



JAN 17 2013

TB Meeting Date: November 28, 2012
Cabinet Ratification: December 5, 2012
266597

Confidential

Honourable John Yap
Minister of Advanced Education, Innovation and Technology
and Minister Responsible for Multiculturalism
Room 124 Parliament Buildings
Victoria BC V8V 1X4

Dear Colleague: *Jsh*

Re: Thompson Rivers University (TRU) Law School – Building Expansion

s.12

Sincerely,

Michael de Jong, Q.C.
Chair

cc: Cheryl Wenezenski-Yolland, Deputy Minister
Ministry of Advanced Education, Technology and Innovation

Joe Thompson, A/Assistant Deputy Minister and Executive Financial Officer
Ministry of Advanced Education, Technology and Innovation

Ministry of
Finance

Treasury Board

Mailing Address
PO Box 9469 Stn Prov Govt
Victoria BC V8V 9V8

Location Address:
1st Floor – 617 Government St
Victoria BC

MINISTRY OF ADVANCED EDUCATION BRIEFING NOTE

PREPARED FOR: Cheryl Wenezenki-Yolland
Deputy Minister of Advanced Education

ISSUE: Thompson Rivers University – Capital Funding Request for Law School

BACKGROUND:

A new law program at Thompson Rivers University (TRU), in collaboration with the University of Calgary, was first announced in the February 2009 Speech from the Throne. No capital or operating funding obligations were specified at that time.

In July 2010, TRU submitted their 5-Year Capital Plan for 2011/12 to the Ministry of Advanced Education (the Ministry), identifying the expansion of the Old Main Building as their top priority. The expansion was to accommodate the new Law School, as well as the realignment of other existing Schools, Open Learning space, and additional faculty offices. The project had an estimated total project budget of \$17.1 million, with TRU requesting \$9.2 million from the Ministry.

To date, the Old Main Building project has not been identified as a priority in the Ministry's 10-Year Capital Plan, as it has not ranked highly when compared to other capital priorities and funding pressures. TRU is proceeding with the project at an estimated budget of \$20 million, requesting \$7.4 million from the Ministry, with the remainder being funded internally and from expected donor sources.

Since 2001, the Ministry has invested over \$54.7 million for capital projects at TRU, including \$18 million for the recently completed Brown Family House of Learning.

DISCUSSION:

The need for new space to accommodate the Law Program was not identified until the Ministry received TRU's 5-Year Capital Plan for 2011/12 in July 2010. The project was not included in the Ministry's 10-Year Capital Plan in 2011/12, as it did not rank highly when compared to other priority projects and funding pressures. The Ministry uses the following ranking criteria:

- Strategic importance (health/trades/labour market demand/research and technology);
- Facility need (renewal);
- Cost and available funding; and
- Institution priority.

It should be noted that the University of British Columbia identified a new law building as their top priority in their 5-Year Capital Plan submission for 2011/12; it also was not included in the Ministry's 10-Year Capital Plan, for the same reasons as TRU's.

The institutions did not have an opportunity to submit a 5-Year Capital Plan in 2012/13, as there was no formal intake process in 2011. The Ministry's approved 2012/13 10-Year Capital Plan does not include the Old Main project, but it does include funding envelopes for labour market driven demand projects and whole asset replacement and renewal. There is no significant funding available under these envelopes until 2015/16.

The Ministry has developed the New Priority Capital Investment Plan for new priority projects and whole asset replacement and renewal projects. The Ministry is committed to capital investments, infrastructure upgrades and renewal projects which will support British Columbia's skilled workforce needs of tomorrow; increase participation of Aboriginal learners and help attract and retain both domestic and international students, researchers, and faculty who are all vital to accomplishing the goals of British Columbia Jobs Plan; as well as fostering economic development. There will be a request issued shortly to the institutions for their 5-Year Capital Plans for 2013/14, which will give TRU an opportunity to identify the priority projects which fall under the Ministry's New Priority Capital Investment Plan.

CONCLUSION:

TRU will have an opportunity to identify their priority projects in the upcoming request for 5-Year Capital Plans for 2013/14, which will enable the Ministry to develop capital priorities for future consideration. It should be noted that there is no significant funding available for new requests in the Ministry's 2012/13 10-Year Capital Plan until 2015/16. The Ministry may have an opportunity at the end of each fiscal year to assess and re-profile underspends from a project to accelerate other approved priority projects.

Prepared by:	Christine Ward	Reviewed by:	
	Senior Planning Officer	Manager	RG
	Post-Secondary Funding and Corporate Finance Branch	Director	CN
Phone #:	250-387-1364	Executive Director	
		Assistant Deputy Minister	

From: [Goyal, Raj AVED:EX](#)
To: [Ward, Christine AVED:EX](#)
Subject: FW: Law school
Date: October 11, 2012 4:53:06 PM

Info on Law school

Thanks!

Raj

From: Cliff Neufeld [<mailto:cneufeldipad@tru.ca>]
Sent: Thursday, October 11, 2012 1:49 PM
To: Goyal, Raj AVED:EX
Cc: Ulrich Scheck
Subject: Re: Law school

Hi Raj, As I mentioned to Joe yesterday TRU has not done a detailed business case as you have asked for below. The reason we did not complete the detailed business case is that we have never received any feedback or request for further information from AVED on the Law School capital proposal, despite the fact that the proposal was first submitted to AVED in 2010, following the Premier's announcement of a Law School in Kamloops in 2009.

Currently I am out of town with the TRU Board of Governors on a two day planning retreat and therefore the details you ask for will not be possible to be delivered to you by Monday. I am attempting to answer your email at the same time as I am with the Board. I realize time is of the essence.

Joe, mentioned yesterday that we need to submit a detailed needs assessment. I will have that sent to you within the next day or so.

Below each point is a brief response from TRU's perspective.

I will be checking my email regularly over the next two days.

Thx

Have a good day,

Cliff

Sent from Cliff Neufeld's iPad

On 2012-10-11, at 9:10 AM, "Goyal, Raj AVED:EX" <Raj.Goyal@gov.bc.ca> wrote:

Hi Cliff,

After a quick review of the package submitted to Joe by TRU for the Law School, we need the following information by Monday, October 15 to prepare the

Treasury Board Submission:

- Demonstrate need to accommodate growth in response to labour market demand

Will provide reports

- Project objectives in context of strategic and business drivers as stated in TRU's Institutional Accountability Plan and Report

Will provide

- # FTE's project will accommodate – information received makes reference to program will grow to 300 FTE's by 2016, but it's not clear how many FTE's building will accommodate. State clearly how many law students and how many other faculty students will be accommodated in this new addition.

Full operations of the law school will include 300 + fte law students by 2016. The space will be primarily dedicated to law as all law schools in the country have dedicated space often in separate buildings. From a space perspective the law program might grow to 360 fte by 2020 and this facility will be able to accommodate.

- Space requirements

The detailed floor plan was developed in consultations with the architects (same architects just recently completed UBC law school and many other law schools across the country) and law school faculty. Current Dean of Law was the former Dean of Law at the University of Manitoba. The development of approximately 43,000 square feet for law is, according to the architects the smallest footprint they have built for a 360 fte law school. I believe you have a copy of the floor plan for the third and fourth floor.

- Options identification (capital and non-capital options)

TRU needed to develop a space program for the law school that would facilitate an excellent quality legal education. TRU does not have the current capacity on campus for providing a similar (as compared to other law schools in Canada) dedicated space for the law program.

The unique dedicated requirements for law students are not compatible with the open space bookable concepts for other academic programs. The dedicated needs includes law library, moot court, law clinic, law faculty and law students co-located to build a sense of cohesive goals and learning outcomes, law student lounge, lockers, a sense of identity and belonging, et al. TRU understood this from the beginning and that is why it was identified in the proposal TRU submitted to AVED in 2010.

Further this law program receive no operating funding from government requires TRU to charge, by far, the highest tuition fee in the province - in fact one of the highest in the country. The \$17,120 per year tuition requires a significant investment by the student to attend TRU. Students have a choice where they attend and when TRU tuition is higher than others TRU can not afford to have a space that is considered "second class". It is critical that students are proud of their law school; the program, faculty and facility.

Options considered:

A separate standalone building

- the space program requires a footprint of 45,000 square feet. This would require a new site to be identified. This approach is not consistent with maximizing TRU land potential nor the density requirements of the campus master plan of 2003
- does provide a very separate identity and location for TRU Law

Third and fourth floor addition to Old Main

- consistent with campus master plan for land use and density
- integrates law students as being part of the campus community
- renews the oldest building on campus
- builds a sense of renewal and environmental sustainability
- a challenging building project as it is an addition to a 1970 building
- provides a sense of pride for the law school and the Kamloops community

- Cost-benefit analysis

Original estimates by the architects indicated the costs would be similar for a stand alone building versus an addition to the Old Main building. The high level analysis has proven correct as we compare the costs spent on the recently completed House of Learning to the costs spent on the Phase I shell and the current estimates for Phase II fit out

- Detailed capital budget information

Phase I is virtually complete which TRU has totally funded from past surplus. For Phase II we can send you a copy of the QS report

- Detailed operating budget information

Ministry is providing no operating funding for instructional delivery of the law school.

- Risk assessment – Fill attached doc
- Project delivery option analysis tool - Fill attached doc
- Project Schedule (can be prepared on excel- one page)

See schedule in the email that was sent to Joe for Phase II. The goal is to call for tenders within the next two weeks in order to achieve occupancy by August 31, 2013.

Or is your request for the original program including Phase I and Phase II?

- Project outcomes

Provide a space that:

- facilitates the delivery of an excellent quality legal education
- is available for September 2013 for the intake of the third year of the law program
- accommodates the space required for a 360+ Fte law school
- the university, law students, faculty, legal community is proud of
- contributes to the recruitment of future students and law faculty
- enhances the reputation of TRU

Please let me know if you are unable to submit any item from the above list within the requested time frame. We are committed to work with you and your team to move this project forward as soon as possible.

Deeply appreciated - thank you. TRU has a very small team when it comes to capital programs. Basically capital programs are managed by myself with an external project manager.

Thanks!

Raj Goyal P.Eng, PMP, GSC, LEED AP

Manager, Post Secondary Capital

Ministry of Advanced Education, Innovation and Technology

Tel: (250)953-4983 Fax: (250)356-7922

<Project Risk Screen.docx>

<Project Delivery Analysis Table.xlsx>

From: [Goyal, Raj AVED:EX](#)
To: [Ward, Christine AVED:EX](#)
Subject: FW: Law building
Date: October 9, 2012 2:05:43 PM
Attachments: [5 year capital plan submission 2010.pdf](#)
[June 2012 - 5 year capital plan submission.pdf](#)
[Presentation April 2011.pptx](#)
[Law School Proposal.pdf](#)
[Hon Naomi Yamamoto re law school funding.pdf](#)
[OM Current photo.pdf](#)
[OM budget - Phase I & II.pdf](#)
[Old Main Third and Fourth floor fit out sept 24-12.pdf](#)
[TRU Law School.pdf](#)

Can you please print and assemble the whole package in a binder for our review?

Thanks!

Raj

From: Thompson, Joseph AVED:EX
Sent: Tuesday, October 9, 2012 12:21 PM
To: Nickerson, Catherine M AVED:EX; Goyal, Raj AVED:EX
Cc: Fowler, Colin N AVED:EX
Subject: FW: Law building

Please review attached package. Would like to know what isn't attached that would normally be in a business case (e.g. risk assessment, labour market demand needs, etc).

Let me know.

Thanks,

Joe

Joe Thompson

A/Assistant Deputy Minister
Student Services and Sector Resource Management Division
Ministry of Advanced Education, Innovation and Technology
and Minister responsible for Multiculturalism

From: Cliff Neufeld [mailto:cneufeld@tru.ca]
Sent: Tuesday, October 9, 2012 12:12 PM
To: Thompson, Joseph AVED:EX
Subject: Re: Law building

Hi, yes TRU has been seeking funding for the addition to the Third and Fourth Floor of the Old Main Building (future home for the Law School) since 2010. Listed below is the chronology of announcements, requests and the current status of the Old Main project.

- February 16, 2009 - Law School announcement by the Premier
- July 2010 - 5 year capital plan submission
- June 2012 - 5 year capital plan submission
- Power point presentation of the project
- Law School Proposal
- April 2012 - Letter to the Hon. Naomi Yamamoto
- Phase I - Shell Construction for approximately 43,000 square feet
 - Working Drawings completed - December 2011
 - Shell tender awarded - February 2012
 - Construction started - May 2012
 - Construction of the shell
 - Watertight and re-occupation of the first and second floor - August 31, 2012
 - **Substantial completion - October 15, 2012**
 - Photos of current status - October 2012
- Third Floor Old Main - Shell construction documents
 - **Read Only Account**
FTP site link: s.17
Login name: s.15; s.17
Password: s.15; s.17
- Old Main third and Fourth Floor Budget - Phase I and Phase II
- Old Main Third and Fourth floor - Phase II layout - approximately 43,000 square feet for 300+ fte law students
- **Schedule for Phase II** - required for occupancy **September 1, 2013**
 - 50% working drawings for QS review - October 1, 2012
 - Call for tender - November 1, 2012
 - Award tender December 15, 2012
 - Construction start - January 1, 2013
 - Substantial completion - August 15, 2013
 - Construction complete - September 1, 2013

Please advise if you require any further information.

thx

Cliff

Cliff Neufeld
Vice President Administration & Finance
Thompson Rivers University
Kamloops, B.C. V2C 5N3

Tel: (250) 828-5011
Fax (250) 828-5394
email: cneufeld@tru.ca

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>>> "Thompson, Joseph AVED:EX" <Joe.Thompson@gov.bc.ca> 10/5/2012 1:19 PM >>>
Hi Cliff, you have been seeking \$ for your Law Building. Would you please send me your Business Case to support your request. Need this ASAP.

Thanks,

Joe

Sent from my iPad

>>> Cliff Neufeld 7/19/2010 4:26 PM >>>

Hi Joe, attached is TRU's DRAFT five year capital plan submission.

Minor capital items were extracted from the recent VFA's facility audit report of TRU's facilities.

The President of TRU has endorsed the three major capital projects, as attached, and the Board of Governors had approved the number 1 priority - the Third Floor of Old Main on May 27th - prior to receiving your letter. The Board will not be meeting again until late September. TRU's administration will be forwarding the attached material through the normal internal review processes and Board Committees in the fall 2010.

If you have any questions regarding the attached please do not hesitate to contact me.

thx

Cliff

Cliff Neufeld

Vice President Administration & Finance

Thompson Rivers University

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>>> "Thompson, Joseph ALMD:EX" <Joe.Thompson@gov.bc.ca> 31/05/2010 3:23 pm >>>

Please see attached letter and attachments from Joe Thompson, Executive Director, Funding and Analysis Branch.

<<05-31-10 Five Year Capital Plan.pdf>> <<05-31-10 - Attachment 1 - 5-Year Capital Plan Template May 2010 (FINAL).docx>> <<05-31-10 - Attachment 2 - 5 YR Cap Plan Top Project Priorities Template May 2010 (2).xls>>

Thank you.

Catherine

Catherine Comolli

Senior Administrative Coordinator

Funding & Analysis Branch

Ministry of Advanced Education
and Labour Market Development

1st Floor, 835 Humboldt Street
Victoria BC V8W 9H1

Tel: (250) 356-0151

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Thompson Rivers University Five Year Capital Plan

Executive Summary:

Priority #1, Old Main Building 3rd Floor Expansion - 2011/2012

Goals and Objectives:

The TRU Campus Master Plan identifies maximizing the site potential by densification of the campus. To align with this strategic goal, the existing Old Main Building is currently undergoing a Program of Building Code Upgrades through KIP funding. As referenced in TRU's KIP submission, these upgrades were required to modernize the existing building by: installing a Fire Protection Sprinkler System, upgrading the Fire Alarm System, and upgrading the HVAC Systems. The Old Main Building was initially designed to add a third floor however over the years the building codes changed and work was required to bring the building up to code before the third floor could be planned.

The expansion of the third floor will incorporate a required Seismic Upgrade to the building and allow the incorporation of LEED elements to the new construction (e.g. high albedo roof and passive solar shading, (Energy & Carbon Offset upgrades Phase # 1 and 2). LEED Silver will be the target. The approximately 3,720 square meters of new space will accommodate the FTE's for the new School of Law, a realignment of existing Schools that are at or over FTE capacity, Open Learning space and additional faculty offices.

Incorporate Wood First initiatives and reduce restrictions on interior space utilization by integrating clear-span gluelam beams and use the existing building footprint so that no green space is required for this expansion. Increase Disability access within the building through the addition of a dedicated elevator to the 3rd floor, reducing the demand on the single existing elevator serving the 3rd floor.

Planning Assumptions:

- Student Growth (Face to Face Domestic and International) have increased by 15% overall since 2004/05.
 - 5% in Domestic
 - 75% in International
- Academic classroom space has not increased for face to face programming since the 2003 opening of the International Building. TRU built the International Building to accommodate the displacement space for 1,200 International FTE. TRU anticipated that to reach this goal it would take ten to

fifteen years, however in 2009/10 international enrolment on campus was 1,515 FTE – well ahead of target. Further the recently approved TRU World growth strategy identified that International enrolments will increase to 2,000 within the next five to seven years.

- The School of Business, currently occupies space in the International Building, and is the fastest growing School at TRU
- Opening of the new Law School in September of 2011 will have an initial intake of 60 FTE. This intake will increase to 80 in 2012 and 100 in 2013. There will be total student FTE of 240 in 2013 which will increase 300 FTE by 2016. In 2011 the House of Learning (HOL) will be opened allowing for short term classroom space measures provided by the HOL Assembly Hall and three bookable classrooms. Initially the Law library will be accommodated in the current library – this will need to change once the Law School is at full capacity
- Commencement of the Law School in 2011 will eventually require the need for new space in 2014 which is both identifiable and suitable to the unique needs of the Law School.
- Current faculty office space is in very short supply. Faculties continue to grow, particularly in the School of Business, English as a Second Language department (International related) and the School of Tourism. The faculty for the Law School will be accommodated in the House of Learning as a short term measure as the space the Law Faculty will occupy is identified, in the long term, as space for the Aboriginal Business program faculty.
- Open Learning student FTE has now surpassed the ALMD “target” student FTE. The support and administration space that is required to meet the student FTE has now reached capacity. To continue to grow student FTE in Open Learning, TRU will need to find additional space for administrative and support staff

Planning Outcome at End of 5 Year Planning Period:

The Old Main 3rd Floor Expansion will accommodate the relocation of the School of Business from the International Building, allowing for the increase in International FTE and Faculty to remain in the International Building. The relocated School of Business will have the faculty space and instructional space to incorporate their projected growth to 2015.

The School of Law will have identifiable, multipurpose space to accommodate their programs, faculty, and FTE's.

Several faculties have faculty members spread out through multiple buildings. Space needs to be found to allow faculties to realign. Further space will need to be found for Open Learning to accommodate additional FTE growth. This new additional space will provide opportunity to rationalize usage as existing users can be moved to optimal locations (domino effect).

The resulting Capital Asset will improve Health and Safety conditions by meeting current Building and Fire Code regulations and have a reduced risk of non-recoverable damage after a Seismic event.

Space Summary:

		GROSS AREA SQ FT	GROSS AREA SQ M
NEW AREAS LEVEL 3			
EAST SIDE		16,515	1,534.9
WEST SIDE		20,858	1,938.5
NORTH ELEVATOR/ACCESS/SERVICE AREA		1,072	99.6
HR OFFICE REALIGNMENT		1,072	99.6
NEW AREAS LEVEL 3			
ENTRY & ELEVATOR		500	46.5
TOTAL NEW FLOOR AREA		40,017	3,719.1
AREA OF RENOVATION LEVEL 3			
EXISTING HR AREA REALIGNMENT		726	67.5
EXISTING HR AREA NOT RENOVATED	1,311	0	0.0
ALTERATIONS FOR GENERAL USE SPACE		1,538	142.9
TOTAL FLOOR AREA ALTERATIONS		2,264	210.4

ROM Budget:

ITEM	BUDGET -SHELL **	BUDGET - FIT OUT **	BUDGET - TOTAL **
OFFSITE COSTS	\$100,000	\$0	\$100,000
SITE DEVELOPMENT	\$120,000	\$0	\$120,000
SUPPLEMENTARY SITE	\$0	\$0	\$0
BUILDING			\$0
NEW	\$4,686,006	\$5,727,340	\$10,413,346
RENOS	\$90,750	\$0	\$90,750
RENOS	\$0	\$138,420	\$138,420
MISC ASSOCIATED RENOS	\$0	\$80,000	\$80,000
SUPPLEMENTARY BUILDING			\$0
STRUCTURAL FRAME -UPGRADE AND 3RD FLR SUPPO	\$950,000	\$0	\$950,000
DESIGN CONTINGENCY	\$401,372	\$490,566	\$891,939
ESCALATION	\$0	\$0	\$0
SUBTOTAL CONSTRUCTION	\$6,348,128	\$6,436,326	\$12,784,454
DCC'S & PERMITS	\$148,965	\$151,035	\$300,000
EQUIPMENT	\$0	\$1,500,000	\$1,500,000
FEES	\$952,219.20	\$707,995.91	\$1,660,215
CONTINGENCY	\$330,000	\$180,000	\$510,000
OTHER	\$40,000	\$40,000	\$80,000
APPLICABLE GST EFFECT	\$125,109	\$144,246	\$269,355
TOTAL MAIN PROJECT **	\$7,944,421	\$9,159,603	\$17,104,024
APPROX EAST FIT OUT **		\$4,121,821	
APPROX WEST FIT OUT **		\$5,037,782	

Funding Sources:

SOURCE OF PROJECT FUNDING	AMOUNT
TRU Self Funded	\$ 7,944,421
Ministry Funding	\$ 9,159,603
Total Project Budget	\$ 17,104,024

TRU Self Funding Sources:

- Fundraising
- Building Levies
- International Fees

TRU Commitment to Commence Construction Now:

TRU has decided to commence planning and construction of the \$8M shell for the Third Floor addition in 2011 for the following reasons:

- The required cash resources are available through building levies, fundraising and international reserves
- The construction market is competitive
- The construction can occur without significantly disrupting other operations within the Old Main building
- The fit out for the Law School and School of Business can occur at a later date when funding commitments have been secured through either the Ministry or additional fundraising and international building levy fees. This fit out can occur after the shell is constructed without adding a significant premium to the overall cost. TRU believes that by constructing the ``shell`` now, in a favorable construction climate as opposed to waiting for the full \$17.1M to be raised, will save TRU construction dollars

Executive Summary:

Priority #2, Science Building Addition - 2012/2013

Goals and Objectives:

Co-locate the school of nursing faculty and facilities. Improve efficiency and utilization of facilities by adding Research capacity adjacent to existing laboratories.

Planning Assumptions:

- The School of Nursing is located in various buildings and offices throughout the TRU Campus. TRU has a strategic goal to co-locate Faculty and instructional space to one central location. The resulting vacated space will be backfilled with other staff from programs within the vacated buildings.
- Research related activities continue to grow at TRU for which TRU is very space constrained. If this is not addressed in the not too distant future it will impact TRU's ability to submit research grant applications. Research space located next to laboratories is virtually non existent
- The number of graduate programs at TRU continue to grow with the requirement for graduate laboratory space

Planning Outcome at End of 5 Year Planning Period:

- Addition of 3800 sq.m. of lab space to Science building and renovations to retrofit existing building labs to wet lab space. This will accommodate teaching, FTE growth, research and graduate student space.

ROM Budget:

ITEM	BUDGET - TOTAL **
OFFSITE COSTS	\$120,000
SITE DEVELOPMENT	\$160,000
SUPPLEMENTARY SITE	\$0
BUILDING	
NEW	\$12,200,000
RENOS	\$3,500,000
DESIGN CONTINGENCY	\$900,000
ESCALATION	\$0
SUBTOTAL CONSTRUCTION	\$16,880,000
DCC'S & PERMITS	\$300,000
EQUIPMENT	\$1,500,000
FEES	\$1,750,000
CONTINGENCY	\$510,000
OTHER	\$100,000
APPLICABLE GST EFFECT	\$334,720
TOTAL PROJECT **	\$21,374,720

Funding Sources:

The commencement of this project will be dependent on obtaining Ministry funding.

Executive Summary:

Priority #3, School of Trades and Technology Building - 2013/2014

Goals and Objectives:

Reconfigure the Trades Faculty and Facilities to accommodate growth in both the core and technology trades. Increase FTE's by expanding existing high demand trades and offering programs in emerging trade industries.

Planning Assumptions:

- Incorporate programs in millwright (ELTT and apprentice), instrumentation, sheet metal mechanics, HVAC (ELTT and apprentice), mechatronics, glazing and masonry.
- Retrofit of existing Trades building to better utilize space and co-locate complementary programs.
- Co-locate technology programs to a new facility to share resources.

Planning Outcome at End of 5 Year Planning Period:

To accommodate planned FTE growth, expand the School of Trades and Technology facilities by the construction of a 4700 sqm building.

ROM Budget:

ITEM	BUDGET - TOTAL
	**
OFFSITE COSTS	\$70,000
SITE DEVELOPMENT	\$120,000
SUPPLEMENTARY SITE BUILDING	\$80,000
NEW	\$11,500,000
RENOS	\$3,500,000
DESIGN CONTINGENCY	\$400,000
ESCALATION	\$0
SUBTOTAL CONSTRUCTION	\$15,670,000
DCC'S & PERMITS	\$450,000
EQUIPMENT	\$1,500,000
FEES	\$1,750,000
CONTINGENCY	\$550,000
OTHER	\$115,000
APPLICABLE GST EFFECT	\$319,440
TOTAL PROJECT **	\$20,354,440

Funding Sources:

The commencement of this project will be dependent on obtaining Ministry funding.

>>> Cliff Neufeld 6/14/2012 4:40 PM >>>

Hi, attached is Thompson Rivers University's submission for the five year major capital projects. Under separate email we will forward individual capital project requests greater than \$250,000. If you have any questions please do not hesitate to give me a call.

thx

Cliff

Cliff Neufeld

Vice President Administration & Finance

Thompson Rivers University

Kamloops, B.C. V2C 5N3

Tel: (250) 828-5011

Fax (250) 828-5394

email: cneufeld@tru.ca

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>>> "Rasnick, Deborah AVED:EX" <Deborah.Rasnick@gov.bc.ca> 19/04/2012 9:34 am >>>

Good morning,

Please find updated Attachments 1 – 5 and disregard those included in my original email.

I apologize for the inconvenience.

Thank you,

Carpe Diem

~~~~~

**Deborah Rasnick, CGA**

A/Chief Financial Officer and Executive Director

Post-Secondary Funding and Corporate Finance Branch

Ministry of Advanced Education

250.387.8820

*Leadership begins when someone with deep personal convictions articulates a common longing and creates a realizable dream around it.*

*Rosa Harris-Adler*

**From:** McMahan, Alana AVED:EX **On Behalf Of** Rasnick, Deborah AVED:EX

**Sent:** Wednesday, April 18, 2012 4:24 PM

**To:** 'lomelinn@bcit.ca'; 'lockie@camosun.ca'; 'cturner@capilanou.ca'; XT:Fahlman, Penny FIN:IN; 'teslak@cotr.bc.ca'; 'maynesk@douglascollege.ca'; 'mclifford@ecuaad.ca'; 'tternoway@jibc.ca'; 'gordon.lee@kwantlen.ca'; 'roy.daykin@langara.bc.ca'; 'ccarson@nvit.bc.ca'; 'Carol.Baert@nic.bc.ca'; 'agraff@nlc.bc.ca'; 'csousa@nwcc.bc.ca'; 'rleby@okanagan.bc.ca'; XT:Tulip, Dan GCPE:IN; 'mdion@selkirk.ca'; 'pat\_hibbitts@sfu.ca'; 'cneufeld@tru.ca'; 'pierre.ouillet@ubc.ca'; 'jackie.hogan@ufv.ca'; 'braye@unbc.ca'; 'VPFO@uvic.ca'; 'dougcallbeck@vcc.ca'; 'pat.eagar@viu.ca'

**Cc:** Wenezenki-Yolland, Cheryl AVED:EX; Thompson, Joseph AVED:EX; Nickerson, Catherine M AVED:EX; 'mark\_dale@bcit.ca'; 'tol@camosun.ca'; 'mcliffor@capilanou.ca'; 'hoyer@cnc.bc.ca'; 'aknibbs@cotr.bc.ca'; 'leonardt@douglascollege.ca'; 'jwong@ecuad.ca'; 'repp@jibc.ca'; 'karen.hearn@kwantlen.ca'; 'wlannard@langara.bc.ca'; 'swhittaker@nvit.bc.ca'; 'david.graham@nic.bc.ca'; 'armstrong@nbc.bc.ca'; 'bcoverdale@nwcc.bc.ca'; 'swrobinson@okanagan.bc.ca'; 'lee\_gavel@sfu.ca'; 'rzaitsoff@selkirk.ca'; 'ltabata@tru.ca'; 'suzanne.poohkay@ubc.ca'; 'john.metras@ubc.ca'; 'avp.adminfinance@ubc.ca'; 'rennick@unbc.ca'; 'craig.toews@ufv.ca'; 'tomfmgt@uvic.ca'; 'saulakh@vcc.ca'; 'ric.kelm@viu.ca'

**Subject:** Request for Five-Year Capital Plan submissions

Good afternoon,

Please see included letter and attachments.

Thank you,

*Carpe Diem*

~~~~~

Deborah Rasnick, CGA

A/Chief Financial Officer and Executive Director

Post-Secondary Funding and Corporate Finance Branch

Ministry of Advanced Education

250.387.8820

Leadership begins when someone with deep personal convictions articulates a common longing and creates a realizable dream around it.

Rosa Harris-Adler

5 Year Capital Plan Instructions

Attachment 4 – Prioritized List of Proposed Category 1: New Priority Projects, Category 2: Whole Asset Replacement & Renewal Projects and Category 3 Capital Innovation Fund Projects



#	Institution	Campus	Project Description	Project Category	Anticipated Construction Start Date	Anticipated Occupancy Date	Total Project Budget	Total Cashflow Forecast 2012/13	Total Cashflow Forecast 2013/14	Total Cashflow Forecast 2014/15	Total Cashflow Forecast 2015/16	Total Cashflow Forecast 2016/17	Total Cashflow Forecast Outgoing Years	Provincial Cashflow Forecast 2012/13	Provincial Cashflow Forecast 2013/14	Provincial Cashflow Forecast 2014/15	Provincial Cashflow Forecast 2015/16	Provincial Cashflow Forecast 2016/17	Total Provincial Cashflow Forecast Outgoing Years	Total Provincial Budget
1	BCIT	Kamloops	Old Main Building	1	Feb-12	Aug-13	19,792,750	11,601,150	8,191,600	0	0	0	0	2,000,000	7,160,000	0	0	0	0	9,160,000
2	BCIT	Kamloops	Science Building c	1	2014	2017	21,374,720			2,500,000	12,000,000	6,874,720	0			2,500,000	12,000,000	6,874,720		21,374,720
3	BCIT	Kamloops	Trades building ex	1	2014	2017	20,354,440			2,500,000	12,000,000	5,854,440				2,500,000	12,000,000	5,854,440		20,354,440
4																				0
5																				0
6																				0
7																				0
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9																				0
10																				0
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12																				0
13																				0
14																				0
15																				0

Thompson Rivers University Five Year Capital Plan

Executive

Summary:

Priority #1,

Old Main Building 3rd Floor Expansion - 2012/2013

Category 1

Goals and Objectives:

The TRU Campus Master Plan identifies maximizing the site potential by densification of the campus. To align with this strategic goal, the existing Old Main Building underwent a Program of Building Code Upgrades through the Knowledge Infrastructure Program (KIP) funding. These upgrades were required to modernize the existing building by: installing a Fire Protection Sprinkler System, upgrading the Fire Alarm System, and upgrading the HVAC Systems. The Old Main Building was initially designed to add a third floor however over the years the building codes changed and work was required to bring the building up to code before the third floor could be planned.

The expansion of the third floor incorporates the required Seismic Upgrades and allows the incorporation of LEED elements to the new construction (e.g. high albedo roof and passive solar shading, Energy & Carbon Offset upgrades) with the goal to be a LEED Silver project. The approximately 3,720 square meters of new space will accommodate the FTE's for the new expanded School of Law, additional classroom capacity and additional faculty offices.

The project will Incorporate Wood First initiatives and reduce restrictions on interior space utilization by integrating clear-span glulam beams and use the existing building footprint so that no green space is required for this expansion. Increase disability access within the building through the addition of a dedicated elevator to the 3rd floor, reducing the demand on the single existing elevator serving the 3rd floor. In addition the project will reclaim road and parking asphalt areas to green space.

Planning Assumptions:

- Student Growth (Face to Face Domestic and International) have increased by 15% overall since 2004/05.
 - 5% in Domestic
 - 75% in International
- Academic classroom space has not increased for face to face programming

since the 2003 opening of the International Building. TRU built the International Building to accommodate the displacement space for 1,200 International FTE. TRU anticipated that to reach this goal it would take ten to fifteen years, however in 2009/10 international enrolment on campus was 1,515 FTE – well ahead of target. Further the recently approved TRU World growth strategy identified that International enrolments will increase to 2,000 within the next three to five years.

