self, peer and practice assessments. ○ A mechanism for the College to monitor Registrants' participation in, and compliance with, the Quality Assurance Program (Code, s. 80.1); • Appoint and train assessors for the purposes of the peer and practice assessments component of the Quality Assurance Program; • Receive and review reports from assessors with respect to Registrants that have been assessed and take such action as is, in the opinion of the Committee, permitted under section 80.2 of the Code to ensure the continued competence of the Registrant; and • to review the following to ensure that they are transparent, objective, impartial, fair and free of discrimination and bias and to make any recommendations to the Council for amendments: ○ Annually, all relevant program policies and related procedures; and ○ Bi-annually, all relevant regulations made under the <i>Naturopathy Act, 2007</i>.
Appointment and composition	The Quality Assurance Committee shall be appointed by the Council and shall be comprised of no fewer than three but as many individuals as the Council may deem appropriate, such that the Committee members include:

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COMMITTEE TERMS OF REFERENCE

Section	Committee	Page
Governance Process	Quality Assurance Committee (SC05.056)	2
		Create Date July 30, 2013

	- At least one Council member who is a Public member and any number of additional Council members. at least one Registrant who is a Council member. - One or more Registrants who are not Council members. - Any number of Public Representatives as defined in the by-laws. A Committee Chair, and where deemed necessary by the Council a Committee Vice Chair, shall also be appointed by the Council and, wherever practical, the Chair shall not be a member of the Executive Committee of the Council.
Term of Office	The Quality Assurance Committee members shall be appointed for approximately one year and may be re-appointed annually by the Council, at its sole discretion, such that no committee member may serve more than nine consecutive years.
Meetings	The Quality Assurance Committee shall meet on a date and at a time set by the Committee Chair at least ten days in advance of the meeting date unless a majority of Committee members agree to a shorter period. In the event that the Committee Chair is unable to preside at a duly called meeting, the Chair may designate an acting Chair from among the Committee members, or where the Chair has not done so, an acting Chair for the meeting shall be selected by and from among the Committee members present.
Quorum	Pursuant to section 12.06 of the by-laws, quorum for meetings of the Quality Assurance Committee shall be three members of the Committee, at least one of which shall be a Public member or a Public Representative as defined in the by-laws. In cases of urgency as determined by the Chair, the Public member/Public Representative requirement for the purposes of quorum may be waived.
Reports	The Committee Chair, on behalf of the Committee, shall provide to the Council an Annual Report on the performance of its responsibilities and outcomes of its activities for the period of April 1st of the previous year to March 31st of the current year, subject to any requirements of the <i>Regulated Health Professions Act, 1991</i>. The Annual Report shall be submitted to the Chief Executive Officer no later than June 1st annually for delivery to the Council. The Committee Chair shall also submit a bi-monthly report to the Council addressing matters of importance to the Committee, including but not

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Section	Committee	Page
Governance Process	Quality Assurance Committee (SC05.056)	3
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	necessarily limited to volunteer resources, attendance issues, trends in activities before the committee and volume of work.
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Section	Committee	Page
Governance Process	Patient Relations Committee (SC06.067)	1
		Create Date July 30, 2013

Authority and Accountability	The Patient Relations Committee is a statutory committee of the Council of the College of Naturopaths of Ontario. It is established pursuant to section 10(1) of the Health Professions Procedural Code (the Code), which is Schedule 2 of the <i>Regulated Health Professions Act, 1991</i> (the "RHPA"), section 12.01 of the by-laws and GP06 - Committee Principles of the Council governing policies.
Limitations	The Patient Relations Committee shall only exercise the authority, and fulfill the duties and responsibilities authorized under the <i>Regulated Health Professions Act, 1991</i> or under these Terms of Reference,
Responsibilities	The Patient Relations Committee shall: • Advise on and recommend to the Council policies and procedures governing the Patient Relations Program of the College, a program to enhance relations between Registrants and patients (Code, s. 1(1) and s. 85); • Develop and recommend to Council measures for preventing and dealing with sexual abuse of patients, including but not necessarily limited to: ○ educational requirements for Registrants; ○ guidelines for the conduct of members with their patients; ○ training for the College's staff; and ○ the provision of information to the public (Code, s. 84(3)); • Administer on behalf of the Council the Funding for Therapy and Counselling Program of the College, including; ○ Developing policies and procedures governing the administration of requests for funding; ○ Developing appropriate forms for patients to seek funding for counselling or therapy under this program; ○ Processing any requests for funding in a timely manner; ○ Overseeing the payment of funds by the CEO to the therapist or counselor chosen by the person and as approved by the Committee; and ○ Overseeing any proceedings initiated by the College against a member in a court of competent jurisdiction to recover any funds paid by the College where there was a finding by a panel of the Discipline Committee that the member sexually abused a patient (Code, s. 85.7(12)); and • to review the following to ensure that they are transparent, objective, impartial, fair and free of discrimination and bias and to make any recommendations to the Council for amendments: ○ Annually, all relevant program policies and related procedures; and ○ Bi-annually, all relevant regulations made under the <i>Naturopathy Act, 2007</i>.

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COMMITTEE TERMS OF REFERENCE

Section	Committee	Page
Governance Process	Patient Relations Committee (SC06.067)	2
		Create Date July 30, 2013

Appointment and composition	The Patient Relations Committee shall be appointed by the Council and shall be comprised of no fewer than three but as many individuals as the Council may deem appropriate, such that the Committee members include: • At least one Council member. • One or more Registrants who are not Council members. • Any number of Public Representatives as defined in the by-laws. A Committee Chair, and where deemed necessary by the Council a Committee Vice Chair, shall also be appointed by the Council and, wherever practical, the Chair shall not be a member of the Executive Committee of the Council.
Term of Office	The Patient Relations Committee members shall be appointed for approximately one year and may be re-appointed annually by the Council, at its sole discretion, such that no committee member may serve more than nine consecutive years.
Meetings	The Patient Relations Committee shall meet on a date and at a time set by the Committee Chair at least ten days in advance of the meeting date unless a majority of Committee members agree to a shorter period. In the event that the Committee Chair is unable to preside at a duly called meeting, the Chair may designate an acting Chair from among the Committee members, or where the Chair has not done so, an acting Chair for the meeting shall be selected by and from among the Committee members present.
Quorum	Pursuant to section 12.06 of the by-laws, quorum for meetings of the Patient Relations Committee shall be three members of the Committee, at least one of which shall be a Public member or a Public Representative as defined in the by-laws. In cases of urgency as determined by the Chair, the Public member/Public Representative requirement for the purposes of quorum may be waived.
Reports	The Committee Chair, on behalf of the Committee, shall provide to the Council an Annual Report on the performance of its responsibilities and outcomes of its activities for the period of April 1st of the previous year to March 31st of the current year, subject to any requirements of the <i>Regulated Health Professions Act, 1991</i>. The Annual Report shall be submitted to the Chief Executive Officer no later than June 1st annually for delivery to the Council. The Committee Chair shall also submit a bi-monthly report to the Council addressing matters of importance to the Committee, including but not

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Governance Process	Patient Relations Committee (SC06.067)	3
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	necessarily limited to volunteer resources, attendance issues, trends in activities before the committee and volume of work.
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Section	Committee	Page
Governance Process	Registration Committee (SC07.067)	1
		Create Date July 30, 2013

Authority and Accountability	The Registration Committee is a statutory committee of the Council of the College of Naturopaths of Ontario. It is established pursuant to section 10(1) of the Health Professions Procedural Code (the Code), which is Schedule 2 of the <i>Regulated Health Professions Act, 1991</i> (the "RHPA"), section 12.01 of the by-laws and GP06 - Committee Principles of the Council governing policies.
Limitations	The Registration Committee shall only exercise the authority, and fulfill the duties and responsibilities authorized under the <i>Regulated Health Professions Act, 1991</i> or under these Terms of Reference,
Responsibilities	The Registration Committee shall: • Advise on and recommend to the Council policies and procedures governing: ○ the registration program and annual renewal of Registrants; ○ the examinations program of the College, including entry-to-practise examinations and post-registration examinations relating to Standards of Practise; ○ the Prior Learning Assessment and Recognition program to assess the competencies of individuals trained in programs other than CNME accredited educational programs; • Advise on and recommend to the Council the required content for the College's examinations, including the: ○ jurisprudence examination; ○ written Clinical Sciences and Biomedical examinations; ○ Ontario Clinical Examinations; ○ Therapeutic Prescribing examination; and ○ IVIT Examination; • Consider: ○ Applications for initial registration referred to it by the CEO; ○ Applications from Registrants who have held an inactive certificate of registration for more than two years and who wish to be issued a general class certificate of registration as set out under paragraph 6 of subsection 10.(1) of the Registration Regulation; ○ Applications to remove or modify a term, condition or limitation that was imposed as a result of a Registration proceeding (Code, s. 19); ○ Applications and applicants' submissions and make orders with respect to the disposition of the applications in accordance with the Code (s.18(2) and s. 19(6)); and • to review the following to ensure that they are transparent, objective, impartial, fair and free of discrimination and bias and to make any recommendations to the Council for amendments:

DATE APPROVED	DATE OF UPDATE	RESPONSIBLE
	January 27, 2021	Council

COMMITTEE TERMS OF REFERENCE

Section	Committee	Page
Governance Process	Registration Committee (SC07.067)	2
		Create Date July 30, 2013

	○ Annually, all relevant program policies and related procedures; and ○ Bi-annually, all relevant regulations made under the <i>Naturopathy Act, 2007</i>.
Appointment and composition	The Registration Committee shall be appointed by the Council and shall be comprised of no fewer than three but as many individuals as the Council may deem appropriate, such that the Committee members include: • At least one Council member who is a Public member and any number of additional Council members. • One or more Registrants who are not Council members. • Any number of Public Representatives as defined in the by-laws. A Committee Chair, and where deemed necessary by the Council a Committee Vice Chair, shall also be appointed by the Council and, wherever practical, the Chair shall not be a member of the Executive Committee of the Council.
Panels	Panels of the Registration Committee shall be appointed from among the members of the Committee by the Chair and shall be comprised of no fewer than three members, one of whom shall be a Public Member of the Council. The Chair of the Registration Committee shall, at the time of appointing a Panel, designate one member of the panel as the Chair of the Panel.
Term of Office	The Registration Committee members shall be appointed for approximately one year and may be re-appointed annually by the Council, at its sole discretion, such that no committee member may serve more than nine consecutive years. The term of office of any panel appointed by the Committee Chair shall be until the matter referred to it has been disposed of.
Meetings	The Registration Committee shall meet on a date and at a time set by the Committee Chair at least ten days in advance of the meeting date unless a majority of Committee members agree to a shorter period. In the event that the Committee Chair is unable to preside at a duly called meeting, the Chair may designate an acting Chair from among the Committee members, or where the Chair has not done so, an acting Chair for the meeting shall be selected by and from among the Committee members present.
Quorum	Pursuant to section 12.06 of the by-laws, quorum for meetings of the Registration Committee shall be three members of the Committee, at least

DATE APPROVED	DATE OF UPDATE	RESPONSIBLE
	January 27, 2021	Council

COMMITTEE TERMS OF REFERENCE

Section	Committee	Page
Governance Process	Registration Committee (SC07.067)	3
		Create Date July 30, 2013

	one of which shall be a Public member or a Public Representative as defined in the by-laws. In cases of urgency as determined by the Chair, the Public member/Public Representative requirement for the purposes of quorum may be waived.
Quorum for Panels	Quorum for Panels shall be three members of the Panel, one of whom is a Public member of the Council (Code, s.17(3)).
Reports	The Committee Chair, on behalf of the Committee, shall provide to the Council an Annual Report on the performance of its responsibilities and outcomes of its activities for the period of April 1st of the previous year to March 31st of the current year, subject to any requirements of the <i>Regulated Health Professions Act, 1991</i>. The Annual Report shall be submitted to the Chief Executive Officer no later than June 1st annually for delivery to the Council. The Committee Chair shall also submit a bi-monthly report to the Council addressing matters of importance to the Committee, including but not necessarily limited to volunteer resources, attendance issues, trends in activities before the committee and volume of work.

DATE APPROVED	DATE OF UPDATE	RESPONSIBLE
	January 27, 2021	Council



The College of Naturopaths of Ontario

AUDIT COMMITTEE REPORT ON THE AUDIT FOR THE FISCAL YEAR 2021-2022

The Audit Committee consists of the following individuals:

- Dr. Elena Rossi, ND (Chair)
- Dr. Januma Kailash, ND
- Lisa Fenton, Council Member (Until May 2022)
- Dr. Jonathan Beatty, ND, Council Member (May 2022-April 2023)

The audit for fiscal year April 1, 2021 – March 31, 2022, was completed remotely by Kriens-Larose, LLP. The Auditor's Report and Draft Financial Statements were received by the Committee on July 12, 2022. Following receipt of the completed audit materials, the Audit Committee met by video conference on July 14, 2022 to discuss the Auditor's Report and the Draft Financial Statements. Thomas Kriens, Auditor, joined the Committee on the video conference to present the report and answer questions. Agnes Kupny, Director of Operations, Thusha Pirabakaran, Finance Coordinator and Monika Zingaro, Administration Coordinator, were also in attendance.

