

Saskatchewan Apprenticeship and Trade Certification
Commission
2014-15
Business Plan



Board Adopted – August 26, 2014

Vision and Mandate

A vision represents the purpose for which the organization exists, and a mandate defines the specific functions an organization undertakes to achieve that vision.

The Commission Vision

A skilled and representative trades workforce,
industry trained and certified.

The Commission Mandate

To develop and execute
a relevant, accessible and responsive
apprenticeship training and certification system
to meet the needs of
employers, apprentices, journeypersons and tradespersons.

SATCC Overview

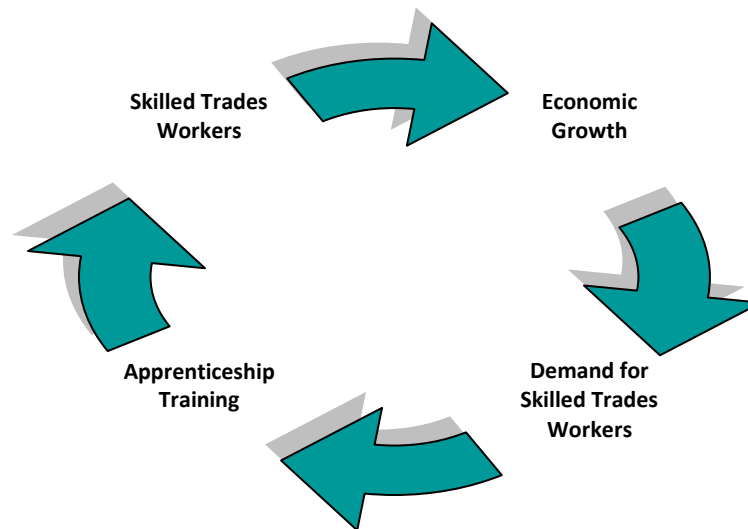
The Apprenticeship and Trade Certification Act, 1999 provides the Saskatchewan Apprenticeship and Trade Certification Commission (SATCC or the Commission) with the mandate to manage the apprenticeship and trade certification system in Saskatchewan. The Act gives the SATCC the authority to make regulations to ensure the efficient and effective operation of the apprenticeship system to meet the needs of industry in a timely manner. It also sets out the SATCC's accountability to government and industry.

The Minister of the Economy is responsible for the SATCC, which features an industry-led governance structure with revenue-generating authority to ensure that programs, services and training are timely and effective. Saskatchewan industry selects twelve of the twenty SATCC Board members – six employer representatives and six employee representatives. The Board also includes representation from the Government of Saskatchewan, training providers, and under-represented and equity groups. The Board Chair and Vice-Chair are elected annually by the SATCC Board members.

Operational Context

Apprenticeship training is demand-driven. Apprentices must already be employed in their trade to be eligible for training. The demand for skilled tradespeople is strong in Saskatchewan. In order to grow the economy, this demand must be met. In addition to supplying the skilled labour necessary for infrastructure development and maintenance, certified journeypersons also become entrepreneurs and leaders in industry.

Apprenticeship is a key part of Saskatchewan labour market development and provides a solution to some economic growth barriers. Apprentices and journeypersons are integral to many sectors of Saskatchewan's economy – residential, commercial and institutional construction and maintenance, tourism, agricultural, automotive, mining, oil and gas.



The majority of Saskatchewan's apprentices are in the construction sector. The demand in this sector is forecast to remain high over a number of years into the future. BuildForce Canada's *Construction and Maintenance Looking Forward: 2014-2023 Key Highlights* forecasts that Saskatchewan construction employment, which reached a historical peak in 2013, will begin to level off. However, over the forecast period construction employment will stay at this high level of activity.

