

Private Career Training Institutions Agency (PCTIA)



Service Plan 2011/2012 – 2013/2014

PRIVATE CAREER TRAINING INSTITUTIONS AGENCY

SERVICE PLAN 2011/12 – 2013/14



Private Career Training Institutions Agency
300 – 5172 Kingsway
Burnaby BC V5H 2E8

Tel:	604 660-4400
Toll free:	1 800 661-7441
Fax:	604 660-3312
Email	info@pctia.bc.ca
Website	http://pctia.bc.ca

TABLE OF CONTENTS

Message from the Chair of the PCTIA Board	2
Organizational Overview	3
Corporate Governance	5
Strategic Planning Context	6
Risks, Opportunities and Discussion	7
Goals, Strategies, Performance Measures, TARGETS & Benchmarks.....	9
Performance Management Systems	15
Shareholder’s Letter of Expectations (SLE).....	16
PCTIA Summary Financial Outlook	18
STCF Summary Financial Outlook	18
Financial Outlook Assumptions	19
Future Financial Outlook	19

MESSAGE FROM THE CHAIR OF THE PCTIA BOARD

The Honourable Minister Ida Chong
Minister of Regional Economic and Skills Development

Dear Minister Chong:

On behalf of the Board of Directors, management and staff of the Private Career Training Institutions Agency (PCTIA), I am pleased to submit the Agency's Service Plan for fiscal years 2011/12 to 2013/14. The Service Plan was prepared in accordance with the *Budget Transparency and Accountability Act* and the BC Reporting Principles. The plan is consistent with the government's strategic priorities. The Board is accountable for the contents of this plan, including what has been included in the plan and how it has been reported. The performance measures presented are consistent with PCTIA's mandate and goals and focus on the organization's performance. The targets have been determined based on an assessment of PCTIA's operating environment, forecast conditions, and risk assessment.

This Service Plan, the second to be filed by Agency, responds to the PCTIA having been determined to be a Crown agency in July 2008, to the amendments to the *Private Career Training Institutions Act* and Regulations that came into force in June 2009, and to the most recent Shareholder's Letter of Expectations. The legislative amendments have broadened the Agency's mandate from the provision of consumer protection to students and prospective students of private career training institutions, to also ensuring that all registered institutions meet or exceed basic education standards established by the Board. While accredited institutions continue to have to demonstrate they meet or exceed the standards of quality set out in the Agency Bylaws, there will be continued attention to the oversight of accredited institutions to ensure access to institutional key performance information. The Service Plan also commits to a review of policies, procedures and processes with respect to the registration, accreditation and oversight. This review will include the opportunity to consider categories of institutions for regulatory purposes and an efficient balancing of regulatory and accreditation obligations in keeping with these categories.

The Service Plan seeks to enhance the confidence and trust with which the private career training sector is viewed by students, government, the post-secondary public sector, and employers and build on previous success. The Board and Agency are mindful that more than 50,000 students, thousands of instructors and support staff and countless employers a year benefit from accessing private post secondary education options regulated by the PCTIA. The Board and Agency understand that appropriate oversight and regulatory environment of critical educational, social, consumer and economic importance. It is in this context that the Board, Agency and the Service Plan seek to advance the critical objectives of the Agency including:

- Optimizing student and consumer protection
- Enforcing basic education and quality standards,
- Increasing awareness, effectiveness and transparency and.
- Continuous assessment and improvement.

Sincerely,



Royden Trainor
Board Chair

ORGANIZATIONAL OVERVIEW

Mandate

The Private Career Training Institutions Agency (PCTIA) is a Crown Agency established under the *Private Career Training Institutions Act*, which came into force in November 2004. Its mandate as set out in the *Act*, as amended in 2008, is

- To establish basic education standards for registered institutions and to provide consumer protection to the students and prospective students of registered institutions;
- To establish standards of quality that must be met by accredited institutions; and
- To carry out, in the public interest, its powers, duties and functions under this Act, the regulations and the bylaws.