The following items were discussed during the review of the audit materials:

- The Auditor presented a total of 13 Adjusted Journal Entries, more in number than previous years, to correct for deficiencies in the accounting records. These year-end entries resulted in a decrease in net income of \$202,000.
- Upon completion of the Auditor's review of the College's finances, there was a discrepancy of approximately \$30,000 between the College's database account records and banking records that had not been resolved. The funds appear in the College's bank account but cannot be attributed properly to a GL Code in the database. This amount is below the level of materiality set by the Auditor. At the time of preparing this report, \$15,000 was identified and moved into the correct GL account in the College's database. College staff are continuing work to account for the remaining discrepancy and are addressing the matter with the database software provider.
- The Unrestricted Net Assets are noted as (\$333,566); this is a result of the distribution of funds to the Restricted Reserve Funds as well as the College ending its fiscal year with a surplus of \$84,922. The Statement of Changes in Net Assets included in the Financial Report (page 5) provides additional information regarding the changes made to the Net Assets.
- The Deferred Revenue noted in the financial statements includes both registration fees and a small portion of exam fees; revenue from registration and member renewal fees increased over last year, due to a return to non-discounted (pre-pandemic) member fees
- There was a decrease of government assistance funds, due to the closure of CEWS in October 2021 (described in Note 6)
- Expenses were slightly higher than last year due to many program areas seeing an increased return to pre-pandemic activity volumes.

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collegeofnaturopaths.on.ca

The Audit Committee recommends that Council approve the Audited Financial Statements, including the Independent Auditor's Report, as presented.

Respectfully submitted,
Dr. Elena Rossi, ND, Audit Committee Chair
July 2022

THE COLLEGE OF NATUROPATHS OF ONTARIO
FINANCIAL STATEMENTS
MARCH 31, 2022

Draft

THE COLLEGE OF NATUROPATHS OF ONTARIO
FINANCIAL STATEMENTS
MARCH 31, 2022

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Statement of Changes in Net Assets	5
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INDEPENDENT AUDITOR'S REPORT

To the Members of
The College of Naturopaths of Ontario

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of The College of Naturopaths of Ontario, which comprise the statement of financial position as at March 31, 2022, and the statements of changes in net assets, operations, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of The College of Naturopaths of Ontario as at March 31, 2022, and the results of its operations and its cash flows for the year then ended, in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of The College of Naturopaths of Ontario in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENT AUDITOR'S REPORT (continued)

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the College's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the College or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the College's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

INDEPENDENT AUDITOR'S REPORT (continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the College's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the College to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KRIENS~LAROSE, LLP

**Chartered Professional Accountants
Licensed Public Accountants**

Toronto, Ontario
July 27, 2022

THE COLLEGE OF NATUROPATHS OF ONTARIO
STATEMENT OF FINANCIAL POSITION
 AS AT MARCH 31, 2022

Item 6.02

Page 4

	2022 \$	2021 \$
ASSETS		
CURRENT		
Cash and cash equivalent (Note 2)	4,047,922	3,824,614
Accounts receivable	1,053,444	880,624
Prepaid expenses	111,343	121,269
	5,212,709	4,826,507
EQUIPMENT (Note 3)	33,307	41,279
	5,246,016	4,867,786
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	297,921	220,915
Deferred revenue (Note 4)	2,753,297	2,550,449
HST payable	289,392	275,938
	3,340,610	3,047,302
NET ASSETS (NOTE 5)		
Unrestricted net assets	(332,717)	(394,094)
Patient Relations	100,000	89,193
Business Continuity	1,083,877	1,075,385
Investigations & Hearings	1,004,246	1,000,000
Succession Planning	50,000	50,000
	1,905,406	1,820,484
	5,246,016	4,867,786

APPROVED ON BEHALF OF THE COUNCIL:

_____, Director _____, Director

See accompanying notes to the financial statements

THE COLLEGE OF NATUROPATHS OF ONTARIO
STATEMENT OF CHANGES IN NET ASSETS
 FOR THE YEAR ENDED MARCH 31, 2022

	Unrestricted net assets 2022 \$	Patient relations 2022 \$	Business continuity 2022 \$	Investigations & hearings 2022 \$	Succession planning 2022 \$	Total 2022 \$	Total 2021 \$
Balance, beginning of year	(394,094)	89,193	1,075,385	1,000,000	50,000	1,820,484	2,632,474
Excess (deficiency) of revenues over expenses for the year	95,728	(10,806)	-	-	-	84,922	(811,990)
Interfund transfers	(34,351)	21,613	8,492	4,246	-	-	-
Balance, end of year	(332,717)	100,000	1,083,877	1,004,246	50,000	1,905,406	1,820,484

See accompanying notes to the financial statements

THE COLLEGE OF NATUROPATHS OF ONTARIO
STATEMENT OF OPERATIONS
 FOR THE YEAR ENDED MARCH 31, 2022

Item 6.02

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	2022	2021
	\$	\$
REVENUES		
Registration and member renewal fees	2,715,625	1,564,176
Examination fees	258,030	164,225
Government assistance (Note 6)	129,081	443,313
Inspection and hearing fees	84,900	51,250
Incorporation fees	32,312	24,112
Investment Income	(1,390)	7,001
TOTAL REVENUES	3,218,558	2,254,077
TOTAL EXPENSES	3,133,636	3,066,067
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES FOR THE YEAR	84,922	(811,990)

See accompanying notes to the financial statements

THE COLLEGE OF NATUROPATHS OF ONTARIO
STATEMENT OF OPERATIONS
 FOR THE YEAR ENDED MARCH 31, 2022

Item 6.02

Page 7

	2022	2021
	\$	\$
EXPENSES		
Salaries and benefits	1,707,383	1,597,738
Rent and utilities	285,550	284,540
Exam fees and expenses	201,284	212,865
Consulting fees		
Consultants - Complaints and inquiries	136,686	117,171
Consultants - General	58,038	152,062
Consultants - Assessors/inspectors	27,839	10,256
Legal fees		
Legal fees - Discipline	91,450	121,428
Legal fees - Complaints	58,444	40,415
Legal fees - General	24,646	37,366
Council fees and expenses	143,089	78,668
Office and general	114,103	85,609
Public education	54,270	91,462
License	53,923	45,006
Equipment maintenance	50,568	40,716
Insurance	28,480	27,533
Discipline & FTP Committee	21,439	20,667
Translation	16,539	48,949
Audit fees	15,871	16,000
Amortization	15,256	16,102
Patient relations fund expenses allocation	10,806	511
Education and training	9,247	6,134
Travel accommodation & meals	5,334	2,452
Printing and postage	1,896	1,946
Patient relations Committee	984	378
Website	511	10,093
TOTAL EXPENSES	3,133,636	3,066,067

See accompanying notes to the financial statements

THE COLLEGE OF NATUROPATHS OF ONTARIO
STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED MARCH 31, 2022

Item 6.02

Page 8

	2022 \$	2021 \$
CASH FROM OPERATING ACTIVITIES		
Cash receipts registration and membership renewal	2,691,887	2,665,795
Cash receipts from inspection fees	84,900	51,250
Cash receipts from examination fees	259,255	197,175
Cash receipts from incorporation fees	32,312	24,112
Interest income	(1,390)	7,001
Cash receipts from government assistance	181,622	390,772
Cash paid to suppliers and employees	(3,017,994)	(3,505,230)
	230,592	(169,125)
CASH FROM INVESTING ACTIVITIES		
(Purchase) of equipment	(7,284)	(2,885)
Change in cash	223,308	(172,010)
Cash, beginning of year	3,824,614	3,996,624
Cash, end of year	4,047,922	3,824,614
Cash consists of:		
Cash in bank account	1,965,852	1,737,986
Manulife Money Market Fund & Cashable GIC	2,082,070	2,086,628
Cash, end of year	4,047,922	3,824,614

See accompanying notes to the financial statements

PURPOSE OF THE ORGANIZATION

The College of Naturopaths of Ontario is incorporated under the Regulated Health Professions Act, 1991 and the Naturopathy Act, 2007.

The College received proclamation on July 1, 2015.

The College of Naturopaths of Ontario is responsible for developing the regulations, policies, by-laws and necessary business operations to govern the profession.

The College operations include:

- sets requirements for entering the profession;
- establishes standards for practicing;
- administers quality assurance programs; and
- holds its members accountable for their conduct and practice.

1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Handbook and include the following significant accounting policies:

Financial Instruments

The College initially measures its financial assets and liabilities at fair value. The College subsequently measures all its financial assets and financial liabilities at amortized cost. Changes in fair value are recognized in the statement of operations.

Financial assets measured at cost or amortized cost include cash and accounts receivable. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Use of Estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the reporting date and the reported amounts of revenues and expenses for the reporting period. Actual results could differ from these estimates. Significant financial statement items that require the use of estimates includes useful lives of property and equipment, rates of amortization, and accrued liabilities. These estimates are reviewed periodically and adjustments are made, as appropriate, in the statement of operations in the year they become known.

1. **SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Cash and Cash Equivalent

Cash and cash equivalents consist of cash on hand and fixed income investments with maturities of less than 90 days.

Prepaid Expenses

Prepaid expenses are recorded for goods and services to be received in the next fiscal year, which were paid for in the current year.

Equipment

Equipment is stated at acquisition cost. Amortization is provided on the following basis at the following annual rates:

Office equipment	5 years straight-line
Computer equipment	30% diminishing balance

Where equipment no longer has any long-term service potential to the College, the excess of their net carrying amount over any residual value is recognized as an expense in the statement of operations.

Revenue Recognition

The College follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured. Amounts received in advance of the period of service are deferred to the year the service is substantially complete.

Registrations, members renewal fees, examination fees, inspection fees, hearing fees and incorporation fees are recognized as revenue when received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured. Amounts received in advance of the period of service are deferred to the year the service is substantially complete.

Unrestricted investment income is recognized as revenue when earned.

Government Assistance

Government assistance is a restricted contribution and is accounted for using the deferral method based on the assistance provided:

Wage Subsidies

Wage subsidies are recognized as revenue in the year the related wages are incurred.

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

Donated Property and Services

During the year, voluntary services were provided. Because these services are not normally purchased by the College, and because of the difficulty of determining their fair value, donated services are not recognized in these statements.

2. CASH AND CASH EQUIVALENT

Cash and cash equivalent is summarized as follows:

	2022 \$	2021 \$
Cash	1,965,852	1,737,986
Manulife Money Market Fund	1,567,243	1,573,676
Cashable Guaranteed investment certificate, 0.35% maturing July 24, 2022	514,827	-
Cashable Guaranteed investment certificate, 0.40% maturing July 24, 2021	-	512,952
	4,047,922	3,824,614

Cashable Guaranteed investment certificates are cashable at any time, and interest is paid to the date it is cashed as long as the investment has been held for 30 days or more.

The College has a revolving line of credit facility with the Royal Bank of Canada of \$100,000. The credit is available at prime plus 3.5% and is secured by a general security agreement covering all assets of the College. The line of credit was not utilized as at March 31, 2022.

3. EQUIPMENT

	Cost \$	2022 Accumulated amortization \$	Cost \$	2021 Accumulated amortization \$
Office equipment	159,391	147,681	159,391	141,681
Computer equipment	76,931	55,334	69,647	46,078
	236,322	203,015	229,038	187,759
Net book value	33,307		41,279	

4. DEFERRED REVENUE

Deferred revenue represents examination fees and membership registrations received in advance of the period in which the service is to be provided.

	2022 \$	2021 \$
Registration fees	2,719,122	2,517,499
Examination fees	34,175	32,950
Total	2,753,297	2,550,449

5. NET ASSETS

Patient Relations Fund

The College set aside \$100,000 for potential obligations under the *Regulated Health Professions Act, 1991* (the “Act”) with respect to cases where a patient alleges they were sexually abused by a Registrant and sought funding for counselling. Decisions on granting funding rest with the Patient Relations Committee as set out in the Act. The funds set aside are reviewed on an annual basis. In fiscal 2022, \$10,806 (2021: \$511) was spent from the patient relations fund and \$21,613 was transferred into the fund.

Business Continuity Fund

In fiscal year 2021, the College established the restricted net asset to ensure the College will have adequate funds available to sustain day-to-day operations in the event of an unforeseen incident. The initial contribution was coming from strategic initiative fund for \$75,385 in addition to another \$1,000,000 set aside from unrestricted net assets. As directed by the Council, the CEO is responsible to maintain the fund at a minimum of \$3,000,000 up to a maximum of \$4,000,000 as soon as it is practicable. In the 2022 fiscal year \$Nil (2021: \$Nil) was spent from fund and \$8,492 was transferred into the fund.

Investigations and Hearings Fund

In fiscal year 2021, the College established the restricted net asset to ensure the College can cover any cost that exceeds the budgeted amounts in a given fiscal year related to legal costs for investigations and hearings, including appeals before any tribunal, conducting investigations, and conducting discipline and fitness to practice hearings. The initial contribution was coming from unrestricted net assets in the amount of \$1,000,000. As directed by the Council, the CEO is responsible to maintain the fund at a minimum of \$1,000,000 up to a maximum of \$2,000,000 as soon as it is practicable. In the 2022 fiscal year \$Nil (2021: \$Nil) was spent from the fund and \$4,246 was transferred into the fund.

Succession Planning Fund

In fiscal year 2021, the College established the restricted net asset to fund the process necessary to plan for the succession of the senior management positions. The initial contribution was coming from unrestricted net assets in the amount of \$50,000. As directed by the Council, the CEO is responsible to maintain the fund at \$50,000. In the 2022 fiscal year \$Nil (2021: \$Nil) was spent from the fund and \$- was transferred into the fund.

6. GOVERNMENT ASSISTANCE

During the fiscal year, the College received Government assistance in the form of Canada Emergency Wage Subsidy (CEWS). The CEWS served as financial relief for a portion of employee wages. The assistance received is not repayable albeit is subject to audit by the Canada Revenue Agency (CRA). The CEWS was temporary and was available from March 15, 2020 to October 23, 2021 to eligible employers.

Included in accounts receivable is \$nil (2021: \$52,541) related to the CEWS at year-end.

7. COMMITMENTS

Premises Lease Commitment

The College is committed to total minimum rentals under a long-term lease for premises, which expires on February 28, 2023. Minimum rental commitments remaining under this lease approximate \$146,723.

The College is committed under the lease agreement for a total lease term of 10 years and 2 months. The cost of the premise improvements totaling \$203,158 was paid by the landlord and included in the basic rent over the term of the lease. In the event the lease is terminated prior to the natural expiry of the term, the College agreed to pay the unamortized balance of the premise improvements. The unamortized balance as at March 31, 2022 is \$18,318 (2021: 38,300).

