



Our Ref. 88543

July 8, 2011

Mr. John Bowman, President
College of New Caledonia
3330 22nd Ave
Prince George BC V2N 1P8

Dear Mr. Bowman:

On behalf of the Minister of Advanced Education, I am writing to provide you with information regarding your institution's budget for 2011/12 – 2013/14. Your institution's operating transfers and full-time equivalent (FTE) targets for the next three fiscal years are provided in the Attachments. The 2012/13 and 2013/14 allocations are provided for planning purposes only, and are subject to annual approval of the Legislature.

In April of this year, institutions were invited to submit requests for funding to deliver new one-time student spaces in 2011/12 for short duration health and foundation programs. Decisions regarding health program funding requests for 2011/12 were made in consultation with the Ministry of Health and were based on criteria including employer demand, availability of clinical placements, past FTE utilization performance, program delivery costs, and available funding. Foundation program funding decisions were made in consultation with the Industry Training Authority (ITA), at ITA funding rates and were based on assurance of student demand, past performance and availability of funding. The Attachments reflect these decisions and include incremental funding for foundation and health spaces added to institutions' budgets and FTE targets on a one-time basis for 2011/12.

As required under the Canada-BC Immigration Agreement, the Province of British Columbia must meet the accountability requirements for funding received under the Agreement. This will require Ministry staff to work closely with those institutions that deliver English as a Second Language programs to ensure that these obligations are met. Additional information will follow under separate cover.

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**Ministry of
Advanced Education**

Decision Support and
Accountability Division

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As part of the 2007 Aboriginal Post-Secondary Education Strategy, the Ministry provided funding for new FTE spaces targeted to Aboriginal students in program areas identified as priorities by government and through consultation with Aboriginal partners. The recently completed evaluation of the 2007 Strategy found that this element of the strategy had mixed results, and recommended that the Ministry consider redistributing this funding to ensure that it is being most effectively used to benefit Aboriginal students. The Ministry intends to reallocate this funding in order to fund partnerships between public post-secondary institutions and Aboriginal communities for community-based delivery of programs that meet Aboriginal community needs. Over the next six months we will be working with the sector to discuss reallocation of funding.

In the event that FTE utilization for targeted programs has been, and remains, substantially below 100 percent, Ministry staff will consult with your institution to develop a plan for achieving greater enrolment in the affected program(s) in future years. Further, the Ministry may review funding allocations for targeted programs with low enrolment, which may result in reallocation of resources to higher demand programming.

Your institution's Annual Capital Allowance (ACA) allocation has been confirmed and remains the same as communicated to your institution's Vice-President of Finance in the interim budget letter dated April 4, 2011. As a component of each institution's operating transfer, the ACA is for Capital Maintenance and Capital Improvement projects which maintain and may extend the life of the physical plant, and for minor renovations and upgrade projects as defined in the Ministry of Advanced Education's ACA Program guidelines. Please see the following link for a copy of the ACA Program Guidelines:

http://www.aved.gov.bc.ca/cppm/related_documents.htm

During 2010, Government Letters of Expectations (GLEs) were agreed to by each Board Chair and the Minister responsible for Advanced Education. These were agreements on respective roles and responsibilities. For fiscal 2011/12 the GLEs will continue to apply. For the purposes of the section on compliance with government tuition policy, the reference to 2010/11 should be read as 2011/12, as the limit on tuition increases remains at two percent. A copy of the tuition limit policy is available at: http://www.aved.gov.bc.ca/tuition/welcome.htm#tuition_policy

Additionally, the annual reporting requirements have been updated for the current fiscal year and can be located at the following link: <http://www.aved.gov.bc.ca/budget/> .

The Province of British Columbia Budget and Fiscal Plan for 2011/12 includes a Post-Secondary Education Sector forecasted surplus of \$73 million. It is critical to the Province's fiscal plan that this sector-wide surplus be achieved.

The Ministry considers expenses as a key area of institutional control, and monitors forecasted expense fluctuations closely as an indicator of institutional accountability and forecast integrity. Your institution's budgeted expense figure as per the 3rd quarter Financial Reporting (January 2011) is a key monitoring tool. The Ministry requests that any new impacts or risks to achieving your institution's budget estimates be communicated as soon as identified. Adjustments for own-source revenue fluctuations will be considered as acceptable adjustments to the budgeted expense figure. Institutions are encouraged to continue with their best practices in managing the areas within their control towards achieving these estimates. The Ministry will assess the 1st Quarter 2011/12 forecasts submitted by institutions in July 2011 and will work together with the sector towards achieving the sector-wide expenditure forecast.

In the coming year, the Generally Accepted Accounting Principles (GAAP) Transition Task Force will continue to explore the implications of the change in accounting policies from Not-for-profit GAAP to Public Sector Accounting Board standards. Once details have been finalized additional communication will be sent confirming direction to the various outstanding issues.

Thank you for your continued commitment to working with the Ministry and other system partners to provide students with affordable, high quality and relevant post-secondary education and training opportunities.