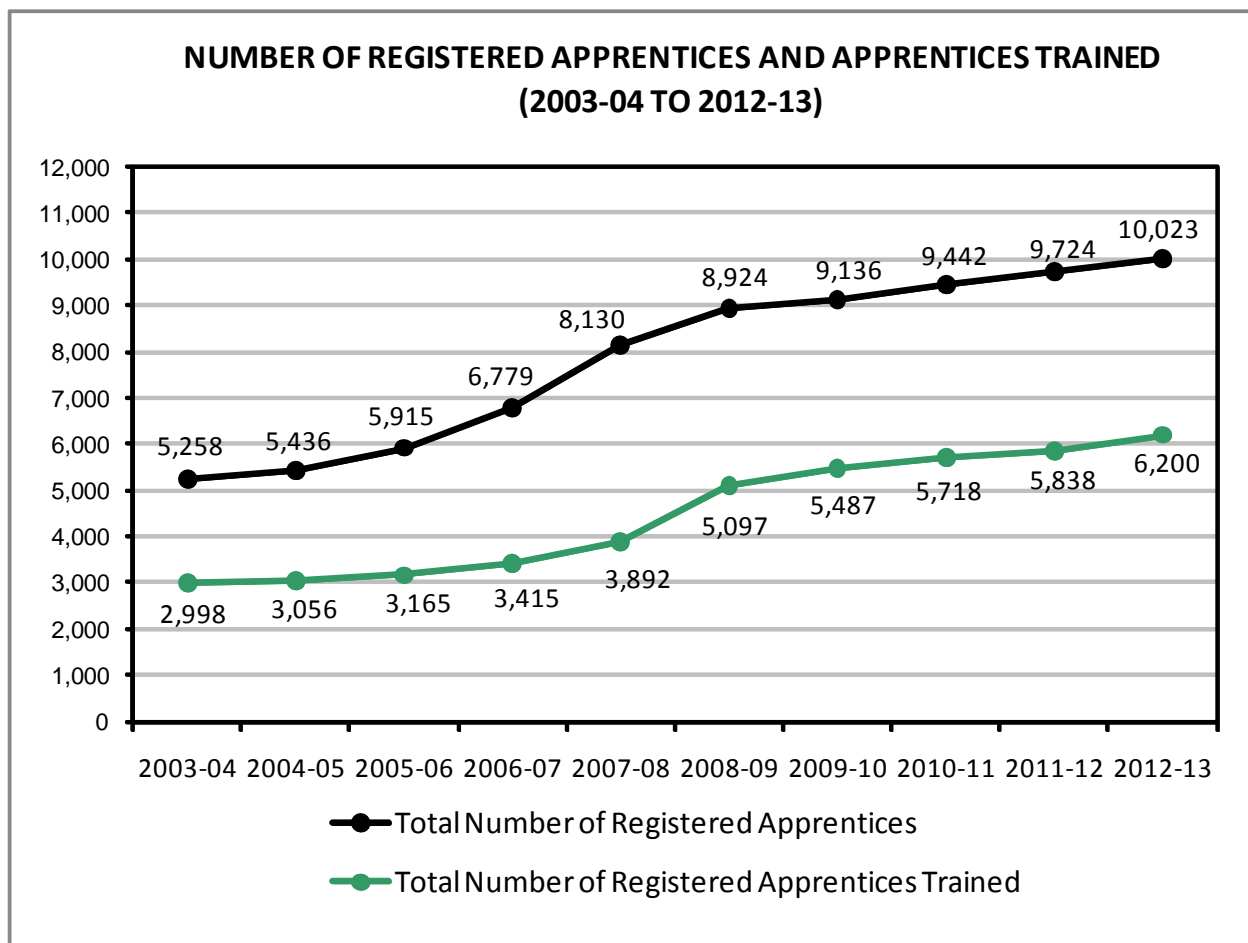
“While the recruiting challenges of the past decade will level off, the construction industry will face an equally demanding human resources planning effort in the future. Saskatchewan has a sufficient youth population to fill local needs. Saskatchewan, however, will be competing with other industries, provinces and projects to attract qualified, skilled and experienced construction workers.”

The SATCC must continue to provide the technical training, usually over four years, necessary for apprentices to achieve journeyperson status. As the provincial need for a trained skilled trades labour force continues, the demand for new apprentices will also continue in 2014-15.

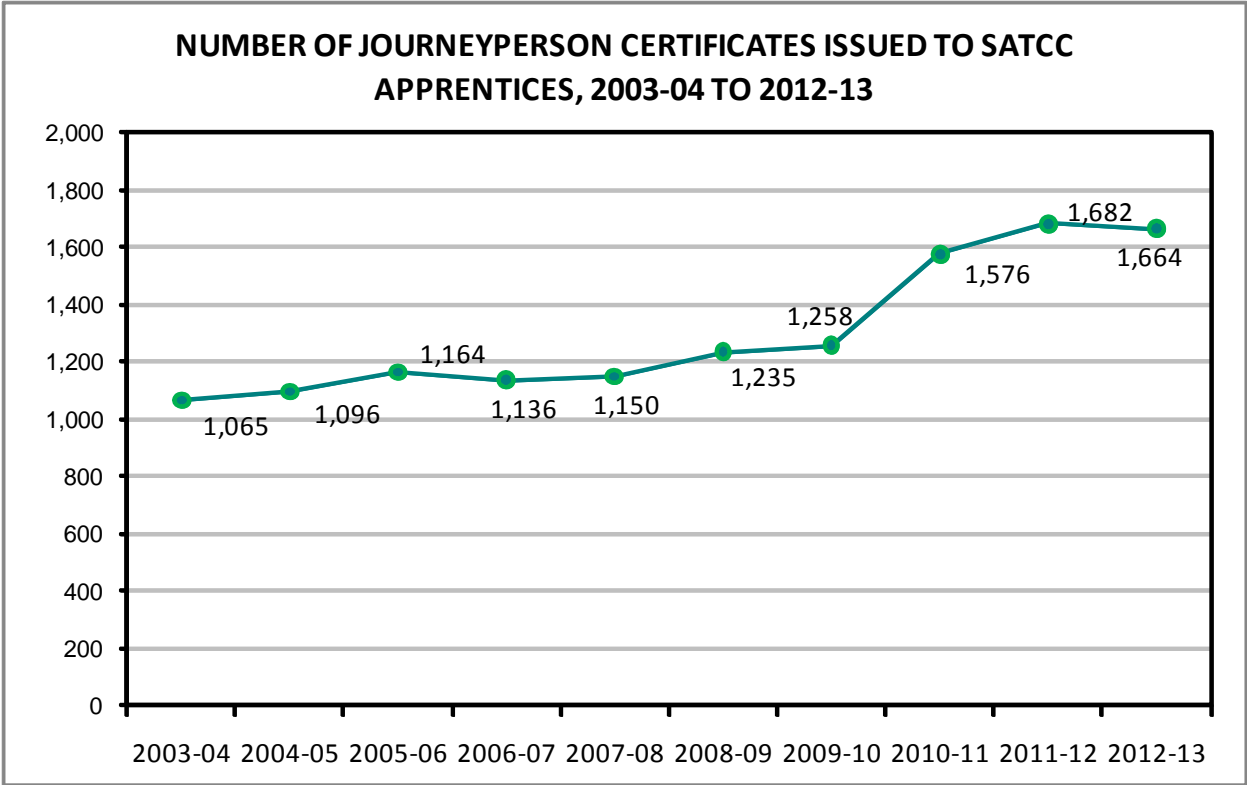
Growth and Implications

Over the last number of years a large quantity of apprentice training seats and courses were required to meet the continued demand from increased apprentice registration. This has resulted in an increase in the number of apprentices and tradespeople achieving journeyman certification.