- This year marks the opening of TRU's Faculty of Law, the first Canadian law school to be opened in over 30 years. The Faculty's focus on a comprehensive learning approach will provide students with outstanding academic and professional skill sets. We have hired a team of international faculty to teach and study research themes including First Nations, Environmental and Energy law. The new Law School opened in September of 2011 with an initial intake of 75 FTE. This intake will increase to 100 in 2012 and 100 in 2013. There will be total student FTE of 240 in 2013 which will increase to 300 FTE by 2016. In 2011 the House of Learning (HOL) opened allowing for short term classroom space measures provided by the HOL Assembly Hall and three classrooms. Initially the Law library will be accommodated in the current library – this will need to change by September 2013 when TRU admits its third cohort of Law students.
- Current faculty office space is in very short supply. Faculties continue to grow, particularly in the School of Business, English as a Second Language department (International related) and the School of Tourism. The faculty for the Law School is being accommodated in the House of Learning as a short term measure; in the long-term when the Law Faculty relocates this will become the space for the Aboriginal Business program faculty.
- Lecture theatres will be interactive learning environments allowing students and faculty to learn from one another and have access to thousands of online resources. This building will become the centre for many of our inquiries into Power, Politics and Social Justice, a theme of our academic plan. Our students will study the concepts of citizenship, race, gender, poverty and access to health

Planning Outcome at End of 5 Year Planning Period:

The School of Law will have identifiable, multipurpose space to accommodate their expanded programs, faculty, and FTE's.

Several faculties have faculty members spread out through multiple buildings. Space needs to be found to allow faculties to realign. This new additional space will provide opportunity to rationalize usage as existing users can be moved to optimal locations (domino effect).

The resulting Capital Asset will improve Health and Safety conditions by meeting current Building and Fire Code regulations and have a reduced risk of non-recoverable damage after a Seismic event.

Risks:

The risks associated with not completing this project is insufficient space for:

- Insufficient space for the new Law School;
- International students (risk for TRU not to meet government objectives for international student growth);
- Insufficient space for the School of Business.

Space Summary:

		GROSS AREA SQ FT	GROSS AREA SQ M
NEW AREAS LEVEL 3			
EAST SIDE		16,515	1,534.9
WEST SIDE		20,858	1,938.5
NORTH ELEVATOR/ACCESS/SERVICE AREA		1,072	99.6
HR OFFICE REALIGNMENT		1,072	99.6
NEW AREAS LEVEL 3			
ENTRY & ELEVATOR		500	46.5
TOTAL NEW FLOOR AREA		40,017	3,719.1
AREA OF RENOVATION LEVEL 3			
EXISTING HR AREA REALIGNMENT		726	67.5
EXISTING HR AREA NOT RENOVATED	1,311	0	0.0
ALTERATIONS FOR GENERAL USE SPACE		1,538	142.9
TOTAL FLOOR AREA ALTERATIONS		2,264	210.4

Old Main Third Floor
Phase I Control Budget / Elemental Breakdown and
Phase II - ROM Budget

	Control Budget Phase I 31 Dec 11	Budget Phase II ROM	Estimated Total Project Costs
Construction			
Construction Management (includes B Block windows and cladding)	8,979,600	6,465,000	15,444,600
Phase II work constructed in Phase I (HVAC, ceiling finishes, et al)	968,400	-968,400	0
	<u>9,948,000</u>	<u>5,496,600</u>	<u>15,444,600</u>
Equipment		1,500,000	1,500,000
Fees			
Design Consultant Team	703,150	650,000	1,353,150
Project Management	89,000	90,000	179,000
Disbursements	6,000	6,000	12,000
Misc	25,000	25,000	50,000
	<u>823,150</u>	<u>771,000</u>	<u>1,594,150</u>
Permits and DCC			
Permits			
DCC			
	<u>200,000</u>	<u>100,000</u>	<u>300,000</u>
HST			
net effect	<u>270,000</u>	<u>144,000</u>	<u>414,000</u>
Vice President Contingency			
Design competition	60,000		60,000
Contingency	300,000	180,000	480,000
	<u>360,000</u>	<u>180,000</u>	<u>540,000</u>
Total	<u>11,601,150</u>	<u>8,191,600</u>	<u>19,792,750</u>

Funding	
Phase I	
TRU through the use of prior years surpluses	10,632,750
Phase II	
External funding required (including the repayment to TRU of their cash advance for Phase II work tendered in Phase I)	9,160,000
Total funding	<u>19,792,750</u>

Funding Sources:

SOURCE OF PROJECT FUNDING	AMOUNT
TRU Self Funded	\$10,632,750
Ministry Funding	\$9,160,000
Total Project Budget	\$19,792,750

TRU Self Funding

Sources:

- Fundraising
- Building Levies
- International Fees

TRU Commitment to Commence Construction Now:

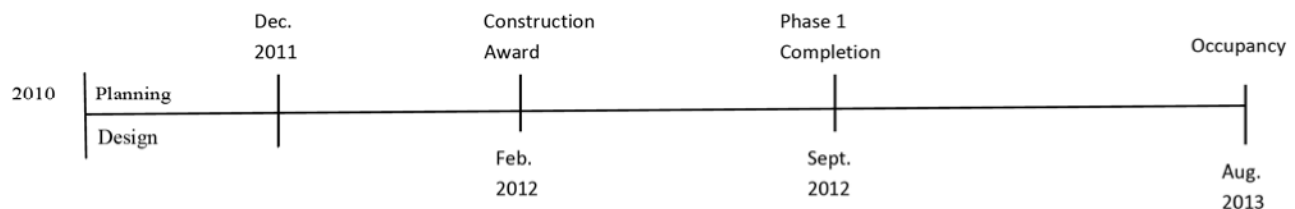
TRU has commenced construction of the \$10.6M shell for the Third Floor addition in 2012 for the following reasons:

- The required cash resources are available through building levies, fundraising and international reserves
- The construction market is competitive
- The construction can occur without significantly disrupting other operations within the Old Main building
- The fit out for the Law School can occur at a later date when funding commitments have been secured through either the Ministry or additional fundraising and international building levy fees. This fit out can occur after the shell is constructed without adding a significant premium to the overall cost. TRU believes that by constructing the “shell” now, in a favorable construction climate as opposed to waiting for the full \$19.8.1M to be raised, will save TRU construction dollars

Project Schedule:

Shell completion date: September 2012

Final fit out and interior completion date: September 2013



Executive

Summary:

Priority #2,

Science Building Addition - 2012/2013

Category 1

Goals and Objectives:

Co-locating the School of Nursing faculty and Faculty of Science facilities and adding research capacity adjacent to existing laboratories will improve teaching and research. The School of Nursing, which is located in various buildings and offices throughout the TRU campus, will now be centrally located, better able to comprehensively engage in Health, Well-Being and Leisure, another theme of our academic plan. Together with our Faculty of Science, our students and faculty will engage in interdisciplinary issues such as public health policy and practices, sustainable energy, and watershed issues.

This ability to focus on Community Health Promotion will involve partnerships with the Community, Health Agencies and provide Research opportunities to TRU faculty but many other individuals as well.

Planning Assumptions:

- The School of Nursing is located in various buildings and offices throughout the TRU Campus. TRU has a strategic goal to co-locate faculty and instructional space to one central location. This will provide significant ability to coordinate the various health programs at TRU for cooperative research and Community Health Promotion.
- Research related activities continue to grow at TRU for which TRU is very space constrained. If this is not addressed in the not too distant future it will impact TRU's ability to submit research grant applications. Research space located next to laboratories is virtually non-existent
- The number of graduate programs at TRU continue to grow with the requirement for graduate laboratory space
- This project will ensure that students in the interior of British Columbia have access to interactive research, and have a chance to contribute solutions for global issues.

Planning Outcome at End of 5 Year Planning Period:

- Addition of 3800 sq.m. of lab space to Science building and renovations to retrofit existing building labs to wet lab space. This will accommodate teaching, FTE growth, research and graduate student space.

Risks:

The risks for this project include:

- Insufficient research space for TRU and in particular Community Health research ;
- Inability to coordinate cooperative research with other Universities, Agencies and researchers;
- Inability of TRU to assist the Government in achieving its health goals as listed in the Ministry of Health Service Plan (February 2012). Goals 1, 2 and 4 (listed below) particularly focus on community, preventative and innovation in Health.
 - o Goal 1: Effective health promotion, prevention and self-management to improve the health and wellness of British Columbians
 - o Goal 2: British Columbians have the majority of their health needs met by high quality primary and community based health care and support services.
 - o Goal 4: Improved innovation, productivity and efficiency in the delivery of health services.

ROM Budget:

ITEM	BUDGET - TOTAL **
OFFSITE COSTS	\$120,000
SITE DEVELOPMENT	\$160,000
SUPPLEMENTARY SITE BUILDING	\$0
NEW	\$12,200,000
RENOS	\$3,500,000
DESIGN CONTINGENCY	\$900,000
ESCALATION	\$0
SUBTOTAL CONSTRUCTION	\$16,880,000
DCC'S & PERMITS	\$300,000
EQUIPMENT	\$1,500,000
FEES	\$1,750,000
CONTINGENCY	\$510,000
OTHER	\$100,000
APPLICABLE GST EFFECT	\$334,720
TOTAL PROJECT **	\$21,374,720

Funding Sources:

The commencement of this project will be dependent on obtaining Ministry funding.

Project Schedule:

Planning and design to commence upon funding announcement.



Executive**Summary:****Priority #3,****School of Trades and Technology Building - 2013/2014****Category 1****Goals and Objectives:**

TRU will reconfigure the School of Trades and Technology to accommodate growth in both core and emerging technologies by increasing student space for existing high demand trades and to offer programs in emerging trade industries. The expanded Trades and Technology building will become key in our focus on Science, Technology and Applied Skills in Society. Here we will investigate and grow the links between academic, applied and vocational programs. Our students will become truly engaged in inquiry-based learning, utilizing technology and science to improve their lives while improving the world.

This expansion will incorporate millwright (ELTT and apprentice), instrumentation, sheet metal mechanics, HVAC (ELTT and apprentice), mechatronics, glazing, and masonry programs. We will retrofit the existing Trades and Technology building to better utilize space and co-locate complementary programs to share resources. Our facilities are already some of the best in Canada, these improvements will let us become a national centre of excellence and innovation in trades and technology education.

The above expansion will help TRU continue to focus on the industry sectors identified in the BC JOBS PLAN. The Thompson and Cariboo areas continue to provide significant opportunities for mining and forestry and TRU is well suited to contribute to these and many other industry sectors.

Planning Assumptions:

- Incorporate programs in millwright (ELTT and apprentice), instrumentation, sheet metal mechanics, HVAC (ELTT and apprentice), mechatronics, glazing and masonry.
- Retrofit of existing Trades building to better utilize space and co-locate complementary programs.
- Co-locate technology programs to a new facility to share resources.

Planning Outcome at End of 5 Year Planning Period:

To accommodate planned FTE growth, expand the School of Trades and Technology facilities by the construction of a 4700 sq.m. building.

Risks:**The risks for this project include:**

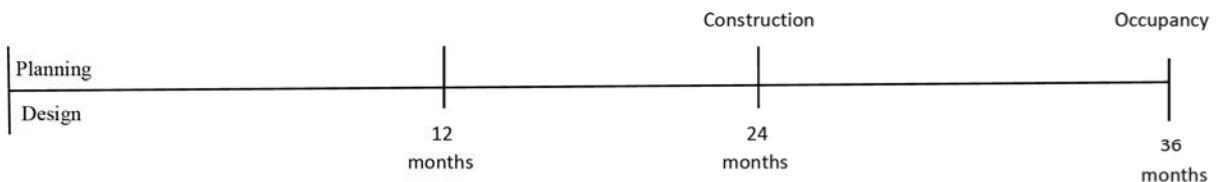
- Inability for TRU to focus on trades needed to meet the BC JOB PLAN
- Inability for TRU to focus on the industries concentrated in the Thompson and Cariboo regions

ROM Budget:

ITEM	BUDGET - TOTAL
	**
OFFSITE COSTS	\$70,000
SITE DEVELOPMENT	\$120,000
SUPPLEMENTARY SITE BUILDING	\$80,000
NEW	\$11,500,000
RENOS	\$3,500,000
DESIGN CONTINGENCY	\$400,000
ESCALATION	\$0
SUBTOTAL CONSTRUCTION	\$15,670,000
DCC'S & PERMITS	\$450,000
EQUIPMENT	\$1,500,000
FEES	\$1,750,000
CONTINGENCY	\$550,000
OTHER	\$115,000
APPLICABLE GST EFFECT	\$319,440
TOTAL PROJECT **	\$20,354,440

Funding Sources:

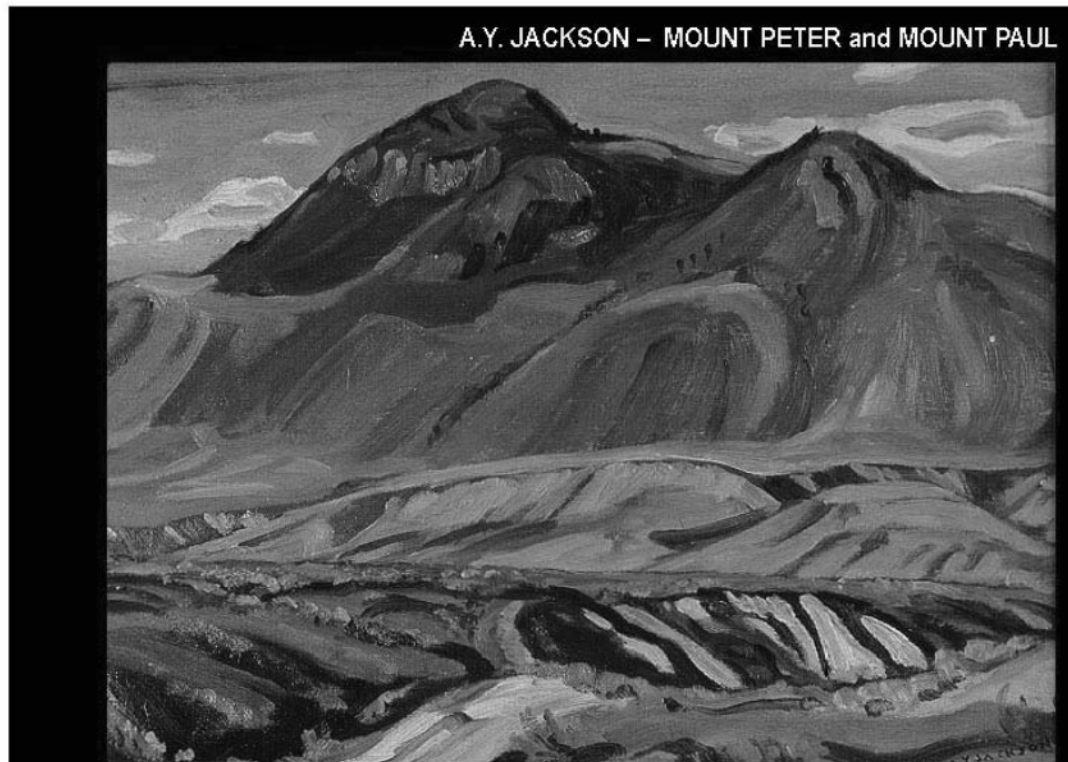
The commencement of this project will be dependent on obtaining Ministry funding.

Project Schedule:

VIEW OF THE RIVER VALLEY, PETER AND PAUL MOUNTAINS

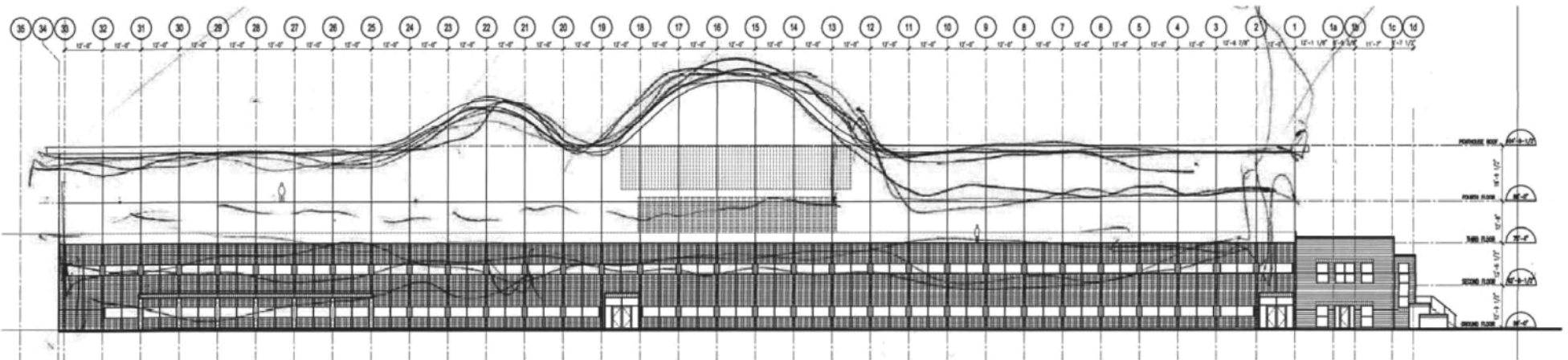
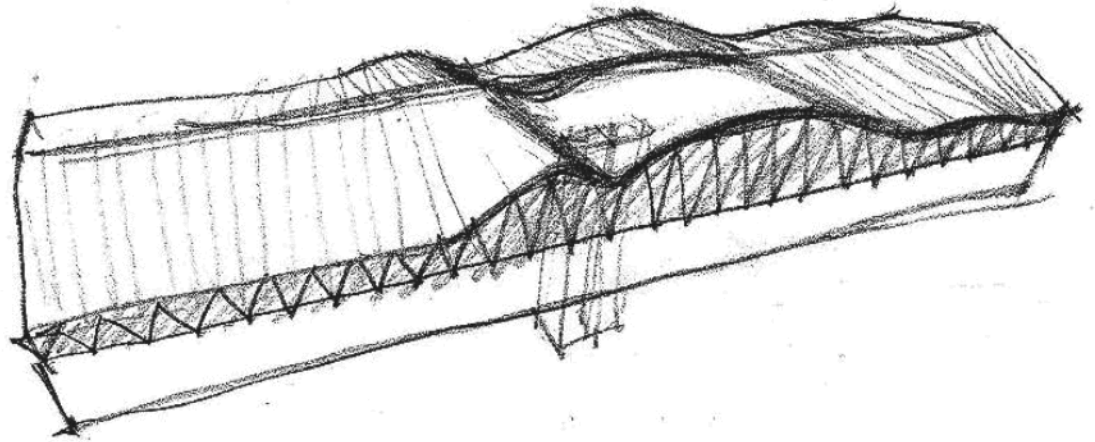
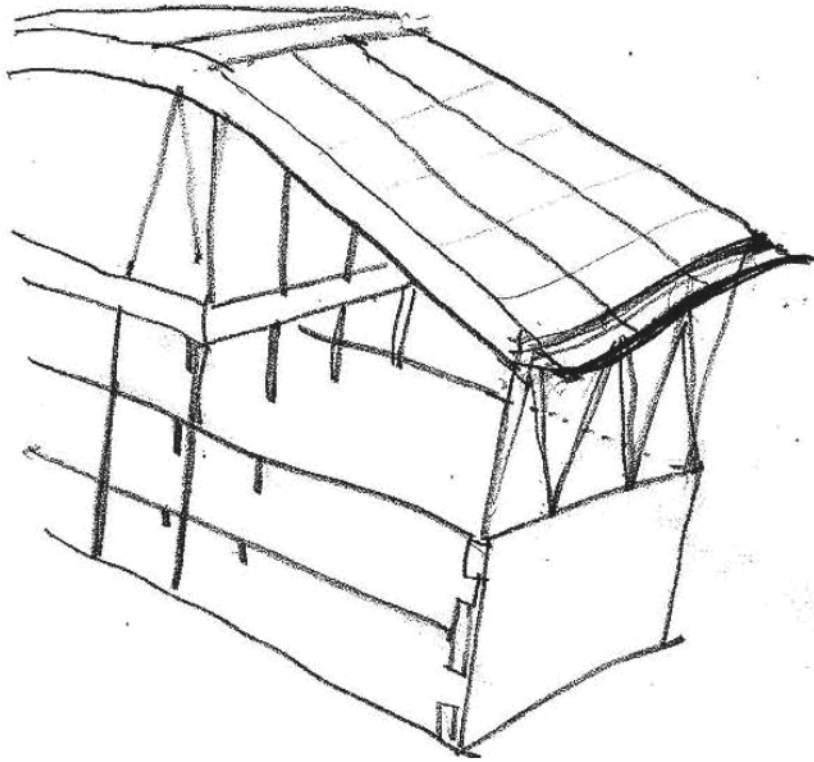


A.Y. JACKSON – MOUNT PETER and MOUNT PAUL



CN RAIL BRIDGE OVER NORTH THOMPSON RIVER,
LOOKING TO MT PETER AND MT PAUL





South View



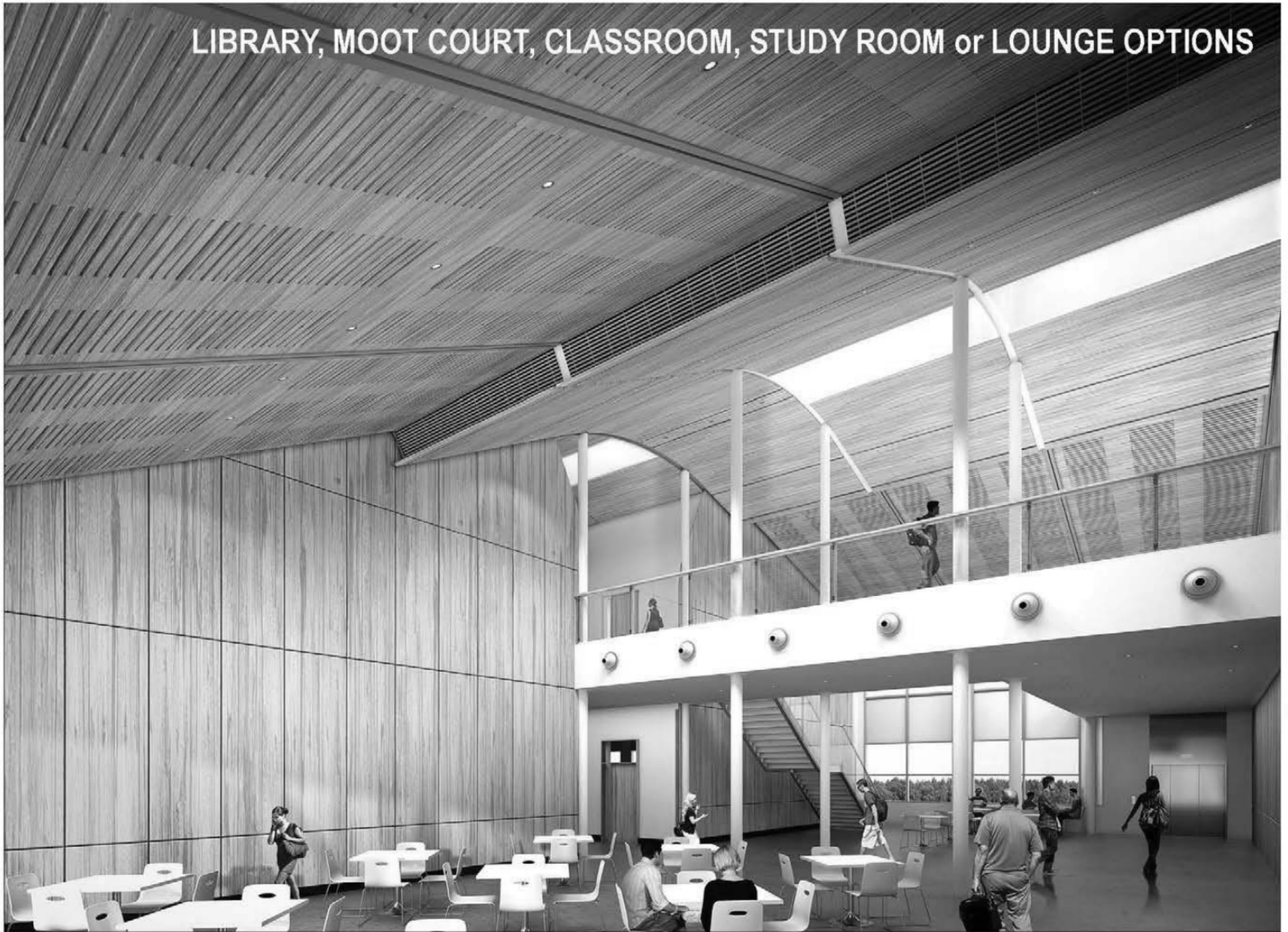
South View







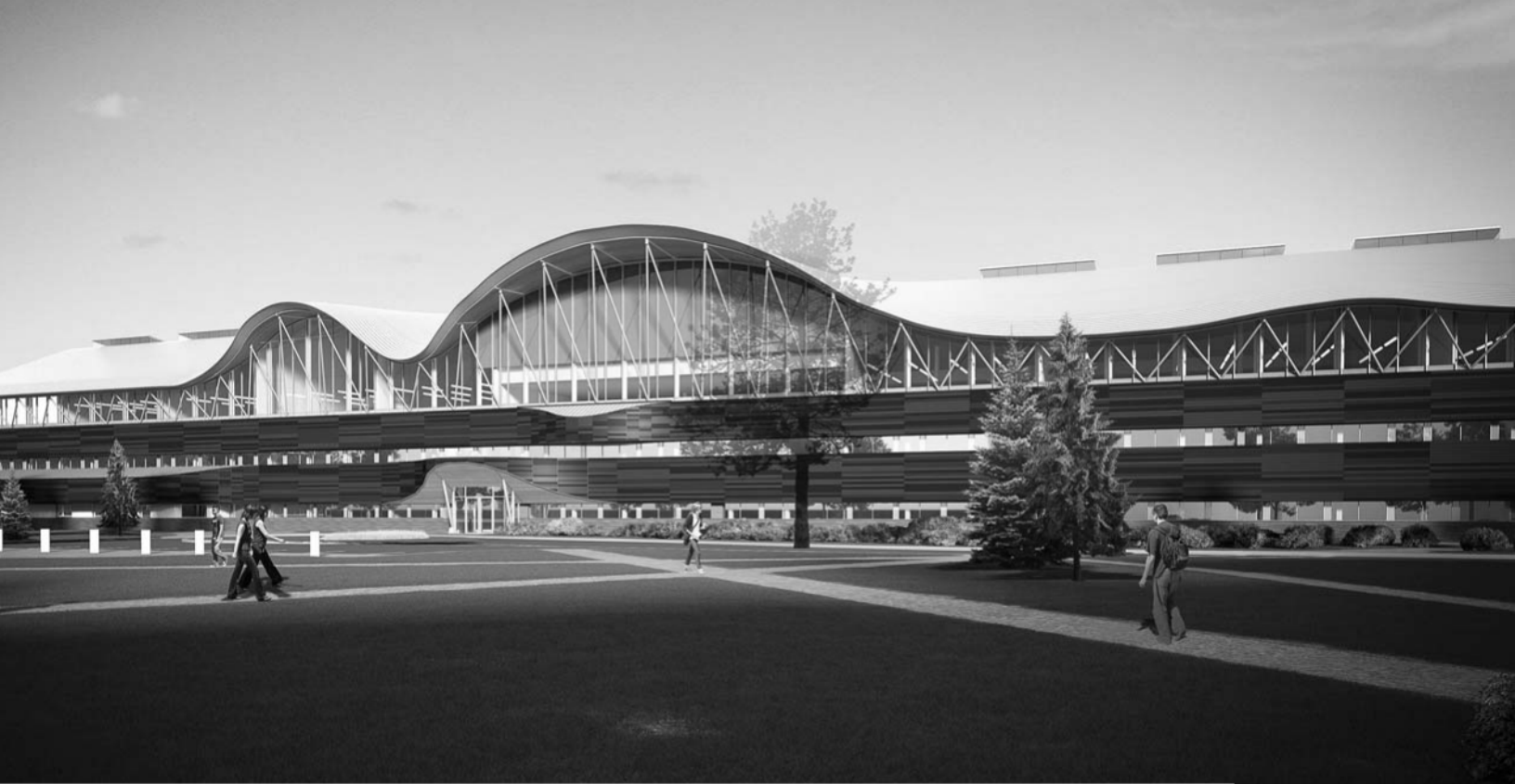
LIBRARY, MOOT COURT, CLASSROOM, STUDY ROOM or LOUNGE OPTIONS



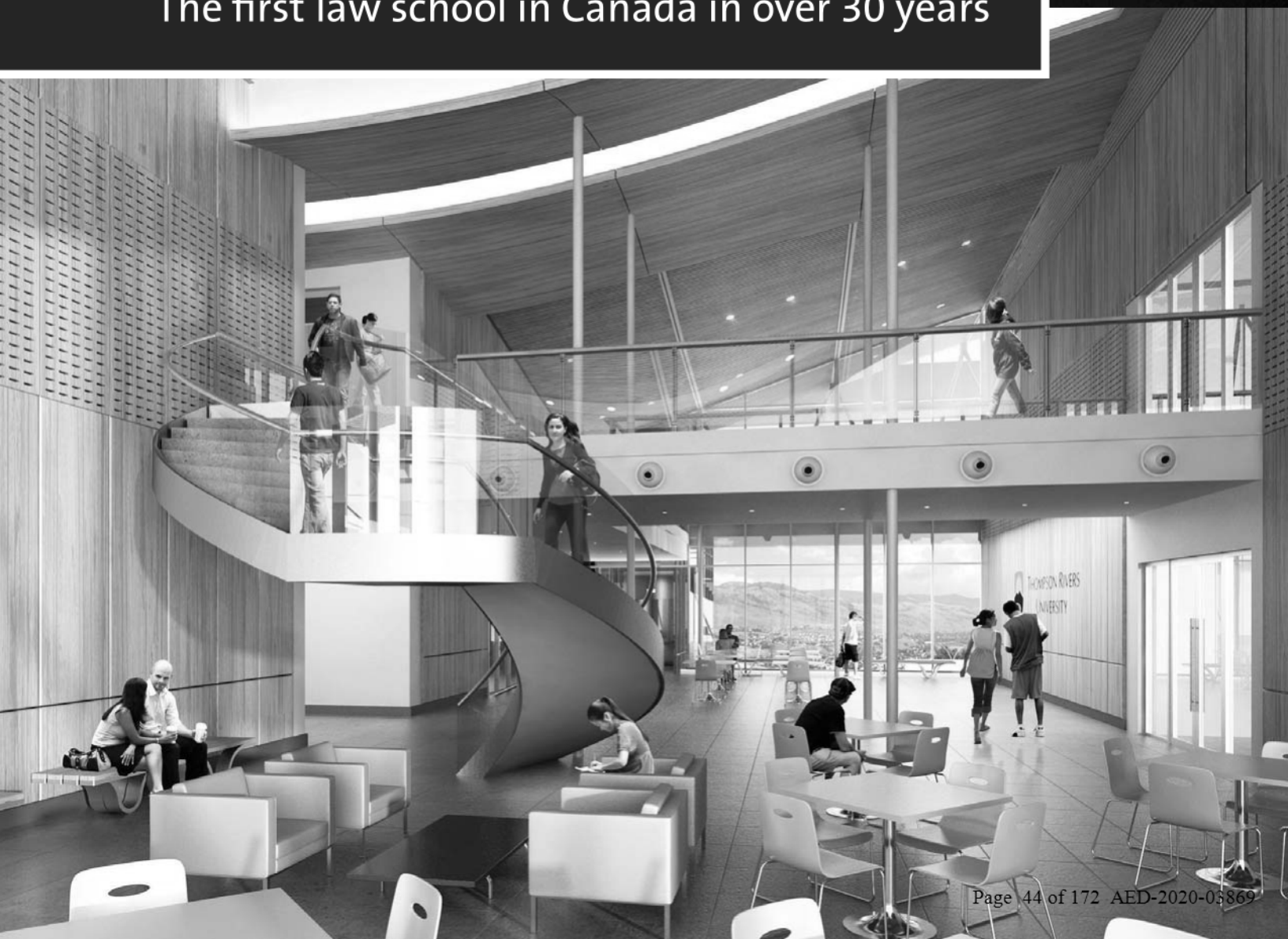
Thompson Rivers University House of Law



THOMPSON RIVERS  UNIVERSITY



The first law school in Canada in over 30 years





TRU Law
2012

Greater Access to Excellence in Legal Education

On February 16, 2009, the British Columbian Government announced that a new law school would be created at Thompson Rivers University. This bold initiative would see the creation of the first new Canadian law school in over thirty years, and the first British Columbian Faculty of Law found outside a major urban centre. The TRU Faculty of Law, under the reins of founding dean Christopher Axworthy, QC, in partnership with the University of Calgary, built its curriculum, hired internationally renowned faculty, and recruited its first class of seventy-five students. Now into the second term of its first year, TRU Law is on its way to defining itself as an innovative faculty where the academic, professional and ethical aspects of law are taught on equal terms.

