

ANNUAL REPORT

2018 – 2019

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VISION

We open doors and open minds by creating opportunities for learners, employees, employers, and communities, and by shaping the future of college education.

MISSION

To include all learners. To challenge our thinking. To remove barriers.
To provide opportunity. To make all learning count.

VALUES

Respect

Inclusion

Creativity

Teamwork

Resilience

Acknowledgement of Territory

Bow Valley College is located in the traditional territories of the Niitsitapi (Blackfoot Confederacy) and the people of the Treaty 7 region in Southern Alberta, which includes the Siksika, the Piikani, the Kainai, the Tsuut'ina and the Iyarhe Nakoda. We are situated on land where the Bow River meets the Elbow River, and the traditional Blackfoot name of this place is "Mohkinstsis" which we now call the City of Calgary. The City of Calgary is also home to Métis Nation of Alberta, Region 3.

STUDENT FOCUS

Since 1965, Bow Valley College prides itself on being a student-focused community college. Our new strategic direction — Open Doors-Open Minds — ensures that students remain at the centre of what we do.

We see each individual student and build in resources around them to support their persistence and achievement. We are an institution that believes in them and opens our doors to them, regardless of where they are beginning.

We help our students achieve their goals and obtain the jobs they aim for. Employers see us as the go-to resource for their labour force needs.

We actively partner with Indigenous communities and engage an immensely diverse learning community across the breadth and depth of our programming scope.

We are expanding our access agenda to Albertans who want to pivot in their careers.

We offered the following programs during the 2018-2019 year:

School of Foundational Learning

Aboriginal Upgrading
Academic Upgrading
Adult Literacy Research and Facilitation
Bridging Programs
Inmate Education Program
Literacy and Essential Skills

School of Global Access

English Language Learning, including literacy, academic English, and Language Instruction for Newcomers (LINC)
Language Learning Research and Facilitation
Immigrant Bridging Programs
Career Development Services
Intercultural Competence Development

School of Health and Wellness

One-year certificate programs

Health Care Aide
Nutrition Manager
Recreation Therapy Aide

Two-year diploma programs

Pharmacy Technician
Practical Nurse

School of Creative Technologies

Two-year diploma programs

Digital Design
Interior Decorating
Software Development

Post-diploma certificate programs

Digital Marketing
Kitchen and Bath Design
Software Development

Post-baccalaureate certificate program

Data Management & Analytics

School of Continuing Learning

Continuing Learning
Dual Credit Programming
IBM Skills Academy
Open Studies
Workplace Essential Skills
External

CAMPUS LOCATIONS



School of Community Studies

One-year certificate programs

- Addiction Studies
- Disability Studies
- Early Childhood Education and Development
- Education Assistant
- Fetal Alcohol Spectrum Disorder Education

Two-year diploma programs

- Addiction Studies: Aboriginal Focus
- Child and Youth Care
- Disability Studies
- Early Childhood Education and Development
- Justice Studies Diploma
 - Correctional Studies
 - Law Enforcement
 - Youth
 - Aboriginal Focus
 - General
- Social Work

Post-diploma certificate programs

- Health and Human Services Management

Chiu School of Business

One-year certificate programs

- Administrative Professional
- Dental Business Assistant
- Events Management
- Hospital Unit Clerk
- Human Resources
- Medical Office Assistant
- Veterinary Office Assistant

Two-year diploma programs

- Business Administration
 - Accounting
 - Digital Marketing
 - Event Management
 - Financial Services
 - General Business
 - Human Resources
 - Insurance and Risk Management
 - Marketing
 - Supply Chain Management
- Legal Assistant

MANDATE

Bow Valley College is a public, board-governed college operating as a comprehensive community institution under the Post-secondary Learning Act of Alberta.

Operating in Calgary and throughout the surrounding region, our multi-campus college provides broad programming, including certificates, diplomas, foundational learning, and upgrading programs. Our programs and services are learner-centred, outcome-focused, and designed to provide graduates with opportunities to improve their lives, prepare for further education, and advance their careers.

Bow Valley College responds to regional, community, industry, and learner demand. Our career certificate and diploma programs are primarily focused on business; administration; health; human services; legal and security; early learning and education; and information, communications, and design technologies.

Our extensive foundational learning programs include adult literacy, essential skills, academic upgrading, and English as a second language, offered either independently or integrated with skills training and career development support.

As a comprehensive community college with regional stewardship responsibilities, we work with community-based adult learning partners to meet literacy and foundational learning needs and ensure access to a full spectrum of learning opportunities in the city and surrounding region. As a Campus Alberta partner, we collaborate with other educational organizations, post-secondary institutions, governments, business, and community agencies to contribute our organizational expertise to the economic and social well-being of our province.

Bow Valley College is committed to expanding access for adults of varied social, cultural, economic, geographic, and academic backgrounds. As an access

college, we have a special focus on creating educational opportunities for immigrants, Indigenous peoples, international learners, persons with disabilities, older workers, at-risk youth, and the unemployed and underemployed. Our curriculum and support services reflect the diversity of our learners. We emphasize small classes, high-quality instruction, applied learning, focused work experience, and extensive learner support services.

Bow Valley College offers credit and non-credit instruction year-round, on a full-time, part-time, and distributed learning basis, both independently and through partnerships and collaboration. To meet emerging workforce needs, our programs, curricula, and educational services are also customized to meet the specific requirements of industries, educators, communities, and workplaces locally, provincially, nationally, and internationally.

Bow Valley College pursues applied research activities to enhance teaching and learning and foster innovation in support of industry sectors where our academic expertise enables such a contribution. The College is known for and engaged nationally in the research, development, and commercialization of assessment and training tools used to measure and enhance the essential skills of adults in educational and workplace settings.

Bow Valley College is dedicated to providing people in our city and region with access to high-quality, efficient and effective lifelong learning opportunities and to the responsible educational, fiscal, and environmental stewardship of resources.

Approved by the Minister of Advanced Education
April 28, 2014

MESSAGE FROM LAURA JO GUNTER PRESIDENT AND CEO



As Calgary and region's only comprehensive community college, and Alberta's largest college, Bow Valley College is focused on expanding access to education as well as pathways to viable careers. This includes access to

upskilling, reskilling, career programs, and advanced career preparation, enabling more Albertans to secure employment aligned with their skills and potential.

Bow Valley College's achievements throughout the 2018-2019 year demonstrate our commitment to these objectives. Our new academic and research priorities, *To Make All Learning Count*, ensures that we offer responsive academic programming that balances student interest with labour market demand. This includes launching new programs in our School of Creative Technologies, providing targeted learning opportunities and micro-credentials through our Pivot-Ed initiative, and connecting students to intensive, in-demand programs at Bow Valley College.

Connecting students to Alberta's workplaces is important for Alberta's economic development, which is why we are continuing to enhance work-integrated learning opportunities. This included piloting a work-integrated learning platform that allows students to use their course projects to solve work problems and spearheading entrepreneurial development opportunities like Innovation Rodeo, VentureQuest, and 150 Startups.

Bow Valley College demonstrated its focus on performance in 2018-2019, undertaking initiatives to shape the future of college education. We are reimagining continuing education through our Pivot-Ed initiative. This initiative combines artificial intelligence enabled scalable assessments and micro-credentialing for the purpose of re-skilling and upskilling individuals into new or different careers. We conducted pilots internally as well as with

two large private sector companies. We also worked with other learning institutions to create transformational learning opportunities, including initiating articulation and transfer credit agreements with public post-secondary institutions in Alberta, and signing seven new dual-credit agreements with Alberta school boards.

Access to such transformational career programming, upskilling and reskilling, and targeted learning opportunities is even more important in Alberta's current fiscal environment. Guided by our strong fiscal management practices, and proactive strategic plan, Bow Valley College will continue providing the programming Albertans need to get back to work. We are prepared to do the hard work in an environment of fiscal constraint, and will do so by drawing strength from our track record of student success, sound fiscal management, and keeping an eye on the future in providing value to Alberta.

These achievements, and ongoing efforts, would not be possible without the hard work and commitment of our Board of Governors, senior leadership, employees, and community volunteers and stakeholders. Their efforts make Bow Valley College an exemplary community college, one that ensures the employment success of our students, provides leadership in shaping the future of college education, and advances community and social success.

At Bow Valley College we open doors and open minds by creating opportunities for students, employees, employers, and communities. We do this by including all students, challenging our thinking, removing barriers, and providing opportunity. We make all learning count, ensuring that we are the community college that Alberta needs.

Sincerely,

[Original signed by]

Laura Jo Gunter
President and CEO

MESSAGE FROM DAVID COLLYER BOARD CHAIR



As a comprehensive community college, Bow Valley College's work is guided by its new strategic plan, Open Doors-Open Minds. This strategy was informed by stakeholder consultations and broad community input, and

was approved by the Board of Governors in January 2019.

Open Doors-Open Minds proactively addresses the changing realities of post-secondary education, the evolving Alberta economy, and the changing needs of Albertans. It will guide Bow Valley College through the next decade, shaping the future of college education and providing sustained value to our students, communities, and province. It is focused on providing relevant programs for domestic and international students, and most importantly providing graduates the skills necessary to secure employment.

We are very cognizant of the fiscal challenges facing the province and the need to prudently manage our finances while seeking new sources of revenue, all while continuing to deliver positive outcomes for students. As this Annual Report demonstrates, these themes have driven our approach to strategic and operational management at Bow Valley College over the past years, and they will continue to do so. Our track record is one of prudent fiscal management, broad accessibility, a strong focus on international students, delivering relevant and forward-looking programs, and preparing students to successfully enter the workforce with job-ready skills and training. As our results demonstrate, we are a leader within the system and in many respects, we exemplify the destination for the post-secondary system outlined in the recent MacKinnon report.

The province can be assured that Bow Valley College will continue to be a responsible steward of public resources and a leader among comprehensive community colleges

in Canada in delivering excellence in learning outcomes. However, we also recognize that collaborative change is required within the broader post-secondary system in Alberta. We are a willing and committed partner in advancing key system-wide priorities, including a new funding model and a refreshed strategic plan for post-secondary education in the province.

Continued enrolment growth, strong financial performance and outcomes focused on students are indicative of the strategic and operational leadership and effective governance provided by our Board of Directors and executive leadership team. This important work does not happen without the commitment and effort of everyone at Bow Valley College. In addition to my colleagues serving on the Board of Governors, I wish to acknowledge and express our appreciation for the contributions of faculty, staff and executive team members. Their experience and expertise is what makes Bow Valley College an exceptional organization and an exemplary community of learning.