Other Commitments

The College is committed to consulting services related to Council Evaluation Program effective until August 2023. The remaining commitment approximates \$87,225, \$58,775 is due in the fiscal year 2023, and \$28,450 is due in the fiscal year 2024.

8. FINANCIAL INSTRUMENTS

The College is exposed to various risks through its financial instruments. The following presents the College's risk exposures and concentrations at March 31, 2022.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The College's credit risk would occur with their cash, investments and accounts receivable.

The College's bank accounts are held at one financial institution and funds on deposit exceed the maximum insured and, hence, there is a concentration of credit risk. Credit risk related to cash and investments is minimized by ensuring that these assets are held with and/or invested in credit-worthy parties.

Actual exposure to credit losses from account receivable has been moderate in prior years. The allowance for doubtful accounts is \$32,375 (2021: \$32,375).

Liquidity Risk

Liquidity risk is the risk the College will encounter difficulties in meeting obligations associated with financial liabilities. The College's exposure to liquidity risk mainly is in respect of its accounts payable. The College expects to meet these obligations as they come due by generating sufficient cash flow from operations. There has been no change in the risk assessment from the prior period.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: currency risk, interest rate risk and other price risk.

Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The College is not exposed to foreign currency risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The College does not have a significant interest rate risk.

8. FINANCIAL INSTRUMENTS (continued)

Other Price Risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The College is not exposed to other price risk.

9. FINANCIAL IMPACT OF THE NOVEL CORONAVIRUS (COVID-19)

In March 2020, the World Health Organization declared a global pandemic due to the outbreak of the novel Coronavirus ("COVID-19"). The situation is continuously developing and the economic impact has been substantial to both Canada and the globe.

The College is aware of changes in its operations as a result of the COVID-19 crisis, including staff primarily working from home, the cancellation/postponement of the some exams, and reduction of certain activities including inspections.

The duration of the pandemic is unknown at this time. As a result, it is not possible to reliably estimate the length or severity of these developments, nor the impact on the financial position of the College.



The College of Naturopaths of Ontario

Statutory Committee Annual Reports **2021-2022**

- Discipline Committee.
- Executive Committee.
- Fitness to Practise Committee.
- Inquiries, Complaints and Reports Committee.
- Patient Relations Committee.
- Quality Assurance Committee.
- Registration Committee.

Statutory Committee Annual Reports

Following are the 2021-2022 annual reports from the College's Statutory Committees as required under the *Regulated Health Professions Act, 1991*. The reports cover the period from April 1, 2021, through March 31, 2022.

Discipline Committee

The Discipline Committee as a whole met twice during the reporting period, on May 12, 2021 for its annual Committee training, and on January 25, 2022 for training specific to serving as Chair of a Discipline Panel.

Hearings Completed

A Panel of the Discipline Committee completed one uncontested Discipline Hearing in the reporting period.

1. CONO & Natasha Turner (DC20-02)

Hearing date: October 29, 2021

Decision and Reasons issued on November 26, 2021

The Registrant had admitted to the allegations of professional misconduct and a Joint Submission as to Penalty and Costs had been agreed upon prior to the hearing. The Panel concluded that the facts supported a finding and found that the Registrant had committed acts of professional misconduct as admitted in the Agreed Statement of Facts.

Total cost to the College: \$23,570.75

The Panel ordered the Registrant to pay the College's costs fixed in the amount of \$5,000, which amounted to 21% of the College's costs.

In accordance with s. 23 (2) 10 of the Health Professions Procedural Code, Decisions and Reasons of the Discipline Committee are publicly available on the College's website.

New referrals from the Inquiries, Complaints and Reports Committee (ICRC)

Specified allegations against the following Registrants were referred to the Discipline Committee by the ICRC during the reporting period:

- Karim Dhanani (DC21-01)
- Natasha Turner (DC21-02)
- Kurt Stauffert (DC21-03)
- Richard Dodd (DC22-02)

Statistics

Number of uncontested Hearing Days: 1

Number of contested Hearing Days: 0

Reinstatement Hearings: 0

Divisional Court Reviews: 0

Respectfully submitted,

Dr. Jordan Sokoloski, ND
Chair

Executive Committee

During the reporting period the Executive Committee was not required to undertake any activities, and therefore did not convene.

Respectfully submitted,

Dr. Jordan Sokoloski, ND
Council Chair

Fitness to Practise Committee

There were no referrals to, or hearings of the Fitness to Practise Committee between April 1, 2021, and March 31, 2022.

Respectfully submitted,

Dr. Jordan Sokoloski, ND
Council Chair

Inquiries, Complaints and Reports Committee

During the reporting period the ICRC held 15 meetings via video conference.

Closed matters

The Committee closed 38 matters with the number of dispositions as follows:

- No Further Action: 6
- Letter of Counsel: 9
- Oral Caution: 5
- Oral Caution & Letter of Counsel: 2
- Specified Continuing Education and Remediation Program (SCERP): 3
- SCERP & Oral Caution: 4
- SCERP, Oral Caution & Letter of Counsel: 2
- Acknowledgement & Undertaking: 0
- Referral to Fitness to Practice: 0
- Referral to Discipline Committee: 6
- Referral to Discipline Committee & Letter of Counsel: 1
- Frivolous and vexatious: 0

There were no health inquiries during the reporting period.

No decisions of the ICRC were appealed to the HPARB in this reporting period.

Interim Orders

The ICRC directed the CEO to immediately suspend the certificate of registration of two Registrants; one Registrant remains suspended while the other has resigned their certificate of registration following the outcome of a disciplinary hearing.

Additionally, the ICRC directed the CEO to impose specified terms, conditions and limitations on two Registrants' certificate of registration, which are still in place.

New investigations

In this reporting period, 17 investigations under s. 75.1.a of the Health Professions Procedural Code, which is Schedule 2 of the *Regulated Health Professions Act, 1991* were initiated based on information received from the following sources:

- Public inquiries: 6
- Matters reported by Registrants: 2
- Matters reported by other College departments: 3
- Referral from ICRC to CEO: 5
- Referral from QAC to ICRC: 0
- Referral from another regulator: 1

In addition, the ICRC received 28 formal complaints about Registrants of the College.

Complaints and Reports filed with the ICRC included one or more of the following concerns:

- Advertising: 13
- Inappropriate/unsatisfactory patient care: 11
- Failure to comply with the Standard for IVIT/Injections: 5
- Failure to comply with the Standard for Vaccination: 6
- Practising outside the Scope: 8
- Failure to keep records in accordance with the standards of the profession: 5
- Failure to comply with an order of a panel of the College: 1
- Failure to co-operate with an Investigator: 2
- Failure to report a Type 1 occurrence: 1
- Practicing the Profession while suspended: 1
- Inappropriate billing procedures and/ or charging excessive fees: 9
- Failure to wear PPE during COVID-19: 1
- Failure to obtain consent: 5
- Failure to maintain appropriate therapeutic relationships and professional boundaries: 4
- Sexual abuse: 4

There has been a total of 8 COVID related matters for this reporting period, all of which were Complaints.

Complaints/Reports Investigation Timelines

The average length of a Complaint/Report investigation during the last reporting period was 212 days, with the shortest investigation completed in 64 days and the longest - in 846 days.

Committee members have completed peer and self-evaluations with Satori Consulting, generally indicating that the committee is highly functional and productive.

Respectfully submitted,

Dr. Erin Psota, ND
Chair, Inquiries, Complaints and Reports Committee

Patient Relations Committee

During the reporting period the PRC held 3 meetings.

The PRC received one new application for Funding for Therapy/Counselling, which was approved on November 17, 2021.

The PRC continues to oversee the funding of 5 approved applications. The College's funding program managed by the PRC provided \$11,727.80 to applicants during the reporting period and \$27,089.80 since it's inception.

In addition to overseeing the Funding program, the PRC reviewed and updated its program policies to ensure they align with the program deliverables, drafted a number of Boundary Scenarios to be used by the College in communications to the profession, and created an informational letter that was sent to Ontario regional police services and sexual abuse support centres.

Respectfully submitted,

Samuel Laldin
Chair

Quality Assurance Committee

The Quality Assurance Committee held 8 meetings during the reporting period.

Self-Assessment

For the 2022 registration year, Registrants are required to complete a total of three (3) self-assessment questionnaires. This includes one (1) mandatory Record Keeping Self-Assessment and two (2) additional self-assessments of their choosing.

of Registrants required to complete the Self-Assessment by March 31, 2022: 1551

of Registrants who completed the Self-Assessment by March 31, 2022: 1142

% of Registrants who submitted by the deadline: 73.6%

Continuing Education

Due to the impact of COVID-19 pandemic, the Quality Assurance Committee reduced the number of required CE credits while ensuring that Registrants remain compliant with the QA Program. During this reporting period, Registrants only need to submit two-thirds of the required number of credits for their cycle.

of CE applications received: 603

of CE applications approved: 519

% of received applications approved by the Committee: 86.1%

Number of approved applications requesting Jurisprudence, Pharmacology, or IVIT credits:

IVIT: 12

Pharmacology: 132

Jurisprudence: 8

of live/in-person course applications: 96 (15.9%)

of online/webinar course applications: 507 (84.1%)

of Group I Registrants required to submit CE logs by the Sept. 30th deadline: 491

of Group I Registrants who submitted by the deadline: 479

% of Registrants who submitted by the deadline: 97.6%

of Group I Registrants with discrepancies in their CE Logs requiring correction: 137

of CE deferral/extension requests received: 16

of CE deferral/extension requests approved: 2

Peer & Practice Assessments

For the reporting year all peer and practice assessments are conducted virtually. The assessment included a review of specific aspects of the Registrant's premises, record keeping practises, certain College standards and guidelines, their professional portfolio and an in-depth clinical discussion of one patient chart.

of Registrants selected for a Peer & Practice Assessment: 50
of deferral requests received: 4
of deferral requests approved: 4
of Registrants who went inactive or resigned prior to completing their Peer & Practice Assessment: 2
of QA Ordered Assessments outside of regular Peer & Practice Assessment Schedule: 1
Total number of Peer & Practice Assessments completed: 45

Non-Compliance

In accordance with the Regulated Health Professions Act, 1991, the Quality Assurance Regulation and the Program Policies, where a Registrant fails to participate in the Quality Assurance Program and is deemed to be non-compliant, the Quality Assurance Committee may refer the matter to a panel of the Inquiries, Complaints and Reports Committee for investigation.

of Registrants referred to the ICRC for non-compliance with the QA Program: 1

Respectfully submitted,
Barry Sullivan, Chair

Registration Committee

During the reporting period noted, the Registration Committee met 13 times. In total, the Committee reviewed 13 applications for registration, and 4 class change applications (over two-years) in this reporting period. In addition, the Committee reviewed program policies related to Registration and Examinations and set remediation plans for exam candidates who had made two unsuccessful attempts of a College examination. No life registration applications were reviewed.

Entry-to-Practise

During this period, 82 applications for registration were received. Of these, 13 applications for registration were referred to the Registration Committee for review¹;

- 2 were based on an applicant's previous conduct raising reasonable doubt of the applicant's ability to practise naturopathy safely and professionally (under subsections 3(2) of the *Registration Regulation*),
- 2 were to address concerns regarding a physical or mental condition or disorder [under subsection 3(4) of the *Registration Regulation*],
- 2 were based on the applicant having not maintained good standing with another regulatory body [under subsection 3(5) of the *Registration Regulation*], and
- 9 were for currency [under subsections 5(4)(a) and 5(2)(b) of the *Registration Regulation*].

Of those referred, 6 certificates of registration were granted, 2 certificates were granted with the application of terms, conditions, or limitations, and 5 were granted after the completion of additional training or examinations as set out by a Panel of the Registration Committee. No applicants were denied registration. Additionally, no assessments were conducted to determine substantial equivalency via the College's Prior Learning Assessment and Recognition (PLAR) program. The College currently has one PLAR active PLAR application.

Registration

During this reporting period, the Registration Committee reviewed 4 applications for class change from Inactive to General (over two-years) (under section 10(1)(6) of the *Registration Regulation*). The committee approved these class changes following the completion of additional training/education by the Registrants.

Examinations

The Committee continued to set exam plans of remediation, for candidates who have made two unsuccessful attempts of a College examination. A total of 17 plans of exam remediation were set during this period by the Committee. The Committee also approved amendments to the Ontario Biomedical Exam blueprint and to the Ontario Clinical Sciences Exam blueprint. These were subsequently presented to and approved by the Council of the College.

¹ Two applicants were issued an addendum referral to the original Notice of Referral that was issued and reviewed twice by a panel of the Committee.

Policy Updates

The Committee approved draft amendments to the Registration Policy, the Language Proficiency Policy, Good Character Policy, the Examinations policy and the Clinical Examinations policy, Proof of Identity Policy and approved a new Alternative Documentation Policy. These policies were also subsequently presented to and approved by the Council of the College.

Registration Committee Refresher Training and Committee Evaluation

The Committee was given a refresher training on terms of reference and reviewing applications for registration, it also reviewed its self-evaluation findings with Sartori Consulting.

Review of Registration Requirements

The Committee conducted a review of registration requirements as set out in the Registration Regulation, specifically those pertaining to applications for registration, with an emphasis on review of provisions related to good character and safe and professional practise.

Respectfully submitted,

Dr. Danielle O'Connor, ND
Chair



The College of Naturopaths of Ontario

BRIEFING NOTE

Draft Amendments to the Examinations Policy

PURPOSE: The Registration Committee is seeking Council approval of the draft amendments to the College's Examinations Policy.

OUTCOME Approval of the amended policy is sought.