The TRU Faculty of Law addresses the contemporary needs and expectations of Canadian Faculties of Law, law students and the legal profession in four unique ways:

1. By blending academic knowledge, practical skills and ethical considerations throughout the curriculum;
2. By facilitating lawyers to mentor students throughout their law school careers;
3. By ensuring that graduates of the law school “hit the ground running” upon entering the articling phase of their legal education; and
4. By ensuring that graduates acquire the professional skills necessary to practice law in its many manifestations and to work in law firms of all sizes, in all communities, large and small.

Areas of Subject Specialization

The TRU Faculty of Law was established with the explicit goal of focusing on Energy and Natural Resources Law, the Environment, and Aboriginal Law. In pursuit of these specialized goals, the Faculty of Law is consulting with stakeholder groups to ensure the curriculum meets the needs of students and the community and provides the academic knowledge, professional skills and ethical competency students require to succeed.



TRU House of Law: By revitalizing one of our oldest buildings we are creating a beautiful, accessible and vibrant campus core


TRU recently unveiled plans for an exciting revitalization of the Old Main building, which includes approximately 40,000 square feet of new learning space and an area that will house Canada's newest Faculty of Law. This new space is an important expression of TRU's vision for the future and is part of a campus-wide program of expansion and bold, new innovation. The design for the Old Main expansion is inspired by the painting *Mount Paul* by Group of Seven artist A. Y. Jackson. This revitalization will make Old Main one of the most innovative buildings in the BC Interior.

The House of Law lecture theatres will be interactive learning environments, allowing students and faculty to interact with one another while accessing hundreds of online resources. TRU's aim is to offer students one of the best legal educations in the country; this facility will bring us even closer to this objective.

The expansion of the third floor of Old Main will incorporate a required seismic upgrade to the building and allow the incorporation of Leadership in Energy and Environmental Design (LEED) elements in the new construction (i.e. a high albedo roof, passive solar shading, and energy and carbon offset upgrades). LEED Silver will be the target for the interior fit-out. The approximately 40,000 square feet of new space will accommodate the entire Faculty of Law; a realignment of existing Schools and Faculties that are currently over capacity; and additional faculty offices. We will incorporate Wood First initiatives, integrate clear-span gluelam beams, and use the existing building footprint so that no green space is required for this expansion. Disability access will be increased within the building through the addition of a dedicated elevator to the 3rd floor. This renovation will transform a campus icon into a modern work of art.



Environmental construction meets architectural innovation



Strategic growth to meet the needs of our community and our province

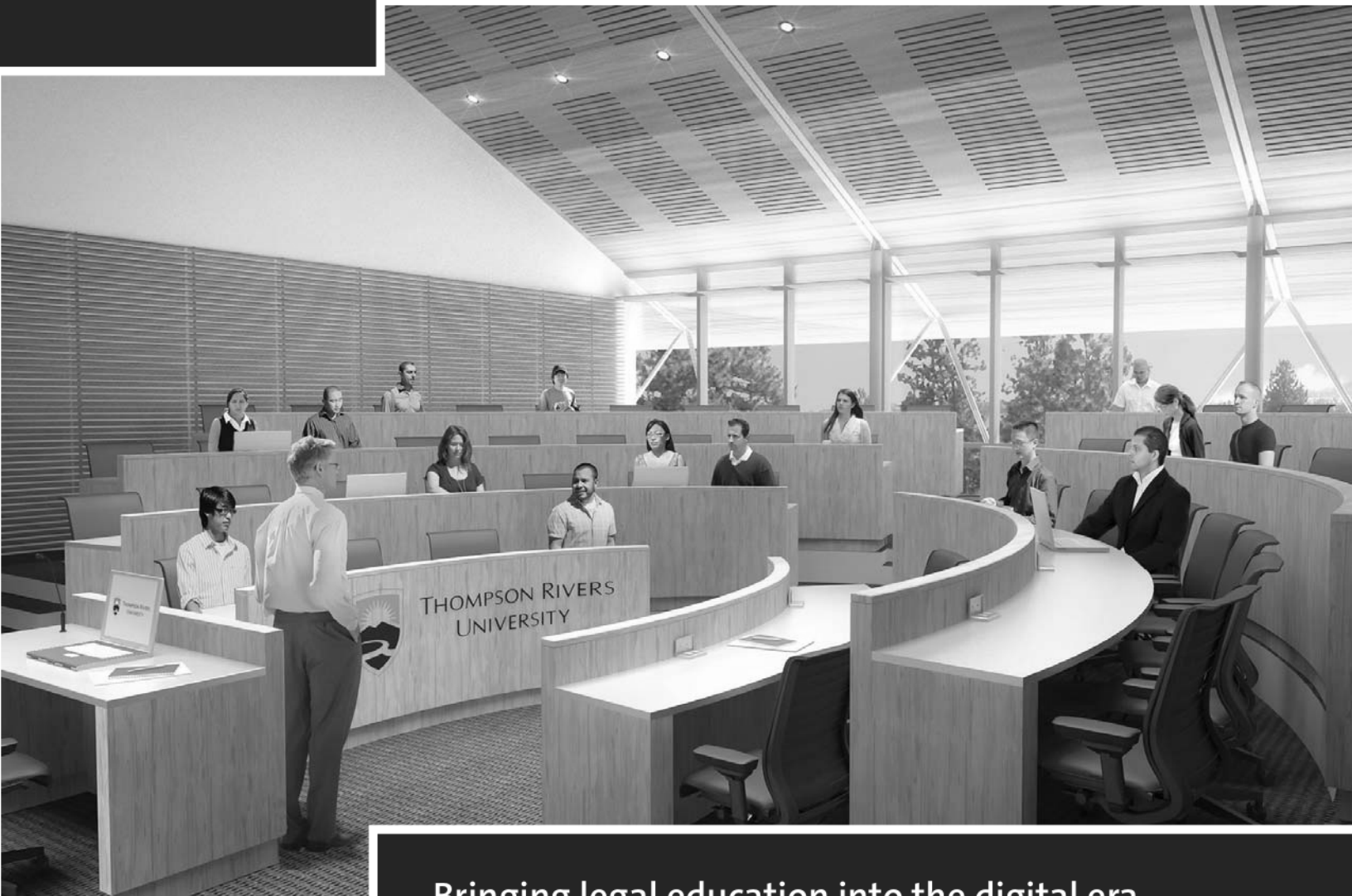
The opening of the new Law School in September of 2011 had an initial intake of 75 FTE's. This intake will increase to 80 in 2012 and 100 in 2013. There will be a total student population of 240 in 2013, which will increase to 300 by 2016.

Presently TRU's Law School and Law Library are accommodated in the Brown Family House of Learning. As the Faculty grows into its third cohort, this space will become inadequate. Additional multi-use classroom space will allow TRU to increase its general academic capacity and its ability to expand international programs.

TRU has currently committed half of the twenty million dollar cost of the project from internal sources, and has begun the construction of the outer shell, which will be installed later this summer. We are now in discussions with our private and public partners to fund the remaining interior fit-out. We need this project to be complete in order to host TRU Law's third year cohort arriving in September, 2013.

Old Main Renovations	Estimated Total Cost
Construction	15,444,600
Equipment	1,500,000
Fees	1,594,150
Permits and DCC	300,000
HST	414,000
Design and Contingency	540,000
Total	19,792,750

Funding	
Phase 1 - Completion Summer 2012	
TRU: Through the use of prior year supluses	10,632,750
Phase 2	
External Funding Required	9,160,000



Bringing legal education into the digital era



Alan Shaver
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www.tru.ca

MC115609

THOMPSON RIVERS UNIVERSITY

BOARD OF GOVERNORS

April 5, 2012

Hon. Naomi Yamamoto
Minister of Advanced Education
PO Box 9080 Stn Prov Govt
Victoria, BC V8W 9E2

Dear Minister Yamamoto:

The Board of Governors of Thompson Rivers University is concerned about the low levels of funding from the Government grant and tuitions fees in comparison to our peer institutions. For your general information and to put government transfers to post secondary education in context, Table 1 attached shows the relative erosion of funding in Canada compared to the USA. Table 2 shows that BC's transfers are just over the average in annual \$/FTE transfers across Canada. However, Table 3 shows that, within BC, TRU's grant per FTE is the lowest of the Research Universities Council of British Columbia (RUCBC). It is \$1,000 less than that for UBC-O, and greater than \$5,600 less than UNBC, smaller and arguably less comprehensive institutions located nearby. This translates into \$6.5M underfunding for TRU (\$1,000 x 6,500 FTE's not including trades, technical, OL, developmental and international students). University grants are adjusted on a percentage basis which increases the gap between TRU's granting level and that of its provincial peers.

In 2007 the British Columbian Government addressed the funding of graduate students by providing \$50M for 2,500 new graduate FTE's (\$20K per FTE). From its inception TRU was mandated to offer master's degree programs and the government originally envisioned a target of 450 FTE's. However, TRU was not funded at that time because it was just starting its graduate programs. Now TRU has over 100 FTE's in master's degree programs but it receives no funding for these. Thus, TRU's graduate mandate is unfunded by \$2M, which will grow to \$9M as we achieve our target.

The relative underfunding from the government grant is not our only concern. Table 4 shows BC's average tuition fees for domestic full time students is under the Canadian average. TRU's tuition fees (Table 5) are the third lowest of all BC's universities, even including the "teaching only" universities. It is \$900 less than that for UBC-O and UNBC which translates into a further annual funding shortfall in the university's operating budget of \$5.9M. Since the Government also regulates tuition fees by percentage, the gap between TRU's fees and its fellow institutions increases every year.

On February 16, 2009 the British Columbian Government announced the creation of a new law school at Thompson Rivers University the first in Canada in 35 years. Partnering with the

University of Calgary and under the leadership of its founding dean, Dr. Christopher Axworthy QC, TRU has boldly built its curriculum, hired internationally renowned faculty and recruited its first class of seventy-five students. Now approaching the admission of its second cohort of students and the hiring of more faculty, TRU Law is defining itself as a school of excellence and innovation where the academic, professional and ethical aspects of law are taught on equal terms.

In terms of government funding, the UBC and UVIC law schools receive approximately \$9,000 per FTE in their block grant while TRU receives nothing. The steady state enrolment at TRU is expected to be 300 FTEs, which will equate to relative underfunding of \$2.7M. TRU has invested over \$1.3M (net of income) from its own resources in start-up funding of the law school and this amount is increasing every year. By agreement TRU has been able to start the law school, hire faculty and secure a curriculum at no additional cost to the province by setting its tuition fees at a very high level (\$16,800), while at UBC and UVIC the fees are \$10,338 and \$8,508 respectively.

The ongoing relative underfunding of TRU's students: undergraduate, masters and law, is of deep concern to the Board. The university is relatively underfunded by approximately \$17M which is 13% of our operating budget. This is being compounded by the funding freeze over the past three years and the announced cuts over the next two years. TRU has managed to build a university characterized by student access to excellence by introducing innovations including internationalization, outsourcing and private, public partnerships. We must charge masters and law students high tuition fees to recover the cost of their programs. Thus, students and their families from the interior face greater financial hurdles to gain access to masters and legal education than those in Vancouver and Victoria. Underfunding undermines our ability to serve our students academically and with student assistance and services. For example, with appropriate government funding of the law program we would be able to provide selective student assistance to help students from underrepresented communities gain access to a legal education. The present funding situation is unfair to Kamloops's students and their families whose taxes support universities in other communities at a higher rate than the university in their own community.

The relative underfunding also affects TRU's capital project to build a suitable facility for the law school. There has been no major capital grant to the system in the past two years. The law school is temporarily housed in the Brown House of Learning which was never intended to satisfy its special space needs such as a moot court and it is rapidly outgrowing this space. TRU has committed \$10.6M of its own funds to a \$20M (approx) renovation and addition to the Old Main Building in order to house the law school. This project is already underway but TRU needs \$9.4M to complete it. When the law school is housed in this new space TRU will be able to use the space freed up in the Brown House of Learning for other priorities such as increasing international student enrolment which would address the Government's jobs plan. No matching

commitment of capital investment in TRU has been forthcoming from the Province. The buildings which house the law schools at UBC and UVIC were constructed with significant capital grants from the Province. More recently, the buildings which house the Northern and Southern Medical Programs at UNBC and UBC-O, respectively, were constructed with significant capital grants from the Province.

TRU is chronically underfunded relative to its peers. The present practise of adjusting grants and fees by percentage worsens this underfunding. It will require direct action by the Government to remedy this situation and this will take time and determination. Although all the above concerns have immediate impact on our ability to provide our constituents with access to excellence, TRU's most pressing issue is capital funding for construction of the TRU House of Law. On July 19, 2010 in response to the Government's request, TRU submitted its Five Year Capital Grant (2011/12 to 2015/16) plan which designated the Old Main project as TRU's first priority. The law school is growing and completion of the House of Law project has become urgent. We need \$9.4M but we believe we can raise up to \$2M from private donors. But these donors, expecting the government to leverage their contribution, are waiting to see how much (if) the government will be contributing to ensure the completion of this project.

We respectfully request the Government of British Columbia grant \$7.4M to the TRU House of Law project which will secure other donations and allow us complete this project. We would be pleased to meet with you to discuss any questions you may have.

We are looking to the Government as our most valued partner in making history; namely creating and ensuring the success of the first new Faculty of Law in 35 years.

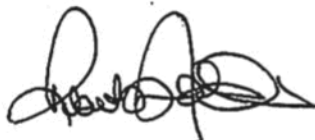
Sincerely,



Fiona Chan
Board Chair



Mike Parker
Vice-Chair



Robert Holden
Chair, Finance Committee



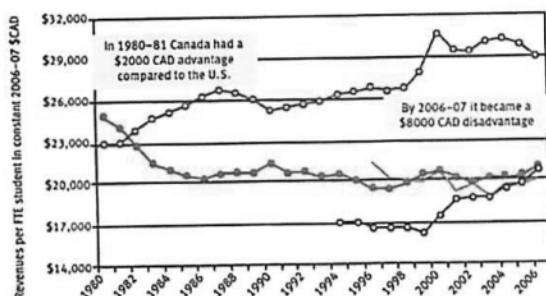
Brian Ross
Chair, Audit Committee

Appendix

1. Relative erosion of funding in Canada compared to the USA.

From *Trends in Higher Education, Vol 3: Finance*, Association of Universities and Colleges of Canada, 2008

In 2006-07, combined revenues for teaching and research in public four-year colleges and universities in the U.S. were more than \$8000 per student higher than universities in the U.K., Australia and Canada



Source: AUCC using data from Statistics Canada, the National Center for Education Statistics (U.S.), Higher Education Statistical Agency (U.K.) and Department of Education, Science and Training (Australia). Deflator based on the U.S. Higher Education Price Index

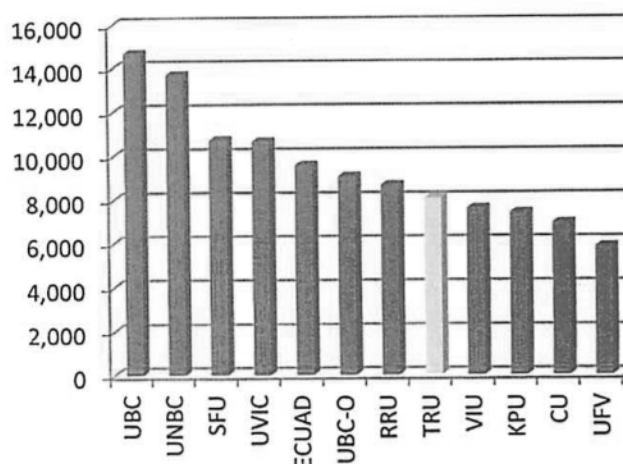
2. BC's transfers to Colleges and Universities per FTE are just over the Canadian average.

Source: CAUT Almanac 2010-11 quoted in the article "President for a Day: Students' Preferences for Dealing with a Budget Crisis" by Joseph Berger and Alex Usher, Higher Education Strategy Associates, March 2011.

Province	Expenditure per student
Alberta	\$25,459
Saskatchewan	\$22,520
Nova Scotia	\$15,916
Newfoundland	\$15,771
Manitoba	\$14,208
Prince Edward Island	\$13,882
British Columbia	\$13,863
New Brunswick	\$13,572
CANADA	\$13,481
Quebec	\$12,756
Ontario	\$10,222

3. TRU's provincial operating grant per FTE is the lowest of the RUCBC. It is \$1000 less than that for UBC-O, a similar but smaller and arguably a less comprehensive university than TRU.

Institution	\$/FTE	Difference
UBC	14,716	-6,637
UNBC	13,721	-5,642
SFU	10,731	-2,652
UVIC	10,672	-2,593
ECUAD	9,594	-1,415
UBC-O	9,070	-991
RRU	8,678	-599
TRU	8,079	0
VIU	7,617	462
KPU	7,406	673
CU	6,934	1,145
UFV	5,861	2,218

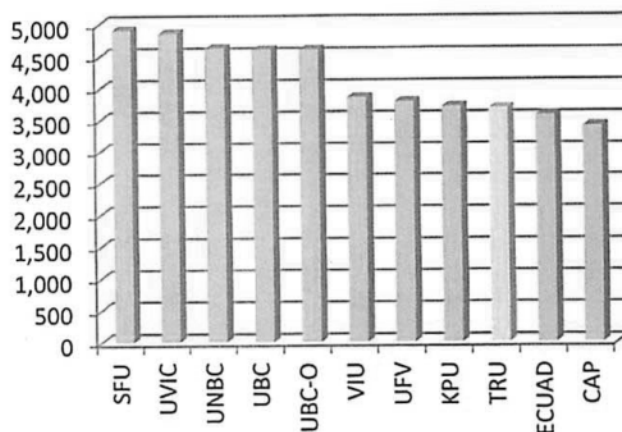


4. Average undergraduate tuition fees for Canadian full-time students, by Province.

Province	2010/2011	2011/2012	2010/2011 to 2011/2012
	Current dollars		% Change
Ontario	6,316	6,640	5.1
New Brunswick	5,647	5,853	3.6
Alberta	5,505	5,662	2.9
Nova Scotia	5,497	5,731	4.3
Saskatchewan	5,431	5,601	3.1
Canada	5,146	5,366	4.3
Prince Edward Island	5,131	5,258	2.5
British Columbia	4,758	4,852	2.0
Manitoba	3,593	3,645	1.4
Newfoundland and Labrador	2,649	2,649	0.0
Quebec	2,411	2,519	4.5

5. TRU's tuition fees are the third lowest in BC. It is \$1000 less than that for UBC-O, a similar but smaller and arguably a less comprehensive university than TRU.

Institution	\$	Difference
SFU	4,914	-1,232
UVIC	4,862	-1,180
UNBC	4,629	-947
UBC	4,608	-926
UBC-O	4,608	-926
VIU	3,859	-177
UFV	3,788	-106
KPU	3,707	-25
TRU	3,682	0
ECUAD	3,572	110
CAP	3,402	280



Old Main - before addition of third and Fourth Floor





Old Main

after addition of Third and Fourth
Floor Shell

October 5, 2012



Old Main Third Floor
Phase I Control Budget / Elemental Breakdown and
Phase II - Budget

	Control Budget Phase I - Shell 31-Dec-11	Budget Phase II - Fitout 15-Aug-12	Estimated Total Project Costs
Construction			
Phase I Stip Sum	8,979,600		8,979,600
Phase II work constructed in Phase I (HVAC, ceiling finishes, et al)	968,400		968,400
	9,948,000		
Phase II - QS estimate		7,500,000	7,500,000
Phase II work constructed in Phase I (HVAC, ceiling finishes, et al)		-968,400	-968,400
		6,531,600	
			16,479,600
Furnishings		600,000	600,000
Fees			
Design Consultant Team	703,150	675,000	1,378,150
Project Management	89,000	90,000	179,000
Disbursements	6,000		6,000
Misc	25,000	16,000	41,000
	823,150	781,000	1,604,150
Permits and DCC			
Permits			
DCC			
	200,000	50,000	250,000
HST			
net effect	270,000	322,000	592,000
Vice President Contingency			
Design competition	60,000		60,000
Contingency	300,000	180,000	480,000
	360,000	180,000	540,000
Total	11,601,150	8,464,600	20,065,750
Funding Sources			
TRU through the use of prior year's surpluses			10,665,750
TRU - External fundraising			2,000,000
Ministry funding - AVED			7,400,000
Total			20,065,750

PROGRAM:

DEAN OF LAW AND REGISTRAR OFFICES

- 1x Dean's Office
- 1x Associate Dean's Office
- 1x Assistant Dean's Office
- 5x Registrar Offices
- Reception Area with 1 workstation
- Waiting Area
- Coat Closet

- 8-Person Meeting Room
- 26-Person Board Room
- Waiting Area
- Coat Closet
- Kitchen
- 3 Filing/Storage Rooms

FACULTY OFFICES

- 7 Offices in West Wing
- 13 Offices in East Wing
- Shared Kitchen/Print/Storage Rooms

ADMINISTRATIVE OFFICES

- 5x Offices in East Wing
- 10-Person Meeting Room
- Shared Kitchen/Print/Storage Rooms

LEGAL AID OFFICE

- Reception Area with 1 workstation
- 2x Offices

PUBLIC/STUDENT AREAS

- 24 Person Meeting/Common Room
- 2x 10-Person Seminar Rooms
- 1 Display Case
- Lounge Seating

WASHROOMS: 4

- 5 Female (3 Barrier-Free)
- 5 Male (3 Barrier-Free)

SERVICE:

- 2x IT Rooms
- 2x Janitor
- Service/Storage Room



OLD MAIN ADDITION - PHASE 2 INTERIOR FIT-OUT
Diamond Schmitt Architects | Stantec Architecture Ltd



0 5 10 20

4TH FLOOR PLAN
September 13, 2012

Plans for Law School at TRU Announced in Provincial Throne Speech

Partnership plans with the University of Calgary announced by TRU

KAMLOOPS – The announcement of government plans to establish a Law School at Thompson Rivers University in Kamloops, and the announcement of partnership plans between TRU and the University of Calgary will bring economic benefits and national and international recognition for both the university and the community, says TRU President and Vice-Chancellor, Dr. Kathleen Scherf.

In the Speech from the Throne this afternoon in Victoria, the Government of B.C. made a commitment to the creation of a new Law School to be opened at Thompson Rivers University.

Further to the Throne Speech, Thompson Rivers University and the University of Calgary are pleased to announce today that the two institutions have agreed to develop a partnership plan to establish the TRU Law School within the next few years.

“This announcement, which has come about as the result of considerable hard work and support from many members of our local community, recognizes the importance of Kamloops within our province, and the critical role of TRU as a university with a provincial mandate,” said Board of Governors Chair Ron Olynyk.

“We are also proud to be able to announce our plan to work with the University of Calgary, as we believe this will be a milestone in the spirit of the Trade, Investment and Labour Mobility Agreement (TILMA) between our provinces; we are making Canadian legal history. The University of Calgary’s Natural Resources, Energy, and Environmental Law (NREEL) specialization is a perfect fit with our focus on environmental sustainability,” said Dr. Scherf.

“I wish to acknowledge the invaluable assistance of Ron Olynyk, and local lawyers Don Andrews, Russ Cundari, Rex Renkema, Brian Ross, Rob McDiarmid, and Frank Quinn who launched this initiative in July, 2006. Once again Premier Gordon Campbell and Advanced Education Minister Murray Coell have demonstrated their faith in and enthusiasm for Thompson Rivers University’s pivotal role in British Columbia,” said Kamloops North-Thompson MLA Kevin Krueger.

“There is currently more demand for legal education than there is capacity in Canada. This invaluable partnership with Thompson Rivers University will allow us to bridge the gap by expanding the reach of our exceptional curriculum,” says Alastair Lucas, Dean of the U of C Faculty of Law. “Our focus on Natural Resources, Energy and Environmental Law is uniquely suited to academic priorities at TRU and we are excited to provide them with a program that focuses on practical legal skills instruction in the context of more theoretical legal principles. Through our partnership, we will build capacity for access to legal services in rural communities in the BC interior and Peace River region in BC and Alberta.”

“As of today, we can initiate the academic and administrative planning processes we must undertake within the university to develop the detailed proposal,” said TRU President Dr. Kathleen Scherf.

Based on strong evidence of demand for a third Law School in the province, TRU envisions the establishment of a three-year, fully accredited LL.B. (Bachelor of Law) program that builds on the unique strengths of the university and the community. The TRU Law School will provide graduates with a strong background and understanding of the social, cultural and economic realities of Canadian rural settings, within a global context.

“From our current initiatives in First Nations education and international learning, to educational and research activities dealing with the environmental, developmental and cultural issues of today, we are perfectly positioned to create the legal experts that our country needs,” said Scherf.

-30-

Attachment: Background on Law School

Contacts for Further Information and Comment:

Ron Olynyk, Chair, TRU Board of Governors, 250.819.3438

Dr. Kathleen Scherf, President and Vice-Chancellor 250.828.5001

Law School at Thompson Rivers University Backgrounder

The Basic Plan

- Launch a 3-year fully accredited LL.B. program with an annual intake of a minimum of 40 students, TRU will maintain its commitment to small class sizes.
- Establish a partnership with The University of Calgary, with a target date for the opening of the TRU Law School of September 2011.
- **Subject to approvals**, begin the search for a Dean in 2009, and faculty in 2010.
- **Subject to approvals**, student recruitment activities would begin in 2010.

The Demand for Graduates

- Existing Law Schools in B.C. currently admit 316 students: UBC 208; UVic 108
- During the decade from 2011 to 2021, an average of approximately 290 lawyers each year in B.C. will reach the age of 65. During that period the population of B.C. will increase from 4.25 million to 5.1 million.
- Last year, UBC Law School had 1,683 applications for its 208 first year seats and UVic had 1,038 applications for its 108 first year seats.
- After attending Law Schools in Vancouver and Victoria, many graduates remain in those areas for their careers.
- In the same way that it is desirable to train physicians in the interior of the Province, it now is desirable to train lawyers in the interior where they will stay after graduation to practice in rural and small city settings.

The University of Calgary Partnership

- TRU and The University of Calgary will develop a plan to license existing curriculum with appropriate content modification to recognize differences in B.C. legislation, and offer a joint degree
- As much of what is taught at Law Schools is common across Canada, graduates of common-law Law Schools in any province may article in any other common-law province.
- The University of Calgary is an ideal partner for many reasons, including the TILMA agreement and the growing interrelationship it facilitates between the B.C. interior economy and that of Alberta.
- The emphasis of U of C curriculum on natural resources and environment fits with TRU's existing strengths in those areas.
- The U of C law program has a focus on experiential learning which fits well with TRU's goal of educating students for career success.
- TRU has significant experience in the development of joint degree programs and the issuing of joint degrees. Over a period of time, TRU envisions that the joint degree would transition to being an independent TRU degree.

University Facilities

Initially, TRU will develop plans to use space in existing and planned facilities to accommodate classroom and office requirements for the new Law School. In the longer term, the university will seek to develop dedicated space for the TRU Law School.

October 25, 2012

Colin Fowler
Executive Director
Post-Secondary Funding & Corporate Finance
Ministry of Advanced Education, Innovation and Technology

Dear Mr. Fowler,

Thompson Rivers University (TRU) is pleased to submit a business case for the School of Law – Old Main Building Expansion project. TRU is committed to delivering an excellent legal education to its students and as such, seeks capital funding from the Ministry of Advanced Education, Innovation and Technology to complete the construction of the Old Main Building, third and fourth floors for the School of Law.

This business case demonstrates the need for the Old Main Building fit-out, which must be completed by September 2013 to ensure that the upcoming cohort of law students can be accommodated. Furthermore, the business case illustrates how the project aligns with the Ministry's goals as well as other ministerial priorities.

TRU looks forward to working with the Ministry to respond to market demand and learner needs by providing a law facility that faculty, staff, students, and alumni can be proud of.

Sincerely,



CLIFF NEUFELD
Vice-President, Administration and Finance

THOMPSON RIVERS UNIVERSITY

SCHOOL OF LAW

(OLD MAIN BUILDING EXPANSION)

BUSINESS CASE

October, 2012

ACKNOWLEDGEMENTS

CAPITAL PROJECT

Thompson Rivers University
Chris Axworthy, Q.C.
Dean of Law

Cliff Neufeld
Vice-President, Administration & Finance

BUSINESS CASE

Stantec Consulting Ltd.
Gerry Devine, PEng, MBA, CMC
Senior Principal

Erika Lieu, BComm, BA
Consultant

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EXECUTIVE SUMMARY

Background

Thompson Rivers University ("TRU") seeks to complete the expansion of the Old Main building in response to market demand and the Government of BC's mandate in 2009 to establish a new law school in Kamloops. The Old Main Building underwent a program of building code upgrades through the Knowledge Infrastructure Program, which included seismic upgrades, building envelope renovations, asbestos removal, etc. Thereafter, vertical expansion (shell) of the Old Main building began in May 2012 and is near completion. This expansion was identified in TRU's Campus Master Plan (2003) and in its Five Year Capital Plan submission for 2010 and 2012. The shell construction includes extensive reconstruction to the exterior of the building and the addition of a third and fourth floor.

Scope

This business case is for the Old Main building expansion totaling 4,136 gross square meters, which must be complete by September 2013 to accommodate the third cohort of law students. Currently, the School of Law is temporarily housed in the Brown Family House of Learning, which is now at capacity and is not being used for its intended purpose as outlined in the approved business case. The House of Learning cannot accommodate the next intake of law students. The expansion will immediately accommodate an additional 100 FTEs by September 2013, 300 FTEs by 2016, and over 360 FTEs by 2020. Compared to other law schools across Canada, TRU's floor area ratio is low at 11.5m²/FTE, whereas the University of Toronto's Faculty of Law is at 25.2m²/FTE, and the University of British Columbia's Faculty of Law at 19.1m²/FTE.

The shell of the third and fourth floor addition will conform to TRU's goal of environmental sustainability but will not meet LEED requirement. This is because the existing mechanical system is being expanded and supplemented to support new space, and the energy modeling for this vertical addition to an existing old building is difficult to estimate. Moreover, the projected LEED targeted performance will likely be unjustifiably speculative and cannot be reasonably guaranteed to meet LEED certification requirements.

The interior fit-out for the third and mezzanine floors is designed to meet the LEED Silver requirement and TRU's goal of environmental sustainability. However, due to the challenges posed by the extension of main building's HVAC system and technical uncertainties of guaranteed LEED performance TRU will not pursue LEED Silver certification of the interior fit-out space.

Demand

The need for a law program is evident in BC's population growth, the transition of baby boomers into retirement, and the availability of law services in small cities, towns, and rural communities. That is, BC's population is outpacing the growth of lawyers by 400%, and the province will see an exodus of 3,000 lawyers due to retirement, by 2021. Furthermore, small cities are struggling to attract law professionals from large, urban centers. Considering that law students tend to remain in the urban centers in which they study, situating a law school in Kamloops can achieve the same results in small cities and ultimately supply unserved, rural areas. Moreover, the

demand for a new law program in Canada is evident when comparing the number of applicants to the enrolment numbers at law schools across Canada. The number of applicants range from 1,080 –2,261 for an enrolment of 110–185 students.

Financial Requirements

The project is estimated to cost \$19.8M and includes both the shell construction and fit-out of the third and fourth floor. TRU will commit \$12.4M to the Old Main Building expansion and fit-out over the course of the project from 2011/2012 to 2013/2014 and requires \$7.4M from AEIT to complete the fit-out. The cash flow of AEIT's contribution should be flexible and allocated throughout 2012-2013 to 2013/2014.

4,136 gross square meters of new space will be added to TRU's portfolio of capital assets, which will require routine capital funding from AEIT to sustain the asset over its useful life. It is estimated the building operating and maintenance costs for the new law school will be \$180,000 per annum and these costs will be carried by TRU.

Conclusion & Recommendations

TRU recommends proceeding with the completion of the School of Law to accommodate the upcoming intake of law students in September 2013. This requires AEIT to approve a new capital investment in the amount of \$7.4M by November 30, 2012.

1.0 PROJECT DESCRIPTION

Thompson Rivers University ("TRU") needs to complete the expansion of the Old Main building in response to market demand and the Government of BC's mandate in 2009 to establish a new law school in Kamloops. Vertical expansion of the Old Main building, which began in May 2012 and is near completion, includes extensive reconstruction to the exterior of the building and the addition of a third and fourth floor. This business case is for the Old Main building expansion totaling 4,136 gross square meters, which must be complete by September 2013 to accommodate the third cohort of law students. The Brown Family House of Learning ("House of Learning") that is temporarily housing TRU's law students is currently at full capacity and cannot accommodate the next intake of students.

Further details on the project background are provided in [Section 2.0 Background Information](#).

