SHAREHOLDER’S LETTER OF EXPECTATIONS

BETWEEN

THE MINISTER OF ADVANCED EDUCATION AND LABOUR MARKET DEVELOPMENT
(AS REPRESENTATIVE OF THE SHAREHOLDER,
THE GOVERNMENT OF BRITISH COLUMBIA)

AND

THE CHAIR OF THE BOARD OF THE PRIVATE CAREER TRAINING INSTITUTIONS AGENCY
(AS REPRESENTATIVE OF THE AGENCY)

PURPOSE

This Shareholder’s Letter of Expectations between the Shareholder and the Agency is an agreement on the respective roles and responsibilities of each, and serves as the basis of agreement between the Shareholder and the Agency on corporate mandate including: high-level performance expectations; public policy issues; and strategic priorities. It will be reviewed annually and updated as required. The Shareholder’s Letter of Expectations will be the basis for the development of the Agency’s future Service Plans and Annual Service Plan Reports. The Letter applies equally to the Shareholder and the Agency. The Letter does not create any legal or binding obligations on the part of the Shareholder or

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1 The Province of British Columbia’s Crown Agency Accountability System (CAAS) (http://www.gov.bc.ca/cas/attachments/shareholder_s_expectations_manual_2006.pdf) establishes guiding principles for the governance of Crown corporations. The CAAS identifies roles and responsibilities for the Shareholder and Crown corporations, and provides for a Shareholder’s Letter of Expectations (Letter) to be jointly developed.
the Agency but rather is intended to define and promote a positive and co-operative working relationship.

AGENCY ACCOUNTABILITIES

Through the Private Career Training Institutions Act, government has provided the following mandate direction to the Private Career Training Institutions Agency:

- 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 the Act.

Effective June 1, 2009, this mandate will be expanded to include establishing basic education standards for registered institutions.

In responding to government's performance expectations and the general and specific frameworks and direction of the Shareholder, the Agency will:

- conduct its affairs to achieve its mandate and the performance expectations and objectives of the Shareholder, including establishing and implementing corporate strategies, policies, programs, plans and financial outcomes that are consistent with the Shareholder's general direction and with principles of integrity, efficiency, effectiveness, and customer service;
- conduct its operations and financial activities in a manner consistent with the legislative, regulatory and policy framework established by the Shareholder;
- beginning in 2009/10, prepare Service Plans with clearly articulated goals, strategies, performance measures and targets, and Annual Reports that describe the Agency's progress toward achieving those goals, and post both documents on its website;
- display all annual Statement of Financial Information schedules prepared under the Financial Information Act in an easily accessible location on its website (some of this information is included in Annual Reports and does not need to be otherwise displayed);
- develop and implement strategies to manage identified risks;
- comply with the Shareholder's requirements to make the Public Sector carbon neutral by 2010, including: accurately defining, measuring, reporting on and verifying the greenhouse gas emissions from the Agency's operations; implementing aggressive measures to reduce those emissions and reporting on these reduction measures and reduction plans; and offsetting any remaining emissions through investments in the Pacific Carbon Trust, which will invest in greenhouse gas reduction projects outside of the Agency's scope of operations;
encourage staff involvement in developing ideas and new solutions to meet government's climate change objectives, including energy conservation programs and fleet and traffic management initiatives, and report on results achieved;

support the Shareholder's Healthier Choices Initiative, including ensuring that all non-contracted vending machines located in facilities owned or leased by the Agency have food products which meet the Shareholder's Nutrition Guidelines for Vending Machines in Public Buildings, and that contracted vending machines be transitioned to the Nutrition Guidelines for Vending Machines in Public Buildings as soon as practicable upon expiry of their contracts:

provide the Shareholder with reports and other information that would enable the Shareholder to carry out its responsibilities; and

provide information to the Shareholder immediately if the Agency is unable to meet performance and financial targets.

In addition, the Shareholder directs the Agency to take the following specific actions:

- establish basic education standards for registered institutions;
- Move to a results-based accreditation process that holds institutions accountable for the extent to which students achieve stated program outcomes;
- restructure PCTIA fees in conjunction with regulatory changes so that the amount of contributions that institutions pay into the STCF rewards those with a strong history of compliance and increases fairness between large and small institutions;
- establish a student complaint mechanism, for students who feel they have been misled by an institution;
- administer the Student Training Completion Fund (STCF);
- improve public awareness and understanding of the Agency's processes and roles;
- enhance data collections to support production of an annual institution enrolment report, to be published on the Agency's website by June 1 each year;
- respond to additional directions from the Shareholder in an efficient and effective manner and meet and report out on implementation expectations communicated with these additional directions; and
- continually review and improve PCTIA activities to ensure efficiency, effectiveness, and accountability. This could include periodic reviews and/or surveys to give the public more opportunities to provide constructive feedback and advice to PCTIA.
SHAREHOLDER'S RESPONSIBILITIES