Further direction and accountability are provided through a Shareholder's Letter of Expectation, executed jointly by the Chair of the PCTIA Board and the Minister of Regional Economic and Skills Development on an annual basis.

Vision

The Private Career Training Institutions Agency is a recognized and highly respected organization. Through the provision of responsive, accessible registration and accreditation assessment services, we protect the interests of students and uphold the credibility of the private career training sector.

By building positive, inclusive professional relationships and disseminating resources that enable institutions to establish quality education standards, we work together with institutions to encourage a culture of excellence where private career training institutions enjoy a parity of esteem with their public counterparts.

Values

We achieve our vision by living our values.

To Our Stakeholders:

- We are a fair, responsive, adaptive organization, focused on achieving results
- We demonstrate integrity, honesty and a high degree of professionalism in all our dealings
- We are open, transparent, and accountable, while respecting the privacy of our stakeholders
- We balance minimizing regulatory burdens and maintaining the sector's competitive advantage, while fully protecting students and institutions from unfair practices
- We promote a culture of compliance from both registered and accredited institutions

To Our Team:

- We support an environment of learning, mutual respect, ethical conduct and team work
- We encourage our staff to use initiative and support their ability to make decisions quickly and effectively

- We act with professionalism and accountability, and promote solutions-based continuous improvement
- We have clear leadership, open honest communication and a climate that encourages discussion of issues, and
- We are committed to a workplace that is safe, healthy, environmentally responsible, and free from harassment with equal opportunities for our employees

Core Business Areas and Services

The PCTIA provides consumer protection to students and prospective students of registered private career training institutions by establishing and administering the Student Training Completion Fund (STCF). We ensure that basic education standards are met by registered institutions, and that accredited institutions meet or exceed the standards of quality established by the Board. We investigate complaints that arise between students or the public and registered institutions.

The Agency's offices are located in central Burnaby, and one Institution Officer is based in Victoria.

In 2010, a new Assistant Registrar was appointed and a new Programmer/Analyst position was created and filled. Staff members are organized along the following functional lines which reflect the PCTIA's core business areas:

- Institution registration
- Institution accreditation
- Annual re-registration
- 5-year review of accreditation
- Program approval
- Institution compliance visits
- Student Training Completion Fund administration
- Student complaint investigation
- Institutional closure response
- Sector data collection, analysis and reporting
- Information technology development and administration
- Finance, corporate and human services

Principal Clients and Stakeholders

The PCTIA provides services to two customer groups:

1. The students and prospective students of registered institutions, and
2. The approximately 360 member institutions of the Agency.

Stakeholders include but are not limited to: the Ministry of Regional Economic and Skills Development; the public post-secondary education sector; the British Columbia Career Colleges Association; the BC Council on Admissions and Transfer; the Industry Training Authority; over twenty regulatory colleges and professional associations; the Degree Quality Assessment Board; the British Columbia Council on International Education; Human Resources Development Canada; Citizenship and Immigration Canada.

CORPORATE GOVERNANCE

The Private Career Training Institutions Agency is governed by a ten-member Board of Directors, three who are appointed by the Minister of Regional Economic and Skills Development, and seven who are elected by the member institutions.

The Board's role consists of:

- Governing the affairs of the Agency in accordance with the *Act*, the Regulations and the Bylaws;
- Establishing and maintaining Bylaws in accordance with the *Act*;
- Setting strategic direction for the Agency;
- Being accountable for defined performance results;
- Ensuring effective use of PCTIA's resources; and
- Reporting to government, shareholders and the public at large.

The Board has three standing committees. They include the Bylaw, Policy and Quality Assurance Committee (responsible for monitoring Bylaw and policy matters and making recommendations for changes to the Board); the Finance, Personnel and Student Training Completion Fund Committee (responsible for monitoring and developing the draft operational budgets for the Agency and the Student Training Completion Fund); and the Nominating Committee, responsible for conducting Board elections when required.

In the 2009-2010 fiscal year, the Agency reviewed the guidelines and disclosure requirements specified by the Board Resourcing and Development Office and found it had already been in compliance with the majority of recommended best practices. Outstanding items have been referred to the Bylaw and Policy Committee and to the Board Chair for review and recommendations. The Board adheres to the standards of conduct which are published on PCTIA's website (http://pctia.bc.ca/board_bios.htm) when exercising its powers and performing the functions of the organization.