The number of registered apprentices on June 30, 2004 was 5,258. By June 30, 2013 this number had increased by 91% to 10,023. The continued growth created greater demands for apprenticeship technical training. The number of registered apprentices taking technical training rose from 2,998 in 2003-04 to 6,200 in 2012-13, an increase of 107%.

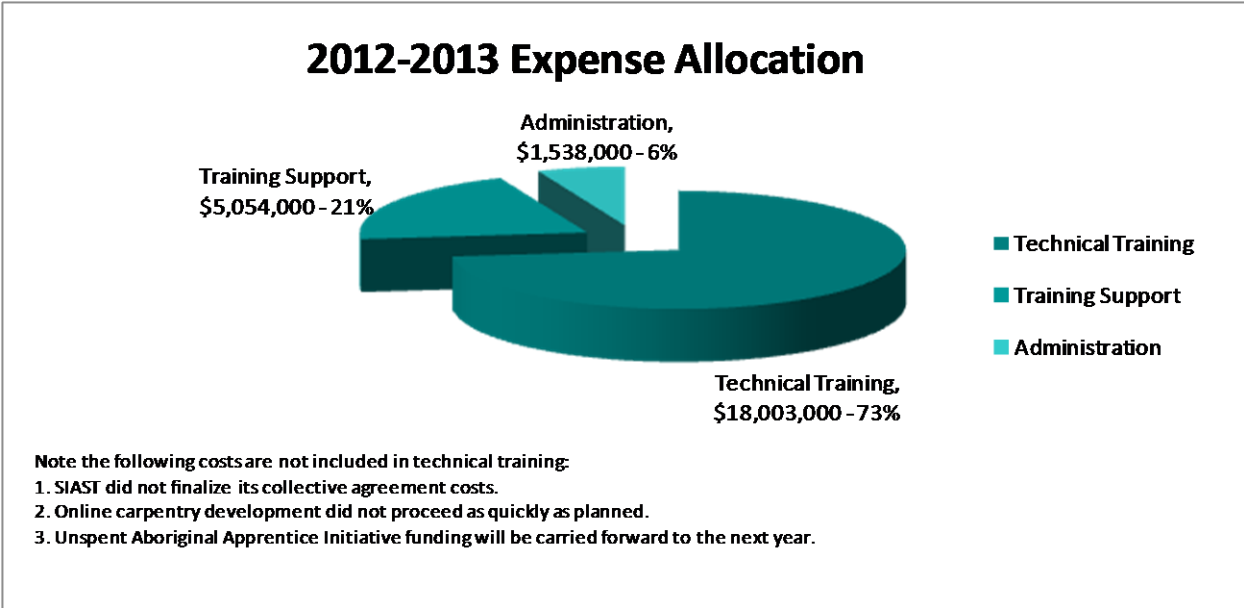


Between 2003-04 and 2012-13, the number of journeyman certifications achieved rose 56% from 1,065 to 1,664. Apprentices progress through the training system by completing the required number of workplace hours followed by technical training. Because of this progression, the increases in training seats tend to follow increases in apprenticeship numbers by one to two years. Similarly, at times when the economy is in decline, training seat demands continue to rise for one to two years following.



The majority of the costs to the SATCC are tied to training needs, with little discretionary funding. Of the 2012-13 SATCC budget:

- 73% went to training institutions for technical training costs;
- 21% was spent on training supports; and
- 6% was spent on administration costs.



Technical training costs are set externally by the training providers. The SATCC has little or no control over the rising cost of training. When the training providers raise their costs and grant

funding is not sufficient to cover those rising costs, SATCC has very limited flexibility to absorb the shortfall without impacting the purchase of training seats. Any shortfall in grant funding means that in order to cover increasing technical training costs and to continue to meet the increased demand for technical training, the SATCC has few alternatives. The SATCC can reduce expenditures in the administrative area, the smallest piece of the pie; use the unrestricted surplus fund, which is only sustainable for a short period of time; or increase client fees to generate revenue.

The SATCC has focused on Lean initiatives and process efficiency, and SATCC expenses have been managed very carefully. This has allowed the Commission to continue to provide quality service and limit expense growth. The Commission is looking at technologically supportive approaches to further sustain and grow apprenticeship training in an efficient manner. In addition to revenue and cost control strategies, the Commission has reviewed the risk of not making sufficient training available.

To meet the demands of the provincial labour market and to develop a skilled workforce to support the growth of Saskatchewan's economy, the SATCC must find ways to accommodate the number of apprentices in training. The SATCC focuses funding and staff resources on three major priorities.

1. Meet increased training demands for registered apprentices and upgrading clients.
2. Examine internal processes and training opportunities to increase efficiencies and improve client services.
3. Maintain current levels support to stakeholders to increase apprenticeship participation for:
 - youth;
 - women in predominantly male trades;
 - Aboriginal persons; and
 - internationally trained workers.

Risk Analysis

The SATCC identified the following as potential risks to achievement of the business plan outcomes.

