



Our Ref. 111344

December 15, 2017

Ms. Deborah Huelscher
Chief Financial Officer
Camosun College
3100 Foul Bay Rd
Victoria BC V8P 5J2

Dear Ms. Huelscher:

I am writing to provide you with information regarding Camosun College's operating grant and student full-time equivalent (FTE) target for 2017/18, and the associated accountabilities, roles and expectations.

On September 11, 2017, the government tabled *Budget 2017 Update*, the updated three-year Budget and Fiscal Plan, which takes key first steps to improve affordability, build better services for everyone, and invests in a strong, innovative economy that creates jobs and works for all British Columbians. Integrating with these priorities is government's commitment to reconciliation and implementing the Calls to Action of the Truth and Reconciliation Commission and the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP).

2017/18 Operating Grant and FTEs

Attachment 1 provides details pertaining to your institution's operating grant and student FTE targets for fiscal 2017/18.

Your institution's operating grant allocation includes funding for collective agreements ratified under the Economic Stability Mandate (ESM).

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 2017/18 was provided under separate cover in November 2016. The decisions made on those proposals have been reflected in your institution's budget allocation and student FTE targets.

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Developmental Program FTEs — Adult Basic Education (ABE), English Language Learner (ELL) and Adult Special Education programs

Student FTE targets for developmental programs remain unchanged for 2017/18. The Ministry of Advanced Education, Skills and Training (the Ministry) recognizes that, given the new tuition-free environment for ABE and ELL, institutions' program delivery is again in a period of transition. The future of the developmental program targets was one of the important issues discussed at engagement sessions with post-secondary partners in the fall of 2017/18. Institutions will be advised when a review of the targets for developmental programs is planned.

Skills Gap Plans

The 2017/18 Skills Gap Plan funding and student FTE targets are outlined in Attachment 1. Performance against the "Total Skills Gap Plan FTE" targets will be assessed using your institutions' final 2017/18 FTE reports, due in spring 2018. Additional direction on the future of the Skills Gap Plan process for 2018/19 will be communicated at a later date.

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

Financial Oversight and Accountabilities

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 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.

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*, 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.

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.

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.

For the Budget 2017 Update, institutions' first-quarter projections for the current fiscal year were used to establish the Budget and Fiscal Plan targets. Institutions' financial outcomes are monitored against these figures throughout the following year.

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, Skills and Training to operate in a deficit position. Requests for deficit approval **must** be provided to the Ministry of Advanced Education, Skills and Training 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.

Tuition Limit

Institutions are expected to comply with Government's tuition limit policy. For 2017/18, the 2% limit on tuition and mandatory fee increases for existing programs and services continues to apply. 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 programs for determination as to whether the program is new for the purposes of establishing new tuition 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.

Tuition Waiver for Former Youth in Care

Government implemented the Provincial Tuition Waiver for Former Children and Youth in Care Program September 1, 2017. Institutions are expected to waive tuition, fees and deposits for

eligible persons. Tuition and fees to be waived are defined as all tuition and mandatory fees, including student society fees, charged to the student that are required to be paid in order for the student to successfully complete the program/courses they are enrolled in. The Ministry will reimburse institutions for these costs. For more information or if you have any questions please contact Tony Nelson, Director, Tuition Waiver Program, at tuitionwaiver@gov.bc.ca

Executive and Management Compensation

B.C.'s public sector employers are now making compensation decisions based on a common compensation philosophy and shared benchmarking criteria that will lead to more consistent and sustainable compensation decisions for excluded and executive employees. One of the guiding principles of the common compensation philosophy is the promotion of a performance-based culture where compensation decisions are based on merit rather than an entitlement to an increase.

Since July 2015, excluded management staff, including executives have been receiving modest increases to base salary in keeping with those provided to unionized employees across the public sector. In keeping with the modest wage increases that 100% of unionized employees are now receiving after having settled under the Economic Stability Mandate, the process for public sector employers to propose modest adjustments for both excluded and executive compensation remains the same as the direction given in 2016. While not a general wage increase, this process to provide modest adjustments for these employees remains in place and continues to be funded from the employers' existing budgets.

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 2/17](#), section 7, provides guidance on business travel and expense reimbursements for appointed board members.

Capital and Real Estate

Direction relating to 2017/18 Routine Capital and Carbon Neutral Program will be sent under separate cover. Should you have any questions in the interim please contact James Postans, Executive Director, Post-Secondary Finance at James.Postans@gov.bc.ca.

Administrative Service Delivery Transformation

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

ASDT provides tangible benefits through the joint procurement of natural gas, shared information technology services led by BCNET, cash deposits into the provincial Central Deposit Program, reduced merchant fees, and a new purchasing card program. New sector agreements expanded benefits in a variety of areas including travel management services, fire extinguisher testing, elevator maintenance, exam booklet printing, multi-function devices, and the joint procurement of welding, electrical and automotive trades training equipment.