1.1 Project Objectives

The objectives of this project are to:

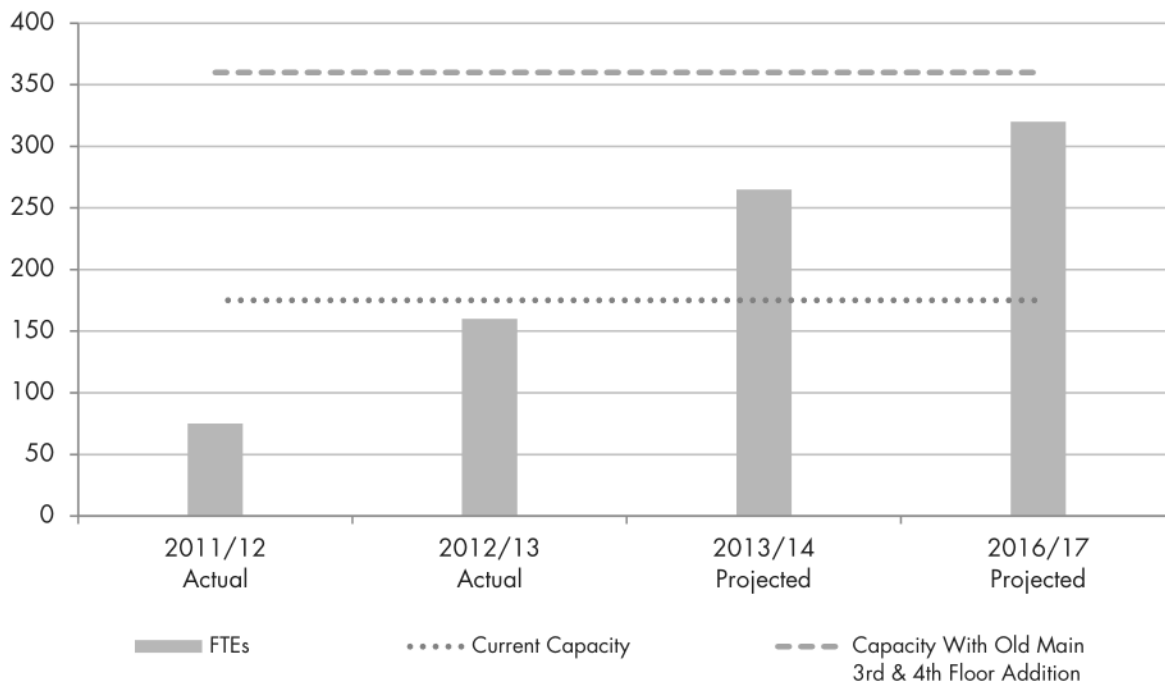
- Immediately accommodate an additional 100 FTEs by September 2013
- Accommodates 300 FTEs by 2016 and over 360 FTEs by 2020
- Respond to market demand for legal education and increase the supply of legal services in small cities, towns, and rural communities
- Respond to the Government of BC's approval in 2009 for a new law school in Kamloops
- Provides space for other faculties and students when space is available
- Decant the Faculty of Law from the House of Learning
- Support TRU's goals stated in the Accountability Plan & Report: To establish itself as the University of Choice for Career Success

1.2 Project Scope

- The Old Main building expansion is a new priority project, as defined in the Ministry of Advanced Education, Innovation and Technology's (AEIT) Capital Asset Reference Guide
- The expansion provides 4,136 gross square meters of new space to the Old Main building and provides dedicated space to the law program, including three 62 seat lecture rooms, two 30 seat classrooms, three multipurpose rooms, law library, seminar rooms, moot court, law clinic, boardrooms, offices, and other administrative support functions
- Incorporates Wood First initiatives as per the Wood First Act
- The fit-out of the third and fourth floor addition¹ will be designed to meet LEED® Silver requirements, which incorporates the following:
 - Passive solar energy collection and high-value insulation
 - Energy & Carbon Offset upgrades
- Additional energy saving initiatives as per the LEED framework
- Reclaims road and parking asphalt areas to green space

¹ Refer to Section 2.3.3 LEED Requirements for more details.

Table 1-1. Current and Forecast Enrolment



TRU School of Law	2011/12	2012/13 Current	2013/14 Projected	2016/17 Projected
FTEs	75	160	265	320

1.3 Project Outcomes

- Supports the delivery of an excellent quality legal education
- Attracts and retains top students and law faculty
- Enhances the reputation of TRU
- 4,136 gross square meters addition of the third and fourth floor to accommodate the next intake of the law program by September 2013
- Restores the House of Learning to its original use and occupancy as articulated in the approved Business Case
- Establishes the capacity for a law school of over 360 FTEs
- Increases supply of lawyers in the Thompson-Nicola region and communities outside large, urban centers in BC and across Canada

2.0 BACKGROUND INFORMATION

2.1 Inception of the School of Law

In the 2009 Speech from the Throne, the Government of BC announced the development of a new Law School at TRU, the first in 33 years in Canada. The Law School was established through a license partnership with the University of Calgary and its program was delivered by internationally renowned faculty members.

In response to the announcement, TRU submitted a proposal to the Ministry of Advanced Education, Innovation and Technology in 2010 for a third and fourth floor expansion to the Old Main Building, and identified the requirements for dedicated space for the program. This included a law library, moot court, law clinic, faculty offices, etc. The proposed capital project was also identified as TRU's first priority in its Five Year Capital Plan submission for 2010 and 2012.

2.2 Facility Renewal through the Knowledge Infrastructure Program (KIP) and Other Funding

Renewal of the Old Main building was funded through the Knowledge Infrastructure Program (KIP), which underwent a program of building code upgrades and renovations at a cost of \$3M. The project scope included the following:

- Seismic upgrades
- Asbestos removal
- Building envelope renovations
- Installation of a sprinkler system
- Upgrade to the fire alarm system
- Upgrade to the HVAC systems

This work allowed the addition of the third and fourth floors to commence.

2.3 Old Main Building Expansion

The School of Law will be located in the Old Main building (built in 1970), which was designed for vertical expansion. However, changes to the building code over the years required extensive updating to the existing building. Old Main's vertical expansion capability was identified in the [Campus Master Plan \(2003\)](#) to meet TRU's space needs and as a prime location for the next capital build. Construction activities were possible without significantly disrupting academic programs and ancillary operations within the Old Main building. As a result, it was determined that a third and fourth floor would be added to the facility. Due to the favorable construction market in 2009, TRU proceeded with the construction of the third and fourth floor shell.

The first and second year of the School of Law in 2011/2012 and 2012/2013 saw cohorts of 75 FTEs and 85 respectively, who were housed temporarily in the recently completed Brown Family House of Learning and other locations on campus. The students remained in these temporary locations while the shell of the third and fourth floor of the Old Main building was underway. TRU committed \$9.4M of its capital reserve funds for the two story shell construction of the third and fourth floor, which began in May 2012 and is near completion. The law program has outgrown its temporary space in the Brown Family House of Learning and space used by other faculties. This is far from ideal as law faculties across the country require and have dedicated space to suit their specialized needs for students and faculty, thus increasing student success rates and strong alumni.

Upon completion of the building shell, the fit-out of the third and fourth floors will commence in January, 2013. It is imperative that construction be completed by September, 2013 to accommodate the third intake of 100 FTEs in September, 2013.

2.3.1 Demographics

Population growth in BC is far outpacing the growth of lawyers – by 400%. Whereas the province's population grew 16% between 1996 and 2010, the number of lawyers in BC grew just 4%.

Table 2-1. Growth in Population vs. Growth in Supply of Lawyers²

Province of BC	1996	2010	% Change
Practicing Lawyers	9,629	9,984	4%
Population	3.8 M	4.5M	16%

The shortage of law services will be further compounded by the retirement of baby boomers, which is forecast to be 3,000 over the next decade by 2021. The population of BC, on the other hand, is projected to grow about 13 percent to 5.1 M. It is anticipated that "new admissions to the bar will barely replace those reaching retirement age".³ In the broader context, Canada's

² Canadian Federation of Law Societies and Law Society of British Columbia

³ Address of Chief Justice Finch to the Canadian Bar Association – BC Branch (2010)

population has grown 40% from 25 million to 35 million in the last thirty years. The number law graduates each year, in comparison, has remained “virtually unchanged”.⁴

Servicing small cities, towns, and rural communities and ensuring that legal services are provided to these communities may be a challenge in the near future, upon the retirement of lawyers who are part of the baby boomer demographic. Typically, law graduates from the University of British Columbia or the University of Victoria tend to remain in Vancouver and Victoria, respectively. This creates challenges when attracting lawyers to smaller communities. As such, positioning a new law school in the Interior of BC at TRU results in lawyers who are familiar with the needs of this demographic, and who are more inclined to remain in the Interior to service these communities.⁵

The law program has a focus on energy, natural resource, environment and Aboriginal law, all of which will be critical in the development of the natural resource sectors that are a key component of the [BC Jobs Plan](#).

2.3.2 Market Demand

Access to law programs in Canada is limited, as evidenced in the approximately 10,000 individuals who compete for 2,696 spaces in Canadian common law schools. There are about 10 applications per available place in Canada, as compared to the U.S., which has about 2 applications per available space. Furthermore, it is estimated that about 200 Canadian students study abroad in the UK or Australia at any given time. In the case of Bond University located in Australia, the demand for Canadian law courses has prompted the university to offer courses in Canadian constitutional and criminal law – at a higher cost of tuition than Canadian universities. This is a strong indication of the lack of capacity for law studies in Canada.

Table 2-2. Sample of Canadian Law Schools – Capacity vs. Applicants

Institution	Enrolment in First Year	Number of Applicants
University of Alberta	175	1,500
University of British Columbia	185	2,261
University of Calgary	110	1,360
Dalhousie University	163	1,700
University of Manitoba	110	1,211
University of Victoria	110	1,383
University of Saskatchewan	126	1,080

⁴ Lunau, K. MacLeans: Where’s a lawyer when you need one? (2009). Retrieved October 17, 2012.
<http://www2.macleans.ca/2009/02/02/where%E2%80%99s-a-lawyer-when-you-need-one/>

⁵ Canadian Lawyer. LeRose, B. Student expectations part of struggle to attract rural lawyers. August 27, 2012.

2.3.3 LEED Requirements

The shell of the third and fourth floor addition will conform to TRU's goal of environmental sustainability but will not meet LEED requirement. This is because the existing mechanical system is being expanded and supplemented to support new space, and the energy modeling for this vertical addition to an existing old building is difficult to estimate. Moreover, the projected LEED targeted performance will likely be unjustifiably speculative and cannot be reasonably guaranteed to meet LEED certification requirements.

The interior fit-out for the third and mezzanine floors is designed to meet the LEED Silver requirement and TRU's goal of environmental sustainability. However, due to the challenges posed by the extension of the main building's HVAC system and technical uncertainties of guaranteed LEED performance, TRU will not pursue LEED Silver certification of the interior fit-out space.

2.3.4 Job Creation

The expansion and fit out of the Old Main Building has a tangible impact on jobs in BC, as indicated in Table 2.3.

Table 2-3. Job Creation During and Post Construction

Capital \$ spent	\$ 19,793,417
Amount of Direct Economic Impact	Total
Impact within BC 75%	\$ 22,267,595
Impact within Canada 100%	\$ 29,690,126
Amount of Indirect Economic Impact	
Impact within BC 75%	\$ 5,566,899
Impact within Canada 100%	\$ 7,422,532
Number of jobs created during construction	
Jobs in BC	354
Jobs in Canada	118
Total	472
Ongoing Jobs + Operation & Maintenance jobs	
Jobs in BC	115
Jobs in Canada	38
Total	153
Number of jobs created or maintained	626

3.0 STRATEGIC ALIGNMENT

3.1 Stakeholder Alignment

Table 3-1. Stakeholder Alignment

Ministry of Advanced Education, Innovation and Technology 2012/13 – 2014/15 Service Plan		
Goal	How the Institution's Opportunity Supports the Stakeholder's Goal	Impact (High, Medium, Low)
1. BC's post-secondary education system is relevant and responsive in meeting the needs of the economy and society	<ul style="list-style-type: none"> With the fit-out of the shelled third and fourth floor expansion, TRU can accommodate up to 360 FTEs to meet market demand and government priorities 	High

Ministry of Jobs, Tourism and Skills Training 2012/13 – 2014/15 Service Plan		
Goal	How the Institution's Opportunity Supports the Stakeholder's Goal	Impact (High, Medium, Low)
1. Investment potential in BC's region and communities is maximized	<ul style="list-style-type: none"> A School of Law in the Interior of BC encourages law graduates to remain in a community that is underserved The School of Law's focus on energy, natural, resource, environment and Aboriginal law, is a key part in the development of the natural resource sectors that are an important component of the BC Jobs Plan Responds to market demand for law professionals and replaces law professionals transitioning into retirement 	High

Canadian Bar Association - BC Branch		
Priorities	How the Institution's Opportunity Supports the Stakeholder's Goal	Impact (High, Medium, Low)
1. To promote the public interest	<ul style="list-style-type: none"> A School of Law in the Interior of BC encourages law graduates to remain in a community that is underserved 	High
2. To promote the interests of lawyers and other members	<ul style="list-style-type: none"> Increases access to law education 	High

Kamloops Bar Association		
Goal	How the Institution's Opportunity Supports the Stakeholder's Goal	Impact (High, Medium, Low)
1. To advance and protect the interest of the members of the legal profession residing or practicing in and about the City of Kamloops, Province of British Columbia	<ul style="list-style-type: none"> A School of Law in the Interior of BC encourages law graduates to remain in a community that is underserved 	High

4.0 ENVIRONMENT ANALYSIS

4.1 Environment Scan

The Old Main expansion for the newly established School of Law at TRU is a unique project, as it represents the first law school in 33 years in Canada. As such, this section provides an overview of projects related to law schools at institutions across the country and not necessarily “similar projects” related to TRU’s specific undertaking.

The projects indicated in Table 4-1 have significantly higher space-to-learner ratios. Once complete, the School of Law will provide 11.5m²/FTEs compared to the range of 19.1–25.2m²/FTEs found at other law faculties in Canada. Similarly, TRU has a notably lower space ratio for the law library at just 2.3m²/FTEs versus 5.7–7.2 m²/FTEs.

Table 4-1. Similar Initiatives in Other Jurisdictions Summary

Thompson Rivers University: Faculty of Law	
Type of Project	\$19.8M modernization and expansion
Year	2011–Present
Building Area	4,136 gross square meters or 11.5 m ² / FTEs
Library Area	679 gross square meters or 2.3 m ² / FTEs
FTEs	360
University of British Columbia: Faculty of Law	
Type of Project	\$60M modernization and expansion, including a central student services and support area, functional research space, auditorium, client meeting space, and law library
Year	2012
Building Area	11,460 gross square meters or 19.1 m ² /FTEs
Library Area	3,767 gross square meters or 6.2 m ² /FTEs
FTEs	600 FTEs
University of Toronto: Faculty of Law	
Building Area	18,920 gross square meters or 25.2 m ² /FTEs
Library Area	5,378 gross square meters or 7.2 m ² /FTEs
FTEs	752 FTEs
York University: Osgoode Hall Law School	
Building Area	20,059 gross square meters or 19.9 m ² / FTEs
Library Area	5,742 gross square meters or 5.7 m ² / FTEs
FTEs	1,007 FTEs

5.0 PROGRAM DELIVERY OPTIONS ANALYSIS

Prior to the vertical expansion of the Old Main that added a third and fourth floor to the building, TRU considered a number of other options, provided in Table 5-1.

Table 5-1. Summary of Options Considered for TRU's School of Law

Option	Viable Option?	Justification
1. Vertical expansion of Old Main building	Yes	<ul style="list-style-type: none"> • The Old Main building was identified in TRU's Campus Master Plan (2003) as the highest priority for building modernization and vertical expansion • Expanding an existing facility is consistent with design guidelines outlined in the Campus Master Plan (2003), which promotes compact development within the campus core to reduce the sprawl of the campus • Integrates law students into the campus community • Renews the oldest building on campus • Builds a sense of renewal and environmental sustainability • Provides a sense of pride for the law school and the Kamloops community
2. New build on greenfield site	No	<ul style="list-style-type: none"> • Requires a new, separate site • Not consistent with maximizing TRU land potential nor the density requirements of the Campus Master Plan (2003) • Capital cost estimated to be approximately equal to Option 1, yet with fewer benefits
3. Repurpose an existing facility on campus	No	<ul style="list-style-type: none"> • Other facilities on campus cannot accommodate the 4,136 gross square meters requirement to accommodate 160 FTEs
4. Lease space in a private or publicly owned building	No	<ul style="list-style-type: none"> • Physical segregation from campus may result in law students' lack of identity with TRU • Lack of campus life for law students
5. Distance/online delivery	No	<ul style="list-style-type: none"> • This method of delivery is not accredited by the Canadian or BC Bar Association
6. Public-Private-Partnership	No	<ul style="list-style-type: none"> • Proposed project does not meet \$50M threshold to be eligible for P3 delivery

As indicated by Table 5-1, vertical expansion of the Old Main Building is the only viable option to accommodate the House of Law.

Preliminary cost estimates were completed for Option 1: Vertical Expansion of the Old Main Building and Option 2: Build New on a Greenfield Site. This indicated that the total capital cost would be similar in both options. However, Option 2: Construct a New Building provided fewer benefits than Option 1, was not consistent with the Campus Master Plan and therefore did not support TRU's overarching vision and goals. Consequently, building new on a greenfield site was not deemed a viable option. Please refer to Section 6.0 for information related to Option 1 capital budget, routine capital, and operating budget.

Other notable benefits of the fit-out for the third and fourth floor addition include the following:

- Returns the Brown Family House of Learning to its intended use as indicated in the approved Business Case
- Vertical expansion is consistent with the Campus Master Plan (2003), thus no additional site area is required
- Takes advantage of outstanding north views
- Designed to LEED® Silver requirements
- Reclaims road and parking asphalt areas to green space
- Builds a sense of renewal and environmental sustainability
- Provides a sense of pride for the law school and the Kamloops community
- Integrates law students in the campus community

6.0 DETAILED CAPITAL/OPERATING BUDGET

6.1 Capital Budget

Table 6-1. Old Main Expansion and Fit-out Capital Cost

	Building Shell	Fit-Out	TOTAL
Construction Budget	\$ 7,614,463	\$ 8,110,000	\$ 15,724,463
Fees			
Design Consultant	\$ 835,874	\$ 675,000	\$ 1,510,874
Cost estimator / Project mgt	\$ 6,000	\$ 106,000	\$ 112,000
	\$ 841,874	\$ 781,000	\$ 1,622,874
HST - net effect	\$ 338,253	\$ 355,640	\$ 693,893
Permits and DCC			
Permits	\$ 61,841	\$ 50,000	\$ 111,841
DCC	\$ 406,323		\$ 406,323
	\$ 468,164	\$ 50,000	\$ 518,164
			\$ -
Vice President Reserves			
Insurance	\$ 12,023	\$ 12,000	\$ 24,023
Furniture		\$ 750,000	\$ 750,000
Design competition	\$ 60,000		\$ 60,000
Contingency	\$ 100,000	\$ 300,000	\$ 400,000
	\$ 172,023	\$ 1,062,000	\$ 1,234,023
TOTAL	\$ 9,434,777	\$ 10,358,640	\$ 19,793,417

*Construction and Design budgets based on 4,136 gross square meters

6.2 Routine Capital

4,136 gross square meters of new space will be added to TRU's portfolio of capital assets. TRU's portfolio of assets including this proposed project will require routine capital funding to sustain the asset over its useful life.

6.3 Operating Budget

It is estimated the building operating and maintenance costs for the new law school will be \$180,000 per annum and these costs will be covered by TRU.

7.0 DETAILED FINANCING

TRU will commit \$12.4M to the Old Main Building expansion and fit-out over the course of the project from 2011/2012 to 2013/2014 and requires \$7.4M from AEIT to complete the fit-out. The cash flow of AEIT's contribution should be flexible and allocated throughout 2012-2013 to 2013/2014.

Table 7-1. Funding Sources (in \$millions)

Source	Funding (\$ millions)
TRU	\$12.4
AEIT	\$7.4
TOTAL	\$19.8

8.0 PROJECT RISK ASSESSMENT

A comprehensive risk management plan will be required and should be prepared by TRU or the Project Manager and further develop the risk register contained within this business case. The goal will be to ensure that all unacceptable risks will have risk responses that can be funded within the contingency.

The Capital Project Risk Screen Tool has been completed and can be found in [Appendix B](#).

RISK CATEGORY	Probability	Impact
Policy		
Government Priorities The Government of BC/Ministry of Advanced Education, Innovation & Technology's priority directions may change and impact access, program offerings, and facility requirements	Medium	High
Mitigation Strategies <ul style="list-style-type: none"> • Preserve existing and develop new relationships with industry and alumni to inform government policy 		
Demand Risk		
Demand Demand for law professionals may reduce	Low	High
Mitigation Strategies <ul style="list-style-type: none"> • Ensure facility design allows multi-use functions and flexibility in space reconfiguration 		
Funding/Financing Risks		
Fundraising Fundraising is lower than projected	Medium	Medium
Mitigation Strategies <ul style="list-style-type: none"> • Preserve and maintain existing relationships with corporate sponsors to ensure buy-in for demolition of existing facilities funded by corporate sponsors • Capital campaign to reach out to existing and new corporate sponsors 		
Provincial Grants Provincial grants lower than required	Medium	High
Mitigation Strategies <ul style="list-style-type: none"> • Scale back project (e.g., reduce scope) 		

RISK CATEGORY	Probability	Impact
Funding/Financing Risks		
Interest Rates Interest rate increases or fluctuations	Low	Low
Mitigation Strategies <ul style="list-style-type: none"> • If debt financing is involved for the project, work with Capital Finance Authority to lock in competitive rates for the longest term available 		
Design Risks		
Scope Creep Wrongly specified requirements or misinterpretation of design	Medium	High
Mitigation Strategies <ul style="list-style-type: none"> • Establish Project Steering Committee to guide the planning and development process • Ensure that rigorous due diligence involved in identifying user needs/specs • Include contractual penalties/recourse to Designer for any design errors • Provide appropriate contingency in the capital budget 		
Major Design/Construction Defects Overlooked design, construction and manufacturing defects or design elements cause unexpected problems	Low	High
Mitigation Strategies <ul style="list-style-type: none"> • Engage Project Management services to reduce risk of errors and oversights • Provide a contingency in the capital budget 		
Default of Consultants Consultants default on completion of contractual responsibilities	Low	Medium
Mitigation Strategies <ul style="list-style-type: none"> • Engage Project Management services to reduce risk of errors and oversights. 		
Construction Risks		
Cost & Schedule Fit-out is not completed by September 2013 due to compressed schedule	Low	High
Mitigation Strategies <ul style="list-style-type: none"> • Partial occupancy of east side of building 		
Construction Delays Delays from labour strikes or shortages, weather scheduling, safety violations, delay in receipt of material	Medium	Medium
Mitigation Strategies <ul style="list-style-type: none"> • Apply rigorous project and construction management methodologies to manage costs • Ensure comprehensive project implementation plan is developed with the constructor, then track and control construction to meet that plan • Ensure construction schedule estimates include a time contingency 		

RISK CATEGORY	Probability	Impact
Construction Risks		
Capital Inflation Higher material and labour costs due to inflation	Low	Medium
Mitigation Strategies <ul style="list-style-type: none"> • Ensure reasonable inflation is forecast and disclosed in construction tendering • Include strict escalation allowances in contracts • Provide a contingency in capital budget • Consider alternative project delivery methods to minimize owner cost risks 		
Higher-Than-Market Construction Costs Construction costs increase between project approval and tendering	Low	Medium
Mitigation Strategies <ul style="list-style-type: none"> • Establish current construction cost estimates and inflate for each future year • Provide contingency in capital budget • Consider alternative project delivery models to select option which presents least risk to owner 		
Overlooked Design/Construction Defects Major construction issues due to an overlooked design or construction defect	Low	High
Mitigation Strategies <ul style="list-style-type: none"> • Utilize reserve fund to fix severe problems • Consider alternative project delivery methods to minimize owner cost risks • Addressed in shell construction 		
General Liability Liability for accidents, injury or death on site during construction	Low	High
Mitigation Strategies <ul style="list-style-type: none"> • Requirement for contractor to carry significant insurance • Ensure contractor safety program and safety record is considered as part of selection criteria • Ensure TRU liability covered under general liability insurance 		
Operating Risks		
Operating Inflation Higher operating costs due to inflation, especially utilities and maintenance	Medium	Medium
Mitigation Strategies <ul style="list-style-type: none"> • Prepare forecast estimates conservatively based on similar facilities with inflationary escalation • Secure long term fixed rate contracts for utility costs • Incorporate cost sensitivity exercise into building utility design in order to select the most stable model for final design • Increase tuition fees 		

RISK CATEGORY	Probability	Impact
Operating Risks		
Growth Forecast Actual growth and facility requirements are different than forecast	Low	Medium
Mitigation Strategies <ul style="list-style-type: none"> Align growth forecast with the AEIT's priorities Ensure facility design allows multi-use functions and flexibility in space reconfiguration 		
Capital Maintenance Capital maintenance of building structure and systems not performed regularly resulting in more rapid wear and tear	Low	Medium
Mitigation Strategies <ul style="list-style-type: none"> Commit to and develop an adequate reserve fund for capital renewal (major repairs, renovations, and capital asset replacement), based on realistic contributions that reflect anticipated inflation Develop and commit to a detailed long-term asset management plan Restrict use of the reserve fund to ensure it is used only for the intended purposes 		
Demand Exceeds Forecast The actual enrolment of learners exceeds the forecast growth and the Old Main addition cannot accommodate all FTEs	Low	Low
Mitigation Strategies <ul style="list-style-type: none"> Ensure facility design is as flexible as possible to accommodate future change more easily 		

9.0 CONCLUSIONS & RECOMMENDATIONS

9.1 Conclusions

Construction of the School of Law must be complete by September 2013 to accommodate the upcoming intake of law students.

9.2 Recommendations

TRU recommends proceeding with the completion of the School of Law, which includes AEIT's approval of new capital investment of \$7.4M by November 30, 2012.

10.0 IMPLEMENTATION STRATEGY

10.1 Procurement Model

TRU identified and evaluated various procurement models including Design-Bid-Build, Design-Build, Construction Manager – At Risk, and Construction Manager – Fixed Fee. It was determined that Design-Bid-Build best suited this project, for the following reasons:

- Competitive market pricing with minimal contingency in the contractor's price
- Design is resolved prior to construction start
- Scope of project and quality requirements of the Owner is usually well defined
- Architects administer the contract with the builder
- Owner transfers full construction performance risk to the contractor

The procurement process for the Old Main building expansion and fit-out aligns with the requirements indicated in the Ministry of Finance's Capital Procurement Checklist, and can be summarized as follows:

Third & Fourth Floor – Shell:

- RFP for a Project Manager, with provisions to include the fit-out work
- RFP for Prime Consultant: Fixed fee of \$700,000 including disbursements, with provisions for a 9% fixed fee including disbursements for the fit-out work
- Steering Committee determines shortlist for a design competition
- Full design competition with 3 participants, each receiving a \$30,000 stipend
 - The Budget Committee, Board of Governors, and interested observers use pre-determined criteria and a scoring process to evaluate each participant and select the preferred proponent
- RFQ for General Contractors
- Tender for stipulated price contract to all qualified general contractors and contract awarded to low bidder

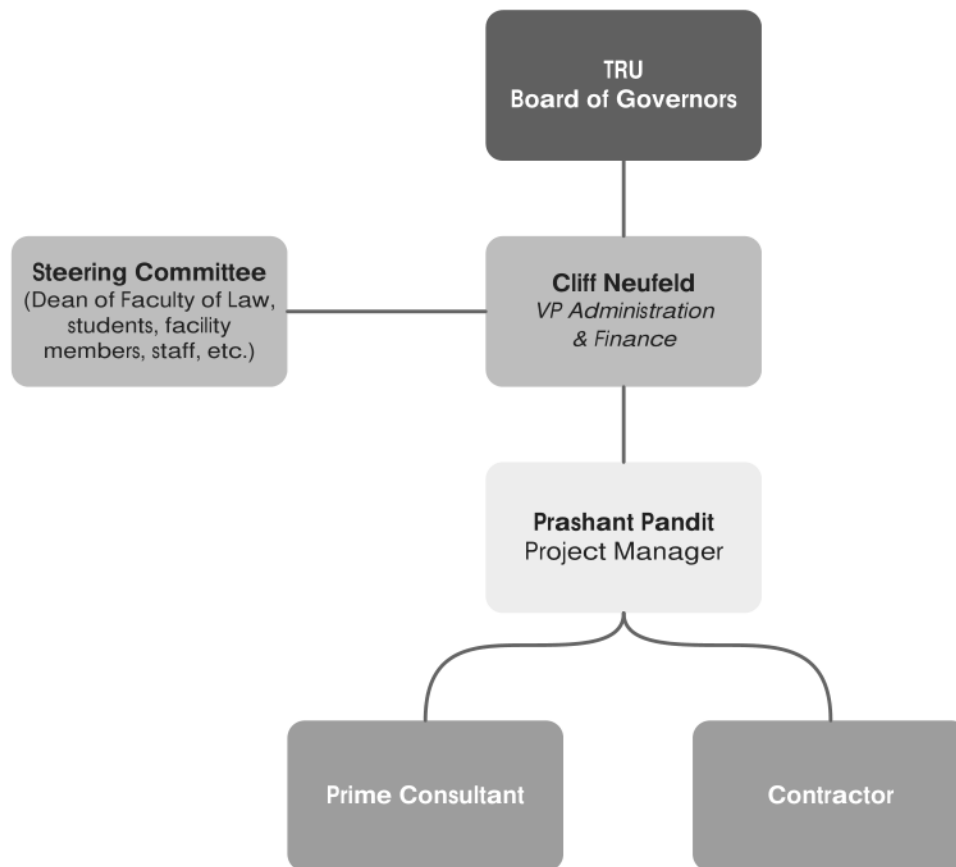
Third & Fourth Floor – Fit-Out:

- RFP for PM
- RFP for Prime Consultant: fee of 9% plus disbursements
- Steering Committee determines shortlist for a design competition
- Full design competition with 3 participants, each receiving a \$30,000 stipend
 - The Budget Committee, Board of Governors, and interested observers use pre-determined criteria and a scoring process to evaluate each participant and select the preferred proponent
- RFQ for General Contractors currently in progress on BC Bid
- Tender for stipulated price contract to follow for all qualified general contractors
- Sole sourced contracts for cost consultants and business case were awarded, given that the contracts were less than <\$30,000 as per TRU policy

10.2 Schedule

	2011	2012												2013								
Task	Dec	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Shell working drawings completed																						
Shell tender awarded																						
Construction started for shell																						
Watertight & re-occupation of 1st & 2nd fl.																						
Substantial completion of shell																						
Construction of shell complete																						
50% working drawings of 3rd & 4th fl. fit-out for QS review																						
Call for tender for fit-out																						
Award tender																						
Construction of fit-out begins																						
Substantial completion of fit-out																						
Construction of fit-out complete																						

10.3 Project Governance



10.4 Communication Plan

TRU will continue to update its stakeholders on the progress of the project through the channels used previously, including media releases, updates to TRU's website, dedicated project website, and direct communication and/or presentations to key stakeholders.

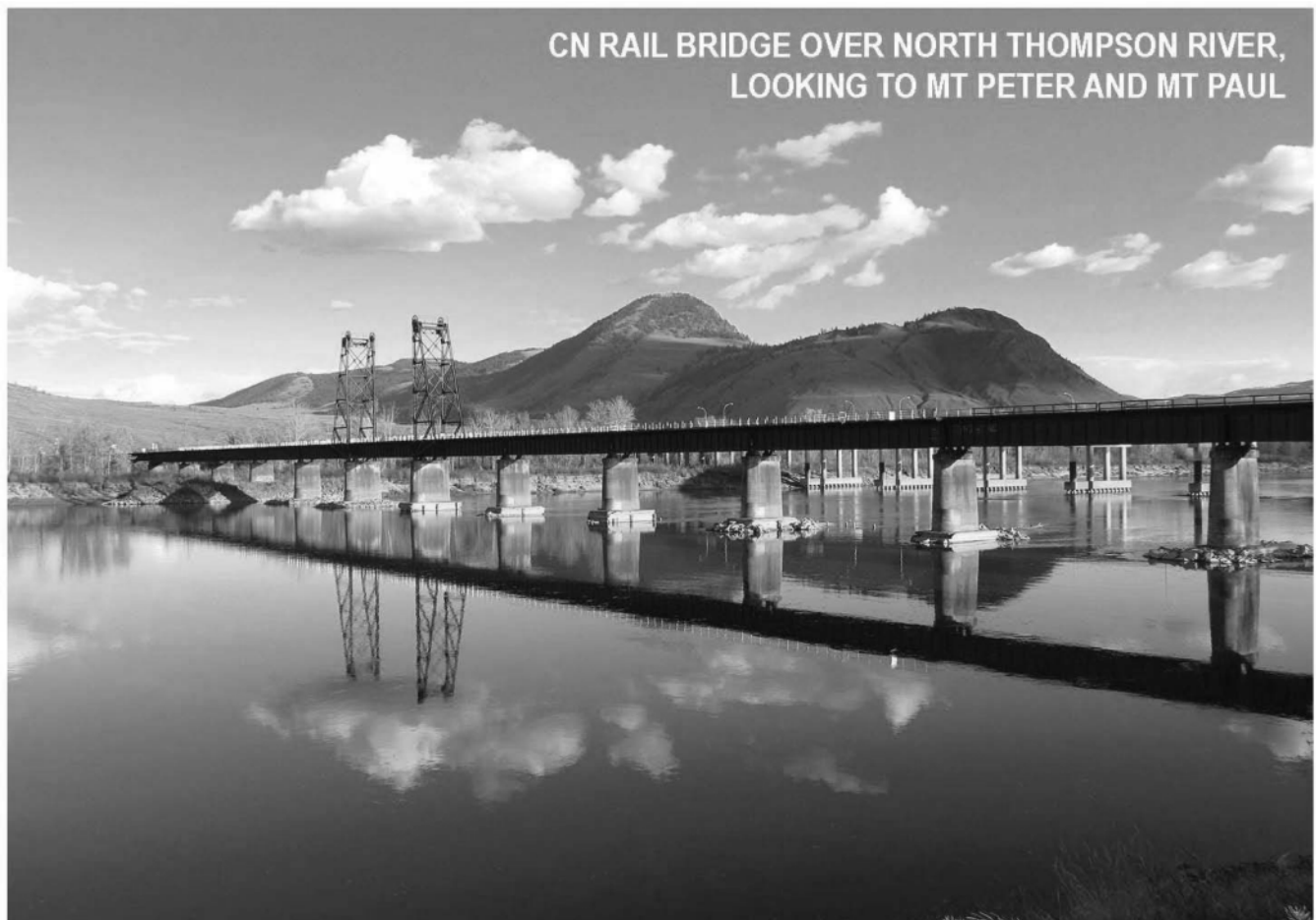
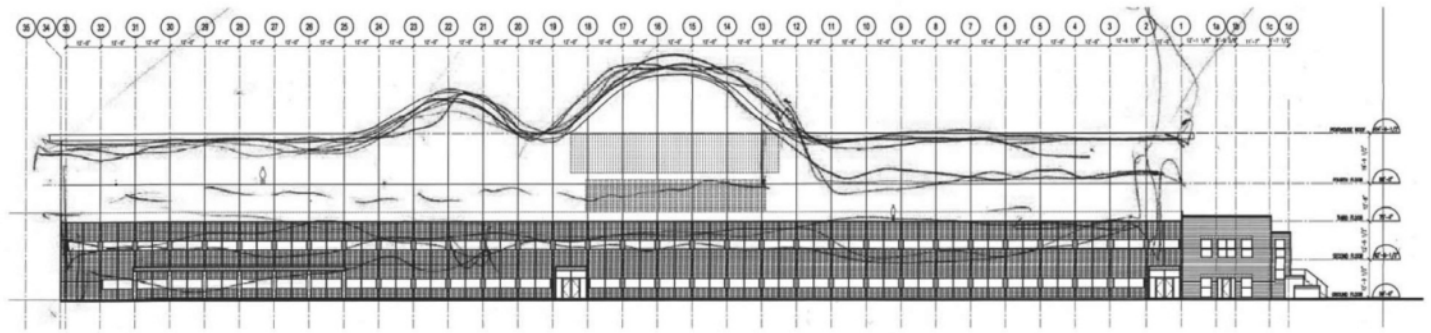
11.0 REVIEW & APPROVAL PROCESS

The Business Case will be reviewed by TRU's Vice-President of Administration & Finance, who will also sign-off on the Business Case.


