

Province of Manitoba

The Private Vocational Institutions Act
Training Completion Fund

Financial Statements
For the Year Ended December 31, 2008
(Unaudited)



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

Dear Stakeholders:

I am pleased to present the fifth annual report of the Manitoba Training Completion Fund, for the period January 1 to December 31, 2008.

Private vocational institutions pay 1% of all tuition collected into the Training Completion Fund. Forty-three (43) institutions contributed to the Fund in 2008.

The Private Vocational Institutions Act, administered by the Private Vocational Institutions office, aims to provide consumer protection for both students and 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,

A handwritten signature in black ink, appearing to read "Diane McGifford". The signature is written in a cursive, flowing style.

Diane McGifford, PhD
Minister

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 cease 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 are 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.

**Statement of Revenues and Expenditures
(Unaudited)**

	<u>2008</u>	Revised <u>2007</u>
Revenue		
• Registrant Contributions	\$169,722	\$164,672
• Interest Revenue	\$10,619	\$18,593
Total Revenue	\$180,341	\$183,265
Expenditures	\$0	\$ 0
Excess of Revenues over Expenditures	\$180,341	\$183,265
Fund balance, January 1	\$824,087	\$640,822
Fund balance, December 31	\$1,004,428	\$824,087

**Balance Sheet
(Unaudited)**

	<u>2008</u>	Revised <u>2007</u>
Assets		
• Cash and Cash Equivalents (Note 2)	\$987,733	\$808,397
• Contributions Receivable (Note 3)	\$16,695	\$15,690
Total assets	\$1,004,428	\$824,087
Fund balance (restricted) (Note 4)	\$1,004,428	\$824,087

Province of Manitoba

The Private Vocational Institutions Act **Training Completion Fund**

Notes to Financial Statements

1. Section 13 of *The Private Vocational Institutions Act* and sections 25 to 27(7) of Manitoba Regulation 237/02 regulate 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 institutions (“registrants”) submit payment in the amount of one (1) percent of all tuition collected (private and third party tuition) to the Private Vocational Institutions office 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 names, addresses, 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 cheque made payable to the Minister of Finance. Forty-seven institutions were actively registered in 2008. Of these, some focused solely on contract training; that is, training that is not regulated under the Act or subject to Training Completion Fund requirements. As a result, forty-three institutions contributed to the Fund in 2008.

2. Cash equivalents included in cash are recorded at cost. Market values approximate cost. Cash equivalents are all highly liquid securities with a maturity of three months or less when purchased.
3. Contributions receivable relate to outstanding payments from private vocational institutions at each year end. A \$1,010 payment was received late and therefore added to the 2007 contribution receivable on the 2007 statement. The amount receivable at each year end is as follows:

December 31, 2008	-	\$16,695
December 31, 2007	-	\$15,690

4. Per subsection 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 student’s program of instruction or refund tuition fees to a student when a registered institution becomes insolvent,
 - b) Make payments to another institution for the completion of a student’s program of instruction or refund tuition fees to a student when a registered institution’s registration is cancelled or is not renewed,
 - c) Pay for administering and auditing the Fund.