



Financial Statistics of Community Colleges and Vocational Schools

For the fiscal year ended in 2004

Guidelines

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I. Introduction

The main objective of this survey is to obtain detailed revenue and expenditures data of each community college and vocational school in Canada. Coupled with what is already available for the university sector, this gathering of data will provide a complete picture of the financial statistics of postsecondary education as well as vocational training in Canada.

The following notes provide the principles, definitions and guidelines necessary for the completion of the data form. Since it is desirable to obtain figures as comparable as possible from one institution to another, each respondent is requested to:

- provide accompanying notes of explanation with the submission for those figures which the respondent feels may not be comparable with those of other institutions; or alternatively, provide comments in the space provided at the bottom of page 7;
- provide comments on items which are excluded from the data form such as cases where provinces are making contributions to repay debt on behalf of an institution, or material gifts received as donated service along with their estimated market value;
- estimate, whenever possible, income and expenditure figures which are not readily available in the form required from the financial records of the institution; all estimated amounts should be indicated with an asterisk (*).

II. Submission

The final deadline for the submission is as indicated in the covering letter. The completed questionnaire(s) should be returned in the self-addressed envelope provided.

A copy of the institution's Audited Financial Statements is also requested with your submission. If a copy is not available, please advise as to the date on which they will be forwarded.



III. Coverage

With the exception noted below, the survey covers all private and public non-degree granting institutions that offer educational programs at the postsecondary level and/or at the trade and vocational level (private institutions that *only* offer courses at the trade and vocational level however, are not covered by this survey). For statistical purposes, institutions are classified as follows:

1. Community Colleges

Included in this classification are the colleges of applied arts and technology (CAAT's) in Ontario, general and vocational colleges (CEGEP's) in Quebec, institutes of technology and any other institutions providing education in fields such as para-medical technologies, nursing, agriculture, forestry, nautical sciences, etc. These institutions offer programs at the postsecondary level, and may offer trade-vocational level programs.

2. Vocational Schools

This classification includes District Vocational Schools in Newfoundland, Regional Vocational Schools in Nova Scotia, Community Colleges in Saskatchewan, Vocational Centres in Alberta, government training schools, vocational training centres and any other institution offering programs at the trade-vocational level only.

3. Training in hospitals

Included in this classification are educational centres located in hospitals, which offer educational or training programs, independently of the community college system, in nursing, nursing assistants, radio-therapy, radiography, medical technology, etc.

To ensure full coverage, it is important that each reporting officer indicates on page 2 of the questionnaire the affiliated campuses included in and/or excluded from the submission.

IV. Confidentiality

The collected data will be published in aggregated form at the provincial level to preserve the confidentiality of the financial reporting of each institution.

V. Financial reporting form

The questionnaire is comprised of seven pages.

The first page contains four parts:

- the institution's financial year ending date;
- identification of the institution; whether it is public or private and whether it is board or provincially governed;
- identification of the reporting officer;
- a few brief instructions on how to complete the questionnaire.

The second page contains a list of the affiliated campuses included in, and /or excluded from the report.

The third page contains the institution's operating, sponsored research and capital income for the year surveyed.

Pages four and five contain the operating, sponsored research and capital expenditures classified by type of expenditure and by function. The operating fund is divided into five functions: instruction, library, administration and general, physical plant and student services.

The sixth page contains expenditures on instruction, classified by type of expenditure and by program cost groups. The cost groups are: university transfer programs, career programs, trade and vocational programs and continuing education programs.

The last page contains:

- a supporting schedule for information on ancillary enterprises income and expenditures;
- space for any additional comments or observations which the reporting officer may wish to make concerning items covered or not covered in the questionnaire.

VI. Principles of reporting

1. Accrual Concept

For the purpose of this survey, the revenue and expenditure data should be reported on an accrual basis. That is, all revenues and expenditures should be reflected in the period in which they are considered to have been earned and incurred respectively. Major adjustments such as retroactive salary and their related benefit costs should, for example, be reported on that basis.