Cliff Neufeld
Vice-President, Administration and Finance

Oct 25 / 12
[DATE]

APPENDIX A: IMAGES OF OLD MAIN



Original Old Main Building

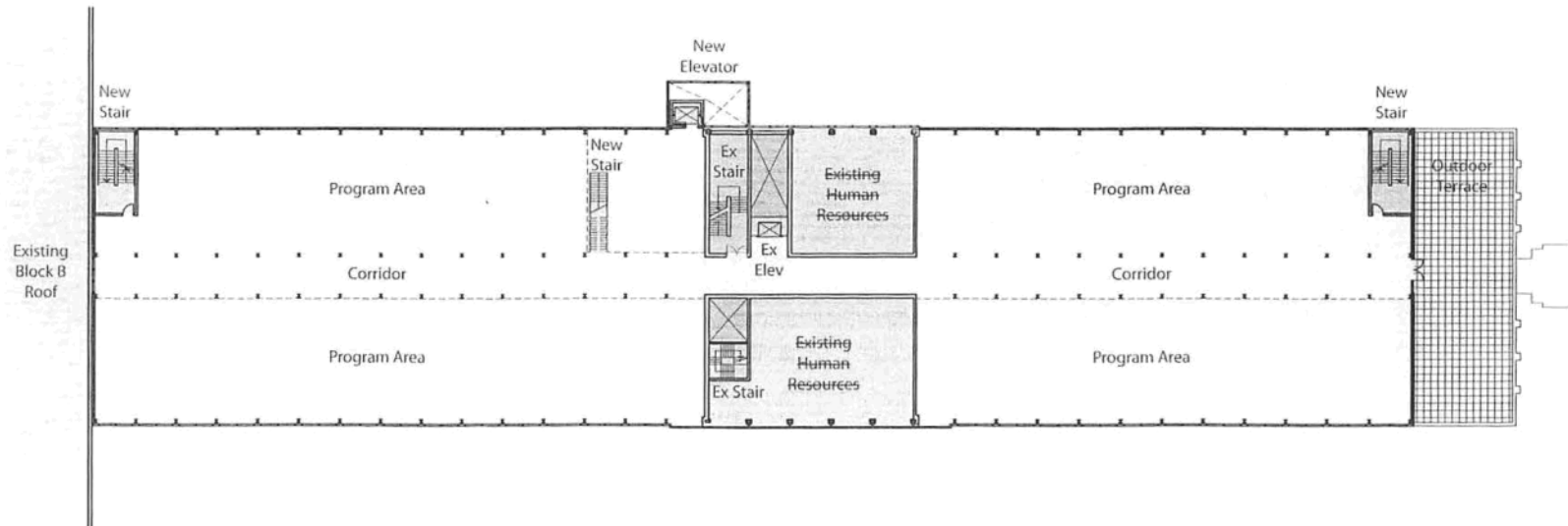
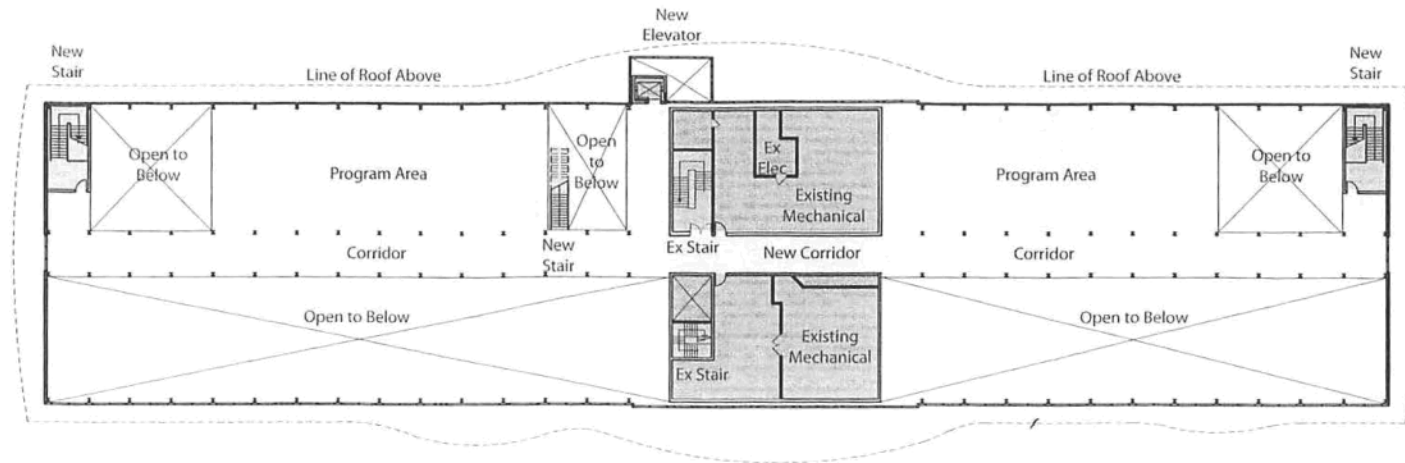


Current Old Main Building (With Third & Fourth Floor Addition)



Old Main Third and Fourth Floor Schematic Design

CONCEPT DESIGN DRAWINGS



FLOOR PLANS

OLD MAIN - THIRD FLOOR ADDITION
THOMPSON RIVERS UNIVERSITY

Old Main Third and Fourth Floor Fit-out

PROGRAM:

TEACHING SPACES: 336 Seats
 - 3x 62-Seat Classrooms
 - 6x 30-Seat Classrooms

STUDY AREAS: 317 Seats
 - 61 Library
 - 112 Secure Reading Room
 - 120 Atrium
 - 24 Society of Law Students

MULTIPURPOSE AREA AS MOOT COURT:
 - 48' Configuration - 108 Seats
 - 72' Configuration - 156 Seats

MULTIPURPOSE AREA FOR PLENARY SESSION:
 - 48' Configuration - 120 Seats
 - 72' Configuration - 188 Seats

MULTIPURPOSE AREA AS EXAM ROOM:
 - 72' Configuration - 50 Seats

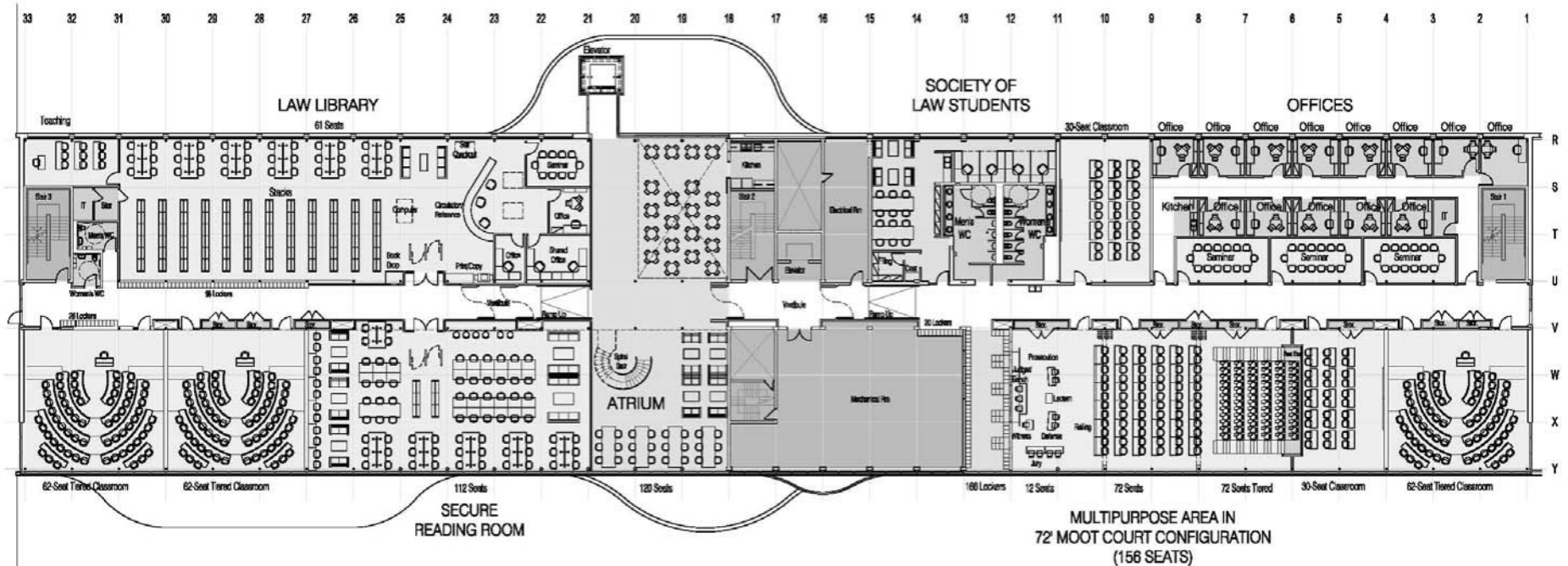
LIBRARY:
 - 1600 sf Reinforced Stack Area
 - 42 Study Spaces
 - 9-Person Teaching Classroom
 - 10-Person Seminar Room
 - 3-Person Desk
 - 2-Person Office
 - 2x 1-Person Offices
 - IT Room
 - Storage Room

WASHROOMS: 13
 - 7 Female (2 Barrier Free)
 - 7 Male (2 Barrier Free)

OFFICES: 13

MEETING/SEMINAR ROOMS: 3

LOCKERS: 300



OLD MAIN ADDITION - PHASE 2 INTERIOR FIT-OUT
 Diamond Schmitt Architects | Stantec Architecture Ltd

3rd FLOOR PLAN
 August 2, 2012

PROGRAM:

DEAN OF LAW AND REGISTRAR OFFICES

- 1x Dean's Office
- 1x Associate Dean's Office
- 1x Assistant Dean's Office
- 5x Registrar Offices
- Reception Area with 1 workstation
- Waiting Area
- Coat Closet

- 8-Person Meeting Room
- 26-Person Board Room
- Waiting Area
- Coat Closet
- Kitchen
- 3 Filing/Storage Rooms

FACULTY OFFICES

- 7 Offices in West Wing
- 13 Offices in East Wing
- Shared Kitchen/Print/Storage Rooms

ADMINISTRATIVE OFFICES

- 5x Offices in East Wing
- 10-Person Meeting Room
- Shared Kitchen/Print/Storage Rooms

LEGAL AID OFFICE

- Reception Area with 1 workstation
- 2x Offices

PUBLIC/STUDENT AREAS

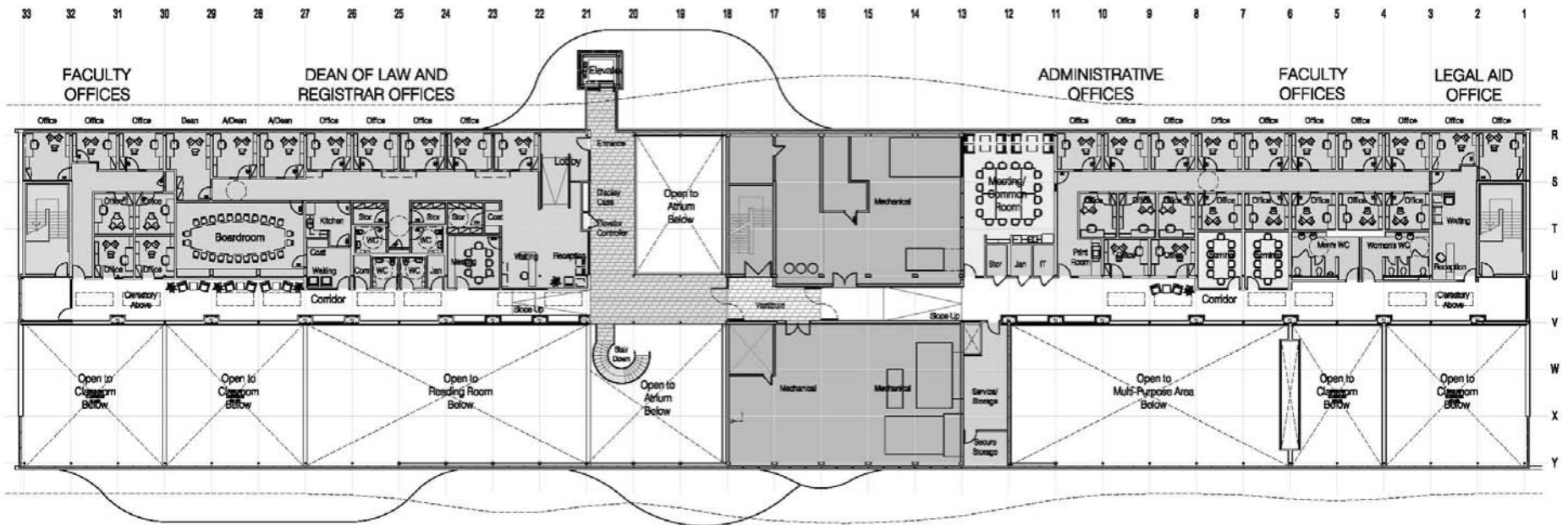
- 24 Person Meeting/Common Room
- 2x 10-Person Seminar Rooms
- 1 Display Case
- Lounge Seating

WASHROOMS: 4

- 5 Female (3 Barrier-Free)
- 5 Male (3 Barrier-Free)

SERVICE:

- 2x IT Rooms
- 2x Janitor
- Service/Storage Room



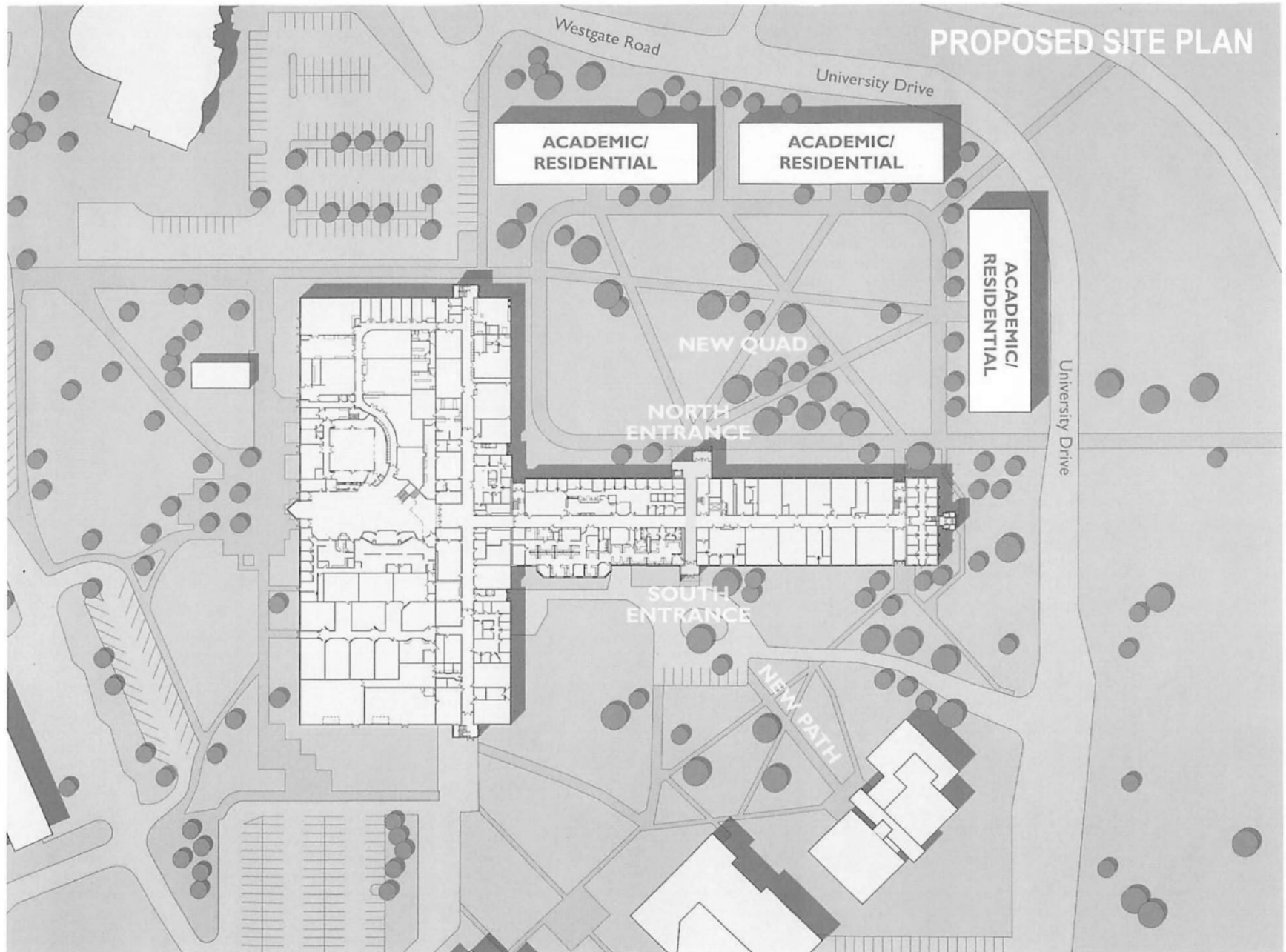
OLD MAIN ADDITION - PHASE 2 INTERIOR FIT-OUT
Diamond Schmitt Architects | Stantec Architecture Ltd



4TH FLOOR PLAN

September 13, 2012

Site Plan

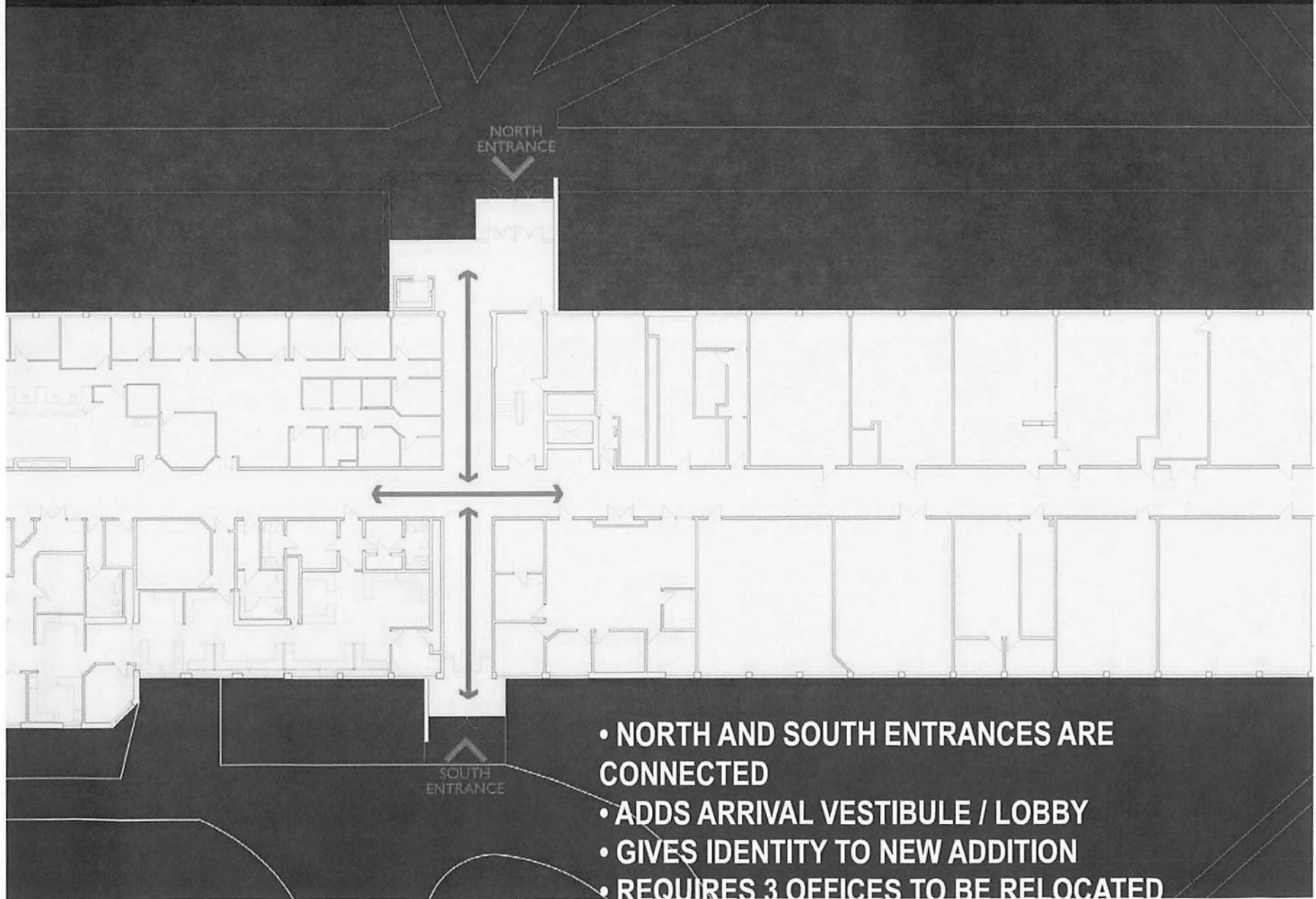


EXISTING GROUND FLOOR



- NORTH & SOUTH ENTRANCES DISCONNECTED
- NO SENSE OF ARRIVAL or VIEW THROUGH

PROPOSED GROUND FLOOR



APPENDIX B: CAPITAL PROJECT RISK SCREEN TOOL

Category	Risk Factor	Initial Risk Rating Low / Med / High	Ministry / Agency mitigation measures/ comments	TBS Comments / Rationale	Residual Risk Rating Low/Med/igh
Part A: Organizational level risk assessment (<i>Assessment required to be completed annually, and updated for major changes</i>)					
1. Track Record	Has the ministry/agency demonstrated success in meeting annual financial targets (capital and operating)?	Low	Thompson Rivers University demonstrates continued success in balancing its operating budget and meeting all Ministry accountability reporting requirements. Thompson Rivers University has a track record of meeting annual and project capital financial targets.		Low
	Does the ministry/agency have recent experience managing various types of capital projects (consider project size, complexity, procurement method, type of construction/scope, including new build, expansion of existing building, remediation/rehabilitation of building)? If so, what have been the results achieved (e.g., level of success in meeting original project budget, scope and schedule targets)?	Low	Thompson Rivers University has a successful history of capital project delivery using a tried and tested project management, and risk management approach. Recent examples of on-time/on-budget performance include the House of Learning (completed in 2011 at a cost of \$31.85 million), and a number of Knowledge Infrastructure Funding projects (completed in 2010/11 at a cost of \$11 million). All projects have been subsequently audited with very positive results.		Low

2. Governance	Are appropriate project governance structures /processes established to oversee and monitor capital projects (e.g., project boards)? •	Low	TRU will be doing a design, bid build for the fit out of Old Main. TRU's project management record attests to this well structured and successful project delivery.		Low
3. Management Processes	Are the ministry's/agency's capital plans aligned with: a.) the needs identified in the ministry's approved service plan? b.) Government's strategic plan and priorities?	Low	Strategic Alignment with direction provided by the Premier in 2009. Also aligned with the Ministry of Advanced Education, Innovation and Technology and the Ministry of Jobs, Tourism and Skills Training goals		Low
	Are asset inventory and/or program/facility usage tracking systems (e.g. asset condition index and space utilization data) used to monitor and assess the need for capital investment?	Low	Yes, VFA data has been reviewed and considered in the development of options and the decision process of renovation vs new build.		Low
	Is an appropriate risk management program in place to manage risk at the capital program and project levels? Are performance measurement and reporting processes in place at the ministry and agency levels to oversee project progress? register is updated regularly during project implementation. Institutions are required to report quarterly on schedule,	Low	Thompson Rivers University has a functioning Enterprise-wide Risk Management framework. It applies the framework to ongoing operations and specific capital projects. It has a track record of excellent capital project performance measurement and performance reporting in place.		Low

Category	Risk Factor	Initial Risk Rating Low / Med /High	Ministry / Agency mitigation measures/ comments	TBS Comments/ Rationale	Residual Risk Rating Low/Med/High
Part B: Project level risk assessment <i>(assessment required for all projects over \$10 million)</i>					
1.) Expertise	Does the ministry/agency have recent experience managing similar types of capital projects (consider project size, complexity, procurement method, type of construction/scope, including new build, expansion of existing building, remediation/rehabilitation of building)? If so, what have been the results achieved (e.g., level of success in meeting original project budget, scope and schedule targets)?	Low	Fit out of the Old Main Building is less than \$10M Majority of complexity risk, adding to an existing building, remediation, rehabilitation et al has been dealt with the completion of the third and fourth floor shell		Low
	Have project team members' roles and responsibilities been clearly defined? Do project team members have the required qualifications/experience for the particular type of project?	Low	Yes – professional project management expertise has been retained		Low
2.) Risk Management	Has a preliminary project level risk assessment been completed and has RMB been consulted (for P3 projects)?	Low	The risk register included in the business case will be carried forward into construction		Low

3.) Project Objectives	<p>Are the project objectives clear and well-defined?</p> <p>Are the project objectives aligned with the needs identified in the ministry's approved service plan?</p>	<p>Low</p>	<p>Yes</p>		<p>. Low</p>
4.) Scope/ Readiness	<p>Has a site been selected? If a site has been selected, have the relevant site assessments (e.g. geotechnical assessment), zoning and site servicing requirements been confirmed?</p> <p>If not, have potential sites been identified, including any relevant issues and areas where further review/assessment may be required (e.g. First Nations consultation and municipal zoning and other approvals required)?</p>	<p>Low</p>	<p>Yes, the shell has been completed</p>		<p>Low</p>
	<p>Are the project scope features clearly defined?</p> <p>What is the current level of design completion?</p>	<p>Low</p>	<p>Yes</p> <p>Working drawings for the fit out at 85% completion</p>		<p>Low</p>
	<p>Are the project schedule milestones clearly defined?</p> <p>Is the construction schedule accelerated and/or multi-phased?</p>	<p>Low</p>	<p>Yes</p> <p>Eight month construction schedule – interior space</p>		<p>Low</p>

	Does the relevant data from the asset inventory and/or program/facility usage tracking systems (e.g. asset condition index and space utilization data) support the need for the proposed capital solution?	Low	Yes – project takes advantage of vertical expansion capability in existing structure		Low
	Are there sufficient contingencies included in the budget to address potential cost increases as design/scope details are further refined and confirmed?	Low	Scope for the fit out very defined		Low
5.) Financial	<p>Could the project have a significant impact on the Fiscal Plan? Need to consider the following:</p> <ul style="list-style-type: none"> • Initial construction cost • Ongoing maintenance and operating costs - • Revenue generation and related risks (e.g., market risks) 	Low	Requirement for fit-out is or AEIT funds of \$7.4M by November 30, 2012		Low
	Has a draft project capital budget been developed? If so, are the key underlying assumptions clearly stated and reasonable (e.g., capital cost estimate reviewed by a Quantity Surveyor and based on either conceptual, indicative or detailed design drawings or based on unit costs for recently completed similar projects)?	Low	Yes, QS report available on 50% working drawings		Low

	Is funding for the capital project included within the ministry's approved capital plan? If so, what type of approval has been provided (e.g., notional approval)? Life cycle costs: Can program/service delivery costs be accommodated within the ministry's approved multi-year operating targets?	Low	No. TRU will fund program delivery costs through tuition fees.		Low
	If the project is dependent on 3 rd party financing, has the 3 rd party financing been committed/secured? Are there any specific conditions attached to this funding that may be difficult for the Province to address?	Low	TRU has committed the balance of the funds in excess of \$7.4M from AEIT for the fit out		Low
6.) Procurement	Is the dollar value of the project such that it will attract scrutiny or interest from external stakeholders (e.g. contractors, public, OAG), which in turn could impact the level of oversight needed?	Low	No		Low
	Have potential procurement options been identified? Does the ministry/agency have recent experience with any of these procurement options? If so, what results were achieved for each of the procurement options (e.g., did the agency/ies meet original project budget, scope and schedule targets)?	Low	Yes – Design Bid Build		Low
7.) Complexity/ Profile	Is the project technically complex or unique in terms of design/scope, construction method, or procurement method?	Low	No		Low

Category	Risk Factor	Initial Risk Rating Low / Med /High	Ministry / Agency mitigation measures/ comments	TBS Comments/ Rationale	Residual Risk Rating Low/Med/High
7.) Complexity/ Profile (Continued)	Is the project's success, failure, or result likely to be of great interest to the public or specific groups of stakeholders?	Med	Specific to law students		Med
	Could the project be perceived as having a direct impact on a significant number of citizens (e.g. province-wide, regional or local service focus)?	Low	No		Low
	Is the project likely to impact people to whom the government owes a particular duty of care (i.e. First Nations, children at risk, vulnerable populations) or will have a direct impact on health and safety?	Low	No		Low
	Does the project have the potential to impact (positively or negatively) government mission-critical or business-priority operations or services?	Low	No		Low
	Is the project scope likely to change significantly due to stakeholder consultation/influence?	Low	No		Low

	Does the project require new legislation, regulation, or policies, or amendments? If so, have the necessary Cabinet/legislative approvals been obtained?	Low	No		Low
	Is the project being completed in partnership with other agencies, or is it dependant on MOUs or agreements with other agencies?	Low	No		Low
8.) Other	Please identify any other significant risk factors	N/A			

Overall Risk Assessment

Final (Residual) Risk Rating	Approval Level	Rationale (including key considerations)
Mainly high	Treasury Board	
Mainly medium	Treasury Board Chair	
Mainly low	Ministry and/or Project Board	

Goyal, Raj AEIT:EX

From: Cliff Neufeld [cneufeld@tru.ca]
Sent: Friday, November 2, 2012 11:48 AM
To: Goyal, Raj AEIT:EX
Subject: Re: TRU- Law school

Yes, TRU will absorb any construction costs / soft costs et al greater than those identified in the \$19.8M budget.

Cliff

Cliff Neufeld
Vice President Administration & Finance
Thompson Rivers University
Kamloops, B.C. V2C 5N3

Tel: (250) 828-5011
Fax (250) 828-5394
email: cneufeld@tru.ca

Information in this message is confidential. If you are not the intended recipient, please immediately notify the sender by return email and permanently delete this communication and any attachments and any copies of them from your computer.

>>> "Goyal, Raj AEIT:EX" <Raj.Goyal@gov.bc.ca> 11/2/2012 10:57 AM >>>
Please confirm that TRU will absorb any cost over-runs.

Thanks!

Raj

From: Cliff Neufeld [<mailto:cneufeld@tru.ca>]
Sent: Thursday, November 1, 2012 10:38 AM
To: Goyal, Raj AEIT:EX
Subject: Re: Incremental Operating/Amortization Costs

Hi, this email will serve as your confirmation that as stated in the Law School business case, TRU:

- will cover the building operating and maintenance costs for the new law school estimated to be \$180,000 per annum. This commitment extends to future incremental building operating and maintenance costs as well
- will cover the instructional programming costs for the Law School, including future incremental programming costs

TRU will comply with the balanced budget legislation and TRU will not incur operating deficits.