While we are in a challenging period in terms of fiscal pressures and a rapidly evolving national and global post-secondary learning environment, I am very optimistic about the future for Bow Valley College. We will build on our success and proactively address these challenges, evolving with the needs of Alberta and providing Albertans with the skills and knowledge necessary to secure employment and pursue entrepreneurship. We will continue to offer the programs necessary to foster strong communities and a diversified provincial economy.

We are the College Alberta needs, opening doors, opening minds, and providing many opportunities for Albertans to succeed.

Sincerely,

[Original signed by]

David Collyer
Board Chair

BOARD OF GOVERNORS



Mr. Dave Collyer
Chair
Sept 14, 2017 – Sept 13, 2020



Ms. Laura Jo Gunter
President and CEO
From Jan 2017



Ms. Parand Meysami
Public
Apr 2, 2017 – Apr 3, 2020



Ms. Cathy Orr
Public
Apr 2, 2017 – Apr 3, 2020



Ms. Jamilah Edwards
Public
Dec 4, 2016 – Dec 5, 2019



Dr. Chirag Shah
Public
Dec 4, 2016 – Dec 5, 2019



Ms. Suzanne Hathaway
Public
Dec 4, 2016 – Dec 5, 2019



Mr. Jessie Singh Chahal
Public
May 15, 2018 – May 14, 2019



Ms. Anny Quon
Public
May 15, 2018 – May 14, 2021



Mr. Lovepreet Singh Kahlon
Student
May 1, 2018 – April 30, 2019



Ms. Hana Taleb Imai
Academic Staff
June 29, 2017 – June 30, 2019



Ms. Ifeoma Ngwudike
Non-Academic Staff
Sept 11, 2019 – Sept 10, 2021

ACCOUNTABILITY STATEMENT

The Bow Valley College's Annual Report for the year ended June 30, 2019 was prepared under the Board's direction in accordance with the *Fiscal Planning and Transparency Act* and ministerial guidelines established pursuant to the *Post-Secondary Learning Act*. All material economic, environmental or fiscal implications of which we are aware have been considered in the preparation of this report.

[ORIGINAL SIGNED BY:]

Dave Collyer
Chair, Board of Governors



Ms. Mahalia Peter
Student Representative
June 11, 2019 – Apr 30, 2020



Mr. Karandeep Singh Gill
Student Representative
June 11, 2019 – Apr 30, 2020

MANAGEMENT'S RESPONSIBILITY FOR REPORTING

Bow Valley College's management is responsible for the preparation, accuracy, objectivity and integrity of the information contained in the Annual Report including the financial statements, performance results and supporting management information. Systems of internal control are designed and maintained by management to produce reliable information to meet reporting requirements. The system is designed to provide management with reasonable assurance that transactions are properly authorized, are executed in accordance with all relevant legislation, regulations and policies, reliable financial records are maintained and assets are properly accounted for and safeguarded.

The Annual Report has been developed by the Executive Committee under the oversight of the Board of Governors,

as well as approved by the Board of Governors and is prepared in accordance with the *Fiscal Planning and Transparency Act* and the *Post-Secondary Learning Act*.

The Auditor General of the Province of Alberta, the institution's external auditor appointed under the *Auditor General Act*, performs an annual independent audit of the consolidated financial statements which are prepared in accordance with Canadian public sector accounting standards.

[ORIGINAL SIGNED BY:]

Laura Jo Gunter
President and
Chief Executive Officer

Catherine Koch
Vice President,
Learner Services and
Chief Financial Officer

PUBLIC INTEREST DISCLOSURE (WHISTLEBLOWER PROTECTION) ACT

Section 32 of the Public Interest Disclosure Act requires Bow Valley College to report annually on the following parts of the Act:

- a) The number of disclosures received by or referred to the designated officer, the number of disclosures acted on and the number of disclosures not acted on, by the designated officer.
- b) The number of investigations commenced by the designated officer as a result of disclosures.
- c) In the case of an investigation that results in a finding of wrongdoing, a description of the wrongdoing and any recommendations made or corrective measures taken in relation to the wrongdoing or the reasons why no corrective measure was taken.

In 2018-2019 for Bow Valley College, there were no disclosures of wrongdoing filed with the Bow Valley College accountable officer.

OPERATIONAL OVERVIEW

This section addresses variances in our operational plan, highlighting significant differences concerning our revenue and expenses.

College Revenue

Estimates

Federal and other grant revenue was budgeted to be approximately \$8.6 million. Sales of products and services was budgeted to be approximately \$7.3 million. Student tuition and fees was budgeted to be approximately \$40 million.

Actual

Federal and other grant revenue was \$9.8 million, up 14.6 per cent over budget. Sales of products and services revenue of \$8.9 million was up 21.7 per cent over budget. Student tuition and fees revenue of \$48.8 million was up 22.1 per cent over budget.

Explanation of Variance

The Language Instruction for Newcomers to Canada program (LINC) generated the majority of the increase in federal and other government grant revenue. Educational contract revenues accounted for the majority of the over budget performance in sales of products and services. As domestic tuition has been frozen at 2013-2014 levels, growth experienced in the College's tuition and fees was predominantly driven by an increase in the number of international students. The College's international students as a percentage of total students, when measured as Full-Load Equivalents (FLEs), grew to 21.1 per cent (2018: 16.7 per cent).

College Expenses

Estimates

Materials, supplies, and services expense was budgeted to be approximately \$16.4 million.

Actual

Materials, supplies, and services expense of \$19.1 million was up 20.1 per cent compared to budget.

Explanation of Variance

Professional fees and computer costs increased during the year as Bow Valley College integrated cloud-based computing services to support key enterprise-wide functions. Additionally, during the year, the College experienced an increase in property insurance costs related to its location on the Calgary flood plain.

SUMMARY OF ACHIEVEMENTS

The 2018-2019 Annual Report represents the transition to Bow Valley College's new strategic plan, Open Doors-Open Minds.

Open Doors-Open Minds ensures employment success, shapes the future of college education, and provides community and social success. A Board of Governors' guided and endorsed strategic plan, Open Doors-Open Minds proactively addresses the changing realities of post-secondary education, the evolving Alberta economy, and the changing needs of Albertans. It is guiding Bow Valley College by providing sustained value to our students, communities, and province.

ENSURING EMPLOYMENT SUCCESS

Bow Valley College is a college for economic growth. We help drive economic development in Alberta, supporting students and industry in meeting the province's skilled labour force needs. We recognize the importance of fostering entrepreneurial attributes, providing targeted reskilling and upskilling opportunities, and enhancing our suite of career programming to prepare graduates for resilience in a changing economy. In doing so we:

Provide responsive academic programming

We launched *To Make All Learning Count*, our new academic and research priorities, to ensure that program offerings and renewal balances student interest with labour market demand. This includes launching our Data Management and Analytics Certificate Post-Baccalaureate Certificate, Software Development Post-Diploma Certificate, and the Digital Design Diploma.

Help build Alberta's economy

Bow Valley College is a college for economic growth. 88 per cent of our graduates are employed across career programs, and our student loan repayment rate of approximately 93 per cent is above the Alberta and the national averages.

Bow Valley College students are prepared for industries that are innovating and growing, with the skills employers want and a credential they recognize. We do so by offering innovative programs and services, such as our Pivot-Ed initiative. Pivot-Ed provides targeted learning opportunities complemented by automated assessment and micro-credentials to help people quickly get the verified skills they need for access to a changing economy. In doing so, we delivered our first micro-credential in Client Problem Solving in 2018-2019.

Develop the skills required by industry

Bow Valley College graduates gain the technical and interpersonal skills necessary to be productive and successful in the workplace. This includes gaining the necessary skills in the health care sector via the development of our new Pharmacy Technician laboratory; and completing a successful year of the IBM Skills Academy to provide technical skills consistent with international standards. In 2018-2019, the enrolment for IBM Skills Academy and prerequisite courses at Bow Valley College was 126.

Connect students to Alberta's workplaces

Bow Valley College is enhancing work-integrated learning opportunities, providing students with experiential learning and industry with innovative ideas and potential new hires. This includes a pilot project for a work-integrated learning platform that allows students to use their course projects to solve work problems for industry. It also includes continuing our strong work-integrated learning practices, such as in our health and community studies programs.

Emphasize entrepreneurship

Bow Valley College recognizes the importance of developing socially-aware entrepreneurs, challenging their thinking in developing innovative skills and approaches. We do this by hosting events like Innovation Rodeo, VentureQuest, and 150 Startups, and advocating on issues concerning youth entrepreneurship. Our success in fostering entrepreneurship attributes was showcased broadly, when our Entrepreneur-in-Residence was officially awarded an international award for Excellence in Entrepreneurship.

PROVIDING COMMUNITY AND SOCIAL SUCCESS

As an access College we continue to engage all Albertans in strengthening our communities, supporting all of our students in achieving their goals. In doing so we:

Engage the broad diversity of our communities

We continue to engage the broad diversity of our communities in fostering a learning community of respect, inclusion, and belonging. Examples of this important work include:

- developing our Indigenization Strategy,
- hosting our first Annual Pride Week and opening a Gender and Sexual Diversity Hub,
- hosting International Education week and International Development week to promote global and international perspectives,
- acknowledging and celebrating days of recognition and remembrance, such as International Women's Day, and
- holding our own annual TEDx event that highlights the diversity of our campus community.

Help build strong communities

Bow Valley College graduates help build strong communities and a diversified provincial economy, which is why we are proud of the over 2,800 graduates in 2018-2019. We contribute to the well-being of our communities in addressing social issues, such as implementing our mental health strategy (HIVE) and developing new forms of training and assessment to enhance responses to mental health and sexual violence disclosures.

Enhance our regional presence

We continue to demonstrate our commitment to regional delivery. This includes hiring Bow Valley College's first Dean for Regional Stewardship, the only such position in the province; and increasing access to adult education and training across our service region.

Ensure student affordability

We are strengthening relationships to help ensure student affordability. Examples include:

- our 2019 Celebrating Student Futures event, which acknowledges the positive impact of many of our donors, had 19 per cent growth in financial support compared to 2018.
- we are pooling donor funds to form a financial needs bursary endowment, and we are undertaking a number of financial empowerment initiatives.
- to help address food security, we partnered with a community organization to establish a weekly fresh produce market.