The Shareholder is responsible for the legislative, regulatory and public policy framework in which Crown Corporations operate. In order to meet these responsibilities and support achievement of government's performance expectations, the Shareholder will:

- establish, review, revise and communicate the Agency's mandate;
- establish and communicate the general and Crown-specific financial frameworks under which the Agency operates (borrowing, investment, and payment to the Shareholder);
- issue performance management guidelines, including guidelines for Service Plans and Annual Reports (http://www.gov.bc.ca/cas/publications/index.html);
- provide input and feedback to the Agency in the development of its future Service Plans and Annual Reports;
- provide broad policy direction and confirmation of general frameworks/principles to the Agency, within which the Agency may establish and apply specific policies/processes;
- advise the Agency of government's priorities, strategic decisions and public policy and performance objectives and expectations that may impact the Agency; and
- issue directives or orders or sponsor submissions on behalf of the Agency that may be required to seek decisions or policy direction by the Executive Council or its committees, in order to facilitate the Agency fulfilling its mandate and achieving the performance targets outlined in its Service Plans.

The Shareholder has developed policies for ministries and Crown corporations for Capital Asset Management (http://www.fin.gov.bc.ca/tbs/camf.htm) and Board remuneration polices for Crown agencies (http://www.gov.bc.ca/cas/publications/index.html). The Shareholder has also issued Best Practice Guidelines for board governance and disclosure (http://www.lcs.gov.bc.ca/brdo/governance/index.asp). During the term of this Letter, the Shareholder may provide additional policy direction to the Crown agency sector, and will communicate any such direction, including implementation expectations, to the Agency as decisions are made.

The Shareholder will also, on a continuing basis, monitor the achievement of the goals, objectives and performance and financial targets identified in Crown corporations' Service Plans.

Specific to the Agency, the Shareholder:
- approves the Agency's mandate under the Private Career Training Institutions Act;
- ensures that the appropriate consultation and notification occurs on significant policy and legislative issues that may impact the Agency;
- facilitates, in a timely manner, appropriate legislative and regulatory changes to enable the Agency to achieve its goals and objectives with regard to the evolving private career training system in British Columbia;
• issues directives, as required, to encourage and assist the work of the Agency;
• appoints board members, in the numbers and at the times specified in the Private Career Training Institutions Act;
• reviews, monitors and evaluates services and performance indicators to ensure compliance with the Agency’s Service Plan and the Private Career Training Institutions Act and Regulation.

AREAS OF SHARED ACCOUNTABILITY:

Communications

It is agreed by both the Shareholder and the Agency that, to ensure effective and efficient day-to-day communications and relationship building, officials representing both parties will be tasked with implementing the contents of this Letter and keeping the Minister Responsible informed of progress in a timely fashion.

Reporting

The Shareholder and the Agency are committed to transparency and accountability to the public. The Shareholder 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 Shareholder has provided the Agency with a reporting calendar which sets out financial and performance reporting requirements (http://www.gov.bc.ca/cas/publications/index.html). The Agency agrees that it will meet required financial and performance reporting obligations. If government determines that changes to the reporting requirements are necessary, the Shareholder will communicate these to the Agency.

It is agreed by both the Shareholder and the Agency that there will be advance discussion and review of key documents such as Service Plans, Quarterly Financial Reports and Annual Reports. These discussions will be completed sufficiently in advance of deadlines to ensure the opportunity for effective and timely input by the Shareholder.

In addition to these financial and performance reporting requirements, the Agency agrees to provide information to the Shareholder related to risks and opportunities anticipated in achieving financial forecasts and performance targets.

The Shareholder and the Agency 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 Agency or the interests of the Shareholder.

It is agreed that the Agency will post the most recent signed copy of the Shareholder’s Letter of Expectations on its website. The Crown Agencies Secretariat will also post a signed copy of the Letter on its website.
Review and Revision of this Letter

The Minister of Advanced Education and Labour Market Development is accountable for undertaking reviews of this Letter and monitoring its implementation. The Crown Agencies Secretariat is responsible for co-ordinating the overall process for preparing Shareholder's Letters of Expectation, and may assist the Minister in undertaking reviews of this Letter and monitoring its implementation. If deemed necessary by either party, the Shareholder and the Agency will discuss any issues and may agree to amend this letter on a more frequent than annual basis.

[Signature]
Honourable Murray Coell
Minister of Advanced Education and Labour Market Development

[Signature]
Steve Whiteside
Board Chair, Private Career Training Institutions Agency

Date:
Feb 27, 2009

Date:
March 18, 2009

cc.
Honourable Gordon Campbell
Premier

Jessica McDonald
Deputy Minister to the Premier and Cabinet Secretary

Chris Trumpey
Deputy Minister and Secretary to Treasury Board
Ministry of Finance

Chris Johnson
A/Assistant Deputy Minister and Chief Executive Officer
Crown Agencies Secretariat

Robin Ciceri
Deputy Minister
Ministry of Advanced Education and Labour Market Development

Jim Wright
Registrar
Private Career Training Institutions Agency