

KPI – Strategies for Success

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Best practices for success - overview

- Your KPI is your report card. Maintain the trust that MTCU has with your PCC
- Benefits of completeness and accuracy
- Auditor responsibilities – emphasis on accuracy
- Common audit problems – suggested solutions
- Best practices for compliance, cost and time efficiencies
- Strategies for success
- Future of KPI's – understand now for later

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Self reporting understood – risk versus reward

- It is inevitable that there is bias in self reporting. With large rewards from OSAP approval it only increases such bias.
- Is it worth the risk to submit incomplete data?
 - May jeopardize PCC's reputation
 - Auditor put at risk and may harm existing relationship
 - Increased audit costs – more completeness procedures required
 - OSAP funding does not make the school, excellent programs and your reputation make the PCC
 - OSAP is not for everyone. Earn the reputation for high graduate employment rates, maintain your OSAP designation and keep industry standards high to limit OSAP to the “best” schools.

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Benefits of completeness and accuracy

- Reduce audit and internal administrative costs (i.e. reduced time spent on error report and review of error corrections)
- Better internal tracking of student enrolments, withdrawals, and graduates
- Fewer errors required to be reported to Forum Research/MTCU
 - Would report of errors be considered black marks on the PCC's reputation and integrity? (not specifically addressed in the guides)

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Auditor responsibilities – why accuracy is important

Ongoing KPI

- Two separate statistical samples for enrolments and graduates
- Each attesting 95% certainty to the PCC's reporting of its enrolment and graduate activity
- Generally covers 50% of entire data file population (use of Raosoft sample size calculator)
- Additional students records will be sampled to test completeness

First time OSAP applicant

- 100% testing of entrants per Graduation Window (approx 200% of scheduled program duration)
- 100% testing of graduates within 30 month period prior to engagement letter date
- 10% sample of graduates in Graduate Employment Rate File for telephone and email address accuracy testing
- Completeness

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Common Audit Problems

- PCC reporting graduates for those exceeded graduation allowed period (200% of program duration) and enrolments that withdrew within grace period (Lesser of 25% or 8 weeks of program duration)
- Purging of older student enrolment records which are needed for graduation allowed period testing
- PCC lack documentation to provide audit trail for testing terms with no enrolment or graduates

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Common Audit Problems

- Enrolment contracts not completed fully. Leaving out blank fields that are of audit interest (i.e. international vs. Domestic, Student ID)
- Lack of proper or official withdraw documentation to support withdraw date for grace period testing
- Documentations of audit interest such as transcript, enrolment contract, and withdraw form are not filed together resulting in audit inefficiency

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Best Practices

- Excel error checking prior to uploading files to Forum Research
 - Use excel formula (i.e. graduation date minus enrolment date (mm/dd/yyyy format)) to determine enrolment duration for determining exclusions under grace period and allowed graduation period requirements
 - Use “=countblank” formula to detect mandatory fields that are blank

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Best Practices

- Perform review of KPI data files prior to uploading to catch obvious omissions and errors (i.e. enrolment, withdraw and graduation dates not in mmdd format, typos in student name) should be conducted by individual other than the one preparing the data files
- For older KPI files uploaded (i.e. in 2009-2012), ensure all mandatory data fields are completed as per most recent operating guideline

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Strategies for Success

1) Eliminate Duplication of Effort:

- Align existing student data base information system to current KPI reporting requirements as per guidelines – may require IT specialist to program student management software to export onto excel KPI template
- For smaller PCC without student management software, KPI student file templates could be used as a starting point to track students electronically
 - Templates can be downloaded at:
<http://pcckpi.ca/#importantdocuments-2014>

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Strategies for Success

2) Timing is everything

- First time OSAP applicants should consider which 30 month period prior to auditor engagement that would create highest graduate employment rate

3) Not all of your programs need to be eligible for OSAP

- Select the best for now and apply others later
- Auditor time is based on the size of the samples needed to be tested

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Future of KPI's – know now for later

- Completeness is a concern with MTCU
 - We are currently consulting with MTCU policy advisors regarding reform on ensuring completeness as well sample size methodologies for the 2015 KPI guides
 - Currently the guides are silent on the type of completeness tests. The 2015 guides may provide more specific guidance on tests auditors should conduct. It is worthwhile for PCC's to ensure all supporting documentation support your KPI data submissions.
 - Our firm has suggested the following completeness tests to MTCU:

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Future of KPI's – know now for later

- Communicate directly with director of admissions to obtain student tracking records (attendance sheets)
- Review student roster/ class listings and compare to enrolments/graduates
- Inquire from various staff for the location of student files. Trace stray files to KPI data files
- Obtain copies of transcript uploads to verify student populations
- Compare student enrolment with PUR reports
- Obtain copies of convocation booklet for listing of graduates

Best practice to ensure all of your external data is congruent.

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Future of KPI's – know now for later

- Phase 3 – KPI's – inclusion of non-OSAP PCC for the submission of enrolment and graduate KPI's (expected summer 2015)
 - Best practice for all PCC's now to start organizing data in the expected format required for KPI upload
 - Will likely follow suit with phase 2 and require initial submission of graduate and enrolment data files covering 200% of longest program duration

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Closing remarks

- Auditors over the last few years have taken on a much larger role in providing assurance on many aspects of PCC compliance. We have become the front line for MTCU.
- Providing assurance to MTCU is becoming much more complex and requires extensive experience and knowledge of the PCC act as well as specific audit requirements and industry pronouncements
- Auditors can play a vital role in communicating PCC best practices and as well liaise practical audit considerations to MTCU for reform.

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Disclaimer

- Not all the materials contained in these materials are authoritative. They are intended to promote discussion and to provide insight to management with respect to management and administration of their PCC's.

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