SHAPING THE FUTURE OF COLLEGE EDUCATION

Bow Valley College is a leader in evolving how a college education is delivered, as reflected in *To Make All Learning Count*, our new academic and research priorities, as well as the strategic direction provided in Open Doors-Open Minds. In doing so we:

Create transformational learning opportunities

We are working with other learning institutions to create transformational learning opportunities, including: initiating articulation and transfer credit agreements with public post-secondary institutions in Alberta, brokering a non-credit office administration certificate to Riel Institute, signing seven new dual credit agreements with Alberta School Boards, and developing a University Transfer Model and collaborative degree pathways in Business, Community Studies, and Technology.

Utilize technology to create innovative training

We are integrating technology to enhance learning opportunities for both students and staff. This includes:

- the development of an artificial intelligence supported/enabled training course, in partnership with a learning technology company, regarding client problem solving skills.
- the use of virtual reality to enhance nursing education and evaluation.
- a new creative technologies lab to further develop student's information technology skills.
- undergoing a multi-year implementation project for a new Student Information System.

Facilitate process improvement

We are implementing quality improvement initiatives to enhance our operational effectiveness. This includes:

- a multi-year project to implement a new Student Information System.
- undertaking formal lean (process improvement) projects, such as enhancing course scheduling in our Chiu School of Business.
- engaging in quality improvement initiatives in our Academic Division, including a curriculum management system, and program accreditation and reviews.
- undertaking assorted policy reviews throughout Bow Valley College.

Maintain strong fiscal management

Bow Valley College is a college of strong fiscal stewardship. We are demonstrably viable, with an efficient operational model. In doing so, we have implemented a number of key business intelligence reporting initiatives to provide invaluable fiscal planning insights. Bow Valley College has also worked to implement data analytics to enhance financial analysis, as well working to increase the return on our restricted assets.

Invest in our employees

Bow Valley College has been very active with all aspects of employee training and development. The College recognizes the need for life-long learning for our employees, and continues to support them in transitioning into new leadership roles, or strengthening skills for existing leaders. Examples of initiatives undertaken include:

- our Ignite program, for faculty on-boarding.
- Inspired Leadership training, and courses on transitioning from a colleague to a supervisor.
- employee training on various topics, including lean training (process improvement) and cyber security.
- an annual professional development day at the College.

GOALS, PRIORITY INITIATIVES, EXPECTED OUTCOMES AND PERFORMANCE MEASURES

Bow Valley College is committed to, and successful in, achieving its goals and objectives. These accomplishments are reported in the following tables, reflecting the Ministry of Advanced Education’s five principles — Accountability, Accessibility, Affordability, Quality and Coordination — and important work undertaken concerning mental health wellness and sexual violence prevention. The goals and measures reported on are from Bow Valley College’s 2018-2021 Comprehensive Institutional Plan.

ACCOUNTABILITY

△ In Progress | ▲ On Track

Goal 1: Implement Strategic Renewal

Goal (G) / Priority Initiative (PI)	Status	Progress Made in Last 12 Months
G1: Implement Strategic Renewal: Complete development and then implement a new and refined long-range strategy to guide fulfillment of the College’s mandate.	▲	New strategic plan, Open Doors-Open Minds, completed, approved and in implementation.
PI1.1: Complete development of a new and refined long-range strategy.	▲	Open Doors-Open Minds approved by the Board of Governors.
PI1.2: Develop and resource our enabling plans to implement our new long-range strategic plan.	▲	Development and implementation of enabling plans is underway, with plans on target for 2019 completion.

Expected Outcomes (EO) / Performance Measures (PM)

EO1.1: Board of Governors Approval.

- **PM1:** Open Doors-Open Minds approved by the Board of Governors in January, 2019.

EO2: Alignment of cross-institutional strategies and department plans, including Academic and Research Priorities, International Plan, Regional Stewardship Plan, Marketing and Communications Strategy, Fund Development Strategy, Human Resources Plan, Campus Evolution Strategy.

- **PM2:** Development and implementation of plans and strategies in alignment with new and refined long-range strategy is underway, on target for 2019 completion.

Performance Metric	Target	Actual	Status
Certificate completion rates ¹	79%	81%	▲
Diploma completion rates ²	76%	75%	▲
Percentage of graduates employed across career programs within a specified period following completion. ^{3,4}	85%	88%	▲
Percentage of graduates satisfied with Bow Valley College learning and services across career programs. ^{3,5}	92%	93%	▲

Notes:

- 1 Certificate complete rate is the percentage of learners who began their studies in 2015-16 and completed on or before July 1, 2018.
- 2 Diploma completion rate is the percentage of learners who began their studies in 2013-14 and completed on or before July 1, 2018.
- 3 Source Data: Bow Valley College Graduate Experience and Employment Survey of learners who graduated in 2017-18
- 4 Career programs include the Chiu School of Business, School of Creative Technologies, School of Community Studies and School of Health and Wellness
- 5 Graduation Satisfaction Rate for Overall Experience

ACCESSIBILITY

Goal 1: Ensure Access for Learners

Goal (G) / Priority Initiative (PI)	Status	Progress Made in Last 12 Months
G1: Ensure Access for Learners: Advance mandate as a comprehensive community college by ensuring access for learners of varied backgrounds.	▲	Student enrolment continues to increase, with 8,389 Full-load Equivalents for 2018-2019, an increase from 7,804 in 2017-2018.
PI1.1: Advance access to engage the broad diversity of our communities.	▲	We created Bow Valley College's first integrated recruitment and marketing plan; and made a significant update to Bow Valley College's annual enrolment plan by creating separate targets for domestic and international students for programs. We also enhanced data about Indigenous students, hosted the annual Transition Event for students with disabilities who are moving from high school to post-secondary, and worked to advance Universal Design for Learning across Bow Valley College as a means to deliver augmented ways to support students in the classroom.
PI1.2: Ensure measured enrolment growth.	▲	We ensured measured enrolment growth by: <ul style="list-style-type: none"> a) creating Bow Valley College's first integrated recruitment and marketing plan; b) making a significant update to Bow Valley College's annual enrolment plan by creating separate targets for domestic and international students for programs. We also extended it to a two-year plan, enabling better planning and execution; and c) undertaking targeted recruitment efforts and a continued focus on strategic enrolment management practices.
P1.3: Maintain balanced international enrolment growth.	▲	We balanced international enrolment growth by creating separate targets for domestic and international students for programs. We also extended our annual recruitment plan to two-years for planning and execution purposes.

ACCESSIBILITY

△ In Progress | ▲ On Track

Goal 1: Ensure Access for Learners

Expected Outcomes (EO) / Performance Measures (PM)

EO1.1: Increased access to Bow Valley College for adults of varied social, cultural, economic, geographic and academic backgrounds via targeted strategies, responsive program offerings, and enabling services and supports.

- **PM1:** Implemented strategies, responsive program offerings, and enabling services and supports to help increase access for students of varied backgrounds, including Indigenous, international, newcomers and people with disabilities. Examples include:
 - Provided Foundational Learning programs to approximately 1,200 Full-load Equivalents, using individualized pathways to ensure students meet their upgrading goal for further academic studies or employment.
 - Provided English Language Learning to over approximately 1,500 Full-load Equivalents to promote labour market attachment, community participation and further academic studies.
 - Continued to offer one of the largest selections of online business courses in the province.
 - Our Reaching for Individual Success Everyday (RISE) Program started as a pilot with one Learner Success Advisor in the last reporting period, now involves two Learner Success Advisors. The program received over 276 referrals in less than one year. Outreach was provided to all of these students and 78 per cent of identified students connected with a Learner Success Advisor.

EO1.2: Optimized enrolment in courses and programs, within our physical footprint and virtual capacity.

EO1.3: Have a balanced approach to international enrolment to enrich cross-cultural learning and interactions, and contribute to capacity to invest in enhanced programming and strategic priorities. Complementing domestic demand with international enrolment to help maintain viable program cohorts.

Performance Metric	Target	Actual	Status
Total Full-Load Equivalents (Excl. Brokered) ¹	8,214	8,389	▲
Total International Full-Load Equivalent ²	1,414	1,768.3	▲
Total Unduplicated Headcount ^{3,4}	16,232	17,527	▲
Total Unduplicated Non-Credit Headcount ³	4,445	4,614	▲

Notes:

- 1 Source Data: 2018 Bow Valley College Comprehensive Institutional Plan
- 2 Source Data: Alberta Advanced Education, Learner Enrolment Reporting System (LERS) Cubes
- 3 Active methodology is employed in learner counts: any learner who was registered in a course that was in progress within the time frame (July 1, 2018 to June 30, 2019) is counted regardless of whether the course began prior to the timeframe or extended beyond it. Note that PLAR, transfer credit and challenge exams are not considered courses with this methodology.
- 4 Credit learners are learners who are enrolled in a credit program. This includes learners who are taking non-credit courses as part of their program (e.g. non-credit work experience courses).

ACCESSIBILITY

Goal 2: Foster an Environment of Inclusion and Respect

Goal (G) / Priority Initiative (PI)	Status	Progress Made in Last 12 Months
G2: Foster an Environment of Inclusion and Respect: Create a campus environment that fosters belonging and well-being.	▲	We continue to implement strategies, responsive program offerings, and enabling services and supports to help create a campus environment of belonging and well-being.
PI2.1: Develop a College-wide Indigenous Strategy to guide our journey in reconciliation.	△	Engagement and consultation sessions on the Indigenization Strategy draft goals have been conducted. Four goals for the Indigenization Strategy were developed and validated; seven draft recommendations for the Indigenization Strategy are now being tested with leadership across Bow Valley College. On target for expected completion in 2019, with ongoing implementation.
PI2.2: Build on the College's established strength in diversity by advancing and supporting an inclusive community.	▲	Undertook a number of initiatives including: hosting Bow Valley College's first annual Pride Week; a rainbow window treatment was installed; Gender and Sexual Diversity Hub was officially opened; annual Canada Day pow wow; hosting International Education week and International Development week; hosting our own annual TEDx that highlights the diversity of our campus; and offered advanced level intercultural courses to staff to build on their skill sets for working with diverse students.
P2.5: Promote Global Citizenship.	▲	We continued delivery of a three-year International Youth Internship Project grant, funded by Global Affairs Canada. This project focuses on promoting unique opportunities for college graduates to participate in a paid overseas internship in their field of study. It also strengthens graduates' intercultural competencies as well as provides relevant global job experience. Our Intercultural Centre also emphasized the role of global citizenship within its programming as its theme for 2018-2019. The Centre hosted activities and workshops that encouraged broader perspectives and opportunities for engaged citizenship.

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ACCESSIBILITY

△ In Progress | ▲ On Track

Goal 2: Foster an Environment of Inclusion and Respect

Expected Outcomes (EO) / Performance Measures (PM)

EO1.1: Via development of an Indigenization Strategy, we worked to foster an understanding of Indigenous culture and history across Bow Valley College and incorporate Indigenous perspectives on wellness, spirituality and community in our curriculum such that Indigenization and acts of reconciliation are part of what we do within our mandate.