- Implications and/or risks of not providing sufficient technical training include:
 - Stakeholders will not have technical training needs met.
 - Negative feedback to the provincial government.
 - Apprentices who do not receive technical training do not receive wage increases and their journey person certification is delayed.
 - Actual number of journey person certifications is reduced.
 - Increased demand for future training.
 - Potential for apprentices to seek opportunities in other provinces.
 - Employers encounter difficulty hiring skilled tradespeople, resulting in a negative impact to business and construction activity.
 - Capacity to deliver services and innovate is diminished.
 - Negative impact on the provincial labour market and economy.
- Apprenticeship technical training is contracted through post-secondary institutions (Saskatchewan Institute of Applied Science and Technology [SIAST] and others). Training providers must have the capacity (facilities and qualified instructors) to deliver technical training to increased numbers of apprentices.
- The SATCC has a very limited ability to negotiate cost reductions in training. If training providers' costs increase more rapidly than the pace of grant funding, the result will be a reduction in the number of training seats the SATCC can purchase, or a decline in the level of service delivery.
- If technical training does not meet industry demand, the result will be an increase in pent up future demand, potentially exacerbating any training seat shortfall.
- Employers who register apprentices demonstrate a commitment to train and certify to national industry standards. The challenge is to engage employers, no matter the size of their operation or location, to participate in the apprenticeship program. A shortfall in training seats may lead some employers to question the opportunities in apprenticeship.
- SIAST, the largest training provider for apprenticeship training, is currently in the midst of negotiations with its teaching staff. The financial impact resulting from the settlement of this collective bargaining agreement could exacerbate any funding shortfall.

Strategies, Goals, Operational Initiatives and Performance Measures

The role of the SATCC is to:

- support the apprenticeship model;
- consult industry on standards setting and program design;
- contract with training institutions to provide technical training to apprentices; and
- support industry in workplace training.

The SATCC developed the 2012-2017 Strategic Plan to identify key directions and priorities for the organization. Strategies were developed by the Board of Directors to identify those areas of highest priority, viewed from the perspective of a five-year planning horizon.

Strategies define the major areas of focus and development the organization is pursuing to achieve its Vision and Mandate. Within each Strategy, goals are identified. These goals are measured and reported to monitor progress towards achieving the Strategy.

To achieve the Strategies and their goals, key operational initiatives were developed by SATCC Management to identify the business activities and required budget to:

- identify the direction of the SATCC over the next five years; and
- establish priorities to direct the financial and other resource components of the SATCC annual business plan, which provides for both ongoing activities and new strategic initiatives.

For 2014-15 the provincial budget set a target for 6,700 technical training seats to be purchased, an increase of 300 over the 6,400 seats in last year's SATCC Business Plan. In order to achieve the target for training seats, the following strategies and key initiatives included in the Strategic Plan will be curtailed in 2014-15 due to budget considerations.

- An expanded awareness campaign to increase greater understanding of and participation in the apprenticeship system will not proceed – the current communications and marketing strategy will continue to promote apprenticeship.
- Development of further online training innovations will be limited.
- Support for women and immigrants to enter the skilled trades will remain at current levels.
- Marketing to consumers to promote the importance of apprenticeship and trade certification so consumers and employers place more value on apprenticeship and certification will not occur or will be very limited.
- Consultations with stakeholders, linking employers and educators and fostering ongoing relationships to encourage participation in the apprenticeship system will be curtailed. The three to six industry consultations planned for the year will be scaled back to two consultations, which is what the current budget will allow for the year.
- Development of an online apprentice education management system (OAEMS) to provide effective services to apprentices and employers electronically cannot proceed.

The SATCC will undertake preliminary scoping activities to determine both the system needs and the viability of moving forward with this initiative.

The following strategies, key initiatives and outcomes will form the focus of the SATCC's activities in 2014-15. The overall progress made towards meeting them will be reported on in the 2014-15 Annual Report and regular reporting at Board of Directors meetings.

Strategy #1: Training – Increase the number of individuals successfully moving through the system.

Goal More apprentices will progress through the system in an appropriate timeframe.		
Key Initiative and Outcome	Performance Measures (PM)	Targets (T)
Optimize the number of training seats purchased for and used by apprentices Outcome: More apprentices trained	Increased number of technical training seats available to meet the demand by apprentices Optimize the number of technical training seats filled by apprentices	Annual Target – 6,700 training seats purchased, increased from 6,400 training seats (4.7% increase) purchased in 2013-14 Annual Target – Fill rate > or = 5 year rolling average of 95%
Key Initiative and Outcome	Performance Measure (PM)	Target (T)
Minimize impact of barriers to apprentice success Outcome: More apprentices trained	Evaluate Accuplacer MyFoundationsLab	Annual Target – Develop a baseline of Accuplacer MyFoundationsLab participants’ satisfaction, through a survey, to support evaluation of the program (December 2014)
Goal New training delivery methods will be established.		
Key Initiative and Outcome	Performance Measure (PM)	Target (T)
Undertake innovation in technical training delivery, including alternative methods Outcome: Innovative and alternate methods are implemented	Implement two innovative or alternate modes of technical training	Target – One class of Level Two (November 2014) and one class of Level Three Carpenter (January 2015) combined online/in-class technical training implemented
Key Initiative and Outcome	Performance Measure (PM)	Target (T)
Develop and evaluate a strategy for upgrading Outcome: A workable and cost-effective strategy for delivering services to upgraders	Identify and evaluate potential strategies to deliver upgrading	Target – Conduct an evaluation of identified strategies; develop an implementation plan for the identified appropriate alternatives (January 2015)
Goal Better utilization of training facilities.		
Key Initiative and Outcome	Performance Measure (PM)	Target (T)
Work with training institutions to expand capacity Outcome: Training institutions have increased capacity to deliver required training	Training institutions increase capacity to deliver training	Target – Four additional technical training classes offered at SIAST during the summer of 2014

Strategy #2: Advocacy – Increase the effectiveness of our relationship with government, industry, public, trainers (both in institutions and workplaces), and under-represented groups (especially women, First Nations and Métis, and newcomers).