2. Total Income and Expenditures

All income and expenditures of the institution are to be reported. In this regard particular attention should be paid to the following:

- when an institution is provincially governed or consists of a branch of a department, all costs related to the operation, maintenance and administration of the institution are to be reported; the actual funds used to finance those expenditures should be shown as a provincial source of funds;
- capital expenditures, as well as related revenues, being financed by a government Department or Ministry other than the one responsible for the institution must be included in this report; the reporting officer is responsible for obtaining and providing this information;
- the figures reported should not include income or expenditures for the purpose of creating or eliminating an appropriation; however, any actual income or expenditure transaction recorded directly in reserve accounts should be included in the figures reported; this also applies to other assets and liability accounts; provisions for replacement of assets are considered to be transfers to reserve or appropriation accounts and should not be reported as expenses;
- receipts and expenses relating to special purpose, trust and other funds of the institution should, as well, be included in the report.

3. Ancillary Enterprises

An ancillary enterprise is an entity that exists to furnish goods and services to students, staff or others, and that charges a fee directly related to, although not necessarily equal to, the cost of the goods or services. To reflect properly the full cost of these enterprises, you should report their total gross revenues and total gross expenditures in the appropriate cells in the schedule 1 and 2A. In addition, a breakdown by type of ancillary enterprises (bookstores, food services, residences, parking) must be completed in the supporting schedule on page 7.

4. Reporting of Income

When reporting the sources of funds in the operating, sponsored research and capital income schedule on page 3, it is important to show the revenues under the headings that correspond to the immediate source of funds for the institution. For example, if an institution offers training courses for which Human Resources Development Canada (HRDC) purchases seats, then the amount of money paid by HRDC should be shown under "Federal" only if the money is received directly by the institution. If the money is received by a third party (provincial government) and then transferred to the institution, then the direct source of funds is the "Provincial Government".

enter a career directly upon completion of the program, at a level between that of the university trained professional and the skilled tradesperson.

b) Trade and Vocational Programs

This program cost group includes all direct expenditures incurred in providing instruction (or training) to students (or trainees) enrolled *FULL-TIME* in vocational programs at the trade level for credit towards a recognized standing of proficiency or certification. Also included are direct expenditures related to students enrolled in academic upgrading programs for entry into a vocational program. Such students normally attend regular day classes in provincial trade schools, trade or industrial divisions of community colleges, adult vocational centres and other similar schools. These programs or courses prepare the student (trainee) for an occupational role below the professional or semi-professional level. A period of less than one year is normally sufficient to complete courses at this level. For less complex occupations, a program may last only a matter of weeks. Completion of grade 9 or 10 is usually required for entrance to these courses.

Included are, for example, pre-employment programs, language, skill or academic upgrading programs, refresher courses, apprenticeship programs, training on the job or training in-industry programs associated with educational institution, nursing assistant, etc.

c) Continuing Education Programs

This program cost group includes all direct expenditures incurred in providing instruction to students enrolled *PART-TIME* in courses, mostly in the evening, offered under the auspices of subsidiary divisions of schools designated by various names such as Division of Continuing Education, Department of Extension Services, Adult Education Division and so on. Excluded are activities which have no sustained instruction or educational purpose such as recreational activities, presentations in the performing arts, art exhibitions and displays, debates fairs, conferences or conventions of clubs or associations.

Included are, for example, courses such as pre-employment programs, language, skill or academic upgrading programs, refresher, professional development, general interest, etc., which are offered on a *PART-TIME* basis.

2. Funds

a) Operating

This fund accounts for the cost of credit and non-credit instruction, non-sponsored research, academic support services, administration, plant maintenance and other operating expenses of the institution financed by fees, grants and other operating income. This fund will normally include all revenues and expenses regarding materials, supplies or services that are consumed within the year and which the institution considers to be operating, within the functional operating areas referred to in Section 3. below.

VII. Definitions

1. Program Cost Groups

This section defines the program cost groups to be used in the reporting of direct instruction expenditures on page 6 of the questionnaire.