NATURE OF DECISION ☐ Strategic ☒ Regulatory Processes & Actions ☐ Other

PROCESS:

Activity:	Review and discussion of policy revisions.		
Results:	Decision.		
Overall Timing:	15 minutes.		
Steps/Timing:	1.	Chair, Registration Committee to present overview and decisions point.	5 minutes
	2.	Questions from Council and answers.	5 minutes
	3.	Motion and Vote.	5 minutes

BACKGROUND:

At its October 24, 2018, meeting, the Council approved amendments to the College's Examinations Policy.

Additional draft amendments to this policy (attached) have been made in consideration of the time that has elapsed since proclamation and transition of the profession from under the Board of Drugless Therapy – Naturopathy (BDDT-N) to the College, changes to the roster of examinations offered by the College including those being used to assess individuals through the Prior Learning Assessment & Recognition (PLAR) program, the need to ensure the principles of the Office of the Fairness commissioner as well as those related to equity, diversity, and inclusion are appropriately reflected, and to update policy definitions, terminology, and language to align with the newer policies under the College.

DISCUSSION POINTS:

Recognition of BDDT-N Examinations for Entry-to-Practise

As part of transitioning the profession from the previous regulatory body (the BDDT-N), the College continued to recognize the Ontario Board examinations in lieu of the College's Ontario Clinical (Practical) Examinations (both sets of examinations assessing practical competency in naturopathic manipulation, acupuncture and physical examination/instrumentation) in part to allow individuals who had pre-emptively resigned under the BDDT-N to re-apply for registration with the College with minimal barriers. Several years having now passed, the wave of resigned NDs seeking registration again in Ontario having dwindled, and recognition of the Naturopathic Physicians Licensing Examinations (NPLEX) for entry-to-practise in Ontario having ceased, the

Committee is recommending removal of the BDDT-N Examinations recognition clause from the policy, along with associated definitions.

PLARNEX

With the launch of the Clinical Sciences and Biomedical examinations, being used not only to assess entry to practise competency but also substantial equivalency in stages 2 and 3 of PLAR program, there is no longer a need for the PLARNEX. The Committee is therefore recommending removal of any mention of these exams, and associated definitions, from the policy.

Additions to Examiner Criteria

In support of the principles of the Office of the Fairness Commissioner, and the College's commitment to equity, diversity and inclusion, additional examiner recruitment criteria have been added to formalize in policy additional components that have been added within the College's examiner recruitment and examiner training initiatives.

Exam Accommodations

In-person examinations have to date provided the option for individuals to seek accommodation for breast-feeding during the examination day. This proposed policy amendment formalizes breastfeeding requests as a type of accommodation that may be requested and sets out the requirements for documentation/information that be provided to support these requests.

Amended Definitions, Terminology and Gender Neutrality

Minor amendments have also been made to capture language associated with the new governance model (e.g., Registrant vs Member) and to remove gender specific pronouns, a process in keeping with any older, existing policies undergoing review and amendment.

ANALYSIS

Risk Assessment –The risk assessment is based on the document *Understanding the Risk Analysis Terminology*, a copy of which is included in the Information Items of the Consent Agenda. Only those risks that have been identified will be addressed.

- Operational risk:
 - Process: Process risk comes from the Committee, in their review, ensuring that all of the necessary practices and procedures for update have been identified and properly amended.
- Strategic risk:
 - Reputational: Confidence and trust in the organization comes from ensuring that its practices and procedures are accurate, consistent, and up to date.

Privacy Considerations – There are no privacy considerations.

Transparency – The transparency assessment is based on the document *Understanding the College's Commitment to Transparency*, a copy of which is included in the Information Items of the Consent Agenda. Only those transparency principles that are relevant have been identified and addressed.

- Relevant, credible, and accurate information: Proposed policy amendments ensure that the information imparted in the Policy fully reflects all processes and procedures and can be relied on as an accurate reflection of current practice.

Financial Impact – There is no direct financial impact at issue on this matter.

Public Interest – The public interest assessment is based on the document the *Public Interest*, a copy of which is included in the Information Items of the Consent Agenda. Only those relevant factors have been identified and addressed.

- That operations are fair, objective, transparent and accountable and that individuals are treated with sensitivity and respect. Proposed policy amendments maintain procedural fairness while also recognizing that while the profession (and soon to be members of the profession) are generally separated from the public interest to a certain degree, these individuals are also members of the public.

EDIB –The Council and the College have made a commitment to equity, diversity, inclusion and belonging generally and to ensuring that its policies and programs do not include any elements of racism and promote EDIB principles. The ways in which EDIB have been considered are outlined in this briefing.

RECOMMENDATIONS

The Registration Committee recommends that the Council approve the amendments to the Examinations policy.

ACTION ITEMS

The policy will be updated and posted on the College website. Candidate information, such as examination handbooks, will be updated.

Dr. Danielle O'Connor, ND
Registration Committee Chair

Erica Laugalys
Director, Registration & Examinations

July 13, 2022

 The College of Naturopaths of Ontario	Policy Type	PROGRAM POLICIES
	EXAMINATIONS	
	Title	Policy No. <u>P06-EX01.04</u>
	Examinations Policy	Page No. 1

Intent/Purpose To provide a policy governing examinations administered or authorized by the College of Naturopaths of Ontario (the College).

Definitions	<u>Act</u>	<u>Means, the Naturopathy Act, 2007, S.O.2007, Chapter 10, Schedule P, as amended from time to time, Board of Directors of Drugless Therapy – Naturopathy, as established under the Drugless Practitioners Act.</u>
	<u>BDDT-N</u>	<u>Means, an individual who has made a formal application to the College for a Certificate of Registration.</u>
	<u>Applicant</u>	<u>Means, an individual who has made a formal application to the College for a Certificate of Registration.</u>
	<u>BDDT-N Examinations</u>	<u>Examinations approved by the Board of Directors of Drugless Therapy – Naturopathy testing an Applicant's entry to practice knowledge in Physical Examination/Instrumentation, Acupuncture and Manipulation, required to be eligible for registration with the BDDT-N to practice naturopathic medicine in the province of Ontario prior to the establishment of the College.</u>
	<u>Biomedical Examination</u>	<u>Means, a Council approved registration examination in the biomedical sciences which tests candidate knowledge of body systems and their interactions, body functions, dysfunctions and disease states, required to be eligible for registration with the College to practise naturopathy in the province of Ontario.</u>
	<u>By-laws</u>	<u>Means, the by-laws of the College approved by the Council under the authority of section 94 of the Code.</u>
	<u>Biomedical Examination</u>	<u>Means, Council approved registration examination in the biomedical sciences which tests candidate knowledge of body systems and their interactions, body functions, dysfunctions and disease states, required to be eligible for registration with the College to practise naturopathy in the province of Ontario.</u>
	<u>Candidate</u>	<u>Means a</u> Any person who has submitted an examination application or is engaged in any examination or appeal, which leads to the recording and/or issue of a mark, grade or statement of result or performance by the College.
	<u>Certificate of Registration</u>	<u>Means, a document issued by the College, in either the General Class or Inactive Class, which demonstrates to the public that the holder is a Registrant of the College, registered in the class set out on the Certificate and identifies whether there are any terms, conditions or limitations (TCLs) placed on the Certificate.</u>
	<u>Chief Executive Officer (CEO)</u>	<u>Means the individual appointed by the Council of the College pursuant to section 9(2) of the Code which is Schedule II of the RHPA and who performs the duties assigned to the position of Registrar under the RHPA, the Code, the Act and the regulations made thereunder.</u>

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Clinical (Practical) Examinations Means: Council approved clinical practical examinations in Physical Examination/Instrumentation, Acupuncture and Manipulation, required to be eligible for registration with the College to practise naturopathy in the province of Ontario.

Clinical Examinations Means: Council approved clinical examinations in Physical Examination/Instrumentation, Acupuncture and Manipulation, required to be eligible for registration with the College to practice naturopathic medicine in the province of Ontario, as outlined in the College's Clinical Examinations Policy.

Clinical Sciences Examination Means: a Council approved examination in the clinical sciences which tests a candidate's knowledge of necessary naturopathic competencies for the treatment of patients, required to be eligible for registration with the College to practise naturopathy in the province of Ontario.

Code Means: the Health Professions Procedural Code, which is schedule 2 to the RHPA.

College Means: the College of Naturopaths of Ontario as established under the Naturopathy Act, 2007 Act and governed by the Regulated Health Professions Act, 1991: RHPA

Council Means: the Council of the College as established pursuant to section 6 of the Act.

Deferral Means: aA granted postponement of a Candidate's candidate's attempt at one or more examinations.

Debilitated Means: aAn inability to attend the examinations due to sudden illness, injury or encountered emergency situation that prevents their attendance at an examination.

Disability Means: that aAs defined in section 10(1) of the Human Rights Code.

Disability Accommodation Means: aAn adjustment to testing conditions, examination requirements or examination scheduling to address a Candidate's current needs arising from a disability.

Examination Materials Means: eExamination documents in any medium submitted or used by College staff, exam proctors, examiners or agents of the College for scoring or grading purposes.

Examination Violation Means: aA contravention of the College's Examination Policy, or Examination Rules of Conduct.

Intravenous Infusion Therapy (IVIT) Examination Means: a CCouncil approved examination required of any Member of the CollegeRegistrant who wishes to demonstrate that they meet the Standard of Practice for the performance of Intravenous

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~~Infusion Therapy~~IVIT in the province of Ontario, as outlined in the College's IVIT Program and Examinations Policy.

Jurisprudence Examination

~~Means:~~ a Council approved Jurisprudence learning module, required to be eligible for registration with the College to practise naturopathy in the province of Ontario~~required for a Candidate to be eligible for registration with the College to practice naturopathic medicine in the province of Ontario.~~

NPLEX

~~The Naturopathic Physicians Licensing Examination as developed by NPLEX Inc., and delivered by the North American Board of Naturopathic Examiners. For the purposes of this policy, NPLEX includes two parts, NPLEX Stage 2 (Clinical Sciences Examination) and the NPLEX clinical elective in Acupuncture examination.~~

PLARNEX

~~The Prior Learning Assessment and Recognition Naturopathic Examination as developed by NPLEX Inc., and delivered by the College as part of the Prior Learning Assessment and Recognition Program of the College, as outlined in the College's PLAR Program and Examinations Policy.~~

OHRC

~~Means:~~ the Ontario Human Rights Code, R.S.O. 1990, as amended from time to time.

Prescribing & and Therapeutics Examination

~~Means:~~ a Council approved examination required of any Member of the College~~Registrant~~ who wishes to demonstrate that they meet the Standard of Practice for Prescribing as outlined in the College's ~~Controlled Acts~~General Regulation, and the College's Prescribing and Therapeutics Examinations Policy.

Physical Accommodation Due to Pregnancy

~~Means:~~ an adjustment to testing conditions, examination requirements or examination scheduling~~An adjustment to testing conditions or examination requirements to address a Candidate's candidate's physical limitations~~current needs due to related to pregnancy~~y.~~

Registrar

~~The individual appointed by the Council of the College pursuant to section 9(2) of the Health Professions Procedural Code which is Schedule II of the Regulated Health Professions Act, 1991 and who performs the duties assigned to that position under the Act, the Code, the Naturopathy Act, 2007 and the regulations made thereunder.~~

Registrant

~~Means:~~ an individual as defined in section 1(1) of the Code.

Registration Committee

~~Means:~~ the statutory committee of the College responsible for all registration matters referred to it by the CEO. Panels of this statutory committee are responsible for setting plans of exam remediation.

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Registration Regulation Means: Ontario Regulation 84/14 as amended from time to time.

Regulated Health Professional Means: ~~a~~ A Member member of a self-governing health profession as established pursuant to Schedule I of the ~~Regulated Health Professions Act, 1991~~ RHPA.

Religious Accommodation Means: ~~a~~ An adjustment to testing conditions, examination requirements or examination scheduling to address a ~~Candidate's~~ candidate's religious requirements.

RHPA Means: ~~the Regulated Health Professions Act, 1991, S.O. 1991, c. 18, as amended from time to time.~~

Supporting Documentation Means: ~~o~~ Official records provided by a court, tribunal, educational institution, licensing or regulating body, other government sanctioned organization, religious leader, or ~~regulated professional~~ Regulated Health Professional qualified to make an assessment or diagnosis, which provides details surrounding the outcome of an event or the need for accommodation.

Undue Hardship Means: ~~the point at which granting an accommodation would impose an unreasonable cost to the College or create a health and safety concern.~~

General

Guiding Legislation All aspects of this policy will be managed in accordance with the ~~Regulated Health Professions Act, 1991~~ RHPA, the ~~Naturopathy Act, 2007~~ Act, the Registration Regulation, ~~the Program and Examination Policies of the College,~~ and the ~~Ontario Human Rights Code.~~ OHRC.

Authority Pursuant to paragraph 1(i)B of section 5(1) of the Registration Regulation, the Council ~~of the College of Naturopaths of Ontario~~ has the authority to approve the registration examinations, and the body that would administer the examinations on its behalf, that a person must successfully complete in order to qualify for registration with the College.

Pursuant to paragraph 2 of section 5(1) of the Registration Regulation, the Council ~~of the College~~ has the authority to set or approve the clinical examinations which ~~a person an applicant~~ must successfully complete in order to qualify for registration with the College.