More information with respect to the Board's composition, terms of office, nominations process, election process, meetings, and conflict of interest guidelines can be found in the PCTIA Bylaws, which are available at <http://pctia.bc.ca>

Board Members and Committee Responsibilities

Royden Trainor, Chair	(Bylaw, Policy & Quality Assurance)
Richard Novek, Vice Chair	(Finance, Personnel & STCF; Nominating)
Mike Hansen	(Finance, Personnel & STCF)
Gordon Lee	(Chair, Finance, Personnel & STCF)
Lois McNestry	(Finance, Personnel & STCF)
Dee Dhaliwal	(Bylaw, Policy & Quality Assurance)
Kelly Rainsforth	(Chair, Bylaw, Policy & Quality Assurance; Nominating)

Bev Reid	(Bylaw, Policy & Quality Assurance)
Kevin Williams	(Chair, Nominating; Bylaw, Policy & Quality Assurance)
Mark Zacharias	Appointed by the Minister

Senior Management Team

Jim Wright, *Registrar & CEO* (retiring December, 2010)
Karin Kirkpatrick, *Registrar & CEO* (beginning January, 2011)
Monica Lust, *Assistant Registrar*

STRATEGIC PLANNING CONTEXT

The 2011-2012 to 2013-2014 Service Plan represents the first update of PCTIA's inaugural Service Plan submitted in 2010. Minor Bylaw changes were enacted in the 2010-2011 fiscal year; otherwise, the Agency has continued implementing new strategies and processes to attain our stated goals and objectives.

The Agency is currently undergoing a change in senior management with a new Registrar & CEO beginning January 2011.

Our emphasis in 2010-2011 was on developing procedures and activating the new student complaints process; implementing, promoting and reviewing Basic Education Standards for registered institutions and Quality Standards for accredited institutions; travelling extensively throughout the province delivering informative workshops to institutions; updating the base technology platform for the Agency's servers, database and web applications; and operating within the first full fiscal year of the new budget model developed by the agency in 2009.

The major emphasis through 2011-2014 will be to undertake a comprehensive review of the Agency Bylaws; to build upon the server and technology platforms which were upgraded in 2009-2010, developing useful, time-saving web based applications for institutional use; to identify specific descriptors and fair outcome measures of institutions and developing a rolling plan to publish these on our website for the benefit of students and the public, and to identify classes of institutions with the intent of creating administrative processes which are appropriate to the size, administrative capacity, complexity, and record of compliance of an institution. Further general enhancement of our internal information technology services will continue into 2011-2014. This strategy supports the Agency's key objectives within this Service Plan:

1. Optimizing Protection of Students
2. Enforcing Basic Education and Quality Standards
3. Increasing Awareness, Effectiveness and Transparency

RISKS, OPPORTUNITIES AND DISCUSSION

The Agency's efforts continue to be focused on implementing the various processes it designed last year to meet the challenges of the amendments to the *Private Career Training Institutions Act* and Regulations and the resulting changes to the PCTIA Bylaws. The actual work involved to accomplish these tasks, as compared to the work anticipated in the previous year, creates potential areas of risk which may affect our performance in reaching our stated objectives and in meeting the targets set out in this Service Plan. The effect of these risks is now becoming known as the benchmarks are being created. This document contains performance measures which may be affected by the identified risks. The following table summarizes our best estimation of these risks for the term of this Service Plan:

<i>Source of Potential Risk or Opportunity</i>	<i>Risk / Opportunity Identification</i>	<i>Risk Mitigation Strategies and Goals Supported</i>
Student Complaints	Complexity and volume of the student complaints received cannot be anticipated.	Clearly identified criteria for submitting student complaints, plus enforcement of the institutional responsibilities to initially handle complaints, and ensuring the complaint processes are well communicated to students, institutions, and to the public, will support the Agency's goal of optimizing protection for students.
Selection of published criteria to focus on outcome-based assessment	Geographic, industry sector, and economic factors, when properly outlined, will result in more relevant information being provided to the public.	Careful selection of published criteria and consistent assessment methods across all institutions will provide relevant information to students and the public, which supports the Agency's goal of increasing awareness, effectiveness, and transparency.