EO2.2: People who come into, and work in, our learning environment feel a sense of belonging and see reflections of themselves, including LGBTQ, people with disabilities, gender diversity, Indigenous, intergenerational, and ethnic and cultural diversity.

- **PM2.2:** We continued to expand programs, services and research reflecting internationalization, diversity, and global citizenship. We continued delivery of the International Youth Internship Program, providing 84 internships in Kenya, Tanzania, Jamaica, and Peru over three-years. We also celebrated International Education Week, with students and employees participating in different activities around the theme of “Empowering minds through an International Education”.

EO2.5: Establishing the School of Global Access, expand programming opportunities to advance our students’ global mindset during their education and prepare them for participation in diverse and integrated workplaces.

- **PM2.5:** We continued to expand programs, services, and research reflecting internationalization, diversity, and global citizenship.

Performance Metric	Target	Actual	Status
Indigenous Learners Total Enrolment	538	615	▲
Total International Full-load Equivalent ¹	1,414	1,768.3	▲

Notes:

¹ Source Data: Alberta Advanced Education, Learner Enrolment Reporting System (LERS) Cubes

ACCESSIBILITY

Goal 3: Create Pathways for Learner Success

Goal (G) / Priority Initiative (PI)	Status	Progress Made in Last 12 Months
<p>G3: Help learners thrive by advancing multi-modal delivery and diverse learning pathways, transferability and flexibility.</p>	▲	<p>Our new academic and research priorities, <i>To Make All Learning Count</i>, emphasizes competency-based education. This approach enables students to master skills or competencies at their own pace, including flexible course scheduling and content delivery. Learning outcomes are tested and verified with industry.</p>
<p>LPI3.1: Enhance curricula for multi-modal delivery.</p>	▲	<p>We undertook Universal Design for Learning workshops to prepare faculty to deliver augmented ways to support students in the classroom. Technology is also utilized, such as introducing Virtual Reality into Health and Human Services Management program, as well as space-based strategies, such as the newly developed innovation lab space for Early Childhood Education and Development practicum experiences. We continue to evaluate innovative and flexible learning options to determine their applicability and sustainability.</p>
<p>PI3.2: Advance learning pathways, transferability and flexibility.</p>	▲	<p>Many initiatives were undertaken, including more than doubling the number of Bow Valley College transfer credit courses on the Alberta transfer credit system (ACAT) and offering Social Sciences and Humanities courses to high school students through dual credit.</p>
<p>P3.3: Improve internal pathways from foundational programming to career programming.</p>	▲	<p>Piloted customized Career Pathways for Health to facilitate transition of foundational students into Career Programs through innovative programming that provides customized academic upgrading instruction with career courses.</p>
<p>PI3.4: Support access and pathways in regional communities.</p>	▲	<p>We support access and pathways in regional communities by offering additional courses in the regions, expanding programs such as Early Childhood Education and Development to additional sites, and official grand openings of our Strathmore and Cochrane campuses.</p>

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ACCESSIBILITY

△ In Progress | ▲ On Track

Goal 3: Create Pathways for Learner Success

Expected Outcomes (EO) / Performance Measures (PM)

EO3.1: Enhanced program delivery options, optimized learner autonomy, flexibility and choice.

- **PM3.1:** Evaluated innovative and flexible learning options, such as hybrid flexible learning, to determine their applicability and sustainability. A final report is expected by the fall of 2019.

EO3.2: Supported learner flexibility and choice in program delivery, ensuring accommodations are responsive to those who seek different paths to completion.

- **PM3.2:** Increased transfer-articulation agreements to provide more pathways in and out of our certificate and diploma programs where feasible. We have five block transfer agreements with other institutions. On Transfer Alberta, we have 89 approved Bow Valley College course transfers to other institutions and 104 approved course transfers from other institutions to Bow Valley College.

EO3.3: Piloted internal pathways from foundational programming to career programming.

EO3.4: Enhanced opportunities for regional learners to access learning and pathways to the labour force.

- **PM3.4:** Provided programming relevant to each of our regional communities.

Performance Metric	Target	Actual	Status
Percentage of graduates satisfied with Bow Valley College learning and services across career programs ^{1,2}	92%	93%	▲
Number of online credit learners ³	2,959	2,935	▲

Notes:

1 Source Data: Bow Valley College Graduate Experience and Employment Survey of learners who graduated in 2017-18

2 Graduation Satisfaction Rate for Overall Experience

3 Online credit learners: all learners whose credit courses are entirely (100 per cent) taken through the online delivery mode for that academic year. Non-Credit courses are not included in the calculation. Methodology: Using credit classes only, the ratio of classes taken in each delivery mode is calculated for that academic year (i.e. including all four sessions). A distinct count for learners whose ratio of online credit courses to total credit courses is 1 (100 per cent) is used to calculate the number of online credit learners for that academic year.

AFFORDABILITY

Goal 1: Strive for Affordable Learning Opportunities

Goal (G) / Priority Initiative (PI)	Status	Progress Made in Last 12 Months
G1: Work towards ensuring affordable education opportunities for learners of varying financial backgrounds.	▲	To ensure that our students have access to bursaries, we have pooled donor funds and income from our investments to create a \$4.5M Financial Needs Bursary endowment that will provide support in perpetuity. The vision is to continue to grow this endowment so that we have a minimum of \$250,000 annually to provide bursaries.
PI1.1: Enhance learner affordability and access.	▲	Numerous initiatives undertaken to enhance student affordability, including administering and disbursing nearly \$1M in scholarships, awards, and bursaries.
PI1.2: Promote financial literacy and empowerment.	▲	Launched a food security advisory group; partnered to establish a successful weekly fresh produce market; and, with funding via the Post-Secondary Mental Health Grant, developed a financial wellness workbook in partnership with a charitable counselling organization.

Expected Outcomes (EO) / Performance Measures (PM)

EO1.1: Implement new strategy to protect awards, scholarships, bursaries and emergency grants supported by our generous donors to promote affordable learning.

- **PM1.1:** On target to successfully close Quest for Best campaign (\$21M).
- **PM1.2:** Working to ensure that annual giving and community investment at Bow Valley College improves. Our annual Celebrating Student Futures event, for instance, involved a presentation of 181 awards worth a total of \$305,000 in support to students — a growth of 19 per cent over 2018.

EO1.2: Enhance understanding within learner community of budgeting, managing unexpected events, and building financial wellness through resources and initiatives such as our centre for financial empowerment.

- **PM1.2:** For the latest government reporting period, Bow Valley College had a Student Loan Repayment Rate of 92.7 per cent, which is above the Alberta average (88.6 per cent) and the national average (91.1 per cent).

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Goal 1: Contribute to Economic Growth and Development

Goal (G) / Priority Initiative (PI)	Status	Progress Made in Last 12 Months
<p>G1: Foster and support responsive program offerings and program renewal that support economic growth, contributes to economic diversification, fosters entrepreneurship and balances student interest with labour market demand.</p>	<p>▲</p>	<p>Bow Valley College is a college for economic growth, as demonstrated by 88 per cent of our graduates being employed across our career programs. Our entrepreneurial initiatives help foster this success, including our development opportunities like Innovation Rodeo, VentureQuest, and 150 Startups. These offerings help provide Alberta with socially aware entrepreneurs, a strong labour force and committed members of our communities.</p>
<p>PI1.1: Develop new career specializations to aid economic diversification, with emphasis on technology programming in the School of Creative Technologies.</p>	<p>▲</p>	<p>Launched three new programs: Data Management and Analytics Post-Baccalaureate Certificate, Software Development Post-Diploma Certificate, and the Digital Design Diploma. We also delivered the first three cohorts of the Information and Communication Technology Integrated Training Project funded by the Ministry of Labour, providing training and work experience in the technology sector to 50 unemployed Albertans. Further, as a requirement of program accreditation, our new Pharmacy Technician lab ensures that students continue to obtain the workplace skills essential to their role.</p>
<p>PI1.2: Develop new post-diploma certificates and baccalaureate certificates.</p>	<p>▲</p>	<p>Launched three new programs in Creative Technologies: Data Management and Analytics Post-Baccalaureate Certificate, Software Development Post-Diploma Certificate, and the Digital Design Diploma. We were also proud to launch our Child and Youth Care Diploma.</p>
<p>PI1.3: Optimize our Continuing Learning offerings.</p>	<p>▲</p>	<p>Enrolment in our School of Continuing Learning non-credit courses increased 40 per cent. The School also delivered the first Pivot-Ed micro-credential (Client Problem Solving). The School's three proposals to the Ministry of Advanced Education's Tech Talent Continuing Education Pilot Project were all accepted, resulting in the development of 15 new micro-credentials (Agile – 6, MS Technical Associate – 5, IT 'Essentials' 4).</p>
<p>PI1.4: Work with partners in Indigenous communities to further economic growth and development.</p>	<p>△</p>	<p>A recommendation of our Indigenization Strategy includes building meaningful, mutually beneficial relationships with urban and rural Indigenous organizations to support Indigenous workforce development.</p>

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QUALITY

Goal 1: Contribute to Economic Growth and Development

Expected Outcomes (EO) / Performance Measures (PM)

EO1.1: Delivered enhanced career and technology programming to help stimulate economic growth, responded to industries that are growing and innovating, and aided diversification by providing Alberta with a skilled workforce. Provided activities to help simulate and strengthen entrepreneurial thinking of our learners.

- **PM1.1:** Launch at least one program each year to support talent in high-tech.

EO1.2: Provided in-depth skill development for learners who already possess a post-secondary credential enabling them to gain career-ready skills, make career transitions, or apply skills in a new context.

- **PM1.2:** Career program enrolment achieved two-thirds of total College enrolment by 2020 (approximately 70 per cent in 2018-2019).

EO1.3: Broadened continuing learning offerings to provide life-long education and professional development opportunities, including technology-related focuses.

- **PM1.3:** Restructured continuing learning and increased offerings by Bow Valley College.

EO1.4: Via our developing Indigenization Strategy, we are working to contribute to economic development in regional and Indigenous communities through collaboration in developing and delivering programs when the opportunities arise.