As discussed with AVED in developing the wording for the Law School business case - the 4,136 gross square meters of new space will be added to TRU's portfolio of capital assets for insurance purposes and routine capital funding. TRU's portfolio of assets including this proposed project will require routine capital funding to sustain the asset over its useful life.

thx

Cliff

Cliff Neufeld
Vice President Administration & Finance
Thompson Rivers University
Kamloops, B.C. V2C 5N3

Tel: (250) 828-5011
Fax (250) 828-5394
email: cneufeld@tru.ca

Information in this message is confidential. If you are not the intended recipient, please immediately notify the sender by return email and permanently delete this communication and any attachments and any copies of them from your computer.

>>> "Goyal, Raj AEIT:EX" <Raj.Goyal@gov.bc.ca> 10/31/2012 1:14 PM >>>

Please confirm that TRU will cover any incremental operating/program/amortization costs that may be realized as a result of the School of Law project without incurring any deficits or seeking any incremental funding from government.

Your response is appreciated. thank you,

Thanks!

Raj

**MINISTRY OF ADVANCED EDUCATION
MEETING NOTE**

Date:	April 17, 2012
Cliff#	90482
File#	

PREPARED FOR: Honourable Naomi Yamamoto
Minister of Advanced Education

DATE AND TIME OF MEETING: April 24, 2012

ATTENDEES: Honourable Dr. Terry Lake, Minister of Environment and Member of the
Legislative Assembly for Kamloops-North Thompson

ISSUE: Operating funding for Thompson Rivers University (TRU)

BACKGROUND:

Ministers Yamamoto and Lake are meeting to discuss a letter TRU's board of governors sent to Minister Lake on April 5, 2012. The letter expresses concerns about TRU's operational funding and funding (capital and operating) for TRU's law school.

DISCUSSION:

Operating Funding

The letter argues that TRU's operating budget is "underfunded by approximately \$17 million" based on a combination of four factors. Each factor is summarized and analyzed below. The final part of this briefing note addresses additional points raised in the letter, outside of the \$17 million calculation.

The first factor is that TRU indicates that it receives the lowest per-student grant among institutions in the Research Universities Council of British Columbia (RUCBC). TRU states that the University of British Columbia Okanagan receives \$1,000 more than TRU for each full-time equivalent (FTE) student. At 6,500 FTEs (which does not include FTEs in trades, developmental programs, etc.) this amounts to underfunding of \$6.5 million.

From the Ministry's perspective, RUCBC membership is not a funding consideration. Compared to other teaching-intensive universities, TRU's per-FTE funding (\$8,079 in 2011/12) is higher than that of Capilano University (\$6,934), Kwantlen Polytechnic University (\$7,406), Vancouver Island University (\$7,617) and the University of the Fraser Valley (\$8,054). Also, compared to the other institutions that became universities in recent years, TRU has had the largest percentage increase in operating grants – up 69 percent since 2001 (See Appendix 1).

The second factor in TRU's calculation of \$17 million underfunding is \$2 million for graduate spaces. TRU notes that, in 2007, government provided \$50 million for 2,500 graduate spaces (\$20,000 per FTE) across British Columbia, but TRU did not receive any because it was just beginning to offer graduate programs. Today, TRU has over 100 graduate FTEs, so the board argues that TRU should receive an additional \$2.0 million (100 multiplied by \$20,000 per graduate FTE).

Funding provided by government in 2007 was for a one-time expansion of graduate programs. The Ministry does not fund incremental growth in graduate spaces. Today, any institution wishing to expand graduate programs would need to do so with existing resources.

The third factor relates to government's cap on tuition increases. TRU notes that British Columbia's average tuition is below the Canadian average, and that TRU's average tuition is the third lowest among British Columbia's universities. Again, compared to the University of British Columbia Okanagan, TRU's average tuition is \$900 lower, which, multiplied by 6,500 FTEs, amounts to a further annual funding shortfall of approximately \$5.9 million.

The statement that TRU's average annual tuition (\$3,682 in 2011/12) is third lowest among British Columbia's universities, above that of Capilano University (\$3,402) and Emily Carr University of Art and Design (\$3,572), is correct. It is also only slightly lower than Kwantlen Polytechnic University (\$3,707) and the University of the Fraser Valley (\$3,788).

The fourth and final factor in TRU's calculation of \$17 million underfunding is \$2.7 million for law school FTEs. TRU incorrectly states that block grants for the University of British Columbia and the University of Victoria include approximately \$9,000 per FTE for law schools whereas TRU receives nothing. By multiplying 300 FTEs (anticipated steady state enrolment) by \$9,000, TRU arrives at the figure of \$2.7 million.

TRU is incorrect in its statement that block grants for the University of British Columbia and University of Victoria include an additional \$9,000 per FTE for each law school. We would also note that government only agreed to allow TRU to offer a law program on the understanding that it would do so without additional funding from government.

The following information relates to other statements made in the letter regarding TRU's funding but they are not factors in the \$17-million calculation.

- The letter incorrectly states that "university grants are adjusted on a percentage basis," which increases TRU's funding gap relative to other institutions. In recent years, the only grant adjustments have been for growth in targeted programs. In prior years, increases were based on general growth FTE allocations and calculated negotiating framework wage increases. The only time that adjustments have been made on a percentage basis was in 2008/09 when there was a 2.6 percent reduction.
- The letter's second table (point 2 in the letter's appendix) claims to show that British Columbia's transfers per student are below the national average, but we would respectfully point out that the data shown in the appendix represents expenditures per student, not transfers. Since institutions have access to other sources of revenue beyond provincial transfers, the data in the appendix does not accurately support the assertion.
- Between 2004/05 and 2006/07, TRU received almost \$5.7 million for costs related to its transition from its former status as the University College of the Cariboo (see the funding breakdown we have provided in the last table of Appendix 1 of our note).

Capital Funding

In July 2010, TRU submitted its Five-Year Capital Plan for 2011/12 to the Ministry, identifying the expansion of the Old Main Building as their top priority. The expansion was to accommodate the new Law School, as well as the realignment of other existing Schools, Open Learning space, and additional faculty offices; however, the need for new space to accommodate the Law Program had not been identified as a priority prior to this submission. The project had an estimated total project budget of \$17.1 million, with TRU requesting \$9.2 million from the Ministry.

To date, the Old Main Building project has not been identified as a priority in the Ministry's 10-Year Capital Plan, as it has not ranked highly when compared to other capital priorities and funding pressures. TRU is proceeding with the project at an estimated budget of \$20 million, requesting

\$7.4 million from the Ministry, with the remainder being funded internally and from expected donor sources.

It should be noted that the University of British Columbia also identified a new law building as its top priority in its Five-Year Capital Plan submission for 2011/12; however, like the project at TRU, it too did not rank as a priority for the Ministry when compared to other pressures so it was also excluded from the Ministry's 10-Year Capital Plan.

The institutions did not have an opportunity to submit a Five-Year Capital Plan in 2012/13, as there was no formal intake process in 2011. The Ministry's approved 2012/13 10-Year Capital Plan does not include the Old Main project, but it does include funding envelopes for labour-market-driven demand projects and whole asset replacement and renewal. There is no significant funding available under these envelopes until 2015/16.

There will be a request issued shortly to the institutions for their Five-Year Capital Plans for 2013/14, which will give TRU an opportunity to identify the priority projects that fall under the Ministry's New Priority Capital Investment Plan.

SUGGESTED RESPONSE:

s.13

Attachment: Appendix 1

Prepared by:	Randall Gerlach, Regional Manager	Reviewed by:	
	Northern Region	Director	MN
Phone #:	250 387-6269	Executive Director	AM
		Assistant Deputy Minister	DH & JT
		Deputy Minister	CWY

Comparison of Funding Increases for New Universities from 2001/02 to 2012/13:

Institution	Funding increase from 2001/02 to 2012/13	% increase (2001/02 to 2012/13)
Capilano University	\$408,507,823	27.0%
Emily Carr University of Art and Design	\$139,583,313	37.6%
Kwantlen Polytechnic University	\$704,974,416	41.6%
Thompson Rivers University	\$649,892,359	69.0%
University of the Fraser Valley	\$522,324,694	61.1%
Vancouver Island University	\$531,807,766	38.9%

Comparison of Funding per Full-time Student Equivalent (FTE) 2012/13:

Institution	Funding per FTE (2012/13)
Capilano University	\$6,934
Emily Carr University of Art and Design	\$9,594
Kwantlen Polytechnic University	\$7,407
Thompson Rivers University	\$8,094
University of the Fraser Valley	\$8,067
Vancouver Island University	\$7,609

Total funding provided to Thompson Rivers University from 2004/05 to 2006/07 for costs associated with the transition from the former University College of the Cariboo:

Category	Funding, 2004/05 to 2006/07
Transition Team Expenses	\$495,880
Severance	1,573,406
Relocation	943,000
Recruitment	1,358,500
IT - Software	515,360
Library Database	155,000
Advertising/Rebranding	150,000
Course Revisions	500,000
Total	\$5,691,146



Our Ref: 94278

FEB 13 2013

Dr. Alan Shaver
President and Vice-Chancellor
Thompson Rivers University
900 McGill Rd
Kamloops BC V2C 0C8

Dear Dr. Shaver:

I am pleased to confirm that Treasury Board has approved provincial funding up to a maximum of \$7.4 million for the following Thompson Rivers University (the University) project:

Project Name: School of Law
Project No.: 804771
Project Rationale: Cost-shared expansion and fit-up of the existing Old Main Building to accommodate the School of Law.
Project Scope: 4,136 m² expansion of the existing Old Main Building created through the addition of two floors. The project provides dedicated space for the School of Law, including three 62-seat lecture rooms, two 30-seat classrooms, three multipurpose rooms, a law library, seminar rooms, moot court, law clinic, boardrooms, offices and administrative support functions. It will accommodate up to 360 Full Time Equivalents (FTEs) by 2020.

This project approval is subject to the following conditions:

- Significant changes to project schedule, scope and/or provincial cashflow cannot be implemented without prior approval of Treasury Board and the Ministry of Advanced Education, Innovation and Technology;
- The University will absorb any construction and soft costs, should the project exceed the approved project budget of \$19.8 million;
- The provincial funding contribution is a restricted contribution for the development of the aforementioned capital project which will be treated as a deferred contribution; and
- The University will manage all building and maintenance operating costs and current and incremental program operating costs without seeking further Provincial government funding.

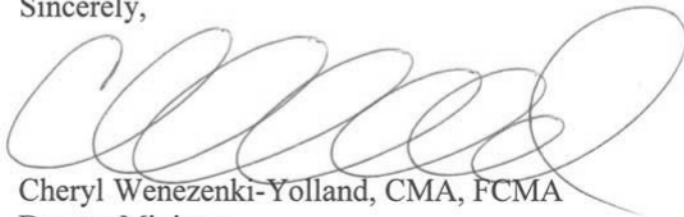
... /2

Additional details regarding the provincial funding contribution will be provided in a separate letter.

Prior to any public announcements pertaining to this project, please have your communications staff contact Mr. Marc Black, Communications Director, Government Communications and Public Engagement, at (250) 952-6508.

I wish you every success with this project and look forward to its completion.

Sincerely,

A handwritten signature in black ink, appearing to read 'Cheryl Wenezenki-Yolland', with a large, stylized flourish at the end.

Cheryl Wenezenki-Yolland, CMA, FCMA
Deputy Minister

pc: Mr. Cliff Neufeld, Vice-President, Finance and Administration
Thompson Rivers University

Mr. Joe Thompson, Acting Assistant Deputy Minister and Executive Financial Officer
Ministry of Advanced Education, Innovation and Technology

Mr. Colin Fowler, Acting Executive Director and Chief Financial Officer
Ministry of Advanced Education, Innovation and Technology

Mr. Adam Molineux, Regional Executive Director
Northern/Central Region
Ministry of Advanced Education, Innovation and Technology

Mr. Marc Black, Communications Director
Government Communications and Public Engagement
Ministry of Advanced Education, Innovation and Technology

Ms. Catherine Nickerson, Director, Post-Secondary Capital
Post-Secondary Funding and Corporate Finance Branch
Ministry of Advanced Education, Innovation and Technology

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Withheld pursuant to/removed as

s.12



Our Ref. 98861

February 5, 2015

Mr. Matt Milovick
Vice-President, Administration and Finance
Thompson Rivers University
900 McGill Rd
Kamloops BC V2C 0C8

Dear Mr. Milovick:

On behalf of the Honourable Andrew Wilkinson, Minister of Advanced Education, I am writing to provide you with information regarding Thompson Rivers University's final operating grant and student full-time equivalent (FTE) target for 2014/15, in support of the accountabilities, roles and expectations for your institution as outlined in the 2014/15 Government Letter of Expectations and Addendum to the Government Letter of Expectations.

The 2014/15 operating grant reflects adjustments for sector-wide administrative efficiencies as outlined in *Budget 2013*, as well as the targeted funding and FTEs reflected in your institution's 2014/15 Skills Gap Plan submission (which have been approved by the Labour Market Priorities Board). The following table reflects these changes and splits the operating grant and FTE targets between those that have received targeted-funding and base-funding. Details of the FTE values are included in Attachment 1.

	Targeted	Base	Total
Operating Grant	\$ 4,802,372	\$ 59,100,310	\$ 63,902,682
FTEs	461	7,568	8,029

Institutions are asked to conduct their operations and financial activities in a manner consistent with the legislative, regulatory and policy framework established by Government; including adhering to the procurement and travel practices as outlined in Governments' Core Policy and Procedures Manual (CPPM). The CPPM can be accessed at <http://www.fin.gov.bc.ca/ocg/fmb/manuals/CPM/CPMtoc.htm>.

Further details of the institution's funding and program commitments follow.

1 of 6

English as a Second Language

The 2014/15 operating grant also reflects the reduction in base funding for English as a Second Language (ESL) programs resulting from the cancellation of Annex A of the Canada-BC Immigration Agreement. Institutions were provided one-time transitional ESL funding for 2014/15 program delivery. The Ministry is reviewing these reductions for 2015/16, and will provide further communication in the next few months.

Institutions delivering ESL and Adult Basic Education (ABE) programming were contacted on December 10, 2014, and advised that effective January 1, 2015, tuition may be charged for ESL and ABE programs, to a maximum of \$1,600 per full-time semester (20-25 contact hours per week, 12-14 weeks per semester). Institutions were requested to submit a work plan detailing their intentions regarding ABE and ESL program delivery by January 30, 2015. The Ministry is reviewing these work plans and thanks you for your submission.

One-time/Short Duration Program Funding

A Call for Proposals for new, one-time short-duration health program spaces in 2014/15, was provided out under separate cover on May 15, 2014. The decisions made on those proposals have been reflected in your budget and budget letter targets.

The one-time skills funding that is part of the \$6.6 million announced in the *B.C.'s Skills for Jobs Blueprint (Blueprint)* has been communicated separately and is not included in your budget letter targets.

Administrative Service Delivery Transformation

Institutions have played a lead role in achieving administrative efficiencies, reducing costs, sharing best practices, and enhancing the quality of services across the sector through the Administrative Service Delivery Transformation (ASDT) initiative.

The launch of a Joint Procurement Consortium in May 2014, was a significant accomplishment, with all 25 public post-secondary institutions participating. As noted in the Consortium Memorandum of Understanding, institutions are expected to consider the use of a joint procurement contract first unless there are contractual barriers or negative implications.

Over \$10.5 million in cost reductions and administrative efficiencies were realized in fiscal 2013/14. The Ministry would like to thank the members of the ASDT Steering Committee, as well as institutional representatives on the ASDT project teams, for their leadership and commitment to sector collaboration.

The Ministry remains committed to working with public post-secondary institutions to find administrative efficiencies through collaboration and shared services, while protecting and maximizing investments in students' education. For more information on the ASDT initiative, please visit: http://www.aved.gov.bc.ca/administrative_service_delivery/welcome.htm.

Developmental FTEs

Developmental FTE targets currently remain unchanged; however, the Ministry recognizes that 2015/16 is a year of transition for these programs and some institutions may be unable to meet their developmental program targets.

B.C.'s Skills for Jobs Blueprint

The *Blueprint* outlines government's plan to re-engineer education and training so that British Columbians will have the skills needed to fill the one million job openings anticipated in the province by 2022. Details of the *Blueprint* may be found at:

http://www.workbc.ca/WorkBC/media/WorkBC/Documents/Docs/Booklet_BCBlueprint_web_140428.pdf.

The *Blueprint* outlines a plan to increase targeted funding in the sector to ensure that post-secondary education and training is better matched to jobs in demand. As a result, in 2014/15, the amount of targeted funding within sector-wide operating grants has increased by \$40 million, to almost \$230 million. This targeted funding will increase to almost \$320 million in 2015/16, \$410 million in 2016/17, and almost \$460 million by 2017/18.

In support of the *Blueprint*, all public post-secondary institutions will develop annual Skills Gap Plans which highlight areas of their programming that directly align with labour market priorities such as the top-60 jobs in demand (as detailed in the *British Columbia 2022 Labour Market Outlook* at <http://www.workbc.ca/WorkBC/media/WorkBC/Documents/Docs/BC-LM-Outlook-2012-2022.pdf>), health human resource needs as identified by the Ministry of Health, regional or specialized labour market needs, as well as programs for Aboriginal persons and persons with disabilities.

The 2014/15 Skills Gap Plans have been approved by the Labour Market Priorities Board and the resultant targeted funding and FTEs are included in your institutions' targets, outlined in Attachment 1. Performance against these targets will be assessed in your institutions' final FTE report, due in the Spring 2015. Institutions not achieving Skills Gap Plan targets will have funding redirected.

The results of the 2014/15 Skills Gap Plans, as well as instructions for implementing 2015/16, were communicated on December 19, 2014. The 2015/16 Skills Gap Plans are due to the Ministry by February 16, 2015.

The Ministry has, and will continue to work collaboratively with a sector working group to implement this initiative, and would like to thank the members of this group for their work to date, and their ongoing commitment.

Quarterly Projections and Financial Reporting

Government remains committed to balancing the budget and managing the taxpayer-supported debt to GDP ratio that supports a triple-A credit rating. Part of the Province's 2014/15 Budget and Fiscal Plan was developed using assumptions and figures provided in institutions' 2013/14 third quarter forecast projections for the following fiscal years. To ensure the province's budget commitments are achieved, institutions' financial results are monitored against these 2013/14 projections.

Quarterly forecast submissions should be progressively more accurate and reflect realistic year-end results for both operating and capital projects (including cashflow forecasts for provincially and self-funded capital projects). The accuracy of forecasting is of primary importance and material changes to operating results or to capital project schedules and/or provincial cashflows should be brought to the Ministry's attention immediately.

Under extraordinary circumstances, institutions may face financial statement deficits. As noted in earlier correspondence, all projected 2014/15 deficits were to be brought to the Ministry's attention by October 2014. Identified deficits are now moving through the approval process; and no further deficit requests will be considered this year. All institutions should develop mitigation strategies to ensure that your budget and government's bottom line are not compromised.

Capital and Real Estate

Approval letters for 2014/15 Routine Capital and Carbon Neutral Capital Program projects have been issued to your institution. If any of these funds cannot be used for the intended purpose and/or by March 31, 2015, please contact Catherine Nickerson, Director, Capital Asset Management, as soon as possible.

The capital planning process supports quality decision making to advance or reject a proposed project, and ensures that the right strategic decisions are being made in a structured, efficient manner. Each phase of the capital planning process requires specific tasks and activities to be undertaken and corresponding approvals from the institution, Ministry, and/or Ministry of Finance. During the planning phase, the level of due diligence increases with each deliverable to ensure that the project scope, cost, schedule, and risk profile are sufficiently accurate.

Institutions, in conjunction with the Ministry, will utilize a risk screen tool to assess the risk of capital projects. Specific project approval and oversight requirements, including Project Boards, will be determined based on the risk rating. All priority investment projects require a procurement options analysis and may be audited.

After project approval, progress reporting is required to ensure that design, construction, and project close out proceeds in accordance with the terms and conditions of the project approval letter.

The Ministry has implemented a capital cost sharing policy and it is expected that capital projects will be cost shared with institutions. Ministry staff will discuss mutually appropriate cost sharing levels with institutions on a project by project basis.

Please ensure that all 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. Where your institution is considering a facility acquisition, either by ownership or lease, the government prefers such facilities be located along existing transit routes or, in the case of Metro Vancouver, along major transportation infrastructure.

All institutions are expected to maintain an inventory for real property in conjunction with the Ministry's Capital Asset Management System. The Ministry has provided information regarding the inventory submission process and will provide updates to the institutions regarding ongoing data maintenance.

As announced in Budget 2012, government is undertaking the Release of Assets for Economic Generation (RAEG) initiative to dispose of properties surplus to its needs and no longer of financial or strategic ownership benefit. Successful and timely implementation of property sales is an important component of government's fiscal plan. Institutions are encouraged to continue to facilitate these sales within the timelines previously discussed, as well as identify any additional surplus properties through the RAEG program. Your institution may require Ministerial approval for acquisitions and all institutions are required to identify surplus properties to the Ministry and obtain Ministerial approval for dispositions.

For more information on capital planning, acquisitions and dispositions, please visit the Ministry web site: <http://www.aved.gov.bc.ca/cppm/documents/carg-2014/carg.pdf>.

Central Deposit Program

The Central Deposit Program (CDP) was launched in February 2013, as a key initiative to address concerns raised by the Auditor General regarding excess liquidity and idle working capital balances in the SUCH sector. CDP delivers lower deposit risk and competitive, if not superior, deposit rates, while reducing debt costs for taxpayers and positively contributing to government's ability to fund programs such as health and education into the future.

A number of CDP information sessions have been held with the post-secondary sector over the last year, and 12 institutions have signed agreements and/or deposited funds. Feedback in the sector has been positive and the Ministry is encouraging all institutions to participate. For further information on the CDP, please contact Ms. Jean Hope, Acting Executive Director, Banking and Cash Management Branch, at (250)387-7120 or Jean.Hope@gov.bc.ca.

Thank you for your continuing cooperation in working with the Ministry and other system partners in providing students with an accessible, affordable, high quality and relevant post-secondary education.

Sincerely,



Kevin Brewster
Assistant Deputy Minister

Attachment

pc: Distribution List follows

pc: Dr. Alan Shaver, President and Vice-Chancellor
Thompson Rivers University

Sandra Carroll, Deputy Minister
Ministry of Advanced Education

Claire Avison, Assistant Deputy Minister
Sector Strategy and Quality Assurance Division
Ministry of Advanced Education

Bobbi Plecas, Assistant Deputy Minister
Institutions and Programs Division
Ministry of Advanced Education

Jean Hope, Acting Executive Director
Banking/Cash Management Branch
Ministry of Finance

Attachment 1 – FTE Program Level Targets

Program Name	Target Funded FTEs			Base Funded	Total FTE Target
	Skills Gap Plan Baseline	14/15 Skills Gap Plan	Total Target Funded		
Bachelor of Science in Nursing	152	35	187	57	244
Graduate Nursing Refresher	20		20	70	90
Primary Care Certificate			-	10	10
Practical Nurse	16		16	-	16
Practical Nursing Refresher			-	48	48
Health Care Assistant	36		36	48	84
Health Care Assistant (one-time)			-	32	32
Health Care Assistant (Chase one-time)			-	11	11
Anesthesia Technology			-	8	8
Medical Laboratory Assistant	37		37		37
Respiratory Therapy	70		70	129	199
Developmental			-	944	944
DEV - Developmental Other			-		-
ABE			-		-
ESL			-		-
ASE			-		-
BBA -Accounting/Finance/Commerce/Accounting		50	50		50
Juris Doctor - Law		20	20		20
Bachelor of Social Work		25	25		25
Trades Discovery (13/14 one-time)			-		-
Heavy Duty Mechanic (13/14 one-time)			-		-
AVED Balance Not Targeted			-	6,211	6,211
Total	331	130	461	7,568	8,029



Our Ref. 100218

July 31, 2015

Mr. Matt Milovick
Vice-President, Administration and Finance
Thompson Rivers University
900 McGill Rd
Kamloops BC V2C 0C8

Dear Mr. Milovick:

I am writing to provide you with information regarding Thompson Rivers University's operating grant and student full-time equivalent (FTE) target for 2015/16, and the associated accountabilities, roles and expectations.

2015/16 Operating Grant and FTEs

The 2015/16 operating grant reflects the final year of adjustments for sector-wide administrative efficiencies as outlined in *Budget 2013*, as well as the targeted funding and FTEs reflected in your institution's 2015/16 Skills Gap Plan submission (which has been approved by the Labour Market Priorities Board). Attachment 1 reflects these changes and splits the operating grant and FTEs between target-funded and base-funded, and provides program-level details of the FTE targets.

Please ensure that your institution's Institutional Research (IR) Director is provided copies of correspondence from the Ministry of Advanced Education (the Ministry) that includes student FTE targets. This communication will help ensure accurate FTE reporting that is aligned with funding.

One-time/Short Duration Program Funding

A Call for Proposals for new, one-time short-duration health program spaces in 2015/16, was provided under separate cover on April 20, 2015. The decisions made on those proposals have been reflected in your budget allocation and student FTE targets.

Adult Basic Education Funding

Funding previously provided for Adult Basic Education (ABE) tuition compensation has been removed from institutions' budgets in 2015/16, to reflect the change in policy that now allows for tuition to be charged for this programming.

1 of 9

In order to ensure ABE and English as a Second Language programs remained accessible to students, the Ministry expanded eligibility, coverage and funding under the grant program for low-income students in these programs. The former Adult Basic Education Student Assistance Program (ABESAP) has been renamed to the Adult Upgrading Grant (AUG). Eligibility has been expanded so that students that are either 10 percent above the low-income threshold, or who are taking a course for a second time, are eligible for 50 percent of the tuition. The up front, non-repayable adult upgrading grants can be used to not only assist with the costs of tuition and textbooks, but can also cover the costs of child care and transportation. The income thresholds are consistent with the federal and provincial student loan programs.

Funding for AUG has increased 33 percent (\$1.9 million) in 2015/16, to \$7.6 million annually. If demand exceeds this available funding, the Ministry will consider additional funding for this grant.

Developmental Program FTEs

Student FTE targets for developmental programs remain unchanged; however, the Ministry recognizes that 2015/16 continues to be a year of transition for these programs and some institutions may be unable to meet their developmental program targets.

Economic Stability Mandate

In late 2013, the government established a 2014 Economic Stability Mandate (ESM), which applies to all provincial public sector employees whose collective agreements expired on or after December 31, 2013. Key elements of the ESM include:

- Five-year agreements;
- Modest 5.5 percent total wage increase over the five-year term; and
- A potential for additional increases if growth in the British Columbia economy exceeds the annual forecasts set by the Economic Forecast Council during the last four years of the agreement.

A summary of the mandate, as well as the current bargaining status on agreements, is available on the Public Sector Employers' Council Secretariat website at: <http://www.fin.gov.bc.ca/psec/bargaining/>.

In early April 2015, during phone calls with institutions regarding interim 2015/16 budget allocations, the Ministry advised it expected that wage increases at institutions would be fully funded, as long as settlements fell within the parameters established by the ESM. Since then, the Ministry has received confirmation of a notional 2015/16 budget for ESM wage increases in the sector.

The Ministry will seek approval to access these funds during the year, as institutions complete the collective bargaining process. In support of this work, each institution will be asked to compare the original cost estimates provided by the Public Sector Employers' Council Secretariat, to finalized costs, based on the ratified agreements. The Ministry will make two requests (Fall and Winter) to institutions for this information, and will seek confirmation of provincial funding.

Institutions should assume that provincial funding will be available to offset salary increases that fall within the parameters of the ESM. This funding may be built into quarterly forecasts.

B.C.'s Skills for Jobs Blueprint

On April 29, 2014, the province launched the *B.C.'s Skills for Jobs Blueprint* (the *Blueprint*) which outlines government's plan to re-engineer education and training so that British Columbians will have the skills needed to fill anticipated job openings in the province.

Details of the *Blueprint* may be found at:

http://www.workbc.ca/WorkBC/media/WorkBC/Documents/Docs/Booklet_BCsBlueprint_web_140428.pdf.

In support of the *Blueprint*, all public post-secondary institutions are developing annual plans which highlight areas of their programming that directly align with labour market priorities, such as the top jobs in demand, health human resource needs as identified by the Ministry of Health, regional or specialized labour market needs, programs for Aboriginal learners, and programs for persons with disabilities.

In 2014/15, institutions targeted \$40 million to priority programs. This year (2015/16) institutions have increased the targeted programs by a further \$90 million. By 2017/18, total targeted funding will be equivalent to 25 percent of operating grants (\$450 million).

Institutions' 2015/16 plans to align programs with high demand occupations have been approved by the Labour Market Priorities Board and the resultant targeted funding and student FTEs are included in the targets outlined in Attachment 1. Performance against the "Total Skills Gap Plan FTE" targets will be assessed in institutions' final 2015/16 FTE reports, due in Spring 2016. Institutions not delivering the targeted student spaces under the *Blueprint* may have funding redirected.

Financial Oversight and Accountabilities

On February 17, 2015, the government tabled *Budget 2015*, its updated three-year Budget and Fiscal Plan, which continues to uphold the commitments to annual balanced budgets and a declining trend in the taxpayer-supported debt-to-GDP ratio that supports a AAA credit rating.

As part of the government reporting entity, post-secondary institutions are required to meet or exceed their financial targets, and are responsible for the effective and efficient use of taxpayer investments to ensure a high quality, accessible post-secondary education system in British Columbia. The financial accountabilities of institutions are outlined in legislation (the *Thompson Rivers University Act*, the *University Act* and the *Budget Transparency and Accountability Act [BTAA]*); and are grounded in prudent, transparent fiscal management.

Good financial management helps ensure that institutions are able to achieve their operational and fiscal objectives; gain the respect and confidence of funding agencies and other stakeholders; and create a position of long-term financial sustainability. The post-secondary sector receives significant funding from government, and as such, is accountable to taxpayers for the effective and efficient use these resources. This includes ensuring that expenditures throughout the

organization are reasonable, appropriate and directly support the core mandate of the institution. The following information is provided to guide and inform institutions' financial planning.

Balanced Financial Results

Legislation requires that an institution must be in an annual balanced or surplus financial position, including amortization expenses but excluding new endowment contributions. In addition, capital projects must be managed within approved project budgets. The starting point to achieve these results is an annual balanced budget, including both operating results and the funding requirements of capital projects.

Financial Reporting

The BTAA sets out that all government reporting entities will provide quarterly financial reports, including year-to-date actuals and four-year forecasts. These reports are consolidated and publicized by specified dates. In order to support these timeframes, the Ministry of Finance establishes quarterly reporting dates, and institutions are expected to provide all reports on time, ensure that all known financial changes are reflected, and that forecasts reflect best-available estimates of year-end operating and capital results.

The accuracy of forecasting is of primary importance and material changes to operating results or to capital project schedules and/or provincial cash flows should be brought to the Ministry's attention immediately.

Institutions' third-quarter projections for the following fiscal year are used to establish the Budget and Fiscal Plan targets. Institutions' financial outcomes are monitored against these figures throughout the following year.

Deficits

Under extraordinary circumstances, institutions may seek an exception to the annual balanced budget requirement and request approval from the Minister of Finance and the Minister of Advanced Education to operate in a deficit position. Requests for deficit approval must be provided to the Ministry of Advanced Education by the end of the second quarter and include an explanation of key deficit drivers; actions taken to mitigate the deficit; a plan to return to a balanced position and the associated timeframe; and an outline of any extraordinary implications for students. Regardless of the circumstances, an institution should not assume that a request to operate in a periodic deficit will be approved.

Travel and Procurement

Institutions are asked to conduct their operations and financial activities in a manner consistent with the legislative, regulatory and policy framework established by government; including the procurement and travel practices as outlined in governments' Core Policy and Procedures Manual (CPPM). The CPPM can be accessed at: <http://www.fin.gov.bc.ca/ocg/fmb/manuals/CPM/CPMtoc.htm>.

Post-secondary institutions are specifically being asked to have travel policies in place that promote the spirit and intent of government's travel policies.

Tuition Limit

Institutions are expected to comply with Government's tuition policy which limits existing tuition and fee increases to two percent for fiscal 2015/16.

Executive and Management Compensation

As part of the implementation of the recommendations from the BC Public Sector Compensation Review (<http://www.fin.gov.bc.ca/psec/guidelines/EY%20-%20Public%20Sector%20Compensation%20Review%20October%202014.pdf>) released last fall, and in keeping with the Taxpayer Accountability Principles, there will be a move towards a common compensation philosophy across the public sector. One of the guiding principles of the common philosophy will be a performance-based culture, in which compensation decisions for executive and management staff are based on merit rather than the entitlement to an annual increase.

While employers are revising their compensation philosophies, government has informed employers' associations and public sector employers that they may begin to address specific compensation issues that resulted from the wage freeze. Modest, targeted increases within existing salary ranges for management staff will be permitted based on parameters set by the Public Sector Employers' Council Secretariat. This is not a general wage increase. Any increases must be funded within existing budgets, and must not affect other efficiency targets. Executive compensation remains status quo.