Goal Achieve and maintain effective relationships with government		
Key Initiative and Outcome	Performance Measure (PM)	Targets (T)
<p>Continue to provide accurate and timely financial and operational reporting to province</p> <p>Outcome: Government grant and tuition revenue sufficient to provide technical training for apprentices and fund operations</p>	<p>Required financial reporting and forecasting meet legislated and Ministry requirements</p>	<p>Targets– Continued participation with Ministry of Economy on the Saskatchewan Labour Market Task Force</p> <p>Operational Forecast and presentation provided to Ministry of the Economy with required information for budget planning (September 2014)</p> <p>Annual Business Plan and Budget provided to the Minister Responsible as per legislated requirement (May 2015)</p> <p>Annual report tabled in the Legislature on time as per legislated requirement (October 2014)</p>
Goal Achieve higher completion rates.		
Key Initiative and Outcome	Performance Measure (PM)	Target (T)
<p>Increase Government understanding of the importance of apprenticeship to the Saskatchewan Labour Market</p> <p>Outcome: More journeypersons available to the Saskatchewan labour market</p>	<p>Compare Saskatchewan success rates on Red Seal exams with national success rates</p> <p>The completion rate for compulsory and non-compulsory trades is > or = to the 5 year rolling average</p>	<p>Annual Targets – Saskatchewan success rate on Red Seal exams > or = to the 2013 Canadian average.</p> <p>2012 results were: SK Apprentices 75% National Average 68</p> <p>Sk Trade Qualifiers 59% National Average 49%</p> <p>Completion rate for compulsory trades > or = 5 year rolling average of 66.9% Completion rate for non-compulsory trades > or = 5 year rolling average of 56.8%</p>

Strategy #2: Advocacy – Increase the effectiveness of our relationship with government, industry, public, trainers (both in institutions and workplaces), and under-represented groups (especially women, First Nations and Métis, and newcomers).

Goal		
Achieve higher registration and completion rates among under-represented groups.		
Key Initiative and Outcome	Performance Measure (PM)	Target (T)
Expand the Aboriginal Apprenticeship Initiative and explore supports for the SYA program in First Nations high schools Outcome: Increase in number of registered aboriginal apprentices	# of registered aboriginal apprentices maintained at the 5 year rolling average	Annual Target – Maintain the 5 year rolling average of at least 1,266 aboriginal apprentices registered on June 30, 2015

Strategy #3: Funding – Secure sustainable funding from government, stakeholders and apprentices, adequate to support the labour market’s training needs

Goal		
Achieve a balanced SATCC budget that meets labour market demands and delivers SATCC strategies.		
Key Initiative and Outcome	Performance Measures (PM)	Targets (T)
<p>Ensure information regarding requirements and funding are provided in business plans, budgets and forecasts</p> <p>Outcome: Government grant and tuition revenue sufficient to provide apprentice technical training and fund administration expenses</p>	<p>The SATCC revenue is sufficient to fund technical training for 65% of apprentices and meets administrative requirements</p> <p>Maintain a minimum unrestricted accumulated surplus in accordance with the SATCC Board policy.</p>	<p>Annual Targets – Grant funding secured to purchase training seats for 65% of the apprentices registered as of July 1, 2014</p> <p>Minimum unrestricted surplus maintained according to Board policy – forecast at approximately \$537,000</p>
Key Initiative and Outcome	Performance Measure (PM)	Target (T)
<p>Regular review of SATCC strategies to ensure consistency with expected outcomes</p> <p>Outcome: Ensure SATCC is meeting strategic and operational plans</p>	<p>SATCC Board and Senior Management regularly review and, on an annual basis, update strategic plan as necessary</p>	<p>Target – Strategic plan reviewed by the Board and adjusted as necessary; a revised Strategic Plan is approved (June 2015)</p> <p>Current key initiatives and operational indicators reviewed by the Board at each meeting</p>

Strategy #4: Industry Needs – Identify short-term and long-term industry needs for training, apprenticeship numbers and skills.

Goal		
Develop and manage an inventory of industry needs through industry engagement.		
Key Initiative and Outcome	Performance Measure (PM)	Target (T)
Consult regularly with industry sectors Outcome: Feedback and requirements of industry are understood and incorporated into planning and strategies	2 industry consultations occur during the year	Annual Target – 2 industry sectors are formally consulted and a written report is provided to the Senior Management Team
Key Initiative and Outcome	Performance Measure (PM)	Target (T)
Consult with industry trade boards on a regular basis Outcome: Trade Board meetings provide a forum for trade-specific direction and general feedback to the SATCC	Each industry trade board meets at least once annually	Annual Target – Report to the Board and in the Annual Report whether or not each industry trade board met at least once

Strategy #5: SATCC Efficiency – Enhance SATCC’s operational efficiency to meet stakeholder needs.