Performance Metric	Target	Actual	Status
Percentage of graduates employed across career programs within a specified period following completion ^{1,2}	85%	88%	▲
Percentage of graduates satisfied with Bow Valley College learning and services across career programs ^{1,3}	92%	93%	▲

Notes:

1 Source Data: Bow Valley College Graduate Experience and Employment Survey of learners who graduated in 2017-18

2 Career programs include the Chiu School of Business, School of Creative Technologies, School of Community Studies and School of Health and Wellness

3 Graduation Satisfaction Rate for Overall Experience

COORDINATION

△ In Progress | ▲ On Track

Goal 1: Collaborating with Industry and Other Learning Institutions to Create Transformational Learning Opportunities and Implement Pivot-Ed Strategy

Goal (G) / Priority Initiative (PI)	Status	Progress Made in Last 12 Months
<p>G1: Enhance learning pathways, increase opportunities for work-integrated learning, and develop dynamic content and learning resources to advance social and economic mobility and empowerment.</p>	<p>△</p>	<p>As noted in our strategic plan, Open Doors-Open Minds, we are re-imagining adult education to deliver transformational learning, challenge our thinking, improve the educational experience, and to make all learning count. Currently in development, our new Pivot-Ed initiative is an example of this. The Pivot-Ed initiative combines artificial intelligence enabled scalable assessments and micro-credentialing for the purpose of re-skilling and upskilling individuals into new or different careers.</p>
<p>PI1.1: Collaborate with industry partners to introduce alternative credentialing pilots.</p>	<p>▲</p>	<p>We launched our IBM Skills Academy, a new academic professional technical certification program to prepare students for careers in the IT industry and build local capability consistent with international standards. In 2018-2019, the enrolment for IBM Skills Academy and prerequisite courses at Bow Valley College was 126. Further, in collaboration with a learning technology company, we supported the development of an artificial intelligence course based on the Unified Customer Service Course. We have also undertaken a pilot project to establish and administer micro-credentials digitally to empower students and organizations with verified skills, competencies, and achievements that can be used to assess an individual's learning.</p>
<p>PI1.2: Collaborate with Campus Alberta institutions to develop dual credential programs.</p>	<p>▲</p>	<p>We are working with other learning institutions to create transformational learning opportunities. We signed seven new dual credit agreements with Alberta School Boards. Further, we initiated articulation and transfer credit agreements with public post-secondary institutions in Alberta, and are developing a University Transfer Model and collaborative degree platforms in Business and Technology.</p>

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COORDINATION

Goal 1: Collaborating with Industry and Other Learning Institutions to Create Transformational Learning Opportunities and Implement Pivot-Ed Strategy

Goal (G) / Priority Initiative (PI)	Status	Progress Made in Last 12 Months
PI1.3: Enrich and broaden work-integrated learning.	▲	We are working to make work-integrated learning opportunities available to more students. This work includes a pilot project for a work-integrated learning platform that allows students to use their course projects to solve work problems for industry. We've also established a working group to coordinate efforts around the Alberta Health Services (AHS) Connect Care Information Technologies multi-year initiative. This endeavour will impact health, community studies, and business programs with work-integrated learning opportunities within AHS. We also emphasized entrepreneurship, hosting events like Innovation Rodeo, advocating on issues concerning youth entrepreneurship, and developing our Strathmore Entrepreneur Centre.

Expected Outcomes (EO) / Performance Measures (PM)

EO1.1: Developed efficient models for skills acquisition that engage both people coming into the workforce and those already in the workforce. Developed and implemented tools to assess and validate skills and knowledge acquired using different forms of learning. Acquired and used highly specialized content while leveraging Bow Valley College's strengths of teaching and learning

- PM1.1: Implemented the IBM Skills Academy as first Canadian hub and one other collaboration with industry.

EO1.2: Expanded and developed new pathways for Alberta students by leveraging unique strengths of our College and partnering institutions to build new dual credentials.

- PM1.2: Signed Memoranda of Understanding with Campus Alberta partners and launch programs.

EO1.3: Career learners have opportunities to seek out applied experiences and expand industry network.

Performance Metric	Target	Actual	Status
Percentage of graduates employed across career programs within a specified period following completion ^{1,2}	85%	88%	▲
Percentage of graduates satisfied with Bow Valley College learning and services across career programs ^{1,3}	92%	93%	▲

Notes:

1 Source Data: Bow Valley College Graduate Experience and Employment Survey of learners who graduated in 2017-18
 2 Career programs include the Chiu School of Business, School of Creative Technologies, School of Community Studies and School of Health and Wellness
 3 Graduation Satisfaction Rate for Overall Experience

COORDINATION

△ In Progress | ▲ On Track

Goal 2: Optimize our Resources within a Culture of Operational Excellence

Goal (G) / Priority Initiative (PI)	Status	Progress Made in Last 12 Months
<p>G2: Optimize our resources for the benefit of our learners and employees, and post-secondary system overall, ensuring the right organizational structure and processes exist to support the College's work.</p>	▲	<p>We are a college of strong fiscal stewardship, delivering excellence in learning outcomes in a demonstrably viable and operationally efficient manner. While one of the lowest funded institutions per Full-load Equivalent, we set aside funds to support priorities, including to maintain our buildings and implement strategic and provincial objectives.</p>
<p>PI2.1: Implementation of Fit for Future</p>	▲	<p>Finished implementing Fit for Future (space optimization work), built a brand new PharmTech classroom and lab, and built a new Information Technology Lab.</p>
<p>PI2.2: Determine and implement the requirements for the College's development with respect to physical and virtual capacity.</p>	△	<p>Bow Valley College is currently developing a Functional Plan and Strategic Master Plan, which will provide a framework for regular space utilization analysis and planning. Drafts of the Functional Plan and Master plan are on track for delivery in late 2019.</p>
<p>PI2.3: Continued implementation of Learning Technology Strategy.</p>	▲	<p>Continued expansion of virtual desktop infrastructure in college labs and classrooms. This allows a greater variety of courses to be offered and reduces information technology service costs. We also developed some college data marts and implemented business analytics tools. This allows Bow Valley College to better analyze and report, enabling data informed decision making. We are also in the process of updating all information technology related policies, and implemented a mandatory cybersecurity course for all staff.</p>
<p>PI2.4: Implement a new Student Information System (SIS) to better support our learners.</p>	△	<p>Bow Valley College launched the large implementation project for the new Student Information System (Unit 4 SM). Activities to date have included mapping all business processes in the Office of the Registrar and other departments, participating in familiarization sessions for the Unit 4 SM and starting to write the necessary integrations with other College systems. On target for 2021.</p>

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COORDINATION

Goal 2: Optimize our Resources within a Culture of Operational Excellence

Goal (G) / Priority Initiative (PI)	Status	Progress Made in Last 12 Months
<p>PI2.5: Strive for continuous improvement via a culture of operational excellence.</p>		<p>We have undertaken Lean initiatives across Bow Valley College. The Chiu School of Business recently completed a Six Sigma Lean Management review designed to improve the course and instructor scheduling process. It resulted in reducing staff involvement from 16 staff to 4. We also engaged in, beyond lean-specific initiatives, numerous quality improvement initiatives including five academic programs undergoing accreditation reviews, and policy review and development in various departments. We also continue striving for sustainability. This includes being awarded an international award by the Association for the Advancement of Sustainability in Higher Education for our innovative recycling program and high compliance rate, as well as being a finalist for an International Green Gown award from the UN Environment.</p>
<p>PI2.6: Broaden employee engagement in the leadership development strategy.</p>		<p>Bow Valley College instituted numerous instructional development training and support initiatives, including Brightspace-related workshops, Instructional Skills Workshops, Ignite program (faculty on-boarding), and numerous copyright quality assurance initiatives. Numerous initiatives relating to leadership training of College employees were also undertaken, including approximately 50 completing the College's Inspired Leadership training, approximately 40 taking the College's Fierce Conversation training, and approximately 45 taking training on transitioning from a colleague to a supervisor.</p>
<p>PI2.7: Continued strong fiscal management.</p>		<p>Bow Valley College continued its strong fiscal management via a variety of initiatives, including working to increase the return on its restricted assets, implementing a number of key business intelligence reporting initiatives, implementing big data analytics, and contracting specialized investment management oversight services.</p>

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Goal 2: Optimize our Resources within a Culture of Operational Excellence

Expected Outcomes (EO) / Performance Measures (PM)

EO2.1: Multiple campus redevelopment projects to use our available campus space in the best possible way, for the longest period of time, and in a fiscally responsible manner.

- **PM2.1:** Completed Fit for Future.

EO2.2: A developed strategy and roadmap for the overall physical and technological infrastructure and systems of all College facilities.

- **PM2.2:** Development of a Campus Master Plan is underway, with a draft framework anticipated in late 2019.

EO2.3: The Learning Technology Strategy emphasizes four pillars concerning enablement (training staff on current systems and capabilities), capacity building, technology to teach and learn, and learning support.

EO2.4: Improved online experience for all learners from prospects through to graduation and beyond.

- **PM2.4:** Implementation of a new Student Information System is currently underway, on target for 2021.

EO2.5: Embedding a proven methodology to support continuously improving our processes, freeing up resources to target strategic priorities

- **PM2.5:** A continuous improvement process (Lean) has been implemented, with projects completed, underway, and planned across Bow Valley College.

EO2.6: Developing employees' preparedness and resourcefulness for continual improvement and new assignments.

EO2.7: Within a culture of process improvement and operational excellence, promoting fiscal prudence and sustainability in achieving Bow Valley College's mandate as a comprehensive community college.

Performance Metric	Target	Actual	Status
Percentage of graduates satisfied with Bow Valley College learning and services across career programs ^{1,2}	92%	93%	▲
Campus Alberta grants as a percentage of total revenue	41%	37%	▲
Entrepreneurial contracts as a percentage of total revenue	14%	15%	▲

Notes:

- 1 Source Data: Bow Valley College Graduate Experience and Employment Survey of learners who graduated in 2017-18
- 2 Graduation Satisfaction Rate for Overall Experience

OTHER: MENTAL HEALTH WELLNESS AND SEXUAL VIOLENCE PREVENTION

Goal 1: Foster an Environment of Inclusion and Respect

Goal (G) / Priority Initiative (PI)	Status	Progress Made in Last 12 Months
G1: Foster an Environment of Inclusion and Respect: Create a campus environment that fosters belonging and well-being.	▲	We continued to implement strategies, responsive program offerings, and enabling services and supports to help create a campus environment of belonging and well-being.
P1.1: Develop a mental health and wellness plan.	▲	After significant research and campus consultations, the campus mental health strategy, Healthy Institution Valuing Engagement (HIVE), launched in February 2019.
PI1.2: Promote sexual violence prevention as part of building a safe campus environment.	▲	Undertook numerous initiatives to promote sexual violence prevention. Examples include development of online Sexual Violence Disclosure Training, including three artificial intelligence scenario simulations with a learning technology company, which will be incorporated into the Ignite onboarding program for all new faculty; and created a Sexual Violence Support and Education Liaison role.