<i>Source of Potential Risk or Opportunity</i>	<i>Risk / Opportunity Identification</i>	<i>Risk Mitigation Strategies and Goals Supported</i>
Supporting the Educational Quality Assurance (EQA) initiative	PCTIA has the opportunity to assist more private training institutions attain eligibility for the EQA brand.	Increasing the number of accredited institutions would support the Agency's goal of helping the sector as whole to advance towards higher standards of excellence and support the government's EQA initiative.
Increasing expectations of paper-reduced, electronic and web-based services from our stakeholders	<p>High demand for new technologies and services could lead to expectations which exceed our IT staffing capacity.</p> <p>IT development could result in longer-term cost savings, streamlined processes, and less indirect carbon emissions through reduced paper use.</p>	<p>Management of IT change requests through a transparent tracking and approval system, plus increasing the availability of electronic-based services, supports the Agency's strategy of increasing effectiveness through the use of technology within our services.</p> <p>Further reductions in paper use support the Agency's commitment to the government's Carbon Neutral initiative.</p>

GOALS, STRATEGIES, PERFORMANCE MEASURES, TARGETS & BENCHMARKS

GOAL 1: OPTIMIZING CONSUMER PROTECTION FOR STUDENTS

PCTIA is dedicated to creating a regulatory environment which, in the public interest, protects students and empowers them with information to make informed decisions on their career training options. The introduction of a formalized student complaint mechanism which is both fair and balanced to students and institutions provides an opportunity for the Agency to review aspects of institutional performance outside of regularly scheduled site visits. Administration of the Student Training Completion Fund (STCF) includes enforcement of the required contributions from institutions, as well as timely reimbursement of tuition for students affected by the closure of an institution or who may have been misled by the actions of an institution. Finally, publication of institution-specific information on the Agency's website allows the Agency to increase its capacity to provide students with accurate information relevant to their needs and expectations, and enhance regulator visibility and value.

STRATEGIES



GOAL 1: OPTIMIZING CONSUMER PROTECTION FOR STUDENTS

MEASURES, BASELINE AND TARGETS – GOAL 1				
Measures	Baseline	2011 – 2012	2012-2013	2013-2014
Average turnaround time for processing a student complaint and issuing a decision	Median = 23 weeks (Mean = 22.2, Min. = 3.4, Max. = 47.1, n=23)	10 - 12 weeks	10 -12 weeks	10 - 12 weeks
<p><i>Notes: 1. Processing time is dependent on the Agency receiving complete and accurate information from the student and institution. 2. Possible tuition refunds related to a complaint are dependent on scheduled Board meetings due to requirement that refunds be approved by the Board. 3. As a result of two position vacancies, the baseline measure was higher than anticipated as it included a substantial backlog of complaints within the reporting period. The backlog was cleared by June 2010.</i></p>				
Average turnaround time for issuing a tuition refund in the case of institutional closure	Median = 11.6 weeks (Mean = 13.6, Min. = 10.0, Max. = 21, n = 40)	10 – 12 weeks	10 - 12 weeks	10 - 12 weeks
<p><i>Notes: 1. Processing time is dependent on the Agency receiving complete and accurate information from the student in a timely manner. 2. The number of steps in the process of refunding tuition to a student is fairly rigid and final disbursement requires the approval of the Board; therefore, it is not feasible to expect a dramatic change in turnaround time as the years progress. 3. The measure here is one of reverse performance, if times increase beyond the thresholds stated. 4. Figures stated represent the first batch of refunds for which the Agency was given complete information up front. Longer processing times reflect situations where the Agency was not given complete information in order to process the claim efficiently.</i></p>				
Correlation between actual and anticipated STCF payments through more effective collection and enforcement procedures	\$65,031 (net gain in STCF contributions)	\$45,000	\$40,000	\$35,000
<p><i>Notes: 1. In 2009-2010, \$90,162 in additional contributions was collected and \$25, 131 was refunded from overpayments resulting in the net gain shown. 2. As enforcement of STCF contribution payments and review of institutional financial statement information improves, the Agency expects an increased correlation between actual and anticipated payments.</i></p>				