Goal Implement the current continuous business improvement initiative, including ongoing application.		
Key Initiative and Outcome	Performance Measures (PM)	Targets (T)
<p>Determine current level of customer satisfaction with SATCC staff and services</p> <p>Outcome: Apprentices and employers are satisfied with SATCC staff and the delivery of services</p>	<p>In the SATCC Apprentice and Employer satisfaction survey:</p> <ul style="list-style-type: none"> Apprentices and employers strongly agree or agree they are satisfied with SATCC services Apprentices and employers are highly satisfied or satisfied with a variety of SATCC services 	<p>Annual Target SATCC services – > or = 84% of apprentices > or = 82% of employers</p> <p>SATCC staff – > or = 90% of apprentices > or = 92% of employers</p>
Key Initiative and Outcome	Performance Measure (PM)	Target (T)
<p>Undertake additional Lean initiatives</p> <p>Outcome: Business process improvements achieved</p>	<p>Specific number of business processes improved</p>	<p>Annual Target 2 additional Lean initiatives completed (December 2014 and June 2015)and implemented</p>
Key Initiative and Outcome	Performance Measures (PM)	Targets (T)
<p>Enhance internal SATCC communications</p> <p>Outcome: Maintain staff morale, cohesiveness, better work environment, higher quality work</p>	<p>Annual Employee Engagement Survey, employees strongly agree or agree with the following statements:</p> <ul style="list-style-type: none"> I understand the vision, mission, mandate and direction of the SATCC, as well as the current opportunities and challenges I feel I have the right information at the right time, and am rarely taken by surprise by new developments at the SATCC I find my work fulfilling and I look forward to coming to work each day. 	<p>Annual Targets > or = 80% strongly agree or agree - I understand the vision, mission, mandate and direction of the SATCC, as well as the current opportunities and challenges. > or = 42% strongly agree or agree - I feel I have the right information at the right time, and am rarely taken by surprise by new developments at the SATCC. > or = 79% strongly agree or agree - I find my work fulfilling and I look forward to coming to work each day.</p>

2014-15 Budget

The budgeted revenues and expenses for the fiscal year 2014-2015 project a deficit of \$389,800. It is expected that the SATCC will be able to maintain its unrestricted surplus above the required Board policy minimum with careful management of expenses. However this will not be sustainable in future years.

Revenues

The 2014-2015 provincial budget provides the SATCC with a total grant of \$22,226,000. Other budgeted revenues include:

- Revenue generation from client fees (tuition fees based on available technical training seats) is budgeted at \$4,956,800, including a \$10 increase effective January 1, 2015. This is an increase of \$545,500 over the 2013-2014 budget attributable mainly to the increase in number of seats, \$266,800 for the increase in tuition, and the continuation of special permits for internationally trained workers. If the proposed increase of \$10 was implemented for the full fiscal year, the additional revenue generated would be \$460,000, before deducting \$5,500 for the additional bank fees incurred.
- Apprenticeship Training Allowance administrative fees - \$180,000. There is no change from the prior year budget.
- Other revenue - \$175,000. This includes \$100,000 for revenue from Psycho-educational assessments, which is offset by an expense of \$100,000 included in Other Contractual Services. Interest is budgeted at \$35,000, an increase of \$5,000 due to a higher rate of interest being earned.

Total revenue is projected to be \$27,657,800.

Operating Expenses

Salaries are budgeted at \$4,591,600, which represents approximately 16.5% of operating expenses.

This budget includes the Collective Bargaining Agreement salary increases for 2014. The 2014-2015 budget uses a vacancy factor of approximately 6%, while the 2013-2014 budget had a 4% vacancy factor. This means the Commission must manage vacancies in order to provide salary savings of approximately \$279,700 during the fiscal year in order to meet the salary budget.

There are no position changes included in the 2014-2015 business plan salary budget. Therefore, the SATCC's total staff compliment remains at 72.4 full time equivalent (FTE) positions.

Program Contractual Services for apprenticeship technical training in 2014-2015 is budgeted to be \$20,757,400. This represents the single largest component of the SATCC's operating expenses, which is approximately 74.4% of expenses. Technical training costs for 2014-2015 are based on the following assumptions:

- Increasing the number of training seats to 6,700 from 6,400 in the 2013-2014 budget.
- Assumed training provider collective bargaining increases in 2013-2014 that are currently not known.
- Increased training delivery costs based on notification from training providers.

The overall 2014-2015 technical training costs are forecast to be \$1,369,600 (7.1 %) higher than the previous year's budget.

Other Contractual Services are budgeted at \$932,100. This is an increase of \$43,100 (4.8%) higher than the 2013-2014 budget due mainly to an increase in IT Mgmt. Operation and Support and Accuplacer costs. This budget includes IT Mgmt. Operation and Support costs of \$496,600, Accuplacer program costs of \$35,000, and \$100,000 for expenses from Psycho-educational assessments, which is offset by an equal amount in other revenue.

Board Expenses are budgeted at \$164,400, an increase of \$7,900 (5.0%) from the 2013-2014 budget primarily for board member training and some inflationary costs. This category includes the Commission Board and all the Trade Board costs for all 49 designated trades.

Travel is budgeted at \$251,900 with no change from prior year's budget.

Telephone expenses are budgeted at \$73,000. This is an increase of \$5,400 (8.0%) from the 2013-2014 budget to more accurately reflect communication needs, including cellular phones for the rural/remote field staff.

Advertising, Promotion, and Printing is budgeted at \$346,400. This is an increase of \$20,600 (6.3%) from the 2013-2014 budget, due to increased costs particularly around inflation and the Award Banquet costs. This category includes SYA scholarship awards.

Space Rental is budgeted at \$452,000. This is \$31,200 (7.4%) higher than 2013-2014 budget, due to an increases in rental costs for the Regina, Saskatoon, and Prince Albert locations, as well as increases to other facility rental costs and utility costs.