Expected Outcomes (EO) / Performance Measures (PM)

- EO1.1:** Enhanced programs and initiatives designed to address issues of mental health and wellness for learners and employees.
- **PM1.1:** Broadened reach of campus mental health strategy: implemented HIVE Strategy.
- EO1.2:** Guided by our Sexual Violence Policy, enhanced programs and initiatives designed to promote a campus environment free of sexual violence.
- **PM1.2:** Expanded services, initiatives and programming concerning sexual violence prevention. Bow Valley College's National College Health Assessment 2019 survey indicates a nearly 10 percentage point increase from 2017 in the number of respondents who recall receiving information about sexual violence from the College.

FINANCIAL AND BUDGET INFORMATION

Bow Valley College has a strong record of fiscal management and performance. Within a culture of process improvement and operational excellence, we promote fiscal prudence and sustainability in achieving our mandate as a comprehensive community college.

In 2018-2019, we:

- 1) Applied additional focus to our investments, initiating a review of our Investment Policy, and engaging an investment management firm to provide additional oversight to our growing investment portfolio.
- 2) Invested in our data analytics infrastructure and as a result gained a deeper understanding of our academic delivery cost structure, which will help considerably with the allocation of resources going forward. We also continued to enhance the visualization of our financial data to deliver deep, real-time business intelligence and analysis, and introduced additional reporting.
- 3) Worked to improve our budget processes, and will continue to do so to have a stronger alignment between priorities and allocation of resources.
- 4) Expanded the financial services we provide to our academic schools and administrative departments, helping each to better understand its business.
- 5) Completed the work we had begun the previous year to become fully Payment Card Industry – Data Security Standards (PCI-DSS) compliant.
- 6) Continued to diversify revenue, primarily through an increase in international enrolment.

Table 1: Financial Health Metrics Demonstrating Bow Valley College’s Strong Financial Position and Performance

#	Metric	Budget	2019	2018	% ▲ from 2018	Comments
1	Salaries / Full-load Equivalent (FLE)	\$9,519	\$9,076	\$9,374	-3.2% ▼	Salaries and benefits are below budget. FLEs continue to rise thus driving down metric from prior year.
2	Campus Alberta Grant as a Percentage of Total Expenditures	40.9%	41.1%	42.0%	-0.9% ▼	College expenses have grown over the prior year. Operating funding levels have increased only slightly. Campus Alberta Grant as a percentage of total expenditure has decreased as a result.
3	Student Source Revenue Ratio	35.1%	38.3%	33.4%	4.8% ▲	Higher ratio is driven by increased tuition revenue from international students.
4	Net Tuition Dependency Ratio	Not Budgeted	24.4%	23.3%	1.1% ▲	Extracting international students and non-credit Revenue, the ratio is higher due to growth in regulated tuition revenue sources.
5	Net Operating Revenue Ratio	0.0%	11.1%	9.7%	1.3% ▲	Metric is higher than the prior year due to accelerated growth in international tuition.
6	Administration Expense Ratio	21.1%	20.8%	18.5%	2.2% ▲	Year over year growth driven by insurance premium increase and computer expense costs due to implementation of a new cloud-based Student Information System.
7	Net Available Assets per FLE	Not Budgeted	\$19,713	\$19,016	3.7% ▲	Increase in net available assets is primarily driven by the positive operating results in the current year. The growth in net assets has outperformed the increase in FLEs.
8	Deferred maintenance as a Percentage of Tangible Capital Assets	2.0%	1.8%	1.8%	-0.0% ▼	Ratio is budgeted at a low level due to the high condition of College facilities and continuous reinvestment being performed via “Fit for Future” initiative.
9	Debt to Asset Ratio	N/A	N/A	N/A		No debt held on balance sheet and lease payments are immaterial.
10	Debt Service Coverage Ratio	N/A	N/A	N/A		

Note: For the purposes of this analysis, “Administration Expenses” are otherwise defined as “Institutional Support” costs as reported in the College’s Statement of Operations.

ENROLMENT PLAN AND PROGRAM CHANGES

Bow Valley College is committed to providing students with an accessible, affordable, and high quality adult education. Our program offerings and program renewal balance student interest with labour market demand, and align to our 2018-2021 Comprehensive Institutional Plan programming priorities:

- Expanding the breadth of our programming mix in the School of Creative Technologies by developing new certificates and diploma programs and specializations to support in-demand high tech jobs.
- Developing new post-diploma and post-baccalaureate certificates, providing students with a multi-disciplinary focus and in-depth skill development.
- Developing common core courses that allow for various routes into specializations within career programs.
- Creating new opportunities that promote continuing professional competence and workplace training.
- Expanding programming within the School of Global Access to develop global citizenship skills and a global mindset to live and work in an interconnected world.

We made significant progress in fulfilling these objectives in 2018-2019:

- **Technology-Related Programming**
 - We are expanding the traditional classroom space through digital technology and designing virtual realities that immerse students in rich and dynamic experiences. Our Health and Human Services students have been using simulations to enhance their learning and problem solving in different user perspectives.
 - Beginning with the IBM Skills Academy, Bow Valley College is offering short-term, targeted programs teaching beginner to advanced information technology training, from which students earn micro-credentials.
 - We are offering short-term training under the Information and Communication Technology Integrated Training Project funded by Alberta Labour. Through this initiative, 50 underemployed or unemployed Albertans are provided 16 weeks of information technology training complemented by 10 weeks of work placement in a related field. This comprehensive program combines workplace essential skills, computer proficiencies, information technology competencies, employment preparation skills, and work experience.
- **New Post-Diploma and Post-Baccalaureate Certificates**
 - We launched three new programs, including Data Management and Analytics Post-baccalaureate Certificate, Software Development Post-Diploma Certificate, and the Digital Design Diploma.
- **Pathways into Specializations within Career Programs**
 - We piloted customized Career Pathways for Health to facilitate transition of foundational students into career programs. This program couples customized academic upgrading instruction with career courses.

- **Continuing Professional Competence and Workplace Training, by offering more work-integrated learning opportunities to students.**
 - Coordinated a centralized approach to work placements for students in Early Childhood Education.
 - Recognized work placements as full-time status in the Learner Registration Policy and Procedure.
 - Undertook a pilot project for a work-integrated learning platform. The platform facilitates the opportunity for students to participate in work-integrated learning opportunities and applied research by enabling them to use their course assignments or projects to solve work problems for a specific corporation or industry agency that has a need. Riipen is a collaboration platform that facilitates experiential learning between post-secondary institutions, educators, industry partners, and students.
 - Explored if there is a platform that can accommodate all of the work-integrated learning activities and categories at Bow Valley College.
 - Established a working group at Bow Valley College to coordinate efforts around the Alberta Health Services (AHS) Connect Care Information Technologies multi-year initiative. This endeavour will impact health, community studies, and business programs with work-integrated learning opportunities within AHS.
 - Facilitating a community-based approach to entrepreneurship, resulting in Bow Valley College hosting events such as Innovation Rodeo. This year's Innovation Rodeo drew over 300 post-secondary students from across Alberta, helping them consider entrepreneurship as a potential career path.

- **Global Citizenship**
 - Currently in our second year, we were awarded a three-year International Youth Internship Project grant, funded by Global Affairs Canada. This project focuses on promoting unique opportunities for college graduates to participate in a paid overseas internship in their field of study. It also strengthens graduates' intercultural competencies as well as provides relevant global job experience.
 - Our Intercultural Centre emphasized the role of global citizenship within its programming.
 - Our Entrepreneur-in-Residence was officially awarded an international award for Excellence in Entrepreneurship from the World Federation of Colleges and Polytechnics. The award recognized excellence in integrating community entrepreneurship into academic curriculum as well as implementing innovative entrepreneurial activities.

- **Continued delivery of training in partnership with Algonquin College supporting Kenya Education for Employment Program (KEFEP) including:**
 - Competency-based education and training to nine members of the Kenyan Ministry of Education.
 - Competency-based education and training curriculum development to 87 representatives from 10 National Polytechnics across Kenya, in partnership with Algonquin College.

- **Shaping the Future of College Education: Piloting Pivot-Ed**
 - We continued piloting our Pivot-Ed initiative. This initiative combines artificial intelligence enabled scalable assessments and micro-credentialing for the purpose of re-skilling and upskilling individuals into new or different careers.
 - Our implementation has included a number of pilots, including the IBM Skills Academy, and a front-end customer service scenario with a financial institution. We are also undertaking pilots at Bow Valley College itself, including front-end customer service training in the Office of the Registrar as well as sexual violence and mental health awareness for our employees developed by our Learner Success Services.
 - We delivered our first Pivot-Ed micro-credential (Client Problem Solving) through our School of Continuing Learning.
 - We developed four MS Office micro-credentials utilizing an automated delivery platform (Jasperactive).

- **Enhancing System Collaboration and Partnership with Industry and Other Campus Alberta Institutions.**
 - As part of a collaborative program with Medicine Hat College, the Business and Culture course provided 14 students with the opportunity to travel to France, Italy and Malta to learn and experience how business is conducted in different cultures.
 - We are a member of the provincial steering committee to inform the enhanced Health Care Aide curriculum development across Alberta. This included industry, government, and post-secondary collaborative partners.
 - We brokered a non-credit office administration certificate to Riel Institute.
 - We signed seven new dual credit agreements with Alberta school boards (21 in total).
 - We developed a system for sharing curriculum materials with NorQuest College in support of our previously signed Memorandum of Understanding. The new Curricula Sharing Agreement allows the colleges to share programming curricula where mutually beneficial and without the need for individual contracts or agreements.
 - We signed a Memorandum of Action (MOA) with Athabasca University to build on existing opportunities for students and reduce barriers to education. The MOA helps formalize the partnership and allows the institutions to continue to develop new opportunities for students. We are currently working together to put plans into action that will open pathways to upskilling and career training.
 - Our Business and Technology areas are developing multiple pathways that will allow students to complete additional academic credentials in support of their career aspirations. We are working on developing a University Transfer model that will allow students to tailor their course-taking pattern to seamlessly ladder into baccalaureate programs at various partner institutions. Additionally, we are developing collaborative degree platforms that will allow students in Bow Valley College business programs to simultaneously complete a business degree at another institution.