GOAL 2: ENFORCING BASIC EDUCATION AND QUALITY STANDARDS

Enforcement of educational quality is paramount to the Agency's role as both a regulator and provider of consumer protection. PCTIA believes in going many steps beyond simple enforcement and is committed to responding in a manner which encourages and helps institutions to operate within the parameters of the educational quality system for both registered and accredited institutions. PCTIA will strive to provide practical information, samples, services and feedback which are both valuable and desired by the private training sector. By doing so, we will help enable the sector to advance toward standards of excellence which are recognized and trusted by students, governments, the public sector, and employers.

STRATEGIES



MEASURES, BASELINE AND TARGETS – GOAL 2				
Measures	Baseline	2011 – 2012	2012-2013	2013-2014
Number of on-site visits for registered institutions conducted by an Institution Officer	21	65	40	85
Number of institution on-site visits for accredited institutions conducted by an:				
Institution Officer	67	80	80	80
Accreditation Audit Team	29	20	35	27
<p><i>Notes: 1. On-site visits are targeted at once per year for each accredited institution and once every 3 years for registered institutions. 2. Accredited institutions are also reviewed by an external audit team once every five years. 3. With the high degree of change in legislation and bylaws in 2009, the Agency conducted fewer site visits in the 2009-2010.</i></p>				
Rate of compliance within the educational quality system for registered and accredited institutions	<p>From scheduled annual visits: 62%</p> <p>From accreditation audits: 97%</p>	<p>75%</p> <p>90%</p>	<p>75%</p> <p>90%</p>	<p>75%</p> <p>90%</p>
<p><i>Notes: 1. The Agency expects that initial reviews of an institution's compliance with the new quality system will be lower at first, and increase as the Agency provides new tools, delivers training workshops, develops and provides more services, enforces the Bylaw requirements, and provides useful feedback from on-site visits. Compliance would normally be assessed following a site visit by either an Institution Officer or an external audit team, and any institution found to be non-compliant would be given a period of time to bring their operations into compliance. Institutions still not compliant after this opportunity would normally have their registration suspended or cancelled. 2. The targets remain consistent over the three-year planning cycle because there are continually new institutions being registered that do not have prior experience complying with the legislative requirements.</i></p>				

GOAL 3: INCREASING AWARENESS, EFFECTIVENESS AND TRANSPARENCY

We value our stakeholders (including students, institutions, the government, and the public education system) and strive to support quality and compliance in the private career training sector. Those who do business with the Agency must trust that we operate with due concern for efficiency and accountability. With a thorough budget development process and external audit performed each year, we are confident that delivery of our services is provided with the best possible balance of income and expenditures.

STRATEGIES



GOAL 3: INCREASING AWARENESS, EFFECTIVENESS AND TRANSPARENCY

MEASURES, BASELINE AND TARGETS – GOAL 3				
Measures	Baseline	2011 – 2012	2012-2013	2013-2014
<i>Client satisfaction rate with the Agency's communications and outreach activities</i>	<i>A baseline had not been established</i>	<i>TBD once baseline established ⁴</i>	-	-
<p><i>Notes: 1. Communications and outreach include board meetings, workshops, publications, documents, newsletters, and support services provided to clients. 2. Meetings of the Board are pre-determined on an annual basis and will include regional meetings. 3. Publications and documents are produced in priority related to the needs of our clients and the Agency expects more development activity in the first year of implementation of the new legislative framework. 4. This new measure of our performance, originally planned to have been initiated in 2010, may be delayed during the current review of the Agency's Bylaws in order to measure the effectiveness of changes, or may become part of the review process.</i></p>				
<i>Ability of the Agency to operate effectively within the income and expenditures of its budget</i>	\$0	\$0	\$0	\$0
<p><i>*see PCTIA summary financial outlook for net income/loss projections</i></p> <p><i>Notes: 1. A new funding model established in June 2009 has completely changed the flow of revenues into the operation of the Agency. 2. The Agency expects to operate at full cost-recovery now that internal procedural changes to legislative amendments in 2009 have been adopted.</i></p>				