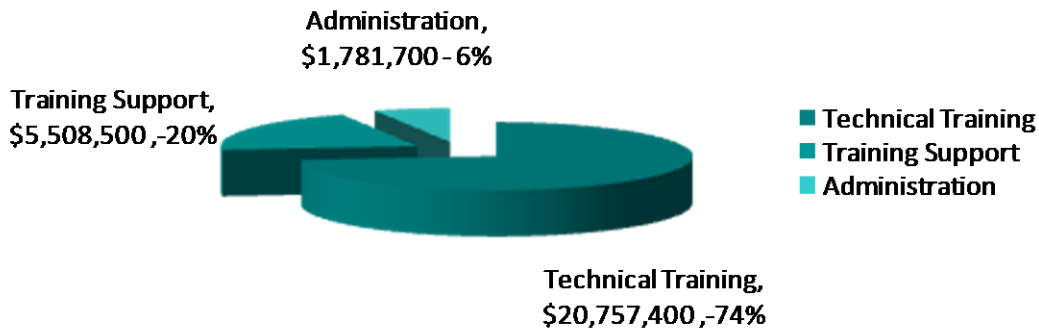
Equipment Rental is budgeted at \$35,500. This is an increase of \$3,000 (9.2%) over the 2013-2014 budget, due to inflation and the replacement of some older equipment.

Office Supplies is budgeted at \$85,000. This is an increase of \$8,500 (11.1%) over the 2013-2014 budget, due to increased costs.

Postage, Courier and Freight is budgeted at \$140,000. The previous year budget was \$112,800. This is an increase of 26.6% to reflect volume increases and cost increases by Canada Post and other courier services.

Other is budgeted at \$68,700, which is an increase of \$17,600 (34.4%) from the previous year budget of \$51,100. This is due to increased bank fees as a result of the increased tuition revenue, as well as the purchase of office furniture. In prior years, surplus furniture was available from other sources.

2014-2015 Expense Allocation (\$10/week Tuition Increase)



The SATCC budgeted expenditures for 2014-2015 include:

	<u>2014-2015 Proposed Budget</u>	<u>2013-2014 Budget</u>	<u>Variance</u>	<u>% Increase</u>
Salaries and Personnel	\$ 4,591,600	\$ 4,493,900	\$ 97,700	2.2%
Program Contractual Services	20,757,400	19,387,800	1,369,600	7.1%
Other Contractual Services	932,100	889,000	43,100	4.8%
Board Expenses	164,400	156,500	7,900	5.0%
Travel	251,900	251,900	-	-
Telephone	73,000	67,600	5,400	8.0%
Advertising, Promotion, and Printing	346,400	325,800	20,600	6.3%
Space Rental	452,000	420,800	31,200	7.4%
Equipment Rental	35,500	32,500	3,000	9.2%
Office Supplies	85,000	76,500	8,500	11.1%
Postage, Courier, and Freight	140,000	110,600	29,400	26.6%
Other	68,700	51,100	17,600	34.4%

First Nations and Métis Apprentices

Government has committed to eliminate persistent gaps in education and employment outcomes between non-Aboriginal people and First Nations and Métis people. In 2014-2015, government designated \$400,000 to deliver projects through the Aboriginal Apprenticeship

Initiatives and a further \$600,000 of existing apprenticeship funding to improving outcomes for First Nations and Métis apprentices.

At June 30, 2013, there were 1,383 self-declared, registered Aboriginal apprentices. SATCC provides technical training, training coordinator and field staff supports to individual Aboriginal apprentices for which the costs exceed the identified \$600,000.

Summary

The 2014-15 budget shows a projected deficit of \$389,800. This is based on revenues of \$27,657,800 and expenses of \$27,898,000.

The SATCC is required to maintain a minimum unrestricted surplus set out in the Commission Board of Directors policy F-2, Financial Assets - Surplus Policy. The policy states The Apprenticeship Commission shall maintain a minimum unrestricted accumulated surplus equivalent to one month of the previous year's operating expenses (excluding training costs). This is equal to approximately \$537,000. The 2014-2015 Budget results in an anticipated balance of \$1,594,900 for June 30, 2015, of which \$39,200 is restricted for Aboriginal Initiatives and \$283,200 for SYA scholarships.

The result is an unrestricted surplus of \$1,272,500, which is \$735,500 above the minimum. This surplus is above the minimum but is before deducting the amount to be paid as a result of the unsettled SIAST Collective Agreement related to 2012-13 Program Contractual Services estimated at \$247,000. The SATCC will continue to closely monitor revenues and expenditures and must manage operational and training demands within the resources available.

Saskatchewan Apprenticeship and Trade Certification Commission
Consolidated Statement of Financial Position
As at June 30

	2014-2015		(March 2014)		2012-2013
	<u>Proposed Budget</u>		<u>Forecast</u>		<u>Actual</u>
Financial Assets:					
Due from General Revenue Fund	\$	4,133,506	\$	4,353,706	\$ 4,333,006
Accounts Receivable		85,676		85,676	85,676
Total Financial Assets	\$	4,219,182	\$	4,439,382	\$ 4,418,682
Liabilities:					
Accounts Payable and Accrued Liabilities	\$	509,950	\$	509,950	\$ 509,950
Accrued Leave Liabilities		478,353		448,353	420,353
Deferred Revenue		935,160		935,160	935,160
Deferred Contributions		700,776		700,776	700,776
Total Liabilities	\$	2,624,239	\$	2,594,239	\$ 2,566,239
Net Financial Assets (Liabilities)	\$	1,594,943	\$	1,845,143	\$ 1,852,443
Non-Financial Assets:					
Tangible Capital Assets	\$	312,145	\$	451,795	\$ 594,245
Inventory of Promotional Supplies		8,127		8,127	8,127
Prepaid Expenses		42,686		42,686	42,686
	\$	362,958	\$	502,608	\$ 645,058
Accumulated Surplus	\$	1,957,901	\$	2,347,751	\$ 2,497,501

