



Our Ref. 102699

August 9, 2016

Mr. Shane Busby
Vice-President, Administration
Camosun College
3100 Foul Bay Rd
Victoria BC V8P 5J2

Dear Mr. Busby

I am writing to provide you with information regarding Camosun College operating grant and student full-time equivalent (FTE) target for 2016/17, and the associated accountabilities, roles and expectations.

2016/17 Operating Grant and FTEs

Attachment 1 provides details pertaining to your institution's operating grant and student FTE targets for fiscal 2016/17.

Please ensure that your institution's Institutional Research (IR) Director is provided copies of correspondence from the Ministry of Advanced Education (the Ministry) that includes student FTE targets. This communication will help ensure accurate FTE reporting that is aligned with funding.

One-time Health program Funding - Short Duration and Pilot Health Education

A Call for Proposals for one-time short-duration and pilot health education program spaces in 2016/17 was provided under separate cover in January 2016. The decisions made on those proposals have been reflected in your institution's budget allocation and student FTE targets.

Developmental Program FTEs

Student FTE targets for developmental programs remain unchanged for 2016/17. The Ministry recognizes that recent funding and tuition policy changes mean some institutions are still in a period of transition with regard to the delivery of these programs, and may be unable to meet their target. Institutions will be advised once the Ministry begins planning for a review of the targets for developmental programs.

Economic Stability Mandate

The operating grant allocations include funding for collective agreements ratified under the Economic Stability Mandate (ESM) prior to July 22, 2016, and for the associated Economic Stability Dividend. For those institutions which have not concluded bargaining under the ESM, the Ministry will seek approval for additional funding after the remaining agreements are ratified. In support of this work, those institutions will be asked to confirm cost estimates provided to the Ministry by the Public Sector Employers' Council Secretariat.

Institutions should assume that provincial funding will be available to offset salary increases that fall within the parameters of the ESM. This funding may be built into quarterly forecasts. . If you have any questions please contact Mr. Raman Dale, Director, Post-Secondary Finance, at (250) 387-6142 or Raman.Dale@gov.bc.ca.

B.C.'s Skills for Jobs Blueprint

[B.C.'s Skills for Jobs Blueprint](#) (the *Blueprint*) continues to align post-secondary program offerings with labour market demand to ensure British Columbians have the skills needed to fill anticipated job openings in the province.

Your institution's 2016/17 Skills Gap Plan has been approved by the Labour Market Priorities Board and the funding and student FTEs are outlined in the targets in Attachment 1. Performance against the "Total Skills Gap Plan FTE" targets will be assessed using your institution's final 2016/17 FTE reports, due in spring 2017. Institutions not delivering the targeted student spaces under the *Blueprint* may have funding redirected.

Financial Oversight and Accountabilities

On February 16, 2016, the government tabled *Budget 2016*, its updated three-year Budget and Fiscal Plan, which continues to uphold the commitments to annual balanced budgets and a declining trend in the taxpayer-supported debt-to-GDP ratio that supports a AAA credit rating.

As part of the government reporting entity, post-secondary institutions are required to meet or exceed their financial targets, and are responsible for the effective and efficient use of taxpayer investments to ensure a high quality, accessible post-secondary education system in British Columbia. The financial accountabilities of institutions are outlined in legislation (the *College and Institute Act*, the *University Act*, and the *Budget Transparency and Accountability Act [BTAA]*); and are grounded in prudent, transparent fiscal management.

Good financial management helps ensure that institutions are able to achieve their operational and fiscal objectives; gain the respect and confidence of funding agencies and other stakeholders; and create a position of long-term financial sustainability. The post-secondary sector receives significant funding from government, and as such, is accountable to taxpayers for the effective and efficient use of these resources. This includes ensuring that expenditures throughout the organization are reasonable, appropriate and directly support the core mandate of the institution. The following information is provided to guide and inform institutions' financial planning:

Financial Reporting

The *BTAA* sets out that all government reporting entities will provide quarterly financial reports, including year-to-date actuals and four-year forecasts. These reports are consolidated and publicized by specified dates. In order to support these timeframes, the Ministry of Finance establishes quarterly reporting dates, and institutions are expected to provide all reports on time, ensure that all known financial changes are reflected, and that forecasts reflect best-available estimates of year-end operating and capital results.