The criteria used to define the various program cost groups originates from those used in other surveys conducted by Statistics Canada and also from analysis of different educational systems across Canada. Note that these statistical definitions may not correspond identically to other existing definitions used by other organizations or governments.

a) Postsecondary Programs

This program cost group includes all direct expenditures incurred in providing instruction to students enrolled *FULL-TIME* or *PART-TIME* in postsecondary programs offered by Community Colleges (see section III). These programs are of two kinds: university transfer programs and semi-professional career programs.

- (i) **University transfer programs:** University transfer programs require secondary school completion to enter and provide a student with standing equivalent to the first or second year of a university degree program with which one can apply for admission to subsequent senior years at a degree granting institution.
- (ii) **Career programs:** These programs usually require high school graduation for admission and have a duration of at least one year. More commonly these programs last two, three or four years. Career programs lead to a certificate or a diploma in technology, business, applied arts, nursing, agriculture, etc., and they prepare a student to

b) Sponsored Research

Sponsored Research is a restricted fund that accounts for income and expenditures for all sponsored research as well as Research and Development (R&D). For an activity to qualify as R&D, there must be an appreciable element of novelty. Income is to be reported following the funds flow approach.

Sponsored Research covers the following activities:

Basic Research is any experimental or theoretical work undertaken primarily to acquire new knowledge of the underlying foundation of phenomena and observed facts, without any particular application or use in view.

Applied Research is original investigation undertaken to acquire new knowledge, and directed primarily towards a specific practical objective.

Experimental development is systematic work drawing on existing knowledge gained from research and/or practical experience that is directed to producing new materials, products or devices; installing new processes, systems and services; or improving those already installed.

The following activities should not be counted as R&D:

- all education and training of personnel; however, research by postgraduate students should be counted;
- scientific and technical information services such as collecting, coding, recording, classifying, analyzing, disseminating, translating, and evaluating, except where conducted solely or primarily for R&D support;
- routine testing of materials, components, products, processes, soils, etc.;
- maintenance of national standards;
- administrative and legal work connected with patents and licenses;
- investigations of proposed engineering projects using existing techniques; however feasibility studies on research projects are part of R&D;
- policy-related studies at the national, regional and local levels, as well as those of business enterprises in pursuit of economic activity;
- routine software development, computer maintenance, quality assurance, routine data collection, and market research;
- the many steps other than R&D necessary for the development and marketing of a manufactured product;
- the raising, management, and distribution of R&D funds; and
- routine investigation and normal application of specialized medical knowledge.

Sponsored Research accounts for the institution's income paid in the form of a **contract** (legally enforceable arrangements under which the institution, or an individual within the institution,

agrees to undertake a research project, using the institution's facilities and/or personnel, for a sponsor that provide funds to meet all or part of the costs of the project) or a **grant** (unconditional payment for which service is not necessarily expected) from a source external to the institution.

Income sources include government, private industry and donors. Income may also include investment income, if the corresponding expenditures are reported in Sponsored Research.

Expenditures include activity funded from Sponsored Research income and exclude activity funded from the General Operating fund. It also includes the purchase of capital assets, if the corresponding income is reported as Sponsored Research.

Funds from the **Canada Foundation for Innovation (CFI)**, along with applicable matching funds, are to be reported as Sponsored Research income. The corresponding expenditures, including the purchase of capital assets, are to be reported as Sponsored Research expenditures.

c) Capital

This fund accounts for the institution's capital income such as borrowings, *direct* capital grants, bequests, gifts, etc., used to finance capital *expenditures* on furniture and equipment, buildings, land and site services, major renovations and alterations. Expenditures for capital debt *repayments* by, or on behalf of, the *institution*, as well as capital debt *repayments* financed by a specific government grant, are to be excluded from the income figures reported on page 3 of the questionnaire as well as from the expenditures reported on pages 4 and 5.

Capital expenditures, as well as related revenues, being financed by a Government Department or Ministry other than the one responsible for the institution must be included in this report. The reporting officer should be responsible for obtaining and providing this information.