Saskatchewan Apprenticeship and Trade Certification Commission
Consolidated Statement of Operations and Accumulated Surplus
For the Year Ended June 30

UNAUDITED

(March 2014)

	2014-2015	2013-2014	2012-2013
	Proposed Budget	Forecast	Actual
Revenue:			
Grants - General Revenue Fund	\$ 22,406,000	\$ 21,406,000	\$ 21,072,003
Client Fees	4,956,800	4,469,700	4,415,316
Industry Contributions	120,000	120,000	120,481
Products and Services	140,000	149,100	175,844
Interest	35,000	51,100	55,571
Total Revenue	\$ 27,657,800	\$ 26,195,900	\$ 25,839,215
Expenses:			
Salaries and Personnel	\$ 4,591,600	\$ 4,246,300	\$ 4,272,568
Program Contractual Services	20,757,400	19,493,200	18,002,579
Other Contractual Services	932,100	910,200	742,604
Board Expenses	164,400	171,500	140,683
Travel	251,900	244,400	187,828
Telephone	73,000	72,300	61,769
Advertising, Promotion, and Printing	346,400	319,700	322,952
Space Rental	452,000	436,400	415,061
Equipment Rental	35,500	33,700	21,957
Office Supplies	85,000	77,100	93,142
Postage, Courier, and Freight	140,000	122,200	117,154
Other	68,700	67,900	60,742
Total Expenses	\$ 27,898,000	\$ 26,194,900	\$ 24,439,039
Annual (Deficit) Surplus Before Amortization	\$ (240,200)	\$ 1,000	\$ 1,400,176
Amortization	149,600	150,800	\$ 155,961
Annual (Deficit) Surplus After Amortization	\$ (389,800)	\$ (149,800)	\$ 1,244,215
Accumulated Surplus, Beginning of Year	\$ 2,347,701	\$ 2,497,501	\$ 1,253,286
Accumulated Surplus, End of Year	\$ 1,957,901	\$ 2,347,701	\$ 2,497,501
Capital Purchases			
Computer Hardware	-	0	6,070
Office Equipment	7,500	3,200	0
Office Furniture	2,500	5,100	322
	10,000	8,300	6,392

* Forecast includes actual revenue and expenses to the end of February 2014.

Saskatchewan Apprenticeship and Trade Certification Commission
Consolidated Statement of Change in Financial Assets
For the Year Ended June 30
UNAUDITED

	2014-2015	(March 2014)	2012-2013
	<u>Proposed Budget</u>	<u>Forecast</u>	<u>Actual</u>
Annual (Deficit) Surplus	\$ (389,800)	\$ (149,800)	\$ 1,244,215
Purchase of Tangible Capital Assets	(10,000)	(8,300)	(6,392)
Amortization of Tangible Capital Assets	149,600	150,800	155,961
Disposal of Tangible Assets	0	0	197
	<u>139,600</u>	<u>142,500</u>	<u>149,766</u>
Acquisition of Prepaid Expenses	0	0	2,040
Reduction of Inventory of Promotional Supplies	0	0	3,508
	<u>0</u>	<u>0</u>	<u>5,548</u>
(Decrease) Increase in Net Financial Assets	(250,200)	(7,300)	1,399,529
Net Financial Assets (Liabilities) , Beginning of Year	<u>1,845,143</u>	<u>1,852,443</u>	<u>452,914</u>
Net Financial Assets (Liabilities), end of Year	<u>\$ 1,594,943</u>	<u>\$ 1,845,143</u>	<u>\$ 1,852,443</u>

Saskatchewan Apprenticeship and Trade Certification Commission
Consolidated Statement of Cash Flows
For the Year ended June 30
UNAUDITED

	2014-2015		(March 2014)		2012-2013
	Proposed Budget		2013-2014		Actual
			Forecast		
Operating Activities:					
Cash Receipts from General Revenue	\$ 22,406,000	\$	21,406,000	\$	22,012,003
Cash Receipts from Clients	4,956,800		4,469,700		4,479,954
Interest Received	35,000		51,100		54,005
Industry Contributions Received	120,000		120,000		269,022
Products and Services	140,000		149,100		176,144
Cash Paid to Employees	(4,561,600)		(4,218,300)		(4,173,910)
Cash Paid to Suppliers	(2,549,000)		(2,455,400)		(2,285,409)
Cash Paid to Provide Program Services	(20,757,400)		(19,493,200)		(19,867,928)
Cash Provided by Operating Activities	\$ (210,200)	\$	29,000	\$	663,881
Capital Activities:					
Purchase of Tangible Capital Assets	\$ (10,000)	\$	(8,300)	\$	(6,392)
Cash applied to Capital Activities	\$ (10,000)	\$	(8,300)	\$	(6,392)
(Decrease) Increase in Cash	\$ (220,200)	\$	20,700	\$	657,489
Due from General Revenue Fund, Beginning of year	\$ 4,353,706	\$	4,333,006	\$	3,675,517
Due from General Revenue Fund, End of Year	\$ 4,133,506	\$	4,353,706	\$	4,333,006