

# **Training Completion Fund Annual Report**

**January 1, 2003 – December 31, 2003**

**January 1, 2004 – December 31, 2004**



MINISTER OF ADVANCED EDUCATION AND TRAINING

Room 156  
Legislative Building  
Winnipeg, Manitoba R5C 0V8  
CANADA

To the Operators and Students of Manitoba's Private Vocational Institutions

Dear Stakeholders:

I am pleased to present the first annual report of the Manitoba Training Completion Fund for the calendar years 2003 and 2004. This report contains information pertaining to the time period January 1, 2003 to December 31, 2004.

Private Vocational Institutions pay 1% of all tuition collected into the Training Completion Fund. Forty (40) institutions contributed to the Fund in 2003, while thirty-eight (38) contributed in 2004.

*The Private Vocational Institutions Act*, administered by the Private Vocational Institutions office, aims to provide consumer protection for both students and the registered institutions. The Training Completion Fund, a means to protect students in the event of an institution's closure, helps to further this goal.

If you have questions about this annual report, you are encouraged to contact the director of the Private Vocational Institutions office at (204) 945-8502.



Sincerely,

Diane McGifford  
Minister



To All Private Vocational Institutions in Manitoba:

I am pleased to advise you that the first annual report of the Training Completion Fund is now available.

Manitoba Advanced Education and Training is committed to ensuring a measure of consumer protection for students who access private vocational institutions. As you will see in the report, the Fund is growing slowly, but surely

This report is stored electronically in PDF format on the Advanced Education and Training Web site at [www.edu.gov.mb.ca/aet/docreports/index.html](http://www.edu.gov.mb.ca/aet/docreports/index.html) under Post-Secondary Institutions in Manitoba, Private Vocational Institutions section. Because the report is a technical accounting of non-program related activity, there is no printed version for distribution. You are encouraged to download a copy of the report for your institution's files.

If you have any questions about the report, please contact the director of private vocational institutions at (204) 945-8502.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tom Glenwright'.

Tom Glenwright  
Executive Director

Manitoba Student Aid/Private Vocational Institutions

## TRAINING COMPLETION FUND

*The Private Vocational Institutions Act ("the Act")* received Royal Assent on August 1, 2002. Section 13 of *The Act* established the Training Completion Fund, which is a "pool" of monies to be used to help finance the completion of training contracted by students should an institution unexpectedly ceases to do business.

The *Act* came into force on January 1, 2003. Under this legislation, if an institution's registration is cancelled or not renewed, or if the institution becomes insolvent, the Minister may pay out of the Fund an amount to be used to pay for the completion of a student's program or to refund a student's tuition fees in the manner prescribed by regulation. If there is insufficient monies in the Fund to pay for the completion of the program or to refund the tuition, the monies paid out must not exceed the amount of revenue in the Fund. Monies are in this case paid out on a pro rata basis.

The regulations under the *Act* further outline details of the Fund. The Fund is capitalized by registered private vocational institutions which submit payments in the amount of 1% of all tuition collected (private and third-party-pay tuition). Payments are submitted by the final working day of the month immediately following the first day of a class intake. On a weekly basis, institutions are required to submit a list of all students by program intake, including the address and telephone number for each student. This action essentially "registers" a student with the Private Vocational Institutions office in the event that the Fund is accessed during the student's scheduled training period.

***The Private Vocational Institutions Act***

**Training Completion Fund  
Statement of Revenues and Expenditures  
For the Years Ended December 31, 2004 and 2003  
(Unaudited)**

	<u>2004</u>	<u>2003</u>
Revenues		
Registrant contributions	\$151,930	\$145,498
Excess of revenues over expenditures	\$151,930	\$145,498
Fund balance, January 1	<u>\$145,498</u>	<u>\$ 0</u>
Fund balance, December 31	<u>\$297,428</u>	<u>\$145,498</u>

**Balance Sheets  
For the Years Ended December 31, 2004 and 2003  
(Unaudited)**

	<u>2004</u>	<u>2003</u>
Assets		
Cash	\$282,889	\$120,793
Contributions receivable (Note 2)	<u>\$ 14,539</u>	<u>\$ 24,705</u>
Total assets (Note 3)	<u>\$297,428</u>	<u>\$145,498</u>
Fund balance (restricted) (Note 4)	<u>\$297,428</u>	<u>\$145,498</u>

## ***The Private Vocational Institutions Act***

### **Training Completion Fund Notes to Financial Statements**

1. Section 13 of the *Private Vocational Institutions Act* (which came into force on January 01, 2003) and section 25 to 27 (6) of Manitoba Regulation 237/02 (which came into force January 01, 2004) regulates the establishment and operation of the Training Completion Fund. The purpose of the Fund is to provide protection to students so that they are able to complete their training at another institution or receive a refund in the event their institution closes. All private vocational institution registrants submit payment in the amount of one (1) percent of private and third party tuition to the Private Vocational Institutions office (Province of Manitoba) by the final working day of the month immediately following a student intake.

On a weekly basis, institutions are required to submit a list of all students by program intake, including the address and telephone number for each student to the Registrar. Institutions are also required to submit to the Registrar, a list of all student's names, addresses and telephone numbers and third party funders for those students who have withdrawn from their course of studies. The Training Completion Fund monthly remittance form is completed by the institution and submitted with a check made payable to the Minister of Finance.

2. Contributions receivable relates to outstanding payments from private vocational institutions at each year end. The amount receivable at each year end is as follows:

December 31, 2003	-	\$ 24,705
December 31, 2004	-	\$ 14,539

3. It was discovered during the creation of these financial statements that the funds placed in the Training Completion Fund Trust Account for the years 2003 and 2004 were not in interest bearing accounts. This will be rectified for 2005.
4. As per section 13 (3) of the *Private Vocational Institutions Act*, the Fund may only be used to:
  - a) make payments to another institution for the completion of a students program of instruction or refund tuition fees to a student when a registered school becomes insolvent
  - b) make payments to another institution for the completion of a students program of instruction or refund tuition fees when a registered schools registration is cancelled or not renewed
  - c) pay for administering and auditing the Fund.

Although the purpose of this Fund is to provide for students in the event of institution closure, the securities held by institutions (as required under sections 28-30 of the Private Vocational Institutions regulation (MR 237/2002)) are first accessed before the TCF is used.