Entry-to-Practice Written Examination Pursuant to paragraph 1(i)B of section 5(1) of the Registration Regulation, all Applicants for registration whose application is received on or before midnight on March 31, 2019 must have successfully completed the NPLEX series of written examinations. Applicants whose applications are received as of 12:01 am on April 1, 2019, must have successfully completed:
1. NPLEX 1 (biomedical examination); and

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~~2. The Clinical Sciences examination set by the College and administered by Yardstick on its behalf.~~

~~Effective at 12:01 on November 15, 2020, the NPLEX 1 (Biomedical examination) referenced in item 1 above will be replaced with the Biomedical examination set by the College and administered by Yardstick on its behalf.~~

PLAR Program

Any Applicant for registration whose application is made pursuant to paragraph 1(ii) of section 5(1) of the Registration Regulation (the Prior Learning Assessment and Recognition program) must have successfully completed as a part of the program, the PLARNEX series of examinations, unless the application is received after 12:01 am on April 1, 2019 in which case the applicant must have successfully completed as a part of the program:

- ~~1. PLARNEX 1 (Biomedical examination);~~
- ~~2. The Clinical Sciences examination set by the College and administered by Yardstick on its behalf~~

~~Effective at 12:01 on November 15, 2020, the PLARNEX 1 (biomedical examination) referenced in item 1 above will be replaced with the Biomedical examination set by the College and administered by Yardstick on its behalf.~~

Entry-to-Practice Clinical (Practical) Examinations

~~All Applicants applicants, with the exception of those deemed to have satisfied subsection 7(1) of the Registration Regulation (labour mobility), for registration must also have successfully completed the Clinical (Practical) Examinations as set by the Council of the College of Naturopaths of Ontario and outlined in the Clinical (Practical) Examinations Policy.~~

Biomedical and Clinical Sciences Examinations

~~All applicants, with the exception of those deemed to have satisfied subsection 7(1) of the Registration Regulation (labour mobility), must also have successfully completed the Biomedical and Clinical Sciences Exams as set by the Council and outlined in the Clinical Sciences and Biomedical Examinations Policy.~~

Jurisprudence Examination

~~All Applicants applicants for registration must also have successfully completed the Jurisprudence examination as set by the Council.~~

Examination Attempts

~~Candidates are provided three (3) attempts Number of permitted attempts are handled in accordance with the program policies for each examination to successfully complete any examination required by this policy noted herein, with the exception of the Jurisprudence examination, which a Candidate candidate can retake until he/she has they have attained a passing grade.~~

~~A Candidate candidate who has failed an examination for a second time will be required to complete additional education or training as~~

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determined by a panel of the Registration Committee, in order to qualify to attempt the examination for a third ~~and final~~ time.

Any additional ~~education or learning~~ training or education will be determined in accordance with the refresher programs, additional education, and training provisions of the Registration ~~Program~~ Policy.

Accommodations	Requests	To ensure Candidates-candidates are provided fair and equal opportunity to sit a Council approved examination, accommodation requests received from any Candidate-candidate will be considered within the framework set out by the Ontario Human Rights Commission. Accommodations related to the NPLEX series of examinations, will be considered by the North American Board of Naturopathic Examiners (NABNE) on behalf of the College. Accommodations related to the examinations set by the College, for clarity the College Biomedical, Clinical Sciences and Clinical examinations, will be considered by the College directly. Accommodation requests should be completed in the form set and approved by NABNE for NPLEX series examinations or on the form the CEO. as approved by the Registrar for the College examinations.
	Timeframe for Request to the College	Requests for accommodations must be received a minimum of thirty days prior to the date of the scheduled examination by the exam registration deadline for the exam session where accommodation is being sought and must accompany an examination application. Requests received after this period cannot be considered; however, the Candidate-candidates may apply for a deferral of the entire examination under this policy.
	Submissions to the College	At the time of <u>registering for an examination and</u> submitting an examination application and an accommodation request, the Candidate-candidate must submit any pertinent supporting documentation in relation to the accommodation request as outlined in this policy.
	Form of Accommodation Request to the College	Requests for accommodation must be submitted in the form of a signed letter to the College which on the College's Exam Accommodation Request form, which provides specific details of the accommodation required, the reason for the request and the Candidate's-candidate's written authorization for the College to contact the provider of any supporting documentation. The <u>Registrar-CEO and/or their delegate</u> may request further documentation as deemed necessary.

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Supporting
Documentation
General
Requirements of
the College

Supporting documentation submitted must:

- Be-be dated within six (6) months of the examination application registration date;
- Outline-outline the reason for the accommodation and the specific accommodations required;
- Contain-contain the contact information of anyone providing supporting documentation on the Candidate's-candidate's behalf.

Disability
Accommodation –
Additional
Documentation
Requirements of
the College

In addition to the general requirements as described above, documentation supporting a Candidate's-candidate's accommodation request due to a disability must:

- Be-be provided by a Regulated Health Professional, or-other relevant-regulated-professional, who has or has had a practitioner/patient relationship with the candidate and who is qualified to make an assessment or diagnosis of the condition;
- be provided on the Health Professional Recommendation form which provides the title and professional credentials of the Regulated Health Professional who has made the assessment or diagnosis and provides specific information regarding how the requested accommodation relates to the disability.
- Contain the title and professional credentials of the regulated professional who has made the assessment or diagnosis; and
- Provide information regarding how the requested accommodation relates to the disability.

Religious
Accommodation –
Additional
Documentation
Requirements of
the College

In addition to the general requirements as described above, documentation supporting a Candidate's-candidate's accommodation request due to religious requirements must:

- Be-be provided by the Candidate's-candidate's religious leader;
- Provide-provide information regarding how the requested accommodation relates to the Candidate's-candidate's religious requirements; and
- Provide-provide information regarding the religious holiday if the request is for an alternate examination date due to religious observance.

Pregnancy
Related
Accommodation –
Additional
Documentation
Requirements of
the College

In addition to the general requirements as described above, documentation supporting a Candidate's-candidate's accommodation request due to a pregnancy-related condition or issue must:

- Be-be provided by a Regulated Health Professional who has or has had a patient/practitioner relationship with the candidate and who is qualified to make an assessment or diagnosis of the pregnancy related condition or issue;
- be provided on the Health Professional Recommendation form which provides the title and professional credentials of the Regulated Health Professional who has made the assessment or diagnosis and provides specific information regarding how the requested accommodation relates to the candidate's pregnancy-related condition or issue.

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Contain the title and professional credentials of the Regulated Health Professional;
Provide information regarding how the requested accommodation relates to the Candidate's pregnancy-related condition or issue.

Breastfeeding Accommodations – Documentation Requirements

Requests for scheduling accommodations to permit a candidate to breastfeed in between examination components will be considered in the context of the overall exam day schedule, feasibility of the request in comparison to the time constraints of each exam component and any health and safety measures in place at the time of exam registration which may restrict the number of individuals permitted onsite during the examination. Requests must:

- provide information which speaks to the frequency and duration of feedings, and
- acknowledge and understand that any individual named by the candidate to provide onsite childcare during the exam will be restricted to a designated area and must undergo any and all screening requirements mandated by the exam facility and the College for entry on exam day.

No supporting documentation in addition to the above information is required to substantiate a breastfeeding accommodation request.

Review of Accommodation Requests to the College

The Registrar-CEO and/or their delegate will review requests for accommodation on an individual basis and will make a final determination.

In his/her/their review, the Registrar-CEO and/or their delegate will consider whether the requested accommodation appropriately addresses the needs of the Candidate-candidate and will not cause undue hardship to the College e.g.:

Will provide an unfair advantage to the Candidate, or
Will affect the integrity of the examination.

The Candidate-Candidates will be are advised of the request for accommodation decision within ten (10)-business days of the submission date unless the Registrar-CEO and/or their delegate does not have all necessary information to effectively evaluate the accommodation request. In such instances the Candidate-candidate will be is notified of the additional time needed for a decision to be rendered.

In instances where the particular form of accommodation being requested cannot be granted, the Registrar cannot guarantee that the particular form of accommodation will be granted and CEO and/or their delegate will may, in some circumstances wherever possible, provide the candidate with terms for an alternate form of accommodation, including the option of deferring to the next exam session contact the Candidate to discuss alternative forms of accommodation.

Commented [AP1]: I am removing this because it does not appear in any other accommodation discussion and earlier in the policy, it allows the CEO to ask for whatever they believe is needed so this is limiting and, well, you never know.

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Review of Decision of the College

A Candidate may ask a Panel-panel of the Examination Appeals Committee to review the Registrar's-CEO's and/or their delegate's decision to deny or modify an accommodation request following an attempt at completing the examination. -Should the Examination Appeals Committee overturn the Registrar's accommodation decision on appeal, the examination result will be nullifiednullified, and the attempt will not count as one (1) of the three (3) attempts at the examination.

Use of Accommodation-Related Information by the College

The Registrar-CEO and/or Registration Committee may use information disclosed for the purposes of seeking an accommodation, in considering applications for initial registration with the College under subsection 3(5) of the Registration Regulation.

Withdrawals from College Examinations

Requests

Any candidate who is registered for an examination may seek to withdraw their exam registration.

Timing

Requests to withdraw from an examination must be received prior to the close of exam registration. Requests received after this period cannot be considered; however, candidates unable to attend an examination may seek a deferral of the entire examination under this policy.

Fees

A candidate seeking to withdraw from an examination shall be charged the administrative fee to cover the administrative costs associated with refund transactions. Following receipt of the administrative fee, the full examination fee is reimbursed to the candidate.

Deferrals of College Examinations

Requests

Any ~~Candidate-candidate~~ who is registered for an examination, with the exception of the Jurisprudence examination which is offered on a continuous basis may seek a deferral, in a form approved by the Registrar, or by telephone or e-mail, if they become debilitated, due to illness, injury or emergency which prevents their attendance at an examination.

Notification

Candidates ~~who are debilitated prior to the examination~~ must notify the College immediately, by telephone or by email, to advise of being unable to attend the examination and the reason. Failure to notify the College will result in a refusal of a Candidate's candidate's deferral request. -Deferral requests cannot be used to seek an accommodation that has been considered and declined.

Supporting Documentation

Deferral requests must be submitted to the College within two (2) weeks of the original notification date, accompanied by a letter from a Rregulated Hhealth Professionalcare practitioner or other supporting documentation verifying the circumstances for the missed examination.

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Failure to submit the required documentation and fee ~~shall be recorded as a will result in the~~ forfeiture of the examination fee, ~~and the examination being recorded as one (1) of three (3) examination attempts.~~

Review

The ~~Registrar-CEO and/or their delegate~~ will review all deferral requests on an individual basis. Deferrals are granted based on the validity ~~and severity of the debilitation of the illness, injury or emergency which prevented the candidate's attendance at an examination.~~

Emergency or Illness During an Examination

Candidates who ~~are debilitated~~ become ill or encounter an emergency which necessitates leaving an examination in session during an examination must notify College staff immediately and return all examination materials. A note from a Regulated Health Professional qualified to make an assessment or diagnosis of the condition must substantiating the illness, or other supporting documentation verifying the circumstances for leaving the exam must be obtained, dated within twenty-four hours of the time the ~~Candidate candidate~~ left the examination site, and submitted to the College within one ~~(1)~~ week of the examination date.

Results will be issued for any completed examinations. Examinations, which were not completed due to a substantiated ~~debilitation illness or emergency~~, will not be counted as an examination attempt. Candidates will be provided with an opportunity to sit ~~these the~~ examination(s) that they were unable to complete at the next regularly scheduled examination session.

Fees

A ~~Candidate candidate~~ granted a deferral shall be charged the administrative fee for review of the deferral request. Examination fees paid by the ~~Candidate candidate~~ shall not be refunded; however, a credit of the amount paid will be applied to the next regular sitting of the examination by the ~~Candidate candidate~~. In the event that the ~~Candidate candidate~~ does not sit the next regularly scheduled sitting of the examination, the examination fee paid will be forfeited.

<u>Exam Appeals</u>	<u>General</u>	<u>Examination appeals are handled in accordance with the Examination Appeals Policy</u>
Rules of Conduct for Examinations Set by the College	General	All Candidates candidates are required to comply with the Examination Rules of Conduct as established by the Registrar-CEO .
		Examination proctors invigilators , examiners, and staff of the College present at the examinations are responsible for enforcing the Rules of Conduct.
	Allegations of Violation	The examination proctors, examiners or College staff will document any alleged examination violations. Each is responsible for

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recording and reporting all observations of potential violations to the RegistrarCollege.

Indications that an examination violation may be occurring during the examination period may result in immediate removal of the Candidate-candidate from the examination at the discretion of the RegistrarCEO.

Notification and Response

The Candidate-candidate shall be informed in writing of the nature of the allegation and be provided with a reasonable opportunity to respond to the allegation. This response may be submitted as a formal letter or involve a meeting between the RegistrarCEO, and/or his/hertheir delegate, the Candidatecandidate, and, if the cCandidate requests in advance, another party chosen by the Candidate-candidate to act as the Candidate's-candidate's advisor.

If the Candidate-candidate fails to provide a response to the allegation in the allotted time frame or to participate in the process, the Registrar CEO may proceed to make a determination.

Review Process

The Registrar-CEO will review all pertinent information provided in relation to the alleged examination violation along with the Candidate's-candidate's response. A determination will then be made as to whether sufficient information exists to support the allegation.

Notification of the Registrar's-CEO's finding regarding the alleged examination violation will be provided to the Candidate candidate in writing and is appealable to the Examination Appeals Committee.

Consequences

A finding that an examination violation has occurred will result in a fail of the examination, which shall be recorded as one ~~(1)~~ of a total of three ~~(3)~~ attempts to successfully complete the examination.

If evidence is found of a breach in the security of the examination materials before the administration of an examination, and such evidence suggests that the behaviour is organized and/or may involve a number of candidates, the College reserves the right to cancel the examination session.

If evidence is found of a breach in the security of examination materials after the administration of an examination, and such evidence suggests that the behaviour was organized and/or may have involved a number of candidates, the College reserves the right to disqualify the exam results of some or all candidates.

The College may also take special measures at any subsequent examination to prevent the reoccurrence of the violation at the expense of any candidates involved in the security breach, seek

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damages from any persons involved in a security breach, and/or take any other action appropriate in the circumstances.