Board Expenses

As the institution's oversight body, the Board of Governors plays an integral role in ensuring that the institution operates within its mandate in an effective and efficient manner, and that the taxpayer funds that are invested in the institution, are managed appropriately.

Treasury Board Directive 3/11, section 7, provides guidance on business travel and expense reimbursements for appointed board members (<http://www.fin.gov.bc.ca/ocg/fmb/manuals/TBDirs/TBD3-11.pdf>).

Capital and Real Estate

Approval letters for 2015/16 Routine Capital and Carbon Neutral Capital Program projects have been issued to your institution. If any of these funds cannot be used for the intended purpose and/or by March 31, 2016, please contact Catherine Nickerson, Director, Capital Asset Management, at Catherine.Nickerson@gov.bc.ca, as soon as possible.

Your institution's Five-Year Capital Plan submission, for the period 2016/17 to 2020/21, was due to the Ministry by July 10, 2015. This year's submission identified changes in new priority projects and whole asset replacement and renewal projects, and will enable the Ministry to develop capital priorities for future consideration.

Capital Contributions

The Ministry has implemented a capital cost-sharing policy and it is expected that capital projects will be cost shared with institutions. Ministry staff will discuss mutually appropriate cost sharing levels with institutions on a project-by-project basis.

Capital Planning

The capital planning process supports quality decision making to advance or reject a proposed project, and ensures that the right strategic decisions are being made in a structured, efficient manner. Each phase of the capital planning process requires specific tasks and activities to be undertaken and corresponding approvals from the institution, Ministry, and/or Ministry of Finance. During the planning phase, the level of due diligence increases with each deliverable to ensure that the project scope, cost, schedule, and risk profile are sufficiently accurate.

The institutions, in conjunction with the Ministry, will utilize a risk screen tool to assess the risk of capital projects. Specific project approval and oversight requirements, including Project Boards, will be determined based on the risk rating.

Business Plans and Concept Plans must include the costs and benefits of procurement options and the recommended option must deliver the best value for money over the lifecycle of the asset. Project proposals must also comply with government's requirement to be carbon neutral under the *Greenhouse Gas Reduction Targets Act* and the Province's *Wood First* legislation.

Capital Procurement

Please ensure that all capital asset procurement is in accordance with the Capital Asset Management Framework (CAMF) developed by the government for public sector bodies (<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. This includes undertaking the necessary conflict of interest searches for the purpose of identifying any business and professional interests and relationships between capital project procurement team members and their advisors with proponents. All priority investment projects require a procurement options analysis and may be audited to confirm that all procurement activities have been undertaken in accordance with CAMF.

A policy to support the use of apprentices on major, publicly-funded provincial government infrastructure projects became effective July 1, 2015. The policy applies to all new, major infrastructure projects, with a provincial government investment of \$15 million or more, and all related contracts valued at \$500,000 or more for specified trades. Post-secondary institutions working on major projects are required to show a commitment to using apprentices on the projects. Prime contractors are also encouraged to report registered apprentices and other trainees with provincial government investments below \$15 million. The policy and supporting materials are available on government's Apprentices on Public Projects webpage at: www.gov.bc.ca/publicprojectsapprentice.

After project approval, progress reporting is required to ensure that design, construction, and project close out proceeds in accordance with the terms and conditions of the project approval letter.

Where your institution is considering a facility acquisition, either by ownership or lease, the government prefers such facilities be located along existing transit routes or, in the case of Metro Vancouver, along major transportation infrastructure.

All institutions are expected to maintain an inventory for real property in conjunction with the Ministry's Capital Asset Management System. The Ministry has provided information regarding the inventory submission process and will provide updates to the institutions regarding ongoing data maintenance.

Release of Assets for Economic Generation

As announced in *Budget 2012*, government is undertaking the Release of Assets for Economic Generation (RAEG) initiative to dispose of properties surplus to its needs and no longer of financial or strategic ownership benefit. Successful and timely implementation of property sales is an important component of government's fiscal plan. Institutions are encouraged to continue to facilitate these sales within the timelines previously discussed, as well as identify any additional surplus properties through the RAEG program. Your institution may require Ministerial approval for acquisitions and all institutions are required to identify surplus properties to the Ministry and obtain Ministerial approval for dispositions.

Greenhouse Gas Act

Institutions are expected to comply with government's requirement to be carbon neutral under the *Greenhouse Gas Reduction Targets Act*.

For more information on capital planning, acquisitions and dispositions, please visit the Ministry website: <http://www.aved.gov.bc.ca/cppm/documents/carg-2014/carg.pdf>.

Administrative Service Delivery Transformation

Institutions continue to play a lead role in achieving administrative efficiencies, reducing costs, avoiding cost increases, sharing best practices, and enhancing the range and quality of services across the sector through the Administrative Service Delivery Transformation (ASDT) initiative.

The first wave of ASDT collaboration opportunities is well underway, providing tangible benefits from the joint procurement of natural gas, shared information technology services led by BCNET, cash deposits into the provincial central deposit program, and reduced merchant fees. New sector agreements are being developed and/or implemented in a variety of areas including a commercial card, vending services, travel management services, office supplies, print services, and the joint procurement of welding and electrical trades training equipment in support of the *Blueprint*.

A methodology for tracking and reporting savings and benefits for the initiative was implemented in December 2014. A progress report on cost reductions and administrative efficiencies realized in fiscal 2014/15, is being developed for the fall.

A new sector-led Joint Procurement Operations Team was created in April 2015, to lead the joint procurement projects and services being undertaken on behalf of the sector, in partnership with the ASDT Collaboration Office. Institutions are expected to consider the use of a joint procurement contract first unless there are contractual barriers or negative implications.

The Ministry remains committed to working with public post-secondary institutions to find administrative efficiencies through collaboration and shared services, while protecting and maximizing investments in students' education. For more information on the ASDT initiative, please visit: http://www.aved.gov.bc.ca/administrative_service_delivery/welcome.htm.

Central Deposit Program

The Central Deposit Program (CDP) was launched in February 2013, as a key initiative to address concerns raised by the Auditor General regarding excess liquidity and idle working capital balances in schools, universities, colleges and hospitals. The CDP delivers lower deposit risk and competitive, if not superior, deposit rates, while reducing debt costs for taxpayers and positively contributing to government's ability to fund programs such as health and education into the future.

By the end of fiscal 2014/15, 19 institutions had signed agreements and 16 had deposited funds. Feedback in the sector has been positive and the Ministry is encouraging all institutions to participate. For further information on the CDP, please contact Mr. Kevin Macmillen, Executive Director, Banking and Cash Management Branch, at (250) 387-7105 or Kevin.Macmillen@gov.bc.ca.

Support and Services to Students

Open Education Resources

Institutions are expected to continue to support the use of open education resources, including government's Open Textbook initiative, to increase affordability for students and their families.

Credit Transfer

Institutions are expected to continue to work together to support a seamless and sustainable transfer system that enables a broad range of educational pathway options for British Columbia students.

Common Online Application Platform

The Ministry has established an Advisory Committee to prepare recommendations for the design, development and implementation of a proposed Common Online Application Platform (COAP). Institutions are encouraged to support the work of this committee and its working groups, as and when requested. All public institutions will have an opportunity to review the recommendations put forward by the COAP Advisory Committee and will be engaged in future detailed planning.

Thank you for your continuing cooperation in working with the Ministry and other system partners to provide students with an accessible, affordable, high quality and relevant post-secondary education. If you have any questions, or would like to discuss contents of this letter, please contact Ms. Donna Friedlander, Director, Post-Secondary Finance, at (250) 387-6142 or Donna.Friedlander@gov.bc.ca.

Sincerely,

A handwritten signature in black ink, appearing to read 'Kevin Brewster', with a long horizontal flourish extending to the right.

Kevin Brewster
Assistant Deputy Minister

Attachments

pc: Dr. Alan Shaver, President and Vice-Chancellor
Thompson Rivers University

Sandra Carroll, Deputy Minister
Ministry of Advanced Education

Claire Avison, Assistant Deputy Minister
Sector Strategy and Quality Assurance Division
Ministry of Advanced Education

Bobbi Plecas, Assistant Deputy Minister
Institutions and Programs Division
Ministry of Advanced Education

Kevin Macmillen, Executive Director
Banking and Cash Management Branch
Ministry of Finance

Donna Friedlander, Director, Post-Secondary Finance
Post-Secondary Finance Branch
Ministry of Advanced Education

Attachment 1
As at July 29, 2015
THOMPSON RIVER UNIVERSITY
Fiscal 2015/16 Operating Grant and Student FTE Targets

	2015/16					
	FTEs			Operating Grant		
	Targeted	Base	Total	Targeted	Base	Total
AVED 2015/16 Budget	747	7,266	8,013	\$7,957,422	\$54,564,204	\$62,521,626
Fiscal 2014/15	461	7,568	8,029	\$4,802,372	\$59,100,310	\$63,902,682
<i>Year over Year Change</i>	<i>286</i>	<i>(302)</i>	<i>(16)</i>	<i>\$3,155,050</i>	<i>(\$4,536,106)</i>	<i>(\$1,381,056)</i>

Details of Change from Prior Year						
Post-secondary Sector Administrative Efficiencies					(\$874,696)	(\$874,696)
ABE Tuition Recovery					(\$425,360)	(\$425,360)
Remove prior year one-time health		(43)	(43)		(\$356,000)	(\$356,000)
2015/16 Health One-time		32	32		\$275,000	\$275,000
Skills Gap Plan	286	(291)	(5)	\$3,155,050	(\$3,155,050)	
Economic Stability Mandate					TBD	
Subtotal of Change from Prior Year	286	(302)	(16)	\$3,155,050	(\$4,536,106)	(\$1,381,056)

FTEs for TRU ON-Campus and Open Learning	
TRU On-Campus	5,451
TRU Open-Learning	2,562
Total Student FTE Target	8,013

TRU Program FTE Details			Target Funded FTES				Total Target Funded	Base Funded Target	Total FTE Target
			Blueprint Baseline	14/15 Skills Gap Plan	15/16 Skills Gap Plan	Total Skills Gap Plan FTEs			
Health									
RNs, PN's and HCAs									
Bachelor of Science in Nursing	NURS	51.3801	152	35		35	187	57	244
Graduate Nursing Refresher	NURS	51.3801	20				20	70	90
Licensed Practical Nurse	NURS	51.3901	16				16		16
Practical Nursing Refresher	NURS	51.3901						48	48
Health Care Assistant	NRCA	51.3902	36				36	48	84
Health Care Assistant (one-time)	HLOT	51.3902						32	32
Subtotal			224	35		35	259	255	514
Allied Health									
Primary Care Certificate	HLTH	51.3805						10	10
Anesthesia Technology	HLTH	51.0809						8	8
Medical Laboratory Assistant	HLTH	51.0802	37				37		37
Respiratory Therapy	HLTH	51.0908	70		50	50	120	79	199
Subtotal			107		50	50	157	97	254
Total Health			331	35	50	85	416	352	768
Developmental									
Developmental	DEV	Multiple						944	944
Total Developmental								944	944
Skills Gap Plan Identified Programs									
BBA Accounting/Finance, Bcom									
Accounting/Finance	AVED	5203		50	50	100	100		100
Juris Doctor- Law	AVED	2201		20	57	77	77		77
Early Childhood Education	AVED	1907			14	14	14		14
Bachelor of Computing Science	AVED	1107			30	30	30		30
BBA, Human Resource Management/ Bcom, HR Mgmt.	AVED	5210			35	35	35		35
Bachelor of Tourism Management	AVED	5209			25	25	25		25
Engineering Transfer	AVED	1401			25	25	25		25
Bachelor of Social Work	AVED	4407		25		25	25		25
Total TRU Skills Gap Plan FTE Target				95	236	331	331		331
TRU AVED Undergraduate Balance	AVED	Multiple						5,970	5,970
Total FTE Targets			331	130	286	416	747	7,266	8,013



Our Ref. 102699

August 9, 2016

Mr. Matt Milovick
Vice-President, Administration and Finance
Thompson Rivers University
900 McGill Rd
Kamloops BC V2C 0C8

Dear Mr. Milovick

I am writing to provide you with information regarding Thompson Rivers University operating grant and student full-time equivalent (FTE) target for 2016/17, and the associated accountabilities, roles and expectations.

2016/17 Operating Grant and FTEs

Attachment 1 provides details pertaining to your institution's operating grant and student FTE targets for fiscal 2016/17.

Please ensure that your institution's Institutional Research (IR) Director is provided copies of correspondence from the Ministry of Advanced Education (the Ministry) that includes student FTE targets. This communication will help ensure accurate FTE reporting that is aligned with funding.

One-time Health program Funding - Short Duration and Pilot Health Education

A Call for Proposals for one-time short-duration and pilot health education program spaces in 2016/17 was provided under separate cover in January 2016. The decisions made on those proposals have been reflected in your institution's budget allocation and student FTE targets.

Developmental Program FTEs

Student FTE targets for developmental programs remain unchanged for 2016/17. The Ministry recognizes that recent funding and tuition policy changes mean some institutions are still in a period of transition with regard to the delivery of these programs, and may be unable to meet their target. Institutions will be advised once the Ministry begins planning for a review of the targets for developmental programs.

... /2

Economic Stability Mandate

The operating grant allocations include funding for collective agreements ratified under the Economic Stability Mandate (ESM) prior to July 22, 2016, and for the associated Economic Stability Dividend. For those institutions which have not concluded bargaining under the ESM, the Ministry will seek approval for additional funding after the remaining agreements are ratified. In support of this work, those institutions will be asked to confirm cost estimates provided to the Ministry by the Public Sector Employers' Council Secretariat.

Institutions should assume that provincial funding will be available to offset salary increases that fall within the parameters of the ESM. This funding may be built into quarterly forecasts. . If you have any questions please contact Mr. Raman Dale, Director, Post-Secondary Finance, at (250) 387-6142 or Raman.Dale@gov.bc.ca.

B.C.'s Skills for Jobs Blueprint

B.C.'s Skills for Jobs Blueprint (the *Blueprint*) continues to align post-secondary program offerings with labour market demand to ensure British Columbians have the skills needed to fill anticipated job openings in the province.

Your institution's 2016/17 Skills Gap Plan has been approved by the Labour Market Priorities Board and the funding and student FTEs are outlined in the targets in Attachment 1. Performance against the "Total Skills Gap Plan FTE" targets will be assessed using your institution's final 2016/17 FTE reports, due in spring 2017. Institutions not delivering the targeted student spaces under the *Blueprint* may have funding redirected.

Financial Oversight and Accountabilities

On February 16, 2016, the government tabled *Budget 2016*, its updated three-year Budget and Fiscal Plan, which continues to uphold the commitments to annual balanced budgets and a declining trend in the taxpayer-supported debt-to-GDP ratio that supports a AAA credit rating.

As part of the government reporting entity, post-secondary institutions are required to meet or exceed their financial targets, and are responsible for the effective and efficient use of taxpayer investments to ensure a high quality, accessible post-secondary education system in British Columbia. The financial accountabilities of institutions are outlined in legislation (the *College and Institute Act*, the *University Act*, and the *Budget Transparency and Accountability Act [BTAA]*); and are grounded in prudent, transparent fiscal management.

Good financial management helps ensure that institutions are able to achieve their operational and fiscal objectives; gain the respect and confidence of funding agencies and other stakeholders; and create a position of long-term financial sustainability. The post-secondary sector receives significant funding from government, and as such, is accountable to taxpayers for the effective and efficient use of these resources. This includes ensuring that expenditures throughout the organization are reasonable, appropriate and directly support the core mandate of the institution. The following information is provided to guide and inform institutions' financial planning:

Financial Reporting

The BTAA sets out that all government reporting entities will provide quarterly financial reports, including year-to-date actuals and four-year forecasts. These reports are consolidated and publicized by specified dates. In order to support these timeframes, the Ministry of Finance establishes quarterly reporting dates, and institutions are expected to provide all reports on time, ensure that all known financial changes are reflected, and that forecasts reflect best-available estimates of year-end operating and capital results.

The accuracy of forecasting is of primary importance and material changes to operating results or to capital project schedules and/or provincial cash flows should be brought to the Ministry's attention immediately.

Institutions' third-quarter projections for the following fiscal year are used to establish the Budget and Fiscal Plan targets. Institutions' financial outcomes are monitored against these figures throughout the following year.

Balanced Financial Results

Legislation requires that an institution must be in an annual balanced or surplus financial position, including amortization expenses but excluding new endowment contributions. In addition, capital projects must be managed within approved project budgets. The starting point to achieve these results is an annual balanced budget, including both operating results and the funding requirements of capital projects.

Deficits

Under extraordinary circumstances, institutions may seek an exception to the annual balanced budget requirement and request approval from the Minister of Finance and the Minister of Advanced Education to operate in a deficit position. Requests for deficit approval must be provided to the Ministry of Advanced Education by the end of the second quarter and include an explanation of key deficit drivers; actions taken to mitigate the deficit; a plan to return to a balanced position and the associated timeframe; and an outline of any extraordinary implications for students. Regardless of the circumstances, an institution should not assume that a request to operate in a periodic deficit will be approved.

Travel and Procurement

Institutions are asked to conduct their operations and financial activities in a manner consistent with the legislative, regulatory and policy framework established by government; including the procurement and travel practices as outlined in governments' Core Policy and Procedures Manual (CPPM).

Post-secondary institutions are specifically being asked to have travel policies in place that promote the spirit and intent of government's travel policies.

Tuition Limit

Institutions are expected to comply with Government's tuition limit policy. For 2016/17, tuition and mandatory fee increases for existing programs and services continue to be limited to 2%. Clarification on the application of the tuition limit policy as it relates to new and existing programs, fees and services was provided in a letter to Presidents from the Deputy Minister of Advanced Education on March 3, 2016.

Executive and Management Compensation

As part of the implementation of the recommendations from the BC Public Sector Compensation Review released in October 2014, and in keeping with the Taxpayer Accountability Principles, public sector employers have implemented a new public sector compensation philosophy that includes common principles to guide compensation decision-making and a shared approach to benchmarking. One of the guiding principles of the common compensation philosophy is performance-based culture, in which compensation decisions for executive and management staff are based on merit rather than an entitlement to an annual increase.

Last year, public sector employers were given some modest flexibility to address specific compensation issues (such as compression or inversion) that resulted from the wage freeze. Modest, targeted increases within existing salary ranges for management staff were permitted based on approved parameters. In July 2016, this policy was expanded to include executive employees. This is not a general wage increase. Any increases must be funded within existing budgets, and must not affect other efficiency targets. Institutions should work with their Employer's Association representative or contact the Public Sector Employers' Council Secretariat for more information on this process.

Board Expenses

As the institution's oversight body, the Board of Governors plays an integral role in ensuring that the institution operates within its mandate in an effective and efficient manner, and that the taxpayer funds that are invested in the institution, are managed appropriately. The ministry has developed a new Orientation for B.C. Public Post-Secondary Institution Board Members

Treasury Board Directive 3/11, section 7, provides guidance on business travel and expense reimbursements for appointed board members.

Capital and Real Estate

Approval letters for 2016/17 Routine Capital and Carbon Neutral Capital Program projects have been issued to your institution. If any of these funds cannot be used for the intended purpose and/or by March 31, 2017, please contact James Postans, Director, Capital Asset Management, at James.Postans@gov.bc.ca, as soon as possible.

Capital Planning

The capital planning process supports quality decision making to advance or reject a proposed project, and ensures that the right strategic decisions are being made in a structured, efficient manner. Each phase of the capital planning process requires specific tasks and activities to be undertaken and corresponding approvals from the institution, Ministry, and/or Ministry of Finance. During the planning phase, the level of due diligence increases with each deliverable to ensure that the project scope, cost, schedule, and risk profile are sufficiently accurate.

The institutions, in conjunction with the Ministry, will utilize a risk screen tool to assess the risk of capital projects. Specific project approval and oversight requirements, including Project Boards, will be determined based on the risk rating.

Business Plans should include the costs and benefits of procurement options and the recommended option must deliver the best value for money over the lifecycle of the asset. Project proposals must also comply with government's requirement to be carbon neutral under the *Greenhouse Gas Reduction Targets Act* and the Province's *Wood First* legislation.

Capital Contributions

The Ministry has implemented a capital cost-sharing policy and it is expected that capital projects will be cost shared with institutions. Ministry staff will discuss mutually appropriate cost sharing levels with institutions on a project-by-project basis.

Capital Procurement

Please ensure that all capital asset procurement is in accordance with the Capital Asset Management Framework (CAMF) developed by the government for public sector bodies. Specifically, procurement must be fair, open, competitive, transparent, and must effectively manage, budget and schedule risk. This includes undertaking the necessary conflict of interest searches for the purpose of identifying any business and professional interests and relationships between capital project procurement team members and their advisors with proponents. All priority projects require a procurement options analysis and may be audited to confirm that all procurement activities have been undertaken in accordance with CAMF.

The Apprentices on Public Projects policy to support the use of apprentices on major, publicly-funded provincial government infrastructure projects became effective July 1, 2015. The policy applies to all new, major infrastructure projects, with a provincial government investment of \$15 million or more, and all related contracts valued at \$500,000 or more for specified trades. Post-secondary institutions working on major projects are required to show a commitment to using apprentices on the projects. Prime contractors are also encouraged to report registered apprentices and other trainees with provincial government investments below \$15 million.

After project approval, progress reporting is required to ensure that design, construction, and project close out proceeds in accordance with the terms and conditions of the project approval letter.

Where your institution is considering a facility acquisition, either by ownership or lease, the government prefers such facilities be located along existing transit routes or, in the case of Metro Vancouver, along major transportation infrastructure.

All institutions are expected to maintain an inventory for real property in conjunction with the Ministry's Capital Asset Management System. The Ministry has provided information regarding the inventory submission process and will provide updates to the institutions regarding ongoing data maintenance.

Release of Assets for Economic Generation

The Release of Assets for Economic Generation (RAEG) initiative is a continued priority for government during the 2016/17 fiscal year. Institutions are requested to facilitate these sales within the expected timelines, and identify any variances to the anticipated land sales proceeds. All institutions are required to identify to the Ministry any surplus properties for potential inclusions within RAEG initiative and must obtain Ministerial approval before any land sales complete.

For more information on capital planning, acquisitions and dispositions, please visit the Ministry website: <http://www.aved.gov.bc.ca/cppm/documents/carg-2014/carg.pdf>

Greenhouse Gas Act

Institutions are expected to comply with government's requirement to be carbon neutral under the *Greenhouse Gas Reduction Targets Act*.

Administrative Service Delivery Transformation (ASDT)

Institutions continue to play a lead role in achieving administrative efficiencies, reducing and containing costs, sharing best practices, and enhancing the range and quality of services across the sector through the Administrative Services Delivery Transformation (ASDT) Program.

Joint procurement opportunities include natural gas, vending services, reduced merchant fees, a new purchasing card program, travel management services, fire extinguisher testing, elevator maintenance, exam booklet printing, multi-function devices, and trades training equipment. New master agreements are anticipated for courier services, cylinder gas, and office supplies.

Using a methodology established in 2014 for tracking and reporting savings and benefits from ASDT projects and initiatives, \$10.51 million in sector benefits were reported for fiscal 2013/14, and \$30.66 million in benefits were reported for fiscal 2014/15. ASDT associated benefits for fiscal 2015/16 will be reported in the ASDT 2015/16 Progress Report, scheduled for release in fall 2016.

The Ministry remains committed to working with public post-secondary institutions to find administrative savings and efficiencies through collaboration and shared services, while protecting and maximizing investments in educating students. For more information on the ASDT Program, please visit: http://www.aved.gov.bc.ca/administrative_service_delivery/welcome.htm.

Central Deposit Program

The Central Deposit Program (CDP) was launched in February 2013, as a key initiative to address concerns raised by the Auditor General regarding excess liquidity in schools, universities, colleges and hospitals. The CDP delivers lower deposit risk and competitive deposit rates, while reducing debt costs for taxpayers and positively contributing to government's ability to fund programs such as health and education into the future.

By the end of fiscal 2015/16, all 25 institutions had signed agreements and 24 had made use of the program. Feedback from the sector has been positive and the Ministry is encouraging all institutions to continue to participate. For further information on the CDP, please contact Mr. Kevin Macmillen, Executive Director, Banking and Cash Management Branch, Ministry of Finance, at (250) 387-7105 or Kevin.Macmillen@gov.bc.ca.

Support and Services to Students

Open Education Resources

Institutions are expected to continue to support the use of open education resources, including government's Open Textbook initiative, to increase affordability for students and their families.

Credit Transfer

Institutions are expected to continue to work together to support a seamless and sustainable transfer system that enables a broad range of educational pathway options for British Columbia students.

EducationPlannerBC (formerly titled Common Online Application Platform)

The Ministry continues to explore the development of a single unified application process for BC, working collaboratively with institutions. A joint Ministry-Sector Governance Structure is in place, including a Steering Committee, to lead the detailed planning and consultation required to advance this priority. Institutions are encouraged to support the work of the Sector Steering Committee and its working groups, as and when requested. All public institutions will have an opportunity to provide input as the planning evolves.

Thank you for your continued cooperation in working with the Ministry and other system partners to provide students with an accessible, affordable, high quality and relevant post-secondary education. If you have any questions, or would like to discuss contents of this letter, please contact Mr. Raman Dale, Director, Post-Secondary Finance, at (250) 387-6142 or Raman.Dale@gov.bc.ca.

Sincerely,



Kevin Brewster
Assistant Deputy Minister

Attachment

pc: Distribution List follows.

... /8

pc: Dr. Alan Shaver, President and Vice-Chancellor
Thompson Rivers University

Ms. Sandra Carroll, Deputy Minister
Ministry of Advanced Education

Ms. Claire Avison, Assistant Deputy Minister
Governance, Legislation and Strategic Policy Division
Ministry of Advanced Education

Mr. Jeff Vasey, Assistant Deputy Minister
Institutions and Programs Division
Ministry of Advanced Education

Mr. Kevin Macmillen, Executive Director
Banking and Cash Management Branch
Ministry of Finance

Mr. Raman Dale, Director, Post-Secondary Finance
Post-Secondary Finance Branch
Ministry of Advanced Education

Mr. James Postans, Capital Director
Post-Secondary Finance Branch
Ministry of Advanced Education

Attachment 1
As at August 8, 2016
Thompson Rivers University
Fiscal 2016/17 Operating Grant and Student FTE Targets

	2016/17					
	FTEs			Operating Grant		
	Targeted	Base	Total	Targeted	Base	Total
AVED 2016/17 Budget	1,040	6,956	7,996	\$11,107,502	\$52,912,888	\$64,020,390
Fiscal 2015/16	747	7,266	8,013	\$7,957,422	\$55,444,127	\$63,401,549
Year over Year Change	293	(310)	(17)	\$3,150,080	(\$2,531,239)	\$618,841

Details of Change from Prior Year						
Remove prior year one-time health		(32)	(32)		(\$275,000)	(\$275,000)
2016/17 one-time health*		15	15			
Skills Gap Plan	293	(293)		\$3,150,080	(\$3,150,080)	
Economic Stability Mandate					\$893,841	\$893,841
Subtotal of Change from Prior Year	293	(310)	(17)	\$3,150,080	(\$2,531,239)	\$618,841

* The March 31, 2016 funding letter (Our Ref: 101936) provided details related to funding, student FTEs, and associated accountabilities.

FTEs for TRU ON-Campus and Open Learning	
TRU On-Campus	5,434
TRU Open-Learning	2,562
Total Student FTE Target	7,996

			Target Funded FTES							
TRU Program FTE Details	FUNS Code	CIP Code	Blueprint Baseline	14/15 Skills Gap Plan	15/16 Skills Gap Plan	16/17 Skills Gap Plan	Total Skills Gap Plan	Total Target Funded	Base Funded Target	Total FTE Target
Health										
RNs, PNAs and HCAs										
Bachelor of Science in Nursing	NURS	51.3801	152	35		57	92	244		244
Graduate Nursing Refresher	NURS	51.3801	20					20	70	90
Licensed Practical Nurse	NLPN	51.3901	16					16		16
Practical Nursing Refresher	NLPN	51.3901							48	48
Health Care Assistant	NRCA	51.3902	36					36	48	84
Health Care Assistant - Williams Lake (one-time)	HLOT	51.3902							15	15
Subtotal			224	35		57	92	316	181	497
Allied Health										
Medical Laboratory Assistant	HLTH	51.0802	37					37		37
Anesthesia Technology	HLTH	51.0809							8	8
Respiratory Therapy	HLTH	51.0908	70		50	25	75	145	54	199
Allied Health General	HLTH	51.0000							10	10
Subtotal			107		50	25	75	182	72	254
Total Health			331	35	50	82	167	498	253	751
Developmental										
Developmental	DEV	Multiple							944	944
Total Developmental									944	944
Skills Gap Plan Identified Programs										
Bachelor of Computing Science	AVED	1107			30	20	50	50		50
Engineering Transfer	AVED	1401			25		25	25		25
Early Childhood Education	AVED	1907			14		14	14		14
Juris Doctor- Law	AVED	2201		20	57	50	127	127		127
Bachelor of Arts in Psychology	AVED	4201				26	26	26		26
Human Service Worker	AVED	4400				20	20	20		20
Bachelor of Social Work	AVED	4407		25		35	60	60		60
Bachelor of Business Admin	AVED	5202				40	40	40		40
BBA Accounting/Finance, Bcom										
Accounting/Finance	AVED	5203		50	50		100	100		100
Accounting Technician Diploma	AVED	5203				20	20	20		20
Bachelor of Tourism Management	AVED	5209				25	25	25		25
BBA, Human Resource Management/ Bcom, HR Mgmt.	AVED	5210				35	35	35		35
Total TRU Skills Gap Plan FTE Target				95	236	211	542	542		542
TRU AVED Undergraduate Balance	AVED	Multiple							5,759	5,759
Total FTE Targets			331	130	286	293	709	1,040	6,956	7,996



Our Ref. 111344

December 15, 2017

Mr. Matt Milovick
Vice-President, Administration and Finance
Thompson Rivers University
900 McGill Rd
Kamloops BC V2C 0C8

Dear Mr. Milovick:

I am writing to provide you with information regarding Thompson Rivers University's operating grant and student full-time equivalent (FTE) target for 2017/18, and the associated accountabilities, roles and expectations.

On September 11, 2017, the government tabled *Budget 2017 Update*, the updated three-year Budget and Fiscal Plan, which takes key first steps to improve affordability, build better services for everyone, and invests in a strong, innovative economy that creates jobs and works for all British Columbians. Integrating with these priorities is government's commitment to reconciliation and implementing the Calls to Action of the Truth and Reconciliation Commission and the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP).

2017/18 Operating Grant and FTEs

Attachment 1 provides details pertaining to your institution's operating grant and student FTE targets for fiscal 2017/18.

Your institution's operating grant allocation includes funding for collective agreements ratified under the Economic Stability Mandate (ESM).

One-time Health Program Funding - Short Duration and Pilot Health Education

A Call for Proposals for one-time short-duration and pilot health education program spaces in 2017/18 was provided under separate cover in November 2016. The decisions made on those proposals have been reflected in your institution's budget allocation and student FTE targets.

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Developmental Program FTEs — Adult Basic Education (ABE), English Language Learner (ELL) and Adult Special Education programs

Student FTE targets for developmental programs remain unchanged for 2017/18. The Ministry of Advanced Education, Skills and Training (the Ministry) recognizes that, given the new tuition-free environment for ABE and ELL, institutions' program delivery is again in a period of transition. The future of the developmental program targets was one of the important issues discussed at engagement sessions with post-secondary partners in the fall of 2017/18.

Institutions will be advised when a review of the targets for developmental programs is planned.

Skills Gap Plans

The 2017/18 Skills Gap Plan funding and student FTE targets are outlined in Attachment 1. Performance against the "Total Skills Gap Plan FTE" targets will be assessed using your institutions' final 2017/18 FTE reports, due in spring 2018. Additional direction on the future of the Skills Gap Plan process for 2018/19 will be communicated at a later date.

Please ensure that your institution's Institutional Research Director is provided copies of correspondence from the Ministry that includes student FTE targets. This communication will help ensure accurate FTE reporting that is aligned with funding.

Financial Oversight and Accountabilities

Good financial management helps ensure that institutions are able to achieve their operational and fiscal objectives; gain the respect and confidence of funding agencies and other stakeholders; and create a position of long-term financial sustainability. The post-secondary sector receives significant funding from government, and as such, is accountable to taxpayers for the effective and efficient use these resources. This includes ensuring that expenditures throughout the organization are reasonable, appropriate and directly support the core mandate of the institution. The following information is provided to guide and inform institutions' financial planning.

Post-secondary institutions are required to meet or exceed their financial targets, and are responsible for the effective and efficient use of taxpayer investments to ensure a high quality, accessible post-secondary education system in British Columbia. The financial accountabilities of institutions are outlined in legislation (the *College and Institute Act*, the *University Act*, the *Royal Roads University Act*, the *Thompson Rivers University Act* and the *Budget Transparency and Accountability Act [BTAA]*); and are grounded in prudent, transparent fiscal management.

Balanced Financial Results

Legislation requires that an institution must be in an annual balanced or surplus financial position, including amortization expenses but excluding new endowment contributions. In addition, capital projects must be managed within approved project budgets. The starting point

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to achieve these results is an annual balanced budget, including both operating results and the funding requirements of capital projects.