Sincerely,



Brian Hansen
Assistant Deputy Minister

Attachments (2)

pc: Ms. Cheryl Wenezeki-Yolland, Acting Deputy Minister
Ministry of Advanced Education

Ms. Penny Fahlman, Vice-President, Finance, Administration and Bursar
College of New Caledonia

Ms. Lynn Jacques, Vice-President, Academic
College of New Caledonia

Mr. Mark Gillis, Assistant Deputy Minister, Students, Institutions and Programs
Ministry of Advanced Education

Attachment 1

As at July 7, 2011

COLLEGE OF NEW CALEDONIA

**2011/12 - 2013/14 Operating Transfers
and Overall Student FTE Targets**

College of New Caledonia Operating Transfers	2011/12		2012/13		2013/14	
	FTEs	\$	FTEs	\$	FTEs	\$
AVED FTEs/Operating Grants *	3,106	\$ 28,840,950	3,125	\$ 29,136,495	3,125	\$ 29,136,495
Change from Prior Year	(7)	\$ 153,425	19	\$ 295,545	0	\$ -
Annual Capital Allowance (ACA) **	-----	\$ 374,697	-----	TBD	-----	TBD

* The overall student FTE targets for the Operating Grant include specific student FTE targets as follows.

** ACA is determined on an annual basis, so is shown as TBD in 2012/13 and 2013/14.

Priority FTE Targets

College of New Caledonia	FUNS Code	CIP Code	2011/12		2012/13		2013/14	
			Change	Total	Change	Total	Change	Total
Health								
RNs, PN's and HCAs								
BSN - Bachelor of Science in Nursing	NURS	51.1601	-	207	-	207	-	207
Practical Nurse	NLPN	51.1613	-	33	-	33	-	33
Health Care Assistant - one-time	HLOT	51.2600	(10)	-	-	-	-	-
Health Care Assistant - base funded	NRCA	51.2600	-	56	-	56	-	56
Subtotal			(10)	296	-	296	-	296
Allied Health								
Dental Hygiene	HLTH	51.0602	-	-	-	-	-	-
Dental Assisting	HLTH	51.0601	-	-	-	-	-	-
Med Lab Technology Diploma	HLTH	51.1004	-	60	-	60	-	60
Med Rad Technology Diploma	HLTH	51.0911	19	19	19	38	-	38
Non-Targeted Allied Health	HLTH		-	61	-	61	-	61
Subtotal			19	140	19	159	-	159
TOTAL			9	436	19	455	-	455
Developmental (targets are to be maintained or increased)								
Developmental Programs	DEV	53.0102 32.0109 32.0101	-	522	-	522	-	522
TOTAL			-	522	-	522	-	522
Aboriginal Spaces								
Aboriginal Early Childhood Education Certificate	ABAC		-	15	-	15	-	15
TOTAL			-	15	-	15	-	15
Skills Development								
Steam/Pipe Fitter	TRDI	46.0502	(16)	-	-	-	-	-
TOTAL			(16)	-	-	-	-	-
Total Priority FTE Targets			(7)	973	19	992	-	992

Attachment 2
As at July 7, 2011
College of New Caledonia
2011/12 to 2013/14 Operating Transfers and Student FTE Targets

	2011/12 Allocations per 2010/11 Budget Letter Attachments		2011/12 Budget Allocations			
	Operating Transfer	Change in \$ over prior year	Variance from 10/11 Budget Letter amounts	Adjusted Operating Transfer	Change in Adj. Operating Transfer	% Change in Adj. Operating Transfer
2010/11	\$ 28,687,525		\$ -	\$ 28,687,525		
2011/12	\$ 28,840,950	\$ 153,425	\$ -	\$ 28,840,950	\$ 153,425	0.5%
2012/13	\$ 29,136,495	\$ 295,545	\$ -	\$ 29,136,495	\$ 295,545	1.0%
2013/14	\$ 29,136,495	*1 \$ -	\$ -	\$ 29,136,495	\$ -	0.0%

*1 The 2013/14 starting base budget was held constant at 2012/13 levels.

	2011/12	2012/13	2013/14
FTEs			
2010/11 Planned Growth	(7)	19	-
Growth Added (Removed)	-	-	-
Net Growth	(7)	19	-

	2011/12			2012/13			2013/14		
	FTEs	\$/FTE	\$	FTEs	\$/FTE	\$	FTEs	\$/FTE	\$
Base	3,113		\$ 28,687,525	3,106		\$ 28,840,950	3,125		\$ 29,136,495
General Growth	-		\$ -	-		\$ -	-		\$ -
Skills - one-time	(16)	\$ 3,570	\$ (57,120)	-		\$ -	-		\$ -
Nursing / Health	19	\$ 15,555	\$ 295,545	19	\$ 15,555	\$ 295,545	-		\$ -
Nursing / Health one-time	(10)	\$ 8,500	\$ (85,000)	-		\$ -	-		\$ -
Change	(7)		\$ 153,425	19		\$ 295,545	-		\$ -
Total	3,106		\$ 28,840,950	3,125		\$ 29,136,495	3,125		\$ 29,136,495
% Growth	-0.2%		0.5%	0.6%		1.0%	0.0%		0.0%

Additional Detail

Health									
Med Rad Tech Diploma	19	\$ 15,555	\$ 295,545	19	\$ 15,555	\$ 295,545			
Health Care Attendant - one-time	(10)	\$ 8,500	\$ (85,000)						
Sub-total	9		\$ 210,545	19		\$ 295,545			

Skills									
Steam/Pipe Fitter	(16)	\$ 3,570	\$ (57,120)						
Sub-total	(16)		\$ (57,120)						

*2 Operating grants are based on student FTEs x \$/FTE provided by AVED for each program plus the additional funding provided for non-program related issues.