Passing Requirements	General	Passing thresholds for each examination are managed in accordance with the College's Program and Examinations Policies for Clinical (<u>Practical</u>) Examinations, <u>Clinical Sciences and Biomedical Examinations</u> , IVIT <u>Examination</u> , and the Prescribing and Therapeutics <u>Exam</u> and PLAR.
Examiners for College Examinations	General	Examiners are <u>Members-Registrants</u> of the College in good standing, who meet the criteria established by this policy.
	General Examiner Criteria	A <u>Member-Registrant</u> is eligible for selection as an examiner if, on the date of application and throughout each applicable examination session for which they are selected to participate, the <u>Member-Registrant</u>: • <u>Holds-holds</u> a General Certificate of Registration with the College with no terms, conditions or limitations on <u>his-or her-their</u> <u>Certificate of Registration</u>; • <u>Has-has</u> actively practiced <u>naturopathic medicine-naturopathy</u> for at least <u>two-free (3)-years</u>; • <u>Has-has</u> a strong working knowledge of the modality <u>for-which</u> they wish to examine in; • <u>Is-is</u> not in default of payment of any fees <u>prescribed-set out in by-in the By-by-laws</u> or any fine or order for costs to the College imposed by a College committee or court of law; • <u>Is-is</u> not in default of completing and returning any form required by the College; • <u>Is-is</u> not the subject of any disciplinary or incapacity proceeding; • <u>Has-has</u> not had a finding of professional misconduct, incompetence or incapacity against him/her in the preceding five <u>(5)-years</u>; • <u>Is-is</u> not a Council or Committee <u>Member-member</u>; • <u>Is-is</u> not employed by the College; • <u>Is-is</u> not employed as an administrative faculty <u>Member-member</u> or instructor at a naturopathic <u>academic-educational</u> institution <u>relating-to</u> naturopathy. • <u>is committed to the College's mandate of public protection and the principles of equity, diversity, and inclusion</u>; • <u>is able to be objective, impartial, transparent, fair, and consistent when making exam assessment decisions</u>.
	Intravenous Infusion Therapy (IVIT) Examiner Criteria	A <u>Member-Registrant</u> shall be eligible for selection as an <u>Intravenous-Infusion-Therapy (IVIT/IVIT)</u> examiner, if on the date of application and throughout each applicable examination session for which they are selected to participate, the <u>Member-Registrant</u>: • <u>Meets-meets</u> all of the general examiner criteria requirements for selection as an examiner for the College;

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- ~~Has~~ has met the ~~College's standards~~ Standard of practice Practice for the performance of IVIT and prescribing in Ontario;
- ~~Has~~ has actively practiced IVIT for at least ~~three~~ two (2) years;
- ~~Is~~ is not employed as an instructor or teaching assistant for any Council approved IVIT training course.

Examiner Application

A ~~Member-Registrant~~ may apply to the College for consideration as an examiner by submitting ~~his/her resume and a cover letter outlining the reason(s) he/she is interested and any applicable examiner experience.~~ a Volunteer Application to the College.

Examiner Considerations

When appointing examiners, the College will consider:

- ~~Whether whether~~ the ~~Registrant~~ Member has met the criteria as outlined in this policy;
- ~~The~~ the need for examiners with expert knowledge in a particular modality;
- ~~Any~~ additional professional qualifications and expertise ~~the Registrant possesses;~~ the Registrant possesses;
- ~~the Registrant's e~~ xperience;
- ~~Languages languages~~ spoken by the Registrant;
- ~~the Registrant's a~~ bility to be objective, impartial, transparent, fair and consistent;
- ~~Any~~ additional qualifications and characteristics ~~the Registrant possesses~~ that complement the College's mandate of public protection and commitment to the principles of equity, diversity, and inclusion; and
- ~~any p~~ ossible conflicts of interest the ~~Member-Registrant~~ may have which may hinder their ability to be objective, and impartial or fair.

Appointments

Examiners will be appointed by the ~~Registrar-CEO and/or their delegate for a maximum of an initial term of three (3) years and may be re-appointed at the discretion of the Registrar-CEO and/or their delegate. No examiner shall serve more than three (3) consecutive terms.~~

Conflicts of Interest

For the purposes of this policy, a conflict of interest is defined as outlined in section 16 of the ~~By-laws of the College.~~ Without limiting the definition, a real or perceived conflict of interest between an examiner and ~~Candidate~~ candidate exists when a prior personal or professional relationship exists between the examiner and ~~Candidate~~ candidate.

Prior to the examination schedule for each examination being finalized, examiners will be asked to review the names of all ~~Candidates~~ candidates and shall declare any conflict of interest.

The ~~Registrar-CEO and/or their delegate~~ may perceive a conflict of interest between an examiner and a ~~Candidate~~ candidate, due to professional or personal affiliation, or a prior examination attempt, for each examination session to ensure a fair and impartial process.

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The ~~Registrar-CEO and/or their delegate~~ shall subsequently adjust the examiner schedule or, if necessary, remove an examiner from the schedule in order to resolve any conflicts.

Examiner Disqualification

A ~~Member-Registrant~~ will be discharged as an examiner if ~~he/she/they~~:

- ~~B~~reaches one of the qualifications required to become an examiner as outlined in this policy.
- ~~B~~reaches confidentiality of any information learned through participation in the administration of the College's examinations.
- ~~F~~ails to properly declare a real or perceived conflict of interest.
- ~~F~~ails to be in attendance at an examination for which ~~he or she/they are is~~ scheduled without providing sufficient notice.
- ~~Is is~~ advised as such by the ~~Registrar~~CEO.

Recognition of BDDT-N Examinations taken by Candidates

~~Recognition of a Candidate's successful completion of the BDDT-N examinations (or a part thereof) by a Candidate will be managed in accordance with the College's Transition Policy.~~

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The College of Naturopaths of Ontario

BRIEFING NOTE

Draft Amendments to the Clinical Examinations Policy

PURPOSE: The Registration Committee is seeking Council approval of the draft amendments to the College's Clinical Examinations Policy.

OUTCOME Approval of the amended policy is sought.

NATURE OF DECISION ☐ Strategic ☒ Regulatory Processes & Actions ☐ Other

PROCESS:

Activity:	Review and discussion of policy revisions.		
Results:	Decision.		
Overall Timing:	15 minutes.		
Steps/Timing:	1.	Chair, Registration Committee to present overview and decisions point.	5 minutes
	2.	Questions from Council and answers.	5 minutes
	3.	Motion and Vote.	5 minutes

BACKGROUND:

At its October 24, 2014, meeting, the transitional Council approved the Clinical Examinations Policy.

Draft amendments to this policy (attached) have been made in consideration of the changes to the roster of examinations offered by the College, cessation of recognition of the North American Physicians Licensing Examinations (NPLEX) for entry-to-practise in Ontario, and to update policy definitions, terminology, and language to align with the newer policies under the College.

DISCUSSION POINTS:

NPLEX Acupuncture Elective

In May 2021, the College fully transitioned from the NPLEX series to the College's Clinical Sciences and Biomedical examinations. In lieu of the NPLEX acupuncture elective, the Clinical Sciences exam has imbedded content to assess an applicant's knowledge on acupuncture and traditional Chinese medicine, no longer necessitating a separate add-on examination. Having ceased the recognition of this examination as a requisite for entry-to-practise in Ontario, the Committee is recommending its removal from the policy along with associated definitions.

Recognition of BDDT-N Examinations for Entry-to-Practise

As part of transitioning the profession from the previous regulatory body, the Board of Directors of Drugless Therapy - Naturopathy (the BDDT-N), the College continued to recognize the BDDT-N's Ontario Board examinations in lieu of the College's Ontario Clinical (Practical) Examinations (both sets of examinations assessing practical competency in naturopathic

manipulation, acupuncture and physical examination/instrumentation) in part to allow individuals who had pre-emptively resigned under the BDDT-N to re-apply for registration with the College with minimal barriers. Several years having now passed, the wave of resigned NDs seeking registration again in Ontario having dwindled, and recognition of the Naturopathic Physicians Licensing Examinations (NPLEX) for entry-to-practise in Ontario having ceased, the Committee is also recommending removal of the BDDT-N Examinations recognition clause from the policy, along with associated definitions.

Amended Definitions, Terminology and Gender Neutrality

Minor amendments have also been made to capture language associated with the new governance model (e.g., Registrant vs Member), and to remove gender specific pronouns, a process in keeping with any older, existing policies undergoing review and amendment. The title of the policy and reference to the exams has had the word “(Practical)” added to properly identify these from other entry-to-practise exams administered by the College.

ANALYSIS

Risk Assessment – The risk assessment is based on the document *Understanding the Risk Analysis Terminology*, a copy of which is included in the Information Items of the Consent Agenda. Only those risks that have been identified will be addressed.

- Operational risk:
 - Process: Process risk comes from the Committee, in their review, ensuring that all of the necessary practices and procedures for update have been identified and properly amended.
- Strategic risk:
 - Reputational: Confidence and trust in the organization comes from ensuring that its practices and procedures are accurate, consistent, and up to date.

Privacy Considerations – There are no privacy considerations.

Transparency – The transparency assessment is based on the document *Understanding the College’s Commitment to Transparency*, a copy of which is included in the Information Items of the Consent Agenda. Only those transparency principles that are relevant have been identified and addressed.

- Relevant, credible, and accurate information: Proposed policy amendments ensure that the information imparted in the Policy fully reflects all processes and procedures and can be relied on as an accurate reflection of current practice.

Financial Impact – There is no direct financial impact at issue on this matter.

Public Interest – The public interest assessment is based on the document the *Public Interest*, a copy of which is included in the Information Items of the Consent Agenda. Only those relevant factors have been identified and addressed.

- That operations are fair, objective, transparent and accountable, and that the Clinical (Practical) Exams continue to assess candidates on requisite entry-to-practise competencies for the provision of safe and competent naturopathic care for Ontarians.

EDIB – The Council and the College have made a commitment to equity, diversity, inclusion and belonging generally and to ensuring that its policies and programs do not include any elements of racism and promote EDIB principles. With respect to this matter, EDIB has been considered to the best of our ability in the following ways:

- Whether proposed amendments unduly favoured a particular group (socio-economic or other) and have the potential to create inequity between candidates.

RECOMMENDATIONS

The Registration Committee recommends that the Council approve the amendments to the Clinical Examinations policy.

ACTION ITEMS

The policy will be updated and posted on the College website.

Dr. Danielle O'Connor, ND
Registration Committee Chair

Erica Laugalys
Director, Registration & Examinations

July 15, 2022

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	Clinical (Practical) Examinations Policy	Page No. 1

Intent/Purpose To establish a policy governing the ~~Clinical~~ **Clinical (Practical)** Examinations approved or administered by the College of Naturopaths of Ontario (the College).

Definitions	<u>Act</u>	Means, the Naturopathy Act, 2007, S.O.2007, Chapter 10, Schedule P, as amended from time to time. Board of Directors of Drugless Therapy – Naturopathy, as established under the Drugless Practitioners Act.
	<u>BDDT-N</u>	Means, an individual who has made a formal application to the College for a certificate of registration.
	<u>Applicant</u>	Means, an individual who has made a formal application to the College for a certificate of registration.
	<u>Candidate</u>	Means, any person who has submitted an examination application or is engaged in any examination or appeal, which leads to the recording and/or issue of a mark, grade or statement of result or performance by the College.
	<u>Chief Executive Officer (CEO)</u>	Means, the individual appointed by the Council of the College pursuant to section 9(2) of the Code which is Schedule II of the RHPA and who performs the duties assigned to the position of Registrar under the RHPA, the Code, the Act and the regulations made thereunder.
	<u>BDDT-N Examinations</u>	Examinations approved by the BDDT-N testing an Applicant's entry to practice knowledge in Physical Examination/Instrumentation, Acupuncture and Manipulation, required to be eligible for registration with the BDDT-N to practice naturopathic medicine in the province of Ontario prior to the establishment of the College.
	<u>Candidate</u>	Any person who has submitted an examination application or is engaged in any examination or appeal, which leads to the recording and/or issue of a mark, grade or statement of result or performance by the College.
	<u>Clinical (Practical) Examinations</u>	Means, Council approved clinical practical examinations in Physical Examination/Instrumentation, Acupuncture and Manipulation, required to be eligible for registration with the College to practice naturopathic medicine in naturopathy in the province of Ontario.
	<u>CNME</u>	Means, the Council on Naturopathic Medical Education. The North American accrediting agency for naturopathic educational programs that is recognized by the College.
	<u>Code</u>	Means, the Health Professions Procedural Code, which is schedule 2 to the RHPA.
	<u>College</u>	Means, the College of Naturopaths of Ontario as established under the Naturopathy Act, 2007 Act and governed by the Regulated Health Professions Act, 1991:RHPA.
	<u>Council</u>	Means, the Council of the College as established pursuant to section 6 of the Act.

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Deferral Means a granted postponement of a Candidate's-candidate's attempt at one or more examinations.

Examination Accommodation Means, a An adjustment to testing conditions, examination requirements or examination scheduling to address a Candidate's candidate's declared needs arising from a disability, physical limitation or religious requirement.

Examination Violation A-Means, a contravention of the College's Examination Policy, and/or Examination Rules of Conduct.

NPLEX-Clinical Elective in Acupuncture The Naturopathic Physicians Licensing Examination-clinical elective in acupuncture as developed by NPLEX Inc., and delivered by the North American Board of Naturopathic Examiners.

Registrar The individual appointed by the Council of the College pursuant to section 9(2) of the Health Professions Procedural Code which is Schedule II of the Regulated Health Professions Act, 1991 and who performs the duties assigned to that position under the Act, the Code, the Naturopathy Act, 2007 and the regulations made thereunder.

Prior Learning Assessment and Recognition (PLAR) program Means a process used to determine the competency of applicants who do not have formal education from a CNME- accredited program in naturopathy.

Registration Committee Means, tThe statutory committee of the College responsible for all registration matters referred to it by the RegistrarCEO, and the imposition of Tterms, econditions-Conditions or Limitations on Certificates-certificates of Registration-registration as deemed necessary in accordance with the Health Professions Procedural Code.