3. Functions

a) Instruction and non-sponsored research

This includes all direct costs related to credit and non-credit courses, summer courses, extension programs and all other academic functions related to instruction and non-sponsored research such as offices of academic department heads, audio-visual services, laboratories, etc.

b) Library

This includes all the operating costs of the main library as well as the campus libraries, if there are any. All costs of library acquisitions from the Operating fund should be shown under this function.

c) Administration and General

This includes costs for activities whose primary function is to provide administrative support for the operation of the institution. It includes the activities of the president's office, vice president, registrar, finance, personnel, public relations, secretariats, etc. It also includes expenditures on convocations, ceremonies, legal and audit

fees, long distance phone calls, the internal portion of debt repayments and costs for computing facilities.

d) Physical Plant

This includes the costs related to physical facilities, such as physical plant offices, maintenance of buildings and grounds, fire insurance, telephone service, security, repairs and furnishing, renovations and alterations, mail delivery service.

e) Student Services

This includes costs for activities whose primary purpose is to assist students in their educational or employment pursuits and which are outside of, but supplemental to, the instruction of academic programs. It includes the costs of: counselling, placement, health services, athletics (not physical education), student accommodation services (not residences), student transportation services, bursaries, scholarships and prizes, student financial aid office, cultural activities, etc.

4. Types of Income

a) Government Grants and Contracts

Lines 1 to 9 include grants from, and contracts with, federal government departments and agencies, provincial government departments and agencies, and municipal governments.

Government grants provide financial support to institutions and the grants may or may not be restricted.

Government contracts provide financial support to institutions under certain stipulations and conditions, including the provision of a deliverable product, such as a piece of equipment, a service or a report. A contract normally includes provisions for institutions to recover certain indirect or overhead costs, with the contract specifying or documenting the basis for the calculation of the recoverable costs.

Federal

Lines 1 to 5 include all research grants, research contracts, grants and contributions from the Government of Canada and its departments and agencies. Income received from the four major federal government agencies is reported on lines 1 to 4, as applicable.

The line items under "federal" are as follows:

- Line 1 Human Resources Development Canada (HRDC)**
- Line 2 Canada Foundation for Innovation (CFI)**
CFI income is reported under the Sponsored Research fund.
- Line 3 Canadian Institutes of Health Research (CIHR)**
- Line 4 Natural Sciences and Engineering Research Council (NSERC)**
- Line 5 Other federal**
Income from all other federal government departments and agencies is reported on this line.

Provincial

Lines 6 to 8 include income from provincial government departments and agencies. Provincial CFI matching income (line 7) from the Ministry responsible for the institution is reported under the Sponsored Research fund.

In the case of a provincially administered institution, direct provincial funding are to be included here.

Municipal

Examples of income to be reported on this line include grants from urban transit, communication and parking authorities.

b) Fees

This includes all mandatory student fees for credit and non-credit courses (with the exception of residence fees, parking fees and other similar fees which should be reported under 'ancillary enterprises - gross') paid by, or on behalf of all *FULL-TIME* and *PART-TIME* students.

All other fees charged to students such as laboratory fees, transcript, late registration, application, athletic fees, etc., are to be reported under the heading 'other'.

Normally, whenever revenues from fees are reported in schedule 1 under specific program(s), related expenditures should be reported for the corresponding program(s) in schedule 2B.

Note: those fees which are "flow through", such as student activity fees collected for the students' council, etc., are not to be reported as college revenue.

c) Bequests, Donations, Non-Government Grants

This includes receipts from business, industry, foundations, individuals and religious organizations, as well as the value of services donated by various organizations.

d) Investment Income

This includes income from all investments such as dividends, bonds, mortgages, short-term notes and bank interest. Realized gains (or losses) should also be included if they are treated as income in the operating and/or capital funds.

e) Ancillary Enterprises (gross)

This includes total revenues from all ancillary enterprises such as residence or parking fees, and sales of services and products from bookstores, food services (dining hall, cafeterias and vending machines), publishing, laundry services, etc.

