



August 22, 2023

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File No. 66200-01/Budget Letter-2023-24

Tally Bains
Vice President, Finance and Administration
Capilano University
2055 Purcell Way
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Email Address: tallybains@capilanou.ca

Dear Tally Bains:

I am writing on behalf of the Ministry of Post-Secondary Education and Future Skills (the Ministry) to provide you with information regarding your institution's operating grant and student full-time equivalent (FTE) target for 2023/24, and the associated accountabilities, roles and expectations.

2023/24 Operating Grant and FTEs

Attachment 1 provides details pertaining to your institution's operating grant and student FTE targets for fiscal 2023/24.

As applicable, institution operating grants have been adjusted to reflect:

- funding for collective agreements ratified under the Shared Recovery Mandate; and
- any previously communicated decisions for program expansions.

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Developmental Program FTEs: Adult Basic Education (ABE), English Language Learning (ELL) and Adult Special Education (ASE)

ABE, ELL and ASE activity remain components of institution FTE reports to monitor delivery of these essential programs, and the Ministry expects delivery of these programs to be maintained or increased. Access to ABE, ELL and ASE programs in the public post-secondary system is essential to British Columbians who want to pursue further education and training to obtain the skills they need to succeed in the jobs of tomorrow.

StrongerBC's Future Ready Action Plan

This spring, government released the StrongerBC [Future Ready Action Plan](#). With \$480 million in new funding over three years, the Action Plan is a bold and transformative plan that will help people expand the skills and knowledge they need to succeed in high-demand, good paying jobs. More information on specific StrongerBC Future Ready Action Plan initiatives that support affordable, accessible, and relevant post-secondary education and skills training is available here: [New action plan helps people get skills for in-demand jobs | BC Gov News](#).

Financial Oversight and Accountabilities

Financial accountabilities of institutions are outlined in legislation (the *College and Institute Act*, the *University Act*, the *Royal Roads University Act*, the *Thompson Rivers University Act* and the *Budget Transparency and Accountability Act [BTAA]*), and are grounded in prudent, transparent fiscal management.

Post-secondary institutions are responsible for the effective and efficient use of taxpayer investments to ensure a high quality, accessible post-secondary education system in British Columbia. Institutions are to continue to prioritize their mandates in the context of the health, safety and wellbeing of their students, faculty, staff and broader communities. Good financial management helps ensure that fiscal objectives continue to garner the respect and confidence of funding agencies and other stakeholders during these times, through reasonable and appropriate expenditures that support the core mandate of the institution. The following information is provided to guide and inform institutional financial planning.

Fiscal Year Forecasts and Financial Reporting

The BTAA sets out that all government reporting entities will provide quarterly financial reports of actual results, including year-to-date actuals and four-year forecasts. These reports are consolidated and publicized by specified dates. To support these timeframes, the Ministry of Finance establishes quarterly reporting dates, and institutions are expected to provide all reports on time.

Forecasts reflect best-available estimates of year-end operating and capital results. As such, the accuracy of forecasting is of primary importance to institutional financial health and sectoral sustainability. Institutions' third-quarter projections for the following fiscal year are used to establish the Budget and Fiscal Plan targets. Financial outcomes are monitored against these figures throughout the following year, and institutional reporting on variances from these projections are essential to informing sectoral results.

Material changes to operating results or to capital project schedules and/or provincial cash flows from forecasts should be brought to the Ministry's attention immediately. Where changes may involve an exception to the balanced budget requirement, institutions are expected to adhere to the protocols and timelines outlined in the Deficits section.

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 Post-Secondary Education and Future Skills to operate in a deficit position.

Requests for deficit approval **must** be provided to the Ministry of Post-Secondary Education and Future Skills **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 with the associated timeframe, and an outline of any extraordinary implications for students. Please note that a request to operate in a periodic deficit does not necessarily predicate approval of the same, as this determination is made by the Minister of Finance.

Tuition Limit

Institutions are expected to comply with Government's tuition limit policy. For 2023/24, the 2 percent limit on tuition and mandatory fee increases continues to apply. Existing programs and services must not increase more than this amount.