Financial Reporting

The BTAA sets out that all government reporting entities will provide quarterly financial reports, including year-to-date actuals and four-year forecasts. These reports are consolidated and publicized by specified dates. In order to support these timeframes, the Ministry of Finance establishes quarterly reporting dates, and institutions are expected to provide all reports on time, ensure that all known financial changes are reflected, and that forecasts reflect best-available estimates of year-end operating and capital results.

The accuracy of forecasting is of primary importance and material changes to operating results or to capital project schedules and/or provincial cash flows should be brought to the Ministry's attention immediately.

For the Budget 2017 Update, institutions' first-quarter projections for the current fiscal year were used to establish the Budget and Fiscal Plan targets. Institutions' financial outcomes are monitored against these figures throughout the following year.

Deficits

Under extraordinary circumstances, institutions may seek an exception to the annual balanced budget requirement and request approval from the Minister of Finance and the Minister of Advanced Education, Skills and Training to operate in a deficit position. Requests for deficit approval **must** be provided to the Ministry of Advanced Education, Skills and Training by the end of the second quarter and include an explanation of key deficit drivers; actions taken to mitigate the deficit; a plan to return to a balanced position and the associated timeframe; and an outline of any extraordinary implications for students. Regardless of the circumstances, an institution should not assume that a request to operate in a periodic deficit will be approved.

Tuition Limit

Institutions are expected to comply with Government's tuition limit policy. For 2017/18, the 2% limit on tuition and mandatory fee increases for existing programs and services continues to apply. Institutions are required to consult with the Ministry and students before implementing any new fees for new services, and must submit a written request to the Ministry to review substantially revised programs for determination as to whether the program is new for the purposes of establishing new tuition rates. The request must outline the revisions and how they lead to new or changed objectives, goals, learning competencies and outcomes for the program and students.

Tuition Waiver for Former Youth in Care

Government implemented the Provincial Tuition Waiver for Former Children and Youth in Care Program September 1, 2017. Institutions are expected to waive tuition, fees and deposits for

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eligible persons. Tuition and fees to be waived are defined as all tuition and mandatory fees, including student society fees, charged to the student that are required to be paid in order for the student to successfully complete the program/courses they are enrolled in. The Ministry will reimburse institutions for these costs. For more information or if you have any questions please contact Tony Nelson, Director, Tuition Waiver Program, at tuitionwaiver@gov.bc.ca

Executive and Management Compensation

B.C.'s public sector employers are now making compensation decisions based on a common compensation philosophy and shared benchmarking criteria that will lead to more consistent and sustainable compensation decisions for excluded and executive employees. One of the guiding principles of the common compensation philosophy is the promotion of a performance-based culture where compensation decisions are based on merit rather than an entitlement to an increase.

Since July 2015, excluded management staff, including executives have been receiving modest increases to base salary in keeping with those provided to unionized employees across the public sector. In keeping with the modest wage increases that 100% of unionized employees are now receiving after having settled under the Economic Stability Mandate, the process for public sector employers to propose modest adjustments for both excluded and executive compensation remains the same as the direction given in 2016. While not a general wage increase, this process to provide modest adjustments for these employees remains in place and continues to be funded from the employers' existing budgets.

Board Expenses

As the institution's oversight body, the Board of Governors plays an integral role in ensuring that the institution operates within its mandate in an effective and efficient manner, and that the taxpayer funds that are invested in the institution, are managed appropriately. The Ministry has developed an Orientation for B.C. Public Post-Secondary Institution Board Members to provide guidance to members in this regard.

Treasury Board Directive 2/17, section 7, provides guidance on business travel and expense reimbursements for appointed board members.

Capital and Real Estate

Direction relating to 2017/18 Routine Capital and Carbon Neutral Program will be sent under separate cover. Should you have any questions in the interim please contact James Postans, Executive Director, Post-Secondary Finance at James.Postans@gov.bc.ca.

Administrative Service Delivery Transformation

Institutions play a lead role in achieving administrative efficiencies, containing or reducing costs, mitigating risk, sharing best practices, and enhancing the range and quality of services across the sector through the Administrative Service Delivery Transformation (ASDT) initiative.

ASDT provides tangible benefits through the joint procurement of natural gas, shared information technology services led by BCNET, cash deposits into the provincial Central Deposit Program, reduced merchant fees, and a new purchasing card program. New sector agreements expanded benefits in a variety of areas including travel management services, fire extinguisher testing, elevator maintenance, exam booklet printing, multi-function devices, and the joint procurement of welding, electrical and automotive trades training equipment.

Beginning in April 2016, the sector's collaborative procurement service was transitioned to BCNET for a two-year pilot as BCNETSource, leveraging BCNET's operations, governance and independent legal status for managing procurement processes and contracts on behalf of the sector. Institutions are expected to consider the use of joint procurement contracts first to fully leverage their value and derive maximum benefits, unless there are unique specification requirements or contractual commitments.

In April 2016, an Enterprise Resource Planning (ERP) Strategy was endorsed by the Sector. The Strategy articulates a vision of risk mitigation, cost containment and service improvement. ERP Service Renewal has recently transitioned from the Ministry ASDT Collaboration Office to BCNET. An ERP Office has been established within BCNET to provide support to institutions and promote adoption of the Sector ERP Strategy.

The Ministry is committed to working with public post-secondary institutions to find administrative efficiencies through collaboration and shared services, while protecting and maximizing investments in students' education.

Central Deposit Program

The Central Deposit Program (CDP) was launched in February 2013 to address concerns raised by the Auditor General regarding excess liquidity (generated by the receipt of prepaid or restricted revenues that will incur associated expenditures at a later date) in schools, universities, colleges and hospitals. The CDP delivers competitive rates and lower deposit risk while reducing debt costs for taxpayers and positively contributing to government's ability to fund programs such as health and education into the future.

Thank you for your cooperation in working with the Ministry and other system partners to provide students with an accessible, affordable, high quality and relevant post-secondary education. If you have any questions, or would like to discuss contents of this letter, please contact Mr. James Postans, Executive Director, Post-Secondary Finance Branch, at (250) 356-0151 or James.Postans@gov.bc.ca

Sincerely,

A handwritten signature in black ink, appearing to read 'Kevin Brewster', with a stylized, flowing script.

Kevin Brewster
Assistant Deputy Minister

Attachment

pc: Dr. Alan Shaver, President and Vice-Chancellor
Thompson Rivers University

Ms. Shannon Baskerville, Deputy Minister
Ministry of Advanced Education, Skills and Training

Mr. Tony Loughran, A/Assistant Deputy Minister
Sector Strategy and Quality Assurance Division
Ministry of Advanced Education, Skills and Training

Mr. Jeff Vasey, Assistant Deputy Minister
Institutions and Programs Division
Ministry of Advanced Education, Skills and Training

Mr. James Postans, Executive Director
Post-Secondary Finance Branch
Ministry of Advanced Education, Skills and Training

Attachment 1
As at December 14, 2017
Thompson Rivers University
Fiscal 2017/18 Operating Grant and Student FTE Targets

	2017/18					
	FTEs			Operating Grant		
	Targeted	Base	Total	Targeted	Base	Total
AEST 2017/18 Budget	1,178	6,803	7,981	\$12,860,907	\$52,870,855	\$65,731,762
Fiscal 2016/17	1,040	6,956	7,996	\$11,107,472	\$52,962,778	\$64,070,250
Year over Year Change	138	(153)	(15)	\$1,753,435	(\$91,923)	\$1,661,512

Details of Change from Prior Year						
Remove prior year one-time health		(15)	(15)			
Skills Gap Plan	138	(138)		\$1,753,435	(\$1,753,435)	
Economic Stability Mandate					\$1,661,512	\$1,661,512
Subtotal of Change from Prior Year	138	(153)	(15)	\$1,753,435	(\$91,923)	\$1,661,512

FTEs for TRU ON-Campus and Open Learning	
TRU On-Campus	5,419
TRU Open-Learning	2,562
Total Student FTE Target	7,981

			Target Funded FTES			Base Funded Target	Total FTE Target
TRU Program FTE Details	FUNS Code	CIP Code	Blueprint Baseline	Total Skills Gap Plan	Total Target Funded		
Health							
RNs, PNs and HCAs							
Bachelor of Science in Nursing	NURS	51.3801	152	92	244		244
Graduate Nursing Refresher	NURS	51.3801	20		20	70	90
Licensed Practical Nurse	NLPN	51.3901	16		16		16
Health Care Assistant	NRCA	51.3902	36		36	48	84
Subtotal			224	92	316	118	434
Allied Health							
Medical Laboratory Assistant	HLTH	51.0802	37		37		37
Anesthesia Technology	HLTH	51.0809				8	8
Respiratory Therapy	HLTH	51.0908	70	110	180	19	199
Allied Health General **	HLTH	51.0000				58	58
Subtotal			107	110	217	85	302
Total Health			331	202	533	203	736
Developmental							
Developmental	DEV	Multiple				944	944
Total Developmental						944	944
Skills Gap Plan Identified Programs							
Bachelor of Computing Science	AVED	1107		50	50		50
Engineering Transfer	AVED	1401		25	25		25
Early Childhood Education	AVED	1907		14	14		14
Juris Doctor- Law	AVED	2201		175	175		175
Bachelor of Arts in Psychology	AVED	4201		26	26		26
Human Service Worker	AVED	4400		20	20		20
Bachelor of Social Work	AVED	4407		70	70		70
Bachelor of Business Admin	AVED	5202		85	85		85
BBA Accounting/Finance, Bcom				100			
Accounting/Finance	AVED	5203			100		100
Accounting Technician Diploma	AVED	5203		20	20		20
Bachelor of Tourism Management	AVED	5209		25	25		25
BBA, Human Resource Management/ Bcom, HR Mgmt.	AVED	5210		35	35		35
Total TRU Skills Gap Plan FTE Target				645	645		645
TRU AVED Undergraduate Balance	AVED	Multiple				5,656	5,656
Total FTE Targets			331	847	1,178	6,803	7,981

** Allied Health Target increased to reflect the cancellation of the PN Refresher program.



Our Ref. 113098
File No. 66710-20 - 2018/19 Budget

July 4, 2018

Mr. Matt Milovick
Vice-President, Administration and Finance
Thompson Rivers University
900 McGill Rd
Kamloops BC V2C 0C8

Dear Mr. Milovick:

I am writing to provide you with information regarding Thompson Rivers University's operating grant and student full-time equivalent (FTE) target for 2018/19, and the associated accountabilities, roles and expectations.

2018/19 Operating Grant and FTEs

Attachment 1 provides details pertaining to your institution's operating grant and student FTE targets for fiscal 2018/19.

Your institution's operating grant allocation includes funding for collective agreements ratified under the Economic Stability Mandate (ESM), and for the associated Economic Stability Dividends.

Developmental Program FTEs, Adult Basic Education (ABE), English Language Learning (ELL) and Adult Special Education (ASE) programs

Student FTE targets for developmental programs remain unchanged for 2018/19. While the invoicing process for ABE and ELL tuition compensation continues through 2018/19, Ministry of Advanced Education, Skills and Training staff are gathering data to develop a longer-term funding model for these programs. Developmental program targets may be adjusted for future years based on this data and on discussions with institutions about student demand and capacity to deliver ABE, ELL and ASE. Providing more opportunities for adult learners supports government priorities of improving access and affordability so that all British Columbians can participate in a strong economy.

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Skills Gap Plans

For 2018/19, the Ministry has maintained the Skills Gap Plan (SGP) targets as per your institution's 2017/18 plan. The 2018/19 SGP funding and student FTE targets are outlined in Attachment 1. Your institution may update its 2018/19 plan during January 2019. Performance against the "Total Skills Gap Plan FTE" targets will be assessed using your institutions' final 2018/19 FTE reports, due in spring 2019. Additional direction on the future of the Skills Gap Plan process will be communicated at a later date.

Please ensure that your institution's Institutional Research Director is provided copies of correspondence from the Ministry that includes student FTE targets. This communication will help ensure accurate FTE reporting that is aligned with funding.

Financial Oversight and Accountabilities

Good financial management helps ensure that institutions are able to achieve their operational and fiscal objectives; gain the respect and confidence of funding agencies and other stakeholders; and create a position of long-term financial sustainability. The post-secondary sector receives significant funding from government, and as such, is accountable to taxpayers for the effective and efficient use these resources. This includes ensuring that expenditures throughout the organization are reasonable, appropriate and directly support the core mandate of the institution. The following information is provided to guide and inform institutions' financial planning.

Post-secondary institutions are required to meet or exceed their financial targets, and are responsible for the effective and efficient use of taxpayer investments to ensure a high quality, accessible post-secondary education system in British Columbia. The financial accountabilities of institutions are outlined in legislation (the *College and Institute Act*, the *University Act*, the *Royal Roads University Act*, the *Thompson Rivers University Act* and the *Budget Transparency and Accountability Act [BTAA]*); and are grounded in prudent, transparent fiscal management.

Balanced Financial Results

Legislation requires that an institution must be in an annual balanced or surplus financial position, including amortization expenses but excluding new endowment contributions. In addition, capital projects must be managed within approved project budgets. The starting point to achieve these results is an annual balanced budget, including both operating results and the funding requirements of capital projects.

Financial Reporting

The BTAA sets out that all government reporting entities will provide quarterly financial reports, including year-to-date actuals and four-year forecasts. These reports are consolidated and publicized by specified dates.

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To support these timeframes, the Ministry of Finance establishes quarterly reporting dates, and institutions are expected to provide all reports on time, ensure that all known financial changes are reflected, and that forecasts reflect best-available estimates of year-end operating and capital results.

The accuracy of forecasting is of primary importance and material changes to operating results or to capital project schedules and/or provincial cash flows should be brought to the Ministry's attention immediately.

Institutions' third-quarter projections for the following fiscal year are used to establish the Budget and Fiscal Plan targets. Institutions' financial outcomes are monitored against these figures throughout the following year.

Deficits

Under extraordinary circumstances, institutions may seek an exception to the annual balanced budget requirement and request approval from the Minister of Finance and the Minister of Advanced Education, Skills and Training to operate in a deficit position. Requests for deficit approval **must** be provided to the Ministry of Advanced Education, Skills and Training by the end of the second quarter and include an explanation of key deficit drivers; actions taken to mitigate the deficit; a plan to return to a balanced position and the associated timeframe; and an outline of any extraordinary implications for students. Regardless of the circumstances, an institution should not assume that a request to operate in a periodic deficit will be approved.

Tuition Limit

Institutions are expected to comply with Government's tuition limit policy. For 2018/19, the 2% limit on tuition and mandatory fee increases for existing programs and services continues to apply. Institutions are required to consult with the Ministry and students before implementing any new fees for new services, and must submit a written request to the Ministry to review substantially revised programs for determination as to whether the program is new for the purposes of establishing new tuition rates. The request must outline the revisions and how they lead to new or changed objectives, goals, learning competencies and outcomes for the program and students.

Executive and Management Compensation

B.C.'s public sector employers are now making compensation decisions based on a common compensation philosophy with shared core principles and benchmarking criteria that will over time lead to greater consistency for excluded and executive employees across the public sector. This approach ensures that compensation decisions are based primarily on employee performance and merit rather than an entitlement to a salary increase.

While unionized employees have received modest wage increases through negotiated settlements funded under the Economic Stability Mandate, excluded and executive compensation increases are funded from within existing employer budget allocations

Board Expenses

As the institution's oversight body, the Board of Governors plays an integral role in ensuring that the institution operates within its mandate in an effective and efficient manner, and that the taxpayer funds that are invested in the institution, are managed appropriately. The ministry has developed an "*Orientation for B.C. Public Post-Secondary Institution Board Members*" to provide guidance to members in this regard.

Treasury Board Directive 2/17, section 7, provides guidance on business travel and expense reimbursements for appointed board members.

Capital and Real Estate

Direction relating to 2018/19 Routine Capital and Carbon Neutral Program will be sent under separate cover. Should you have any questions in the interim please contact Everett Vossen, Manager, Capital Asset Management at Everett.Vossen@gov.bc.ca.

Student Housing Program

Budget 2018 included a new public post-secondary financing program, providing access to up to \$450 million in government loans and grants to help B.C.'s public universities, institutes and colleges finance new student housing projects over the next 10 years. Participating institutions will be expected to contribute to project costs, with government loans being fully repaid over time through student housing rental income.

By working together and leveraging the knowledge, experience and capacity across the sector, B.C.'s public post-secondary institutions have an unprecedented opportunity to address the housing needs of B.C.'s students. Further details on how institutions can participate in the loan program will be forthcoming.

Administrative Service Delivery Transformation

Institutions play a key role in achieving administrative efficiencies, reducing costs, mitigating risks and sharing best practices across the sector through the Administrative Service Delivery Transformation (ASDT) initiative. ASDT offers tangible benefits for a wide range of joint procurement agreements for administrative and facility-based supplies and services, and shared information technology services led by BCNET. Institutions are expected to consider the use of joint procurement contracts first to fully leverage their value and derive maximum benefits, unless there are unique specification requirements or contractual commitments.

.../5

The increased alignment and integration of sector Enterprise Resource Planning (ERP) solutions with the support of the BCNET ERP Office continues to be a priority in order to improve cost management, reduce overall risk and enhance service delivery to students. The Ministry remains committed to working with public post-secondary institutions to find administrative efficiencies through collaboration and shared services, while protecting and maximizing investments in students' education.

Central Deposit Program

The Central Deposit Program (CDP) was launched in February 2013 to address concerns raised by the Auditor General regarding excess liquidity in schools, universities, colleges and hospitals. The CDP delivers competitive rates and lower deposit risk while reducing debt costs for taxpayers and positively contributing to government's ability to fund programs such as health and education into the future.

Thank you for your cooperation in working with the Ministry and other system partners to provide students with an accessible, affordable, high quality and relevant post-secondary education. If you have any questions, or would like to discuss contents of this letter, please contact Mr. James Postans, Executive Director, Post-Secondary Finance Branch, at (778) 698-9751 or James.Postans@gov.bc.ca

Sincerely,



Kevin Brewster
Assistant Deputy Minister



James Postans
Executive Director
Post-Secondary Finance Branch

Attachments

pc: Distribution List Follows

pc: Dr. Alan Shaver, President and Vice-Chancellor
Thompson Rivers University

Ms. Shannon Baskerville, Deputy Minister
Ministry of Advanced Education, Skills and Training

Mr. Jeff Vasey, Assistant Deputy Minister
Post-Secondary Policy and Programs and
Division Responsible for Learner Supports
Ministry of Advanced Education, Skills and Training

Mr. Tony Loughran, Executive Lead
Governance, Legislation and Corporate Planning Division
Ministry of Advanced Education, Skills and Training

Attachment 1
As at February 07, 2019
Thompson Rivers University
Fiscal 2018/19 Operating Grant and Student FTE Targets

	2018/19					
	FTEs			Operating Grant		
	Targeted	Base	Total	Targeted	Base	Total
AEST 2018/19 Budget	1,150	6,883	8,033	\$12,863,407	\$54,921,200	\$67,784,607
Fiscal 2017/18	1,178	6,803	7,981	\$12,860,907	\$52,926,739	\$65,787,646
Year over Year Change	(28)	80	52	\$2,500	\$1,994,461	\$1,996,961

Details of Change from Prior Year						
2018/19 one-time health		22	22			
Technology-related Programming Expansion		30	30		\$435,000	\$435,000
Skills Gap Plan	(28)	28		\$2,500	(\$2,500)	
Economic Stability Mandate					\$1,561,961	\$1,561,961
Subtotal of Change from Prior Year	(28)	80	52	\$2,500	\$1,994,461	\$1,996,961

FTEs for TRU ON-Campus and Open Learning	
TRU On-Campus	5,467
TRU Open-Learning	2,566
Total Student FTE Target	8,033

TRU Program FTE Details			2017/18 FTEs ¹					2018/19 FTE Targets	
			Target Funded FTES			Base Funded Target	Total FTE Target	New	Total FTE Target
			Baseline	Total Skills Gap Plan	Total Target Funded				
Health									
RNs, PN's and HCAs									
Bachelor of Science in Nursing	NURS	51.3801	152	92	244		244		244
Graduate Nursing Refresher	NURS	51.3801	20		20	70	90		90
Licensed Practical Nurse	NLPN	51.3901	16		16		16		16
Health Care Assistant	NRCA	51.3902	36		36	48	84		84
Health Care Assistant William Lake (one-time)	HLOT	51.3902						18	18
Allied Health									
Medical Laboratory Assistant	HLTH	51.0802	37		37		37		37
Anesthesia Technology	HLTH	51.0809				8	8		8
Anesthesia Assistant Diploma	HLOT	51.0809						4	4
Respiratory Therapy	HLTH	51.0908	70	110	180	19	199		199
Allied Health General	HLTH	51.0000				58	58		58
Total Health			331	202	533	203	736	22	758
Developmental									
Developmental	DEV	Multiple				944	944		944
Total Developmental						944	944		944
Technology-Related Program Expansion*									
Engineering Transfer	TECX	1401						30	30
Total Technology-Related Program Expansion								30	30
Skills Gap Plan Programs									
Bachelor of Computing Science	AVED	1107		50	50		50		50
Engineering Transfer	AVED	1401							
Early Childhood Education	AVED	1907		14	14		14		14
Juris Doctor- Law	AVED	2201		197	197		197		197
Bachelor of Arts in Psychology	AVED	4201		26	26		26		26
Human Service Worker	AVED	4400		20	20		20		20
Bachelor of Social Work	AVED	4407		70	70		70		70
Bachelor of Business Admin	AVED	5202		85	85		85		85
BBA Accounting/Finance, Bcom									
Accounting/Finance	AVED	5203		100	100		100		100
Accounting Technician Diploma	AVED	5203		20	20		20		20
Bachelor of Tourism Management	AVED	5209		25	25		25		25
BBA, Human Resource Management/ Bcom, HR Mgmt.	AVED	5210		10	10		10		10
Total TRU Skills Gap Plan FTE Target				617	617		617		617
TRU AVED Undergraduate Balance	AVED	Multiple				5,684	5,684		5,684
Total FTE Targets			331	819	1,150	6,831	7,981	52	8,033

*AEST will be monitoring enrolment growth over previous activity supported through base funding.

1 - FTEs in Total Skills Gap Plan column have been adjusted to reflect revisions to date.

Glossary of terms in the program FTE details table

2017/18 FTE Targets	
Baseline	Reflects targets linked to targeted funding increases from 2001/02 through 2013/14 prior to the implementation of Skills Gap Plans (formerly <i>Blueprint</i> Baseline). Linked to Targeted Funding within the Operating Grant.
Total Skills Gap Plan	Skills Gap Plans show shifts and alignments of programs to support high demand occupations. These FTE targets are for programs which were identified in institutions' Skills Gap Plans as of 2017/18. Linked to Targeted Funding within the Operating Grant.
Total Target Funded	Baseline + Total Skills Gap Plan. Linked to Targeted Funding within the Operating Grant.
Base Funded Target	These are the FTEs the institutions delivers using base (non-targeted) funding.
Total FTE Target	Total Target Funded + Base Funded Target
2018/19 FTE Targets	
New	2018/19 expansion and one-time health programs.
Total FTE Target	2017/18 Total + New

Revised Skills Gap Plan (SGP) - Thompson Rivers University

As of February 7, 2019

Part A: Skills Gap Plan (this section may be revised; total targeted funding should be equal to or greater than the amount shown in Attachment 1 of the July 4, 2018 Budget Letter)					
Program Name	National Occupational Classification (NOC)	Classification of Instructional Programs (CIP)	Target Funded FTEs	AEST Funding per Target Funded FTE	2018/19: Targeted Funding
Juris Doctor- Law	4112: Lawyers	2201: Law (LLB, JD, BCL)	197	\$ 20,000	\$ 3,940,000

2017/18 Skills Gap Plan (SGP) - Thompson Rivers University

Details of Baseline Information:

			a	c ÷ a = b	c
Program Name	National Occupational Classification (NOC)	Classification of Instructional Programs (CIP)	Target Funded FTEs (Baseline)	AVED Funding per Target Funded FTE	2016/17 Total Targeted Funding"
Juris Doctor- Law	4112: Lawyers	2201: Law (LLB, JD, BCL)	127	\$ 20,000	\$ 2,540,000

STEP 3 PROGRAM MIX ADJUSTMENTS:

			Program Mix Adjustments FTE Increases/(Decreases) (whole numbers only, no decimals please)					2017/18 Targeted Funding	
Program Name	National Occupational Classification (NOC) - 1 NOC per CIP or Program	Classification of Instructional Programs (CIP)	Shifts (new FTEs)	Alignment (existing FTEs)	Total Newly Targeted FTEs	Target Funded FTEs (Baseline)	Total Targeted FTEs 2017/18	AVED Funding per FTE (Banding)	2017/18 Targeted Funding
Juris Doctor - Law	4112: Lawyers and notaries	2201: Law (LLB, JD, BCL)		48	48	127	175	\$ 20,000	\$ 960,000

2016/17 Skills Gap Plan (SGP) - Thompson Rivers University

Details of Baseline Information:

Program Name	National Occupational Classification (NOC)	Classification of Instructional Programs (CIP)	a	c ÷ a = b	c
			Target Funded FTEs (Baseline)	AVED Funding per Target Funded FTE	2016/17: Total Targeted Funding
Juris Doctor- Law	4112: Lawyers	2201: Law (LLB, JD, BCL)	77	\$ 20,000	\$ 1,540,000

STEP 3 PROGRAM MIX ADJUSTMENTS:

Program Name	National Occupational Classification (NOC) - 1 NOC per CIP or Program	Classification of Instructional Programs (CIP)	Program Mix Adjustments FTE Increases/(Decreases) (whole numbers only, no decimals please)					2015/16 Targeted Funding	
			Shifts (new FTEs)	Alignment (existing FTEs)	Total Newly Targeted FTEs	Target Funded FTEs (Baseline)	Total Targeted FTEs 2016/17	AVED Funding per FTE (Banding)	2016/17 Targeted Funding
<i>As referenced in institution's calendar</i>	<i>Alignment with Priority Occupations List</i>	<i>As referenced in FTE reports</i>			<i>Planned incremental delivery for 2016/17</i>	<i>Zero or PSI's target funded FTEs, detailed in the Baseline data above.</i>	<i>Baseline FTEs plus planned new delivery</i>	<i>Figures chosen from Banding table (see Funding per FTE tab)</i>	<i>Newly Targeted FTEs x AVED Funding per FTE</i>
Jobs in Demand Top 100									
Juris Doctor - Law	4112: Lawyers and notaries	2201: Law (LLB, JD, BCL)		50	50	77	127	\$ 20,000	\$ 1,000,000

2015/16 Skills Gap Plan (SGP) - Thompson Rivers University

Details of Baseline Information:

Program Name	National Occupational Classification (NOC)	Classification of Instructional Programs (CIP)	a	c ÷ a = b	c
			Target Funded FTEs (Baseline)	AVED Funding per Target Funded FTE	2014/15: Total Targeted Funding
Juris Doctor- Law	4112 Lawyers	2201: Law (LLB, JD, BCL)	20	\$ 20,000	\$ 400,000

STEP 3 PROGRAM MIX ADJUSTMENTS:

Program Name	National Occupational Classification (NOC) - 1 NOC per CIP or Program	Classification of Instructional Programs (CIP)	Program Mix Adjustments FTE Increases/(Decreases) (whole numbers only, no decimals please)					2015/16 Targeted Funding	
			Shifts (new FTEs)	Alignment (existing FTEs)	Total Newly Targeted FTEs	Target Funded FTEs (Baseline)	Total Targeted FTEs 2015/16	AVED Funding per FTE (Banding)	2015/16 Targeted Funding
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Jobs in Demand Top 60									
Juris Doctor- Law	4112 Lawyers	2201: Law (LLB, JD, BCL)		57	57	20	77	\$ 20,000	\$ 1,140,000

2014/15 Skills Gap Plan (SGP)

STEP 3 PROGRAM MIX ADJUSTMENTS:

			a	b	a + b = c	d	c + d = e	f	c x f = g
			Program Mix Adjustments FTE Increases/(Decreases)					2014/15 Targeted Funding	
Program Name	National Occupational Classification (NOC)	Classification of Instructional Programs (CIP)	Shifts (new FTEs)	Alignment (existing FTEs)	Total Newly Targeted FTEs	Target Funded FTEs (Baseline)	Total Targeted FTEs 2014/15	AVED Funding per FTE (Banding)	2014/15 Targeted Funding
<i>As referenced in institution's calendar</i>	<i>Alignment with Priority Occupations List</i>	<i>As referenced in FTE reports</i>			<i>Planned delivery for 2014/15</i>	<i>Zero or PSI's target funded FTEs, described in Section 1</i>	<i>Baseline FTEs plus planned new delivery</i>	<i>Figures chosen from Banding table (see Funding per FTE tab)</i>	<i>Newly Targeted FTEs x AVED Funding per FTE</i>
Jobs in Demand Top 60									
<i>Juris Doctor- Law</i>	<i>4112 Lawyers</i>	<i>2201: Law (LLB, JD, BCL)</i>		20	20		20	\$ 20,000	\$ 400,000

Skill Gap Plan – Narrative Overview

Thompson Rivers University

The following provides an overview of Thompson Rivers University and how it aligns with high-demand occupations as identified by the province.

Our Mission Statement:

“TRU is a comprehensive, learner-centred, environmentally responsible institution that serves its regional, national, and international learners and their communities through high quality and flexible education, training, research and scholarship.”

Our Mandate (from the Thompson Rivers University Act):

“The purposes of the university are: a) to offer baccalaureate and masters degree programs, b) to offer post-secondary and adult basic education and training, c) to undertake and maintain research and scholarly activities for the purposes of the a) and b), and d) to provide an open learning educational credit bank for students. The university must promote teaching excellence and the use of open learning methods. In carrying out its purposes, the university must serve a) the educational and training needs in the region specified by the Lieutenant Governor in Council and b) the open learning needs of British Columbia.”

Our Strategic Priorities for 2014-2019

1. **INCREASING STUDENT SUCCESS**
2. **INCREASING INTERCULTURAL UNDERSTANDING**
3. **INCREASING RESEARCH CAPACITY**
4. **INCREASING ENTREPRENEURIAL CAPACITY**
5. **INCREASING SUSTAINABILITY**

Our University Profile:

TRU offers more than 140 programs on campus and almost 600 courses and 57 programs online through campuses in Kamloops and Williams Lake and five regional centres throughout Interior BC.

- **Access + Excellence = Career Success:** We welcome students with varied backgrounds, abilities and entry credential levels and from Aboriginal, regional, national and international communities. We guide them towards excellent career outcomes to the benefit of BC.
- **Trades + Academics = Added Value:** TRU has the experience, the agility and the proven approaches to arm students with vital trades skills plus ‘soft’ skills in management or communication that will set them up for success in a thriving provincial economy.

- **Research + Community = Innovation:** We are eager to build on our strong track record in research-driven innovations that directly benefit the region while advancing student learning at the undergraduate and graduate levels.

2014/15 Skills Gap Plan

TRU 's program offerings are highly aligned with the skills needs of the province as framed in the Top 60 Occupations list. The 2014/15 Skills Gap Plan for Thompson Rivers University targets 130 FTEs, representing an increase of \$1,410,025 in targeted funding. The FTEs being targeted are in areas of high demand: Social and Community Service Workers, Lawyers, Registered Nursing, Nursing administration, Nursing Research and Clinical Nursing; and Financial Auditors and Accountants.

Although outside of the scope of the Skills Gap Plan, it must be noted that TRU is also contributing funds from our AVED grant to the needs of BC's skills gap in support of our Trades and Technology offerings; in the 2013/14 FY we had 1438 Trades FTEs.

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2014/15 Skills Gap Plan

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2015/16 Skills Gap Plan

Building on our 2014/15 Skills Gap Plan, TRU is targeting a further \$3,155,050 in funding. The 286 newly targeted FTEs are in the following areas: respiratory therapy, accounting, law, computer science, engineering, human resource management, hospitality and early childhood education.

TRU is increasing the number of spots in its Engineering Transfer program, 30 FTES in that area are being targeted as part of our 15/16 Skills Gap Plan and identified as shift FTEs, this has been facilitated in part by not offering an intake to the Digital art and Design Diploma program in Fall 2014.

2016/17 Skill Gap Plan – Narrative Overview

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TRU's program offerings are highly aligned with the skills needs of the province as framed in the Top 100 Occupations list. Although outside of the scope of the Skills Gap Plan, it must be noted that TRU is also contributing funds from our AVED grant to the needs of BC's skills gap in support of our Trades and Technology offerings.

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2016/17 Skills Gap Plan

In the 2016/17 Skills Gap Plan, TRU is targeting a further \$3,150,080 in funding. The 293 newly targeted FTEs are in the following areas: respiratory therapy, nursing, accounting, business administration, psychology, law, social work and human service.

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2016/17 Skills Gap Plan

In the 2016/17 Skills Gap Plan, TRU is targeting a further \$3,154,975 in funding. The 325 newly targeted FTEs are in the following areas: respiratory therapy, nursing, accounting, finance, business administration, psychology, law, social work and human service.

2017/18 Skills Gap Plan

In the 2017/18 Skills Gap Plan, TRU is targeting a further \$1,753,435 in funding. The 138 newly targeted FTEs are alignment FTEs in the following areas: respiratory therapy, business administration, law, and social work.