Table 2: Total Full-load Equivalent (FLE) Distribution Across Schools

	Actual 2016-2017	Actual 2017-2018	Actual 2018-2019
School of Foundational Learning	1,161	1,090	1,207
School of Global Access	1,560	1,682	1,554
School of Health and Wellness	1,180	1,539	1,581
School of Community Studies	968	1,163	1,286
School of Creative Technologies	47	113	236
Chiu School of Business	1,523	1,926	2,178
School of Continuing Learning	225	291	346
Bow Valley College	6,665	7,804	8,389

Note:

Open Studies FLEs that used to reside under the Chiu School of Business, School of Creative Technologies, School of Community Studies or School of Health and Wellness are now under the School of Continuing Learning.

Source Data:

Alberta Advanced Education, Learner Enrolment Reporting System (LERS) Cubes

Table 3: Full-load Equivalent (FLE) Trend Across Programs and Credentials

	2016-2017	2017-2018	2018-2019	% change 2018-2019 vs. 2017-2018
Certificate				
Addictions Studies	8.3	12.6	12.7	2%
Administrative Professional	83.6	113.2	114.1	1%
Business Administration	85.9	95.3	87.3	-8%
Dental Business Assistant	40.5	58.1	60.3	4%
Disability Studies	47.1	41.0	42.0	3%
Early Learning and Child Care	105.0	62.3	72.7	17%
Education Assistant	47.4	48.1	68.2	42%
Events Management	4.7	6.3	15.4	146%
Fetal Alcohol Spectrum Disorder Education	3.0	7.1	5.7	-20%
Health Care Aide	156.3	154.7	165.7	7%
Hospital Unit Clerk	347.6	423.3	437.2	3%
Human Resources	46.6	69.0	69.4	1%
Interior Decorating	2.0			
Medical Office Assistant	194.9	255.5	262.1	3%
Nutrition Manager	15.4	15.8	20.2	28%
Recreation Therapy Aide	7.4	7.6	8.8	17%
Veterinary Office Assistant	36.7	55.8	70.2	26%
Diploma				
Addiction Studies	52.3	62.7	60.5	-4%
Business Administration	479.0	602.5	794.9	32%
Child and Youth Care			30.3	
Digital Design			26.0	
Disability Studies	87.2	104.5	102.8	-2%
Early Learning and Child Care	242.8	251.4	281.6	12%
Interior Decorating	46.8	48.9	71.7	47%
Justice Studies	289.5	320.0	307.0	-4%
Legal Assistant	203.5	246.9	267.1	8%
Pharmacy Technician	58.4	73.3	72.5	-1%
Practical Nurse	942.0	1287.6	1314.0	2%
Social Worker	30.3	56.2	62.2	11%
Software Development		26.3	67.4	156%

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Table 3: Full-load Equivalent (FLE) Trend Across Programs and Credentials

	2016-2017	2017-2018	2018-2019	% change 2018-2019 vs. 2017-2018
Post-Diploma Certificate				
Digital Marketing		25.5	18.8	-26%
Health and Human Services Management	55.1	196.7	240.2	22%
Kitchen and Bath Design		12.1	26.0	115%
Software Development			15.5	
Post-Baccalaureate Certificate				
Data Management and Analytics			11.2	
Non-Credential				
Academic Upgrading	1120.5	1045.9	1138.8	9%
Corporate Readiness Training Program	22.5	24.0	31.6	32%
Employment Skills – Sewing and Upholstery	22.2	26.3	21.9	-17%
ESL – English Language Learning	1537.7	1658.1	1522.5	-8%
Open Studies	224.7	291.4	345.9	19%
Pathways – Artstream	17.9	18.0	28.0	56%
Pathways – CPP			18.7	
Total Certificate	1232.3	1425.6	1512.1	6%
Total Diploma	2431.8	3080.2	3457.7	12%
Total Post-Diploma	55.1	234.3	300.4	28%
Total Post-Baccalaureate			11.2	
Total Non-Credential	2945.5	3063.7	3107.4	1%
Overall Total	6664.7	7803.9	8388.9	7%

Note:

Overall the College saw a 7 per cent increase in FLEs in 2018-19 compared to 2017-18. The majority of the increase was within post-secondary programs due to the increase in international enrolment and the addition of new programs. The Business Administration Diploma, Hospital Unit Clerk Certificate, Medical Office Assistant Certificate, Legal Assistant Diploma and Health and Human Services Management Post-Diploma Certificate all experienced higher FLEs compared to last year due to increases in international enrolment. The addition of new programs including the Data Management and Analytics Post-Baccalaureate Certificate, Child and Youth Care Diploma, Digital Design Diploma and Software Development Post-Diploma Certificate also contributed to the increase in enrollments. English Language Learning experienced a decrease in enrolment due to cuts in funding.

Source Data:

Alberta Advanced Education, Learner Enrolment Reporting System (LERS) Cubes

INTERNATIONAL STUDENT ENROLMENT

International students foster an enriched learning environment at Bow Valley College, helping promote and enhance diversity and intercultural competence within our learning communities. Their presence helps ensure viable program cohorts, increased program offerings, and enhanced reinvestment capacity of Bow Valley College to advance strategic priorities. To maintain these, and other positive benefits, we carefully manage international enrolment so it is complementary to domestic student enrolment patterns.

Table 4: 2018-2019 Budget and actual Full-load Equivalent (FLE) by Program

	2018-2019 Budget ¹	Actual 2018-2019 Domestic ²	Actual 2018-2019 International ²	Actual 2018-2019 Total ²	% Variance of 2018-2019 Actual over Budget
Certificate					
Addictions Studies	4.8	9.4	3.4	12.7	166%
Administrative Professional	114.8	39.3	74.7	114.1	-1%
Business Administration	112.2	35.5	51.8	87.3	-22%
Dental Business Assistant	68.6	24.0	36.2	60.3	-12%
Disability Studies	49.6	30.5	11.5	42.0	-15%
Early Learning and Child Care	49.5	67.1	5.6	72.7	47%
Education Assistant	51.5	68.2		68.2	32%
Events Management	7.7	1.2	14.2	15.4	99%
Fetal Alcohol Spectrum Disorder Education	6.7	5.7		5.7	-15%
Health Care Aide	170.5	165.6	0.1	165.7	-3%
Hospital Unit Clerk	450.3	241.8	195.5	437.2	-3%
Human Resources	75.8	27.6	41.8	69.4	-8%
Medical Office Assistant	285.1	136.5	125.6	262.1	-8%
Nutrition Manager	15.1	20.2		20.2	34%
Recreation Therapy Aide	6.0	8.8		8.8	47%
Veterinary Office Assistant	61.0	52.4	17.8	70.2	15%
Diploma					
Addiction Studies	60.0	54.5	6.0	60.5	1%
Business Administration	654.1	179.4	615.6	794.9	22%
Child and Youth Care	25.4	24.0	6.2	30.3	19%
Digital Design	21.9	16.0	10.0	26.0	19%
Disability Studies	98.5	82.0	20.8	102.8	4%
Early Learning and Child Care	261.7	233.3	48.2	281.6	8%
Interior Decorating	62.2	58.5	13.1	71.7	15%
Justice Studies	298.9	296.1	10.9	307.0	3%
Legal Assistant	280.3	195.2	71.8	267.1	-5%
Pharmacy Technician	68.8	70.4	2.1	72.5	5%
Practical Nurse	1371.2	1280.4	33.6	1314.0	-4%
Social Work	56.0	58.7	3.5	62.2	11%
Software Development	61.6	45.0	22.4	67.4	9%

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Table 4: 2018-2019 Budget and actual Full-load Equivalent (FLE) by Program

	2018-2019 Budget ¹	Actual 2018-2019 Domestic ²	Actual 2018-2019 International ²	Actual 2018-2019 Total ²	% Variance of 2018-2019 Actual over Budget
Post Diploma Certificate					
Digital Marketing	35.0	1.8	17.0	18.8	-46%
Health and Human Service Management	223.9	21.6	218.6	240.2	7%
Kitchen and Bath Design	28.5	11.9	14.0	26.0	-9%
Software Development	24.4	3.5	12.0	15.5	-36%
Post-Baccalaureate Certificate					
Data Management and Analytics	35.0	1.8	17.0	18.8	-46%
Non-Credential					
Academic Upgrading	1109.4	1132.7	6.1	1138.8	3%
Corporate Readiness Training Program	25.8	31.6		31.6	23%
Employment Skills – Sewing and Upholstery	22.7	20.4	1.5	21.9	-4%
ESL – English Language Learning	1537.5	1475.6	46.9	1522.5	-1%
Open Studies	277.8	345.6	0.3	345.9	25%
Pathways – Artstream	18.0	23.6	4.3	28.0	55%
Pathways – CPP	49.9	18.7		18.7	-63%
Certificate	1529.2	933.8	578.3	1512.1	-1%
Diploma	3320.6	2593.5	864.3	3457.7	4%
Post-Diploma Certificate	311.8	38.8	261.6	300.4	-4%
Post-Baccalaureate Certificate	11.3	6.2	5.0	11.2	-1%
Non-Credential	3041.1	3048.2	59.1	3107.4	2%
Overall Total	8214.0	6620.6	1768.3	8388.9	2.1%

Note:

Almost all Diploma programs met or surpassed the budget due to growth in both domestic and international enrolment. Only the Legal Assistant Diploma (5 per cent below) and Practical Nurse Diploma (4 per cent below) did not meet the budget targets. The Practical Nurse Diploma did not meet the budget target due to the change in course registration (from self-registration to cohort-based) for this program. The majority of Certificate programs did not meet the budgets due to a decrease in domestic enrolment. The majority of Post-Diploma and Post-Baccalaureate Certificates did not meet the budget due to lower than expected enrolment for new learners except in the Health and Human Service Management Post-Diploma Certificate. Many of the post-diploma and post-certificates are recent offerings, and consequently take time to generate awareness and build to full capacity. Enrolment may also be impacted as the post-diploma and post-baccalaureate categories of credentials are fairly new to the province.

Source Data:

- 1 2018 Bow Valley College Comprehensive Institutional Plan
- 2 Alberta Advanced Education, Learner Enrolment Reporting System (LERS) Cubes

RESEARCH, APPLIED RESEARCH AND SCHOLARLY ACTIVITIES

With a goal of being ranked in the top 20 of Canada's top 50 research colleges within five years, *To Make All Learning Count*, our new academic and research priorities, aims to broaden our applied research agenda by:

- 1) Recognizing the strengths of faculty and staff, we are expanding our agenda to make research a part of the student and employer experience at Bow Valley College. Students benefit from applied research projects by applying their learning in the workplace environment.
- 2) Having our students help employer organizations solve problems and identify efficiencies while strengthening their employment prospects.