The accuracy of forecasting is of primary importance and material changes to operating results or to capital project schedules and/or provincial cash flows should be brought to the Ministry's attention immediately.

Institutions' third-quarter projections for the following fiscal year are used to establish the Budget and Fiscal Plan targets. Institutions' financial outcomes are monitored against these figures throughout the following year.

Balanced Financial Results

Legislation requires that an institution must be in an annual balanced or surplus financial position, including amortization expenses but excluding new endowment contributions. In addition, capital projects must be managed within approved project budgets. The starting point to achieve these results is an annual balanced budget, including both operating results and the funding requirements of capital projects.

Deficits

Under extraordinary circumstances, institutions may seek an exception to the annual balanced budget requirement and request approval from the Minister of Finance and the Minister of Advanced Education to operate in a deficit position. Requests for deficit approval must be provided to the Ministry of Advanced Education by the end of the second quarter and include an explanation of key deficit drivers; actions taken to mitigate the deficit; a plan to return to a balanced position and the associated timeframe; and an outline of any extraordinary implications for students. Regardless of the circumstances, an institution should not assume that a request to operate in a periodic deficit will be approved.

Travel and Procurement

Institutions are asked to conduct their operations and financial activities in a manner consistent with the legislative, regulatory and policy framework established by government; including the procurement and travel practices as outlined in governments'

[Core Policy and Procedures Manual](#) (CPPM).

Post-secondary institutions are specifically being asked to have travel policies in place that promote the spirit and intent of government's travel policies.

Tuition Limit

Institutions are expected to comply with Government's tuition limit policy. For 2016/17, tuition and mandatory fee increases for existing programs and services continue to be limited to 2%. Clarification on the application of the tuition limit policy as it relates to new and existing programs, fees and services was provided in a letter to Presidents from the Deputy Minister of Advanced Education on March 3, 2016.

Executive and Management Compensation

As part of the implementation of the recommendations from the [BC Public Sector Compensation Review](#) released in October 2014, and in keeping with the Taxpayer Accountability Principles, public sector employers have implemented a new public sector compensation philosophy that includes common principles to guide compensation decision-making and a shared approach to benchmarking. One of the guiding principles of the common compensation philosophy is performance-based culture, in which compensation decisions for executive and management staff are based on merit rather than an entitlement to an annual increase.

Last year, public sector employers were given some modest flexibility to address specific compensation issues (such as compression or inversion) that resulted from the wage freeze. Modest, targeted increases within existing salary ranges for management staff were permitted based on approved parameters. In July 2016, this policy was expanded to include executive employees. This is not a general wage increase. Any increases must be funded within existing budgets, and must not affect other efficiency targets. Institutions should work with their Employer's Association representative or contact the Public Sector Employers' Council Secretariat for more information on this process.

Board Remuneration and Expenses

As the institution's oversight body, the Board of Governors plays an integral role in ensuring that the institution operates within its mandate in an effective and efficient manner, and that the taxpayer funds that are invested in the institution, are managed appropriately. The ministry has developed a new "[Orientation for B.C. Public Post-Secondary Institution Board Members](#)" to provide guidance to members in this regard.

Please ensure that board remuneration rates, where applicable, comply with Order in Council 180/95, and that remuneration is publicly disclosed on the institution's website as required by Treasury Board Directives and the Public Sector Employers' Council Secretariat, and included in the institution's annual Statement of Financial Information as required under the *Financial Information Act*.

[Treasury Board Directive](#) 3/11, section 7, provides guidance on business travel and expense reimbursements for appointed board members.

