



GOVERNMENT LETTER OF EXPECTATIONS

BETWEEN

**THE MINISTER OF ADVANCED EDUCATION,
INNOVATION AND TECHNOLOGY
(AS REPRESENTATIVE OF
THE GOVERNMENT OF BRITISH COLUMBIA)**

AND

**THE CHAIR OF THE BOARD OF
OKANAGAN COLLEGE
(AS REPRESENTATIVE OF THE
OKANAGAN COLLEGE)**

PURPOSE

This Letter of Expectations between the Government of British Columbia (Government) and Okanagan College (Institution) is an agreement on respective accountabilities, roles and responsibilities, including high level strategic priorities, public policy issues and performance expectations. This Letter applies equally to both parties and does not create any legal or binding obligations on the parties. This Letter is reviewed and updated annually, and builds upon the positive and productive working relationship between the Government and the Institution.

INSTITUTION'S ACCOUNTABILITIES

The Institution is a public post-secondary institution that receives funding from the Government. The Government sets the Institution's mandate, which includes the following statutory provisions:

Sections 5 and 6 of the *College and Institute Act*:

- In meeting the needs of its designated region, a college provides adult basic education, English as a second language and adult special education programs. It also provides first and second years of study of baccalaureate degree programs, as well as career, technical, trades and continuing education programming. A college may also offer applied baccalaureate degree programming. Further, a college supports community economic development.

The Government and the public post-secondary institutions share a commitment to ensuring high quality post-secondary education that fosters collaboration and innovation and to building a strong economy. The Government and the public post-secondary institutions also have a shared commitment to being responsive to student and labour market demands and to addressing the overall socio-economic and regional employment needs of the province. This commitment includes the shared priority of meeting the needs of Aboriginal learners and communities and attracting and retaining international students.

The Government and the Institution also share a commitment to achieving a seamless and sustainable transfer system that supports mobility of students and portability of credits, including moving forward on improvements that resulted from the business process review of the transfer system.

In fulfilling its mandate, and in response to the Government's general direction, frameworks and principles, the Institution will ensure that institutional resources are aligned with the Government's priorities and agrees to:

- Ensure that the Institution's priorities reflect the Government's goals of putting families first; creating jobs and building a strong economy; open government and public engagement; and providing regional access to post-secondary education throughout the province so that students can balance family needs and achieve their educational goals which helps families and benefits communities.
- Support the Government in its goal of creating jobs by assisting in the implementation of *Canada Starts Here: The BC Jobs Plan*, which can be found at: <http://www.bcjobsplan.ca>.
- Work in partnership with Aboriginal communities, organizations and institutes to implement the Aboriginal Post-Secondary Education and Training Policy Framework and Action Plan for the purpose of increasing the participation and success of Aboriginal learners.

- Assist in advancing Government's International Education Strategy, including promoting greater internationalization of the education system, attracting and retaining more international students, and providing increased opportunities for students and educators to study and work abroad.
- Work with school districts, high schools and other partners to increase transitions from high school to post-secondary education and training programs.
- Work together as one system to maximize investment and value for British Columbians.
- Ensure partnerships with business, industry and other stakeholders are maximized to assure responsiveness to community needs.
- Continue to strive for efficiencies and effectiveness through increased collaboration and cooperation.
- Champion a high quality, integrated, coordinated and innovative education system.
- Foster innovative approaches to education programming and focus on institutional areas of strength.
- Conduct its affairs to achieve its mandate and the performance expectations of the Government, including establishing and implementing strategies, policies, programs, plans and financial outcomes consistent with the Government's general direction and with the principles of integrity, efficiency, effectiveness, and service.
- Work with Government and system partners to identify opportunities for online services, and leverage technology opportunities to enhance educational programs and services to benefit BC citizens, including moving forward on the open textbook initiative.
- Conduct its operations and financial activities in a manner consistent with the legislative, regulatory and policy framework established by the Government.

The Government also sets broad legislative and policy direction to ensure the Institution's operations and performance are consistent with the Government's strategic priorities and fiscal plan. As such, the Institution agrees to:

- Conduct board matters in accordance with the Government's best practice guidelines – *BC Governance and Disclosure Guidelines for Governing Boards of Public Sector Organizations*, which can be found at: <http://www.fin.gov.bc.ca/brdo/governance/index.asp>. Boards are expected to operate pursuant to bylaws and policies consistent with their governing legislation, including bylaws addressing conflict of interest.
- Ensure board remuneration rates comply with Order in Council 180/95 and Treasury Board Directive 3/11 and that remuneration is publicly disclosed on the Institution's website as required by the Public Sector Employers' Council Secretariat.

- Comply with the Government's tuition limit policy which limits tuition and mandatory fee increases. For 2013/14, fee increases will be limited to two percent. A copy of the tuition limit policy can be found on the Ministry's website.
- Ensure consolidated financial statements achieve a balanced or surplus position on an annual basis, and develop strategies to ensure this is achieved.
- Follow Public Sector Accounting Board standards in the preparation of consolidated financial statements.
- Ensure capital asset procurement is in accordance with the *Capital Asset Management Framework* developed by the Government for public sector bodies which can be found at: <http://www.fin.gov.bc.ca/tbs/camf.htm>. Specifically, procurement must be fair, open, competitive, transparent, and must effectively manage, budget and schedule risk.
- Establish a Project Board to oversee capital projects as directed by the Government based on a risk assessment undertaken at the planning phase.
- Manage capital projects in accordance with approved scope, schedule and budgets and manage cashflows within approved allocations, timeframes, the Government's accountability, reporting and risk management framework and without impacting provincial debt.
- Comply with the Government's requirements to be carbon neutral under the *Greenhouse Gas Reduction Targets Act*, including: accurately defining, measuring, reporting on and verifying the greenhouse gas emissions from the Institution's operations; implementing aggressive measures to reduce those emissions.
- Work cooperatively with the Government in conducting facility condition audits and maintaining and reporting facility condition, inventory and utilization data.