Registration Regulation Means, Ontario Regulation 84/14 as amended from time to time

RHPA Means, the Regulated Health Professions Act, 1991, S.O. 1991, c. 18, as amended from time to time.

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General

Guiding Legislation All aspects of this policy will be managed in accordance with the Regulated Health Professions Act, 1991RHPA, the Naturopathy Act, 2007Act, the Registration Regulation, the Ontario Human Rights CodeOHRC, and the College's Examinations Policy and Examination Rules of Conduct.

Entry-to-Practice Clinical Examinations Requirement All Aapplicants for registration, with the exception of those applicants who have been deemed to have satisfied subsection 7(1) of the Registration Regulation (labour mobility), must successfully complete the the-Clinical (Practical) Eexaminations xaminations as

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set ~~and or~~ approved by ~~the Council of the College of Naturopaths of Ontario~~ in order to qualify for registration with the College.

Clinical <u>(Practical)</u> Examinations	Eligibility - General	A C Candidate is eligible to sit the College's clinical-Clinical (Practical) examinations-Examinations provided they have successfully completed a CNME-accredited program in naturopathy as required by the Registration Regulation or have successfully completed the Prior Learning Assessment and Recognition (PLAR) program.
	Eligibility - Acupuncture	To be considered eligible to sit the College's acupuncture C clinical <u>(Practical) E</u> examination, and the NPLEX-clinical elective in acupuncture, required of all Applicants for registration with the College, C candidates must have completed at least 220 hours of didactic and at least 30 hours of clinical training in acupuncture and traditional Chinese medicine.
	Accommodations	To ensure Candidates-candidates are provided fair opportunity to sit any Council approved examination, the College will consider all accommodation requests received from any Candidatecandidate . All requests for accommodation will be managed in accordance with the College's Examinations Policy and Examinations Rules of Conduct .
	Examination Attempts	Candidates are provided three (3) attempts to successfully complete any examination required by this policy <u>the Clinical (Practical) Examinations</u> .
		A Candidate-candidate who has failed an examination for a made a second unsuccessful attempt of the exam(s) second time may be required to complete additional education or training, as determined by a panel of the Registration Committee, in order to qualify to attempt the examination (s) for a third and final time.
	Retakes	A Candidate-candidate will sit all three (3)-c Clinical <u>(Practical) E</u> examinations during their first attempt. A second and third attempt will include only those clinical-Clinical (Practical) E examinations that were failed in the first and/or second attempt as the case may be. Any retake is considered a subsequent attempt of the maximum of three (3) attempts permitted to successfully complete the clinical-Clinical (Practical) E examinations.
	Deferrals	Any Candidate-candidate who is registered for an examination required by this policy may seek a deferral. All deferral requests are managed in accordance with the College's Examinations Policy and Examinations Rules of Conduct .
	<u>Withdrawals</u>	<u>Any candidate who is registered for an examination as required by this policy may seek to withdraw. All withdrawal requests are</u>

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DATE APPROVED	DATE LAST REVISED
October 30, 2014	<u>September 30, 2014</u>

 The College of Naturopaths of Ontario	Policy Type	PROGRAM POLICIES
	EXAMINATIONS	
	Title	Policy No. <u>P06-EX02_02</u>
	Clinical <u>(Practical)</u> Examinations Policy	Page No. 4

managed in accordance with the College's Examinations Policy.

Exam Appeals

Appeals of an examination as required by this policy are handled in accordance with the Examination Appeals Policy

Examination Violations

All ~~Candidates~~ candidates are required to comply with the Examination Rules of Conduct as outlined in the Examinations Policy and Exam Rules of Conduct. Any allegation of an examinations violation will be handled in accordance with the College's Examinations Policy and Examinations Code of Conduct.

Passing Requirements

To pass the Clinical (Practical) Examinations, a Candidate candidate must achieve a minimum of 75% on each examexam. In the instance of an unsuccessful exam attempt, the Candidate need only re-take the exam(s) which he/she failed however, a re-take of any one (1) exam will be considered an additional attempt of the maximum of three (3) attempts permitted to successfully complete the clinical examinations.

Recognition of BDDT-N Examinations taken by Candidates

Transition Policy

Recognition of a Candidate's successful completion of (a) BDDT-N examination(s), as fulfilling one or more of the clinical examination requirements under the College, will be managed in accordance with the College's Transition policy.

DATE APPROVED	DATE LAST REVISED
October 30, 2014	<u>September 30, 2014</u>

 The College of Naturopaths of Ontario	Policy Type	PROGRAM POLICIES
	EXAMINATIONS	
	Title	Policy No. P06-EX 02_02
	Clinical (Practical) Examinations Policy	Page No. 5

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DATE APPROVED	DATE LAST REVISED
October 30, 2014	September 30, 2014



The College of Naturopaths of Ontario

BRIEFING NOTE

Relocation of the College's Head Office

PURPOSE: To brief the Council on the process for and the outcome of the search for new space to allow for the relocation of the College's head office.

OUTCOME To satisfy the Council that College staff have undertaken the search process diligently and selected a location that is in the public interest, the best interests of the College and meets our needs.

NATURE OF DECISION ☐ Strategic ☐ Regulatory Processes & Actions ☒ Other

PROCESS:

Activity:	The CEO and Director of Operations will speak to the content of this briefing note.		
Results:	It is expected that the Council will have confidence in the process used to find a space and the decision to enter into a lease agreement with one specific location.		
Overall Timing:	20 minutes		
Steps/Timing:	1.	Review of Issue	10 minutes
	2.	Q&A from Council	10 minutes

BACKGROUND:

In late 2012, the then transitional Council of the College of Naturopaths of Ontario asked the then Registrar & CEO to embark on a process of finding appropriate accommodations for the head office of the College.

After an extensive search, the College entered into a 10-year lease with Medallion Corporation for the space located on the 10th floor at 150 John Street, in downtown Toronto.

Although the lease contains a clause enabling the College to renew the lease for an additional 10-years, the decision was taken earlier on not to engage the landlord in such discussions, for reasons that are outlined in the discussion points.

Earlier this year, the Director of Operations embarked on a process for locating new office space for the head office of the College. Lennard Commercial Realty, Brokerage of Mississauga, Ontario was retained to support the College in its endeavour.

Lennard Commercial Realty is the same firm that assisted the College in 2012 and has a long history of providing commercial real estate services to the health regulatory Colleges. The services of Lennard Commercial Realty are paid based on a commission once a space is leased and by the landlord, similar to a typical real estate situation.

On July 14, 2022, the Chief Executive Officer and Council Chair signed a letter removing final conditions on an offer to lease a location. On July 18, 2022, the Landlord of that location waived

their final conditions, thus binding both parties to a lease of the new premises, effective March 1, 2023.

The new office location will be 10 King Street East, Suite 1001, Toronto, Ontario.

DISCUSSION POINTS:

In this section of the briefing, many of the key issues and processes involved in making a final decision on this location will be addressed. All efforts will be made to do so succinctly; however, space location selection is a highly complicated process.

Why not the current location or elsewhere in the building were not considered

The College has an extremely positive relationship with Medallion Corporation and the staff who oversee the management and maintenance of the building. Although there have been structural issues within the building in the past, these have been quickly addressed by the landlord making them a very reliable partner.

Our current location is too large for our needs moving forward based on our new hybrid model for employment. It also made little sense to maintain the 10th floor location if the full space was not required and although subletting part of it was considered, this is a risky proposition given each College has its own space currently and all run-on different timeframes for lease renewals.

Additionally, relocating within the building was not considered because the building itself is not as close to public transit and other amenities (restaurants, coffee shops etc.) as we would like, and the building has ongoing issues with deficiencies with elevators and ventilation due to the age of the building.

The commercial space market

It is important to note that the commercial space market will have changed in the ten years that the College has been in its current location. Rental costs will have increased based not only on inflation in that period but a lengthy period of low space availability in the GTA.

While in 2020, the market of available space will have increased as some companies began to release or reduce space, these fluctuations did not have a significant downward impact on rental rates.

The College expected to be paying a higher rate per square foot than its current lease but anticipated savings being realized by reducing the size of space being rented.

Location, location, location

As part of our process and due diligence, the College's search process evaluated several different potential locations, including north Toronto, Etobicoke, Mississauga, Burlington, Vaughan and Markham. An analysis of where our staff were located was also conducted to determine the impact on the College of moving the office out of the downtown core.

To summarize the findings:

- Rental costs outside of the downtown core were not significantly lower than the costs in the core.
- Moving the College outside of the core would result in the overwhelming majority of College staff increasing their commute time significantly.

- Union station is a primary public transit hub bringing together GO trains, GO buses, other bus services and the TTC. It is significantly easier to commute into the downtown core than it is to commute elsewhere.
- Moving the College outside of Toronto would result in many of the College staff having to not only commute but change modes of transportation or vehicles. For example, an office in Etobicoke or Mississauga would mean staff in Newmarket, Markham, eastern GTA locations would commute into downtown and then commute back out of the core. These same issues would be faced by Registrants who had to visit the College's offices for any particular reason.
- Finally, most of the College's business is in and around the downtown core. This includes interactions with other Colleges as well as with the Ontario Government.

When taken all together, it was very clear early on to the Senior Management Team (SMT) that the search parameters for space had to be confined to an area relatively close to the current location. That said, we also wanted to ensure, as much as possible:

- Increased access to other amenities and services, such as restaurants.
- Increased access to the transit system, preferably direct access to the subway.
- Improved elevator access to the suite.
- Improved in suite ventilation.

The Hybrid Model

As noted above, the College is continuing with its hybrid employment model where staff will be enabled to work from home and only attend the office on an as needed basis. This decision was made in consultation with staff. By using this model, the College is able to significantly scale back its space requirements.

In-person versus virtual meetings

Based on continuing discussions with the committees, there is an overwhelming preference that meetings continue on a virtual basis as opposed to in person. This allows volunteers to reduce their overall time commitment to the College, by eliminating travel to and from Toronto. Virtual meetings have also proven to be highly efficient resulting in shorter meetings than in the past.

Council too has continued to express its desire to remain primarily virtual with perhaps a single in person meeting each year.

This approach for Council and committees has meant a reduction in the need for meeting space.

The Search Itself

As noted above, the College was ably assisted by Lennard Commercial Realty, Brokerage (LCRB). The process unfolded as follows:

- November 2021 – LCRB conducts a needs analysis with the College.
- December 2021 - LCRB present results of updated staff demographics.
- January 2022 – LCRB presents Market report to College. SMT narrows market to desired geographic area.
- January 2022 – LCRB present market survey of vacant space to College. Based on the specifications, the list is narrowed to a list of spaces to be toured.
- February 2022 – Director of Operations and Administration Coordinator tour six office locations with LCRB.

- March 2022 – Additional space locations are developed and presented to the Director of Operations by LCRB and other Colleges. Director of Operations tours one additional space.
- April 2022 – Director of Operations presents proposed short list of three preferred locations to SMT.
- May 2022 – The Senior Management Team tour the short-listed three properties, 10 King Street East, 18 King Street East and 40 University, one of which is eliminated at that time.
- May 2022 – Preliminary offers are made to both 10 King Street and 40 University, conditional on space utilization (plan) review.
- June 2022 – Landlord counter-offers are reviewed and further countered by the College.
- July 2022 – Each property provides space utilization plan, which is a preliminary floor plan based on College needs and equipment.
- July 2022 – SMT is advised that 40 University space is leased to another company; offer on 10 King is finalized, conditions waived.
- July 19, 2022 – The 10 King Street landlord waived their final conditions thereby confirming the agreement.

Comparative Analysis of Space

The following is a comparison of the College's current space and the new space that has been retained.

Parameter	Current space	New space
Enclosed offices	6	3
Workstations	14	7
Maximum staff in office	20	10
Meeting rooms	2	1
Meeting accommodation	18 and 10 = 28	10
Washroom facilities	In office, exclusive use	Corridor, share use
Footprint	5,710 square feet	2,806 square feet
Annual rental costs ¹	\$275,483	\$170,942
Annual costs by SF	\$48.25	\$60.92

Council meetings

As noted above, the Council has indicated that it prefers to continue primarily on a virtual meeting approach; however, if Council has an in-person meeting, it is our intention to book space at a nearby hotel. Doing so will result in slightly higher food costs as food must be obtained via the hotel; however, the savings from the reduction in space in the office far exceeds these additional costs.

Hearings

The Discipline Committee has also indicated a preference to continue with virtual hearings. However, it is possible that a Registrant might ask for and be granted an in-person hearing. Such a hearing would be held at the offices of Victory Verbatim, who currently provide court reporting services to the Discipline Committee. Their location is set up and equipped to host several hearings simultaneously. Again, this is slightly more costly based on a single hearing but overall, the virtual approach results in space cost savings in overall College rental costs.

¹ Please note that the annual costs include basic rent plus additional rent, the latter which is estimated and is charged based on actual building operating costs.

ANALYSIS

Risk Assessment – The risk assessment is based on the document *Understanding the Risk Analysis Terminology*, a copy of which is included in the Information Items of the Consent Agenda. Only those risks that have been identified will be addressed.

- Operational risk:
 - People – as noted in the briefing, relocation of the office brings about the potential risk of loss of personnel who do not want to commute to a new location if the change is significant.
- Financial risk:
 - Market risk – leasing space does represent a market risk. The College's processes are concluding during an unanticipated period of high inflation impacting the overall costs. Concluding the lease at this time reduces the risk as high inflation is expected to continue for several more months.
- Strategic risk:
 - Economic environment – as noted above, high inflation rates have the potential of further increasing costs to the College if the lease was not concluded at this time.
 - Reputation – Office space has a direct impact on the College's reputation; however, there are several conflicting perspectives. From the view of the public and most organizational stakeholders, having a head office location that is respectable, well kept, secure and well organized instills confidence in the organization. From naturopathic stakeholder, in particular Registrants, the costs of renting space are seemed to be extraordinary and in some cases unnecessary.

Privacy Considerations – There are no privacy considerations.