PERFORMANCE MANAGEMENT SYSTEMS

PCTIA uses a variety of internal systems to house its data, verify information used to produce reports, perform internal consistency checks, and track results. These support the goals in our Service Plan of increasing effectiveness and transparency of the Agency.

An internally developed institution database has been in use since 1998 and is continuously improved to provide support for our operational needs and those of our member institutions. It is based on common language platforms including Visual Basic and SQL. PCTIA houses and maintains its own computer server network and manages all software changes internally, allowing for quick hardware repair and customized software changes.

An in-house website has been in use and development since 1998 and has recently added a component which allows institutions to log in with a private username and password and submit monthly tuition revenue data and annual enrolment reporting data, thereby eliminating the need for paper forms.

A standard commercial accounting system, ACCPAC, is deployed on the agency's servers to maintain and report financial information and transactions.

The Agency's financial statements and those for the STCF are subjected to a **full audit** each year by an external international accounting firm. Each year since fiscal year 1993-1994 has resulted in a clean audit.

Areas of Potential Risk

Institutions submit enrolment data using a defined template on a secure webpage common for all institutions. Enrolments are reported by the institutions but the figures are not audited. To help assess the accuracy of the enrolment figures, the institutions' net tuition on their most recent financial statements are compared with the enrolment and tuition of each of their program offerings, and a calculation is made to identify institutions who may have submitted enrolments incorrectly or incompletely. Discrepancies are noted on a case by case basis.

Information Systems and Data Sources

- PCTIA Institution Database
- Financial Databases (ACCPAC and Simply Accounting)
- Manual Tracking

Ministry and Crown Agency Reporting

- 3-year Service Plan
- Annual Service Plan Report
- Quarterly Financial Reporting
- Shareholder's Letter of Expectations
- Enrolment Report by June 1 of each year
- Multiculturalism Report
- Carbon Neutral Action Report

Website Reporting

- Enrolment report, publications and research
- Institution-specific Information on programs
- Lists of suspended institutions and institutions applying for accreditation

SHAREHOLDER'S LETTER OF EXPECTATIONS (SLE)

The Private Career Training Institutions Agency was established in November 2004 when the *Private Career Training Institutions Act* replaced the earlier *Private Post-Secondary Education Act*. In July of 2008 it was determined by government that PCTIA is a Crown agency. Pursuant to that decision, the Agency's first Shareholder's Letter of Expectations was signed by the Minister of Regional Economic and Skills Development and the Board Chairperson in March 2009. A copy of the most recent SLE can be found on the Agency's website at <http://pctia.bc.ca>

The SLE forms the basis for the development of the Agency's Service Plans and Annual Service Plan Reports. In addition to a number of government performance expectations that are common to all Crown Agencies and which are addressed in the Goals and Strategies section of this Report, the most current SLE directs the Agency to take the following specific actions:

<i>Shareholder's Letter of Expectations</i>	<i>PCTIA Alignment</i>
Continue to move to a results-based accreditation process that holds institutions accountable for the extent to which students achieve stated program outcomes	The revised Bylaws require that as part of its annual review of accreditation, an institution must demonstrate that it satisfies a series of out-come based measures. These include, but are not limited to: enrolment outcomes, third-party professional licensing examination results and industry or employer feedback, graduate student satisfaction surveys, and graduate placement outcomes. Accreditation workshops will emphasize the shift from input to outcome-based measures of quality assurance. (<i>Goal 2</i>)
Ensure that student complaints are handled in the most expeditious manner possible	Minor Bylaw revisions enacted during the 2009-2010 fiscal year improved the framework for fair and effective processing of student complaints. (<i>Goals 1 and 3</i>)
Ensure that consistent enrolment reporting information is provided to the Ministry at set times each year (draft information by January 31 of each year, final report in June)	Until 2009, there were fewer than three annual data sets of enrolment reports and each prior year was punctuated with significant changes in the regulatory framework and the number of institutions registered with the Agency. The Agency's 2009 <i>Focus on Enrolment 2009</i> report began developing comparative metrics based on a more predictable cohort of institutions and