It should also be noted that the reporting officer is asked to report, on the supporting schedule on page 7, a breakdown of total income for the institution's ancillary enterprises.

f) Borrowings

This includes only those borrowings which are used to finance expenditures when repayment is to be made by the institution. Note that borrowings should be reported on an accrual basis.

g) Miscellaneous

This includes net income from rentals (other than ancillary enterprises), library fines and fines for other similar charges, and any income not reported elsewhere.

h) Interfund Transfers

When income from one fund is used to finance expenditures in another fund, report the amount as an interfund transfer. *Total interfund transfers must net to zero.*

5. Types of Expenditures

a) Salaries and Wages

Salaries and wages (excluding fringe benefits) as well as payments for leave of absence, shown under the appropriate functions and programs, are to be broken down into the following two categories:

(i) Teachers

Included in this category are salaries and wages paid to full-time and part-time teaching staff.

(ii) Other

This category includes all salaries not reported in part (i) above. Specifically, it includes salaries and wages paid to tutors, monitors, demonstrators, markers, laboratory technicians, maintenance personnel, office staff, research and teaching assistants, etc.

b) Fringe Benefits

This includes the institution's contribution (in respect of all salaries and wages) to pensions, group life insurance, workmen's compensation, unemployment insurance, Canada pension, salary contribution insurance, long term disability insurance and other similar benefits. Also include staff development costs paid for by the institution.

c) Library Acquisitions

This includes all purchases of books, periodicals, microfilms and other reference material for the library. Costs of binding may also be included if normally considered part of the acquisition costs.

d) Operational Supplies and Expenses

This includes all expenditures for supplies which are normally consumed in the fiscal year, including postage, teaching supplies, photocopying, publications, long distance telephone charges, repair materials, all supplies to operate laboratories, etc.

e) Utilities

This includes all expenditures for fuel, electricity, water, gas telephone equipment rental, etc.

f) Furniture and Equipment

This includes all expenses for furniture and equipment, such as laboratory equipment (other than consumables), administrative equipment and furnishings, copying and duplicating

equipment, computing equipment maintenance equipment, etc. Rental and maintenance costs as well as other related operating expenses should be shown under the appropriate operational function. Costs for replacing or acquiring new furniture and equipment should be reported under the capital fund.

g) Scholarships and Other Related Student Support

This includes all payments to students including scholarships, bursaries, prizes, fee remissions, gifts, etc.

h) Fees and Contracted Services

This includes all expenses for services contracted to external agencies (except for renovations, alterations and major repairs). Examples would be cleaning contracts, security services, snow removal, etc. Also included are fees paid to legal counsellors (including retainers for negotiations of collective contracts), auditors' fees, consultant's fees, etc.

i) Debt Servicing

This includes all payments made to service debts of the institution such as bank interest, mortgage or debenture interest payments, and related charges. Principal payments on loans, mortgages, debentures or repayable grants should be excluded.

j) Buildings

This includes all capital expenditures which are normally considered part of construction costs, except for furniture and equipment as well as land and site services which are to be reported under their respective item. Costs for space rental, building insurances, taxes, minor renovations and alterations on buildings, and all other related operating expenses should be shown under the Physical Plant operational function. **Depreciation is not be included as an expenditure.**

k) Land and Site Services

This includes capital expenditures on acquisitions of and improvements to land such as landscaping, sewers, tunnels, roads, etc. Capitalized professional fees and planning costs related to this category are also to be included. Rental, maintenance and insurance costs as well as other related operating expenses for this item should be shown under the Physical Plant operational function.

l) Miscellaneous

This is to be used when the institution has an operating or capital expenditure not classified in the other categories.

m) Transfer To/From

This item is used for internal transfers of costs between funds or functions whenever it is not feasible to directly adjust the appropriate expenditure items.

The total internal transfers of costs should net to zero.

n) Ancillary Enterprises (gross)

Includes all gross expenditures incurred in the operating of ancillary enterprises (see section 4 (e) above).

It should be noted that the reporting officer is asked to report, on the supporting schedule on page 7, a breakdown of total expenditures for the institution's ancillary enterprises.

VIII. Supporting Schedule

Additional information is to be provided on the supporting schedule of page 7 for the total revenue and expenditures of institutional ancillary enterprises (bookstores, residences, food services and parking).

IX. Suggestions for Improvements

Statistics Canada would welcome any suggestions for changes in the survey which your government or institution may wish to make.