Under the Province's Cooperative Gains Mandate, savings and bargaining plans must be reviewed and approved by Government before any proposed changes to union or non-union compensation are made. Any changes to an approved plan also require approval by Government.

Commencing the effective date of any changes to the collective agreement and/or non-union compensation plans, the Institution must report to Government on the implementation of a plan, including information on progress towards meeting savings targets. The frequency and metrics used in that reporting will be defined by Government in consultation with the institution.

A review of executive compensation in Crown corporations and related recommendations were provided to government by a working group of Crown corporation board chairs in July 2012. Government has responded to those recommendations by changing elements of its executive compensation policies for Crown corporations.

These policies are found at: http://www.fin.gov.bc.ca/psec/disclosuredocs/crown_corporation_executive_compensation_july_2012.pdf. While this policy does not apply to public post-secondary institutions, the policy should be considered when public post-secondary institutions are developing or revising executive compensation policies.

The Institution must comply with the Government's freeze on executive and management compensation announced on September 13, 2012.

GOVERNMENT'S RESPONSIBILITIES

The Government is responsible for setting institutional mandates, as well as the legislative, regulatory and public policy frameworks in which post-secondary institutions operate. In order to meet these responsibilities and support achievement of the Government's performance expectations, the Government will:

- Provide the Institution annual operating and capital funding allocations for inclusion in the Institution's planning activities.
- Provide broad policy direction and confirmation of general frameworks/principles to the Institution, within which the Institution may establish/apply specific policies/processes.
- Consult with and advise the Institution of the Government's strategic priorities, decisions and public policy that may impact the Institution.
- Consult with and advise the Institution of performance targets, objectives and expectations that may impact the Institution.
- Ensure Board appointments are filled in a timely way and support the Board's ability to fulfil its obligations.

During the term of this Letter, the Government may provide additional policy direction, and will work with the Institution to achieve such direction.

AREAS OF SHARED ACCOUNTABILITY

Communications

It is agreed by both the Government and the Institution that, to ensure effective and efficient day-to-day communications and relationship building, representatives for both parties will be tasked with implementing the contents of this Letter and keeping the Minister and the Institution's Board informed of progress in a timely fashion.

Reporting

The Government and the Institution are committed to transparency and accountability to the public. The Government has put in place a public reporting structure which is set out in the *Budget Transparency and Accountability Act*, the *Financial Administration Act*, and the *Financial Information Act*. The Government has provided the Institution with a Reporting

Requirements document which sets out statistical, financial and performance reporting requirements and which can be found on the Ministry's website.

The Institution agrees that it will meet these reporting requirements, and ensure the provision of high quality data. Should the Government determine that changes to the reporting requirements are necessary, the Government will communicate these changes to the Institution.

The Institution shall prepare an Institutional Accountability Plan and Report that demonstrates linkages to the Government's goals, strategies and performance measures; articulates progress toward targets; explains any missed targets; and posts results on the Institution's website. The Institution's performance outcomes are expected to meet or exceed performance targets. When it is evident that the Institution's performance outcomes are at risk of falling below the performance targets, the Institution will notify Government as soon as possible, and identify actions that will be taken to manage this risk.

A draft Institutional Accountability Plan and Report will be sent to the Government for review and discussion prior to submission in final form. Dates for submission of these documents are included in the Reporting Requirements.

It is agreed that the Institution will work with the Government to meet accountability requirements, including:

- Complying with accountability requirements for funding received by the Government under the *Canada-BC Immigration Agreement* that English as a Second Language courses be tuition free for eligible learners.
- Working with the Government to reduce student loan default rates, especially in programs that have a higher incidence of students unable to repay their loans.
- Working cooperatively with the Government in data collection and the release of sufficient high quality institutional level data for use in meeting the Government's Open Data initiative.
- Providing the Government with reports and other information to enable the Government to carry out its responsibilities.

The Government and the Institution agree that, as a matter of course, each will advise the other in a timely manner of any issues that may materially impact the business of the Institution and/or the interests of the Government.

The Government and the Institution will work together to facilitate the transition of the services currently under the *Canada-BC Immigration Agreement* to the federal government.

The Institution will post the most recent signed copy of the Government's Letter of Expectations on its website and the Government will also post a signed copy of the Letter.

Review and Revision of this Letter

The Minister of Advanced Education, Innovation and Technology is accountable for undertaking reviews of this Letter and monitoring its implementation. If deemed necessary by either party, the Government and the Institution will discuss any issues and may agree to amend this Letter on a more frequent than annual basis.



Honourable Ralph Sultan
Minister of Advanced Education,
Innovation and Technology and
~~Minister Responsible for Multiculturalism~~

April 9, 2013

Date



Mr. W. Tom Styffe
Chair of the Board
Okanagan College

MAR 13 2013

Date

pc: Honourable Christy Clark
Premier

Mr. John Dyble
Deputy Minister to the Premier and Cabinet Secretary

Mr. Peter Milburn
Deputy Minister and Secretary to Treasury Board
Ministry of Finance

Ms. Cheryl Wenezenki-Yolland
Deputy Minister
Ministry of Advanced Education, Innovation and Technology

Mr. Jim Hamilton
President
Okanagan College