Transparency – The transparency assessment is based on the document *Understanding the College's Commitment to Transparency*, a copy of which is included in the Information Items of the Consent Agenda. Only those transparency principles that are relevant have been identified and addressed.

- Information to foster trust – this detailed briefing note has been provided to foster trust that the College has used expert advice and followed appropriate and tested processes in selecting a new location for its head office.
- Timely, accessible and contextual – this is the next in a series of briefings to Council over the past 18 months about the search for a new office location and the factors that go into making these decisions.
- Confidentiality when it leads to better outcomes
- Consistent approaches – by using expert advice that is commonly used by other health regulatory Colleges, this College has taken an approach to leasing the space that is consistent with other Colleges and standard approaches to search for and leasing space.

Financial Impact – The financial impact of this decision overall is significant and positive. Overall leasing costs (operating costs) are estimated to be reduced by slightly more than \$100,000 annually. Nonetheless, next to salaries and benefits, lease costs are one of the most significant cost centers for the College.

Public Interest – The public interest assessment is based on the document *Understanding the Public Interest*, a copy of which is included in the Information Items of the Consent Agenda. Only those relevant factors have been identified and addressed.

- The public interest in this matter is vested in principle-driven governance and operations. This briefing note is intended to summarize the key principles at issue in making a decision on leasing space and retaining talented, qualified staff.

- Transparency is also at issue in this matter. This briefing is intended to ensure that the College is being transparent in the process that has been followed and the resources used to come to a decision.

EDIB – The Council and the College have made a commitment to equity, diversity, inclusion and belonging (EDIB) generally and to ensuring that its policies and programs do not include any elements of racism and promote EDIB principles. With respect to this matter, EDIB has been considered in the following ways:

- The office location itself is important as accessibility is a key factor. The new location is directly on the subway line and has accessible elevators to allow access to all Ontarians.
- The office space is also accessible, as are the washrooms available in the building, for Ontarians with disabilities.

RECOMMENDATIONS

There are no recommendations to the Council and no decisions to be made by the Council as this is an informational briefing.

Andrew Parr, CAE
Chief Executive Officer
July 2022



The College of Naturopaths of Ontario

Materials Redacted

Page redacted pursuant to paragraph (2) of section 7(2) of the Health Professions Procedural Code. The materials include personnel related materials that are personal information to the individual to whom they pertain.

The Council will be moving to an in camera session to discuss these materials pursuant to paragraph (2) of section 7(2) of the Health Professions Procedural Code.



The College of Naturopaths of Ontario

**Council Meeting
July 27, 2022**

**Video Conference
APPROVED MINUTES**

Council		
Present		Regrets
Ms. Asifa Baig (1:2)		Dr. Jonathan Beatty, ND (0:2)
Dr. Shelley Burns, ND (2:2)		Dr. Anna Graczyk, ND (1:2)
Mr. Dean Catherwood (2:2)		Ms. Tiffany Lloyd (1:2)
Mr. Brook Dyson (2:2)		Dr. George Tardik, ND (1:2)
Ms. Lisa Fenton (2:2)		
Ms. Sarah Griffiths-Savolaine (2:2)		
Dr. Denis Marier, ND (2:2)		
Mr. Paul Phillion (2:2)		
Dr. Jacob Scheer, ND (2:2)		
Dr. Jordan Sokoloski, ND (2:2)		
Staff Support		
Mr. Andrew Parr, CAE, CEO		
Ms. Agnes Kupny, Director of Operations		
Ms. Erica Laugalys, Director, Registration & Examinations		
Ms. Monika Zingaro, Administration Coordinator		
Guests		
Ms. Rebecca Durcan, Legal Counsel		
Mr. Thomas Kriens, Auditor		
Dr. Elena Rossi, ND, Chair, Audit Committee		
Dr. Danielle O'Connor, ND, Chair Registration Committee		

1. Call to Order and Welcome

The Chair, Dr. Jordan Sokoloski, ND, called the meeting to order at 9:18 a.m. He welcomed everyone to the meeting.

The Chair also noted that the meeting was being live streamed via YouTube to the College's website.

2. Consent Agenda

2.01 Review of Consent Agenda

The Consent Agenda was circulated to members of Council in advance of the meeting. The Chair asked if there were any items to move to the main agenda for discussion. There were none.

MOTION:	To approve the Consent Agenda as presented.
MOVED:	Paul Phillion
SECOND:	Jacob Scheer
CARRIED.	

3. Main Agenda

3.01 Review of the Main Agenda

A draft of the Main Agenda, along with the documentation in support of the meeting had been circulated in advance of the meeting. The Chair asked if there were any items to be added to the agenda. There were none.

MOTION:	To approve the Main Agenda as presented.
MOVED:	Dean Catherwood
SECOND:	Lisa Fenton
CARRIED.	

3.02 Declarations of Conflicts of Interest

The Chair reminded the Council members of the updated Declarations of Conflict-of-Interest process. A summary of the Annual Conflict of Interest Questionnaires completed by Council members has been included to increase transparency and accountability initiatives, and to align with the College Performance Measure Framework Report (CPMF) launched by the Ministry of Health.

4. Monitoring Reports

4.01 Report of the Council Chair

The Report of the Council Chair was circulated in advance of the meeting. The Chair reviewed the report briefly with Council. He welcomed and responded to questions from the Council.

MOTION:	To accept the Report of the Council Chair as presented.
MOVED:	Jacob Scheer
SECOND:	Shelley Burns
CARRIED.	

4.02 Report on Regulatory Operations from the Chief Executive Officer (CEO)

The Report on Regulatory Operations from the CEO was circulated in advance of the meeting. Mr. Andrew Parr, CEO, provided highlights of the report and responded to questions that arose during the discussion that followed.

MOTION:	To accept the Report on Regulatory Operations from the CEO.
MOVED:	Paul Phillion
SECOND:	Dean Catherwood
CARRIED.	

5. Council Governance Policy Confirmation

5.01 Review/Issues Arising

5.01(i) Council-CEO Linkage Policies

Council members were asked if they had any questions or matters to note with respect to the Council-CEO Linkage policies based on the reports received. No issues were noted at this time.

5.01(ii) Governance Process Policies

Council members were asked if they had any questions or matters to note with respect to the Governance Process policies based on the reports received. No issues were noted at this time.

5.01(iii) Ends Policies

Council members were asked if they had any questions or matters to note with respect to the Ends policies based on the reports received. No issues were noted at this time.

5.02 Detailed Review (as per GP08) – Executive Limitations Policies (Part 1)

Council members were asked if there were any members who wished to discuss the Executive Limitations Policies (Part 1). The Chair provided a detailed overview of the amendments being presented as outlined in the Memorandum included within the Council's package and responded to any questions that arose during the discussion.

MOTION:	To accept the recommendations of the Governance Policy Review Committee.
MOVED:	Jacob Scheer
SECOND:	Lisa Fenton
CARRIED.	

5.03 GP06 – Committee Terms of Reference – Amendments

Council members were asked if there were any members who wished to discuss proposed amendments to the Committee Terms of Reference. The Chair provided a detailed overview of the amendments being presented as outlined in the Memorandum included within the Council's package and responded to any questions that arose during the discussion.

MOTION:	To accept the recommendations of the Governance Policy Review Committee.
MOVED:	Paul Phillion
SECOND:	Dean Catherwood
CARRIED.	

In addition, the Chair brought forward that currently College volunteers have a nine-year term limit as to how long they may volunteer on a given Committee. Council was invited to provide feedback on whether they would like to remove the term limit, increase the term limit, or maintain the term limit. After a thorough discussion, the Council requested to have the Governance Policy Review Committee complete additional research on best practices and provide their recommendations to Council.

6. Business

6.01 Audit Committee Report on the 2021-2022 Audit

A copy of the Audit Committee Report on the audit for the fiscal year April 1, 2021, to March 31, 2022, was circulated in advance of the meeting. Dr. Elena Rossi, ND, Audit Committee Chair, reviewed the report with the Council members and responded to any questions that arose during the discussion.

MOTION:	To accept the Audit Committee Report as presented.
MOVED:	Lisa Fenton
SECOND:	Shelley Burns
CARRIED.	

6.02 Auditor's Report and Audited Statements – Fiscal Year 2021-2022

The Chair invited Mr. Thomas Kriens, Partner at Kriens~LaRose, LLP and Auditor, to present the Auditor's Report and the Audited Financial Statements to Council. Mr. Kriens presented his report and responded to questions that were brought forward from Council members.

MOTION:	To accept the Auditor's Report and approve the Audited Financial Statements for the period April 1, 2021, to March 31, 2022, as presented.
MOVED:	Paul Phillion
SECOND:	Jacob Scheer
CARRIED.	

The Chair thanked Mr. Kriens and Dr. Elena Rossi, ND, for presenting their reports to Council.

6.03 Annual Statutory Committee Reports

The annual Committee Reports submitted by each statutory Committee Chair were distributed in advance of the meeting. The Chair presented the Reports and Mr. Parr responded to any questions that arose during the discussion.

MOTION:	To accept the annual Committee Reports as presented.
MOVED:	Dean Catherwood
SECOND:	Brook Dyson
CARRIED.	

6.04 Examinations Policy – Proposed Amendments

A Briefing Note and corresponding documentation highlighting the proposed changes to the Examinations Policy were circulated in advance of the meeting. Dr. Danielle O'Connor, ND, Chair, Registration Committee, provided a detailed overview of the amendments and responded to any questions that arose during the discussion.

MOTION:	To approve the proposed changes to the Examination Policy as presented.
MOVED:	Shelley Burns
SECOND:	Jacob Scheer
CARRIED.	

6.05 Clinical Examinations Policy – Proposed Amendments

A Briefing Note and corresponding documentation highlighting the proposed changes to the Clinical Examinations Policy were circulated in advance of the meeting. Dr. Danielle O'Connor, ND, Chair, Registration Committee, provided a detailed overview of the amendments and responded to any questions that arose during the discussion.

MOTION:	To approve the proposed changes to the Clinical Examination Policy as presented.
MOVED:	Paul Phillion
SECOND:	Lisa Fenton
CARRIED.	

6.06 Head Office Relocation

A Briefing Note highlighting the steps taken by College staff when in the process of looking for a new office location was circulated in advance of the meeting. Mr. Parr provided a detailed overview of the process and responded to any questions that arose during the discussion.

7. Council Education

7.01 Council & Committee Evaluations – Update

Ms. Sandi Verrecchia of Satori Consulting Inc. provided the Council with a detailed summary of the Council's evaluation and highlighted the changes from the previous year's results and responded to any questions that arose during the discussion.

8. In-camera Session (Pursuant to paragraph (d) of section 7(2) of the HPPC)

8.01 Motion to Begin In-camera Session

The Chair called the meeting to move to an in-camera session at 11:52 a.m.

MOTION:	To move to an in-camera session pursuant to paragraph (d) of section 7(2) of the Health Professions Procedural Code as the Council will be discussing personnel matters.
MOVED:	Dean Catherwood
SECOND:	Shelley Burns
CARRIED.	

9. Other Business

The Chair asked if there was any other business to be brought before the meeting ended. There was none.

10. Meeting Evaluation and Next Meeting

10.01 Evaluation

The Chair advised the Council members that a link will be provided within the chat feature via Zoom for each member to copy and paste into a web browser to complete an evaluation form immediately following the end of the meeting.

10.02 Next Meeting

The Chair noted for the Council that the next regularly scheduled meeting is set for September 28, 2022. In addition, the Chair noted the informal networking held prior to the meeting commencing will take place again, as the Council members appreciated being able to speak to one another.

11. Adjournment

11.01 Motion to Adjourn

The Chair asked for a motion to adjourn the meeting. The meeting adjourned at 12:14 p.m.

MOTION:	To adjourn the meeting.
MOVED:	Dean Catherwood
SECOND:	Brook Dyson

Recorded by: Monika Zingaro

Administration Coordinator
July 27, 2022

Approved: September 28, 2022

Council Highlights
July 27, 2022 (Meeting #30¹)

The Council of the College of Naturopaths of Ontario met on Wednesday, July 27, 2022, from 9:18 a.m. to 12:14 p.m. Four of the seven elected professional members and six of the seven public members appointed by the Lieutenant Governor in Council were present. Also in attendance was General Legal Council Rebecca Durcan of the law firm Steinecke Maciura LeBlanc and Mr. Thomas Kriens, CPA, CA, LPA, BBM, Partner Audit at Kriens~LaRose, LLP. The agenda and supporting materials for the meeting were released via the College's website on July 20, 2022, and continue to be available on the [College's website](#).

In addition to its regular routine business and receipt of reports from each Chair and the Chief Executive Officer, the Council considered several important matters which have been highlighted below.

Auditor's Report and Audited Statements – Fiscal Year 2021-2022 – The Council considered and accepted the Auditor's Report and Audited Statements – Fiscal Year 2021-2022. They can be found here on [our website](#).

Annual Statutory Committee Reports– The Council reviewed and accepted the Committee Reports for fiscal year 2021-2022. They can be found here on [our website](#).

Examination Policy – The Council considered and accepted recommendations from the Registration Committee for amendments to the Examination Policy. This can be found here on [our website](#).

Clinical Examination Policy – The Council considered and accepted recommendations from the Registration Committee for amendments to the Clinical Examination Policy. This can be found here on [our website](#).

Council Education – As a part of the College and its Council's commitment to good governance, the Council conducted an educational exercise that was facilitated by Ms. Sandi Verrecchia of Satori Consulting Inc. The Council was provided an update in relation to Council and Committee evaluations and education on the next steps in the process and timelines.

Readers who have questions are invited to contact the College by e-mail at general@collegeofnaturopaths.on.ca.

Andrew Parr, CAE
Chief Executive Officer
July 29, 2022

¹ This is the 30th meeting of the Council dating back to its first meeting held following proclamation of the *Naturopathy Act, 2007* on July 1, 2015.