Capital and Real Estate

Approval letters for 2016/17 Routine Capital and Carbon Neutral Capital Program projects have been issued to your institution. If any of these funds cannot be used for the intended purpose and/or by March 31, 2017, please contact James Postans, Director, Capital Asset Management, at James.Postans@gov.bc.ca, as soon as possible.

Capital Planning

The capital planning process supports quality decision making to advance or reject a proposed project, and ensures that the right strategic decisions are being made in a structured, efficient manner. Each phase of the capital planning process requires specific tasks and activities to be undertaken and corresponding approvals from the institution, Ministry, and/or Ministry of Finance. During the planning phase, the level of due diligence increases with each deliverable to ensure that the project scope, cost, schedule, and risk profile are sufficiently accurate.

The institutions, in conjunction with the Ministry, will utilize a risk screen tool to assess the risk of capital projects. Specific project approval and oversight requirements, including Project Boards, will be determined based on the risk rating.

Business Plans should include the costs and benefits of procurement options and the recommended option must deliver the best value for money over the lifecycle of the asset. Project proposals must also comply with government's requirement to be carbon neutral under the *Greenhouse Gas Reduction Targets Act* and the Province's *Wood First* legislation.

Capital Contributions

The Ministry has implemented a capital cost-sharing policy and it is expected that capital projects will be cost shared with institutions. Ministry staff will discuss mutually appropriate cost sharing levels with institutions on a project-by-project basis.

Capital Procurement

Please ensure that all capital asset procurement is in accordance with the [Capital Asset Management Framework](#) (CAMF) developed by the government for public sector bodies. Specifically, procurement must be fair, open, competitive, transparent, and must effectively manage, budget and schedule risk. This includes undertaking the necessary conflict of interest searches for the purpose of identifying any business and professional interests and relationships between capital project procurement team members and their advisors with proponents. All priority projects require a procurement options analysis and may be audited to confirm that all procurement activities have been undertaken in accordance with CAMF.

The [Apprentices on Public Projects](#) policy to support the use of apprentices on major, publicly-funded provincial government infrastructure projects became effective July 1, 2015. The policy applies to all new, major infrastructure projects, with a provincial government investment of \$15 million or more, and all related contracts valued at \$500,000 or more for specified trades. Post-secondary institutions working on major projects are required to show a commitment to using apprentices on the projects. Prime contractors are also encouraged to report registered apprentices and other trainees with provincial government investments below \$15 million.

After project approval, progress reporting is required to ensure that design, construction, and project close out proceeds in accordance with the terms and conditions of the project approval letter.

Where your institution is considering a facility acquisition, either by ownership or lease, the government prefers such facilities be located along existing transit routes or, in the case of Metro Vancouver, along major transportation infrastructure.

All institutions are expected to maintain an inventory for real property in conjunction with the Ministry's Capital Asset Management System. The Ministry has provided information regarding the inventory submission process and will provide updates to the institutions regarding ongoing data maintenance.

Release of Assets for Economic Generation

The Release of Assets for Economic Generation (RAEG) initiative is a continued priority for government during the 2016/17 fiscal year. Institutions are requested to facilitate these sales within the expected timelines, and identify any variances to the anticipated land sales proceeds. All institutions are required to identify to the Ministry any surplus properties for potential inclusions within RAEG initiative and must obtain Ministerial approval before any land sales complete.

For more information on capital planning, acquisitions and dispositions, please visit the Ministry website: <http://www.aved.gov.bc.ca/cppm/documents/carg-2014/carg.pdf>

Greenhouse Gas Act

Institutions are expected to comply with government's requirement to be carbon neutral under the *Greenhouse Gas Reduction Targets Act*.

Administrative Service Delivery Transformation (ASDT)

Institutions continue to play a lead role in achieving administrative efficiencies, reducing and containing costs, sharing best practices, and enhancing the range and quality of services across the sector through the [Administrative Services Delivery Transformation](#) (ASDT) Program.