Institutions are required to consult with the Ministry and students before implementing any new fees for new services and must submit a written request to the Ministry to review substantially revised non-degree programs for determination as to whether the program is new for the purposes of establishing new tuition and mandatory fee rates. The request must outline:

- the revisions and how they lead to new or changed objectives, goals, learning competencies and outcomes for the program and students, and
- the proposed tuition and mandatory fees.

In completing the review, consideration is given to the comparability of the proposed fees to fees for similar programs. Institutions are encouraged to propose fees that are in line with similar programs or provide a rationale if that is not the case.

Substantially revised degree programs must be submitted to the Degree Quality Assessment Board to determine whether the changes are of sufficient magnitude to be classed as a new degree. If the Board determines the program is not a new degree, the 2 percent tuition limit policy continues to apply.

International Students

International education makes an important contribution to the British Columbia education system and the educational experiences of all students. With the ongoing input of institutions, the Ministry is reviewing international education to ensure government policies, standards, guidelines and regulations align with government's values, priorities and interests, and that all support British Columbia's global reputation as a high-quality education destination.

The Ministry's priority focus includes international and domestic student safety, quality of student education and supports, conduct of recruitment agents, high standards of institution accountability, and recruitment to programs that align with local labour market priorities.

The new ministerial mandate letters highlight the importance of ensuring that international students have a positive experience in British Columbia. We want to support British Columbia's international reputation and continue to develop economic, cultural, and personal links with countries around the world. Government values the contribution of international education to British Columbia's post-secondary system, community diversity, and economy.

More information will be shared in the coming year.

Executive and Management Compensation

British Columbia's public sector employers are making compensation decisions based on a common compensation philosophy with shared core principles and benchmarking criteria that ensures greater consistency for excluded and executive employees. This approach refocuses compensation decisions on employee performance and merit rather than an entitlement to a salary increase.

Board 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 an [*Orientation for B.C. Public Post-Secondary Institution Board Members*](#) to provide guidance to members in this regard.

[*Treasury Board Directive 2/24*](#), section 7, provides guidance on business travel and expense reimbursements for appointed board members.

Capital

The following terms on capital asset management remain in effect:

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 investment projects require a procurement options analysis and may be audited to confirm that all procurement activities have been undertaken in accordance with CAMF.

Capital Planning, Real Estate Acquisitions and Dispositions

Capital project(s) will proceed in accordance with various provincial government requirements and policies including, but not limited to:

- Institutions that are members of the University, College & Institute Protection Program, administered by the Risk Management Branch, are required to submit a construction application (available at <https://www.bcucipp.org/>) at the outset of construction and to ensure Owner Controlled Course of Construction and Wrap Up Liability coverage is placed.
- [University Act](#); [College and Institute Act](#); [Thompson Rivers University Act](#); [Royal Roads University Act](#);
- [Climate Change Accountability Act](#);
- [Wood First Act](#);
- [Apprentices on Public Projects in BC Policy and Procedure Guidelines](#); and
- Environmental, Social and Governance Framework for Capital.

For more information on capital planning, acquisitions and dispositions, please visit the Ministry [Capital Planning Site](#).

Routine Capital and Carbon Neutral Capital

The Ministry has provided a letter earlier this year that outlines your institution's 2023/24 to 2025/26 Routine Capital and Carbon Neutral Capital funding amounts.

Five Year Capital Plans

Your institution's Five-Year Capital Plan submission, for the period 2024/25 to 2028/29, were expected by July 14, 2023. The Ministry circulated detailed instructions on the submission process on May 29, 2023.

Information Management/Information Technology (IM/IT) Capital Projects

Starting for the 2024/25 fiscal year, IM/IT capital projects should also be submitted through the standard capital planning submission process.

Should you have any questions regarding capital projects and planning, please contact Ali Prince, A/Executive Director, Post-Secondary Capital Branch at Ali.Prince@gov.bc.ca or Christine Neufeld, A/Director, Capital Projects & Planning at Christine.Neufeld@gov.bc.ca or Steven Harney, Director, Capital Projects & Planning at Steven.Harney@gov.bc.ca.

Administrative Services Collaborative (ASC)

The ASC is a collaboration on administrative and support services between all of British Columbia's public post-secondary institutions, BCNET and the Ministry. The ASC recently launched a 2023/24-2025/26 [Strategic Plan](#) that identifies seven strategic priorities for collaboration: procurement, cybersecurity, financial services, business continuity readiness, enterprise resource planning, accessibility, campus safety and security.