SHAREHOLDER'S LETTER OF EXPECTATIONS (SLE)

	programs. It is anticipated that future enrolment reports will be able to reflect a more consistent reporting base and provide comparable information from year to year. (<i>Goal 3</i>)
[Make] any changes that may result from the Ministry review of the Corporation's bylaws	Any changes to the Bylaws and the resulting communication and training provided to institutions by the Agency supports our efforts to increase awareness, effectiveness and transparency (<i>Goal 3</i>)

As is noted in the parentheses, these Shareholder performance expectations are addressed under the Agency's goals, with specific strategies and performance measures identified in each case.

PCTIA SUMMARY FINANCIAL OUTLOOK

	2009/10 Actual	2010/11 (Budget)	2011/12 (Forecast)	2012/13 (Forecast)	2013/14 (Forecast)
Revenue					
Fees from institutions	1,862,814	2,048,000	2,266,000	2,416,000	2,536,000
Management fees	275,404	349,000	350,000	360,000	370,000
Other	24,266	33,000	30,000	15,000	15,000
Total revenue	2,162,484	2,430,000	2,646,000	2,791,000	2,921,000
Expenses					
Operations & administration	1,949,838	2,166,000	2,571,000	2,721,000	2,871,000
Amortization	79,999	88,000	75,000	70,000	50,000
Total expenses	2,029,837	2,254,000	2,646,000	2,791,000	2,921,000
Net income (loss)	132,647	176,000	0	0	0
Net Assets at year end	320,640	496,640	496,640	496,640	496,640

STCF SUMMARY FINANCIAL OUTLOOK

	2009/10 Actual	2010/11 (Budget)	2011/12 (Forecast)	2012/13 (Forecast)	2013/14 (Forecast)
Revenue	2,438,948	1,612,000	1,635,000	1,680,000	1,725,000
Expenses	709,207	917,000	890,000	915,000	945,000
Net income (loss)	1,729,741	695,000	745,000	765,000	780,000
Net assets, at year end	10,421,526	11,116,526	11,861,526	12,626,526	13,406,526

The above financial information, including forecast information, was prepared based on current Canadian Generally Accepted Accounting Principles (GAAP).

FINANCIAL OUTLOOK ASSUMPTIONS

The summary financial outlook is influenced by the following *key assumptions*, that:

- economic forecasters expect slow economic recovery in B.C. to continue into 2011 and beyond
- there is a counter-cyclical demand for increased career training during the period of economic downturn
- there is a demonstrated capacity for private career training institutions to rapidly initiate or expand programming in response to changing labour market demand
- the domestic student market is not growing, leading private career training institutions to increase their dependence on international student markets
- predictable Agency funding as a result of the revised fee assessment model allows for annual adjustment of contribution rates for Agency fees
- PCTIA may be able to afford completion of a bi-annual sector graduate follow-up survey instead of annually
- The Agency will continue monitoring the growth of the Student Training Completion Fund in accordance with the contingency target recommended by the actuarial study of the fund completed in 2010

FUTURE FINANCIAL OUTLOOK

The Agency derives all of its operating revenue from fees paid by member institutions. The Student Training Completion Fund is also dependent on fees paid by registered institutions. The recently revised fees are structured so new and non-compliant institutions pay higher fees than institutions with a history of compliance, and so accredited institutions pay a lower rate than registered institutions. This helps ensure resources are focused where they are most needed.

Although the number of registered institutions has gradually declined, total sector tuition revenue has continued to increase, indicating a consolidation of training activity punctuated by the continued growth of very large institutions. An enhanced reputation, combined with high enrolments in specific labour market programs, suggest that these trends should continue within the current planning period.