Joint procurement opportunities include natural gas, vending services, reduced merchant fees, a new purchasing card program, travel management services, fire extinguisher testing, elevator maintenance, exam booklet printing, multi-function devices, and trades training equipment. New master agreements are anticipated for courier services, cylinder gas, and office supplies.

Using a methodology established in 2014 for tracking and reporting savings and benefits from ASDT projects and initiatives, \$10.51 million in sector benefits were reported for fiscal 2013/14, and \$30.66 million in benefits were reported for fiscal 2014/15. ASDT associated benefits for fiscal 2015/16 will be reported in the ASDT 2015/16 Progress Report, scheduled for release in fall 2016.

The Ministry remains committed to working with public post-secondary institutions to find administrative savings and efficiencies through collaboration and shared services, while protecting and maximizing investments in educating students. For more information on the ASDT Program, please visit: http://www.aved.gov.bc.ca/administrative_service_delivery/welcome.htm.

Central Deposit Program

The Central Deposit Program (CDP) was launched in February 2013, as a key initiative to address concerns raised by the Auditor General regarding excess liquidity in schools, universities, colleges and hospitals. The CDP delivers lower deposit risk and competitive deposit rates, while reducing debt costs for taxpayers and positively contributing to government's ability to fund programs such as health and education into the future.

By the end of fiscal 2015/16, all 25 institutions had signed agreements and 24 had made use of the program. Feedback from the sector has been positive and the Ministry is encouraging all institutions to continue to participate. For further information on the CDP, please contact Mr. Kevin Macmillen, Executive Director, Banking and Cash Management Branch, Ministry of Finance, at (250) 387-7105 or Kevin.Macmillen@gov.bc.ca.

Support and Services to Students

Open Education Resources

Institutions are expected to continue to support the use of open education resources, including government's Open Textbook initiative, to increase affordability for students and their families.

Credit Transfer

Institutions are expected to continue to work together to support a seamless and sustainable transfer system that enables a broad range of educational pathway options for British Columbia students.

EducationPlannerBC (formerly titled Common Online Application Platform)

The Ministry continues to explore the development of a single unified application process for BC, working collaboratively with institutions. A joint Ministry-Sector Governance Structure is in place, including a Steering Committee, to lead the detailed planning and consultation required to advance this priority. Institutions are encouraged to support the work of the Sector Steering Committee and its working groups, as and when requested. All public institutions will have an opportunity to provide input as the planning evolves.

Thank you for your continued cooperation in working with the Ministry and other system partners to provide students with an accessible, affordable, high quality and relevant post-secondary education. If you have any questions, or would like to discuss contents of this letter, please contact Mr. Raman Dale, Director, Post-Secondary Finance, at (250) 387-6142 or Raman.Dale@gov.bc.ca.

Sincerely,



Kevin Brewster
Assistant Deputy Minister

Attachment

pc: Distribution List follows.

pc: Ms. Sherri Bell, President
Camosun College

Ms. Sandra Carroll, Deputy Minister
Ministry of Advanced Education

Ms. Claire Avison, Assistant Deputy Minister
Governance, Legislation and Strategic Policy Division
Ministry of Advanced Education

Mr. Jeff Vasey, Assistant Deputy Minister
Institutions and Programs Division
Ministry of Advanced Education

Mr. Kevin Macmillen, Executive Director
Banking and Cash Management Branch
Ministry of Finance

Mr. Raman Dale, Director, Post-Secondary Finance
Post-Secondary Finance Branch
Ministry of Advanced Education

Mr. James Postans, Capital Director
Post-Secondary Finance Branch
Ministry of Advanced Education

Attachment 1
As at August 8, 2016
Camosun College
Fiscal 2016/17 Operating Grant and Student FTE Targets