The ASC has partnered with BCNET to offer a wide range of joint procurement agreements for services and supplies (e.g., facilities, finance, travel, hardware, and software). Institutions are encouraged to work with BCNET to take advantage of these opportunities and increase their percentage of spending through joint procurement agreements. Institutions are expected to consider the use of joint procurement contracts unless there are unique circumstances such as existing contractual commitments.

Cybersecurity

BCNET continues to provide a range of cybersecurity services to its member community to improve their cybersecurity posture. They are actively working with the public post-secondary institution members, with the support of funding from the Ministry, to extend the benefit of Security Information and Event Management Solution and Distributed Cybersecurity Incident Response Team initiative.

Annual BCNET Circuit and Data Network Service Costs

As in past years the Ministry intends to re-imburse public post-secondary institutions for eligible network service costs procured through BCNET. Please forward copies of the applicable detailed BCNET invoices to Sector.IT@gov.bc.ca to have the transfers processed.

Central Deposit Program (CDP)

The CDP was launched in 2013 as a key initiative to address concerns raised by the Auditor General regarding excess liquidity and idle working capital balances in schools, universities, colleges and hospitals.

Today, the CDP continues to deliver lower deposit risk and competitive, if not superior, deposit rates, while reducing debt costs for taxpayers. The Ministry continues to encourage institutions to participate in the CDP.

Thank you for your 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 Kashi Tanaka, Executive Director, Post-Secondary Operating and Emergency Support Branch by email at Kashi.Tanaka@gov.bc.ca or phone at 250 415-9706.

Sincerely,



Jason Butler
Assistant Deputy Minister
Finance, Technology and Management Services Division
Ministry of Post-Secondary Education and Future Skills

Attachment

pc: Distribution List follows

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Attachment 1
as at August 15, 2023

Capilano University

2023/24 Operating Grant and Student FTE Targets

	FTE	Operating Grant
2022/23 (as at Final Budget letter)		\$ 45,104,998
Shared Recovery Mandate 2022/23		\$ 518,748
2022/23 Restated	5,563	\$ 45,623,746
<u>2023/24 Adjustments</u>		
Shared Recovery Mandate		925,962
Technology Expansion	18	234,000
Health Programs Remove Prior Year One-time	- 58	-
Health Programs One-time	70	-
ECE Expansion Remove Prior Year One-time	- 6	-
ECE Expansion One-time	62	-
ECE Expansion Base	20	-
2023/24	5,669	\$ 46,783,708
<i>Year over Year Change</i>	<i>106</i>	<i>\$ 1,159,962</i>

2023/24 Targeted Program FTE Details

	FUNS Code	CIP Code	Change	Total FTE Target
Health				
RNs, PNs and HCAs				
Flexible Health Care Assistant / Health Care Assistant Partnership Pathway	NHCA	51.3902		48
Health Care Assistant Partnership Pathway (one-time)	HLOT	51.3902	-8	40
Allied Health				
Rehabilitation Assistant	HLTH	51.0817		35
Rehabilitation Assistant (one-time)	HLOT	51.0817	20	30
Allied Health	HLTH	Multiple		55
Total Health			12	208
Developmental				
Developmental	DEV	Multiple		273
Total Developmental			-	273
Technology-Related Program Expansion*				
Interaction Design Diploma	AVED	11.0801	18	18
2D Animation and Visual Effects Diploma	AVED	10.03		14
3D Animation Diploma	AVED	10.03		36
Total Technology-Related Program Expansion			18	68
Early Childhood Education Program Expansion*				
One-time				
Sunshine Coast ECCE Diploma Delivery	AVED	19.07	9	15
CAPU-KPU-MNBC ECCE Diploma Delivery	AVED	19.07	38	38
Base				
ECCE Diploma	AVED	19.07	20	20
Economic Recovery Plan (one-time)				
Part-time ECE Diploma	AVED	19.07	9	9
Total Early Childhood Education Program Expansion			76	82
AVED all other programs	AVED	Multiple		5,038
Total FTE Targets			106	5,669

*Where applicable PSFS will be monitoring enrolment growth over previous activity supported through base funding.