Beginning in April 2016, the sector's collaborative procurement service was transitioned to BCNET for a two-year pilot as BCNETSource, leveraging BCNET's operations, governance and independent legal status for managing procurement processes and contracts on behalf of the sector. Institutions are expected to consider the use of joint procurement contracts first to fully leverage their value and derive maximum benefits, unless there are unique specification requirements or contractual commitments.

In April 2016, an Enterprise Resource Planning (ERP) Strategy was endorsed by the Sector. The Strategy articulates a vision of risk mitigation, cost containment and service improvement. ERP Service Renewal has recently transitioned from the Ministry ASDT Collaboration Office to BCNET. An ERP Office has been established within BCNET to provide support to institutions and promote adoption of the Sector ERP Strategy.

The Ministry is committed to working with public post-secondary institutions to find administrative efficiencies through collaboration and shared services, while protecting and maximizing investments in students' education.

Central Deposit Program

The Central Deposit Program (CDP) was launched in February 2013 to address concerns raised by the Auditor General regarding excess liquidity (generated by the receipt of prepaid or restricted revenues that will incur associated expenditures at a later date) in schools, universities, colleges and hospitals. The CDP delivers competitive rates and lower deposit risk while

reducing debt costs for taxpayers and positively contributing to government's ability to fund programs such as health and education into the future.

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 Mr. James Postans, Executive Director, Post-Secondary Finance Branch, at (250) 356-0151 or James.Postans@gov.bc.ca

Sincerely,

A handwritten signature in black ink, appearing to read "Kevin Brewster". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Kevin Brewster
Assistant Deputy Minister

Attachment

pc: Ms. Sherri Bell, President
Camosun College

Ms. Shannon Baskerville, Deputy Minister
Ministry of Advanced Education, Skills and Training

Mr. Tony Loughran, A/Assistant Deputy Minister
Sector Strategy and Quality Assurance Division
Ministry of Advanced Education, Skills and Training

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

Mr. James Postans, Executive Director
Post-Secondary Finance Branch
Ministry of Advanced Education, Skills and Training

Attachment 1
As at December 14, 2017
Camosun College
Fiscal 2017/18 Operating Grant and Student FTE Targets

	2017/18					
	FTEs			Operating Grant		
	Targeted	Base	Total	Targeted	Base	Total
AEST 2017/18 Budget	998	6,051	7,049	\$11,640,956	\$38,158,671	\$49,799,627
Fiscal 2016/17	870	6,203	7,073	\$10,333,956	\$37,900,041	\$48,233,997
<i>Year over Year Change</i>	128	(152)	(24)	\$1,307,000	\$258,630	\$1,565,630

Details of Change from Prior Year						
Remove prior year one-time health		(56)	(56)			
2017/18 one-time health*		32	32			
Base transfer for the West Coast Reader					\$185,000	\$185,000
Skills Gap Plan	128	(128)		\$1,307,000	(\$1,307,000)	
Economic Stability Mandate					\$1,380,630	\$1,380,630
Subtotal of Change from Prior Year	128	(152)	(24)	\$1,307,000	\$258,630	\$1,565,630

* 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			Base Funded Target	Total FTE Target
			Blueprint Baseline	Total Skills Gap Plan	Total Target Funded		
Health							
RNs, PNs and HCAs							
Bachelor of Science in Nursing	NURS	51.3801	218		218	252	470
Licensed Practical Nurse	NLPN	51.3901	55		55	5	60
Health Care Assistant	NRCA	51.3902				60	60
Health Care Assistant - Victoria (one-time)	HLOT	51.3902				32	32
Subtotal			273		273	349	622
Allied Health							
Mental Health and Addictions	HLTH	51.1501	32		32		32
Medical Radiography Technology	HLTH	51.0911	38		38		38
Allied Health	HLTH	51.0000				154	154
Subtotal			70		70	154	224
Total Health			343		343	503	846
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
Civil Engineering Technologist	AVED	1502		20	20		20
Electronics & Computer Engineering	AVED	1503		20	20		20
Mechanical Engineering Technologist	AVED	1508		30	30		30
Computer Systems Technologist	AVED	1512		30	30		30
Community, Family and Child Studies	AVED	1907		20	20		20
Early Learning and Care	AVED	1907		20	20		20
Legal Office Assistant	AVED	2203		10	10		10
University Transfer - Various	AVED	2401		143	143		143
Sport Management	AVED	3105		15	15		15
Sport and Fitness Leadership	AVED	3105		30	30		30
Criminal Justice	AVED	4301		35	35		35
Building Employment Success for Tomorrow	AVED	4400		15	15		15
Visual Arts	AVED	5004		15	15		15
Bachelor of Business Administration	AVED	5202		165	165		165
Post-Degree Business Administration, Accounting	AVED	5203		10	10		10
Office Administration	AVED	5204		15	15		15
Hospitality Management	AVED	5209		15	15		15
Total Camosun Skills Gap Plan FTE Target				623	623		623
AVED Undergraduate Balance	AVED	Multiple				4,363	4,363
Total FTEs			375	623	998	6,051	7,049