	2016/17					
	FTEs			Operating Grant		
	Targeted	Base	Total	Targeted	Base	Total
AVED 2016/17 Budget	870	6,203	7,073	\$10,333,956	\$37,870,312	\$48,204,268
Fiscal 2015/16	655	6,394	7,049	\$7,963,956	\$39,667,554	\$47,631,510
<i>Year over Year Change</i>	215	(191)	24	\$2,370,000	(\$1,797,242)	\$572,758

Details of Change from Prior Year						
Remove prior year one-time health		(32)	(32)		(\$246,400)	(\$246,400)
2016/17 one-time health*		56	56			
Skills Gap Plan	215	(215)		\$2,370,000	(\$2,370,000)	
Economic Stability Mandate					\$819,158	\$819,158
Subtotal of Change from Prior Year	215	(191)	24	\$2,370,000	(\$1,797,242)	\$572,758

* The March 31, 2016 funding letter (Our Ref: 102000, 102043 & 102041) provided details related to funding, student FTEs, and associated accountabilities.

Camosun Program FTE Details	FUNS Code	CIP Code	Target Funded FTEs					Total Target Funded	Base Funded Target	Total FTE Target
			Blueprint Baseline	14/15 Skills Gap Plan	15/16 Skills Gap Plan	16/17 Skills Gap Plan	Total Skills Gap Plan			
Health										
RNs, PNs and HCAs										
Bachelor of Science in Nursing	NURS	51.3801	218					218	252	470
Licensed Practical Nurse	NLPN	51.3805	55					55	5	60
Health Care Assistant	NRCA	51.3902							60	60
Health Care Assistant - Saltspring (one-time)	HLOT	51.3902							12	12
Health Care Assistant - Songhees (one-time)	HLOT	51.3902							16	16
Subtotal			273					273	345	618
Allied Health										
Mental Health and Addictions	HLTH	51.1501	32					32		32
Mental Health and Addictions - one-time	HLOT	51.1501							28	28
Medical Radiography Technology	HLTH	51.0911	38					38		38
Allied Health	HLTH	51.0000							154	154
Subtotal			70					70	182	252
Total Health			343					343	527	870
Aboriginal Spaces										
Aboriginal Spaces - Indigenous Studies	ABAC	Multiple	10					10		10
Aboriginal Spaces - Health Care Assistant	ABAC	Multiple	8					8		8
Aboriginal Spaces - Indigenous Business Leadership Diploma	ABAC	Multiple	14					14		14
Total Aboriginal			32					32		32
Developmental										
Developmental	DEV	Multiple							1,185	1,185
Total Developmental									1,185	1,185
Other Skills Gap Plan Programs										
Environmental Technology	AVED	0301				15	15	15		15
Civil Engineering Technologist	AVED	1502		15	5		20	20		20
Electronics & Computer Engineering	AVED	1503		16	4		20	20		20
Mechanical Engineering Technologist	AVED	1508		16	9	5	30	30		30
Computer Systems Technologist	AVED	1512		16	9	5	30	30		30
Community, Family and Child Studies	AVED	1907			15	5	20	20		20
Early Learning and Care	AVED	1907			15	5	20	20		20
Legal Office Assistant	AVED	2203				10	10	10		10
University Transfer - Various	AVED	2401			50	50	100	100		100
Sport Management	AVED	3105			15		15	15		15
Sport and Fitness Leadership	AVED	3105				20	20	20		20
Criminal Justice	AVED	4301				35	35	35		35
Building Employment Success for Tomorrow	AVED	4400			15		15	15		15
Visual Arts	AVED	5004			15		15	15		15
Bachelor of Business Administration	AVED	5202			50	50	100	100		100
Office Administration	AVED	5204			15		15	15		15
Hospitality Management	AVED	5209				15	15	15		15
Total Camosun Skills Gap Plan FTE Target				63	217	215	495	495		495
AVED Undergraduate Balance	AVED	Multiple							4,491	4,491
Total FTEs			375	63	217	215	495	870	6,203	7,073