We continue to leverage our research strength in the areas of:

- Teaching and learning
- Newcomer advancement and global competence
- Foundational learning
- Health and wellness
- Community studies
- Childhood development
- Social innovation and social entrepreneurship

We are broadening our research agenda by:

- Making applied research a key component of our learning strategy
- Supporting students, faculty, and staff in applied research methodology and project procurement
- Engaging industry and the business community in identifying potential clients and partnerships
- Weaving applied research into curriculum and coursework
- Facilitating knowledge mobilization
- Developing interdisciplinary applied research opportunities to include students from different program areas

RESEARCH: WITH AN INDUSTRY FOCUS

- We are building the applied research portfolio and capacity of Bow Valley College. The College submitted two applications to the Social Sciences and Humanities Research Council, and a business case to the Opportunity Calgary Investment Fund. We also recently signed a funding agreement with Mitacs, a federal funding organization that directly supports student engagement in research. Mitacs funding will support future work-integrated learning/applied research projects for students.
- We launched a pilot project with other areas at Bow Valley College to establish and administer micro-credentials digitally to empower students and organizations with verified skills, competencies, and achievements that can be used to assess an individual's learning. Micro-credentials and digital credentials are quickly becoming the method of choice in assessing and evaluating a student's knowledge and skills as they apply for employment.
- We have undertaken a pilot project, with a private company, to adopt a work-integrated learning platform that facilitates the opportunity for students to participate in work-integrated learning opportunities and applied research. It does this by enabling them to use their course assignments or projects to solve work problems for a specific corporation or industry agency that has a need. The platform assesses and reports on meaningful experiential learning opportunities, allowing Bow Valley College to scale opportunities quickly and within a controlled manner.
- We have been working with the federal and provincial governments to research the economic impact of youth entrepreneurship. This has the potential to shape student loan policies to address one of the biggest barriers to student entrepreneurship.
- We implemented policies on research administration and on intellectual property. We are also developing a Research Data Management Policy to ensure proper handling of research data throughout the data lifecycle.
- Bow Valley College signed an agreement with the Canadian Energy Research Institute (CERI) to create inclusive and sustainable learning and research opportunities for each organization, either jointly or individually. The agreement will help connect Canadian energy leaders and prepare the next generation of industry influencers to enhance community and industry growth.

RESEARCH: SUPPORTING HEALTHY ALBERTANS IN ALL OF OUR COMMUNITIES

- We successfully completed a Social Sciences and Humanities Research Council funded project with the Kainai Board of Education, Kainai Nation, entitled Hearts and Minds, Co-constructing learning materials with Indigenous Community. The community developed curriculum learning materials with their interpretation of the brain story with Kainai Elders' pedagogy. All materials are geared for inclusion into their Headstart and Daycare Centres.
- Based on research of needs for English Language Learners (ELL) practitioners, Bow Valley College produced an advanced certificate for practicing ELL instructors.
- An Indigenous research policy and procedure review was conducted to inform Bow Valley College's research and innovation team as well as the policy development on Intellectual Property.
- Our RGO Library and Learning Commons expanded accessibility to its library research skills instruction to students completing courses online or from the regional campuses.
- Bow Valley College became a member of Research Canada: An Alliance for Health Discovery, a federal government initiative that supports and champions the advancement of health research and innovation in Canada.
- As part of our commitment to fostering stronger connections with communities through social innovation research, Bow Valley College hosted its first two-day Social Innovation Research symposium. The conference brought together innovators and researchers to share insights on social innovation research and its role in fostering social change.

REGIONAL STEWARDSHIP,
FOUNDATIONAL
LEARNING,
UNDERREPRESENTED
STUDENTS

REGIONAL STEWARDSHIP

As we develop a Regional Stewardship Plan, we remain committed to adult education and training in Bow Valley College's service region within our fiscal constraints. This includes hiring Bow Valley College's first Dean for Regional Stewardship, the only such position in the province; and increasing access to adult education and training across our service region. Highlights of our work includes:

Increasing Awareness and Access

- Creating new or expanded opportunities in our regions, within our fiscal capacity and current program offerings, including offering additional courses for students to take at a location close to home, and offering programs in regional Indigenous communities that now have graduates to work where they learned and lived. We also had the official grand opening of two regional campuses, in Strathmore and Cochrane.

Supporting Prospective Students with Navigating the Adult Learning System

- In order to increase access to distance and regional students, the Matched Savings Bursary Program workshops were delivered both face-to-face and online (real-time). This provides financial assistance to help enable our regional students to thrive.
- We continue to enhance our program offerings within our fiscal limitations. Our Chiu School of Business, for instance, continues to offer one of the largest selections of online business courses in the province. This selection, and the ability to complete one and two-year programs at a distance, expands the reach of Bow Valley College to smaller communities throughout Alberta. We ensure that we are maintaining entrance requirements that support student success as well as providing as many admission points as possible. Further, by aiming to operate as efficiently as possible, we support as many students as possible.

Leveraging Technology

- Ensuring our regional students have access to the supports they need to thrive. This includes expanding accessibility to our library research skills instruction to students completing courses online or from the regional campuses, and upgrading of loaner laptops for students on both main and regional campuses — allowing students without their own computers to access technology and online resources.

Coordinating Multi-Site Delivery Models

- We are working to increase proven services and programming so our students can thrive. The regional Early Childhood Education and Development program delivered in Okotoks was born out of a community stakeholder consultation to address a specific need identified by the community. The program delivery was designed for the community and ran successfully through the 2018-2019 academic year. Following a debrief session with Bow Valley College staff and the Association of Early Childhood Educators of Alberta, this regional program is now expanding to additional sites for the 2019-2020 academic year using the same delivery model.

Engaging and Coordinating with Informal Learning Providers, and Other Campus Alberta Institutions to Deliver a Wide Spectrum of Learning Opportunities in Regional Communities

- We continue working with community partners to provide learning opportunities as well as helping build strong regional economies. We were awarded a Community and Regional Economic Support grant to support further development of our Strathmore Entrepreneur Centre, as well as to explore establishing an Airdrie Entrepreneur Centre. Additional funds and partnership support for the project were also provided by Wheatland County and the City of Airdrie.
- We continued working to help strengthen the communities we operate in. For example, we enhanced mental health supports for students at regional campuses, supported literature displays at each campus, and developed better connections to main campus supports. We also delivered Mental Health First Aid workshops, available to students and the general public.

We create capacity throughout our service region by placing representatives in communities and working with partners in civic governments, industry sectors, community agencies, community adult learning councils, and Campus Alberta institutions. There are seven Bow Valley College learning sites in the communities around Calgary, including in: Airdrie, Cochrane, Banff, Canmore, Strathmore, Okotoks, and High River. We also have a long history of partnerships with Treaty 7 communities and Métis Nation of Alberta Region 3.

In addition, regional managers and other staff members actively participate in various community networks.

FOUNDATIONAL LEARNING

Our work as an innovative comprehensive community college helps ensure that Albertans can leverage an applied education to achieve their goals, including accessing foundational learning and English Language Learning, full participation in the labour force, and pathways to entrepreneurship or opportunities for further learning.

We provided foundational learning programs to 1,207 Full-load Equivalents, using individualized pathways to ensure students meet their upgrading goal for further academic studies or employment. Specific initiatives undertaken included:

- Offering our Aboriginal Upgrading Training Program to Indigenous students returning to school to meet their literacy and essential skills or academic upgrading goals.
- Providing specialized literacy programming for students facing multiple learning barriers.
- Piloting customized Career Pathways for Health to facilitate transition of foundational students into Career Programs through innovative programming that provides customized academic upgrading instruction with career courses.

Our School of Global Access makes significant contributions to areas of English Language Learning, career advancement, intercultural development, research and development, and global citizenship. With this strong foundation, the School has the opportunity to further advance this work to serve an increasingly interconnected world. Initiatives undertaken in 2018-2019 include:

- Providing English Language Learning to approximately over 1,554 Full-load Equivalents, to promote labour market attachment, community participation and further academic studies.
- Offering Advanced level Intercultural courses to staff to build on their skills sets for working with diverse students.
- Helping prepare English Language Learning Language Instruction for Newcomers to Canada (LINC) program participants for employment; six months after leaving the program, 100 per cent of participants stated that the program helped them find employment. This program is also offered in regional locations.
- Our Intercultural Centre emphasized the role of global citizenship within its programming as its theme for 2018-2019. The Centre hosted activities and workshops that encouraged broader perspectives and opportunities for engaged citizenship.

INDIGENOUS STUDENTS

Working with our Indigenous stakeholders, and consulting broadly, we are developing and implementing a college-wide Indigenization Strategy. The strategy will be an act of reconciliation that will be operationalized within our mandate and will have an impact across Bow Valley College.

Engagement and consultation sessions on the Indigenization Strategy draft goals were conducted with students, including some specific sessions with Indigenous students only; employees; Calgary-based agencies; our Iniiikokaan Centre Advisory Committee; Cultural Resource Elders; and Red Crow Community College. An employee workbook seeking feedback on the Indigenization Strategy was sent out to every employee at Bow Valley College.

Following this engagement work, draft recommendations were developed for the Indigenization Strategy and are now being tested with leadership across Bow Valley College.

We are committed to taking a holistic and phased approach in developing and implementing our Indigenization Strategy, with tangible examples of Indigenization efforts from 2018-2019 including:

- Bow Valley College worked to enhance data about Indigenous students at the College.
- A team of three Indigenous employees presented on the Indigenization Strategy and decolonizing curriculum work at the Colleges and Institutes Canada's Indigenous Education Symposium.
- We have developed a draft framework to de-colonize and indigenize curriculum across Bow Valley College, reviewing 33 courses so far in the process.
- An Indigenous research policy and procedure review was conducted to inform our research and innovation team and policy development on Intellectual Property.
- A review of the Learner Code of Conduct Policy and Procedure was done with an Indigenous lens.
- Imperial Oil's Foundation provided funding for the twelfth year for the Cultural Resource Elders Program. This program is aimed at student retention and success.
- A "Guest Elders" program was launched in support of meeting the diverse needs of Indigenous students.
- We hosted our second annual Indigenous Showcase to demonstrate support for students, partnerships with Indigenous communities, Bow Valley College's Indigenization efforts, and to celebrate Indigenous culture.
- Bow Valley College hosted Indspire's Soaring: Indigenous Youth Empowerment Gathering.
- The first Bow Valley College Indigenous Awareness Month was held, with presentations offered over the whole month.
- A permanent Tipi was erected in our Calgary campus. It is a new place, in addition to the Iniiikokaan Centre, for our entire College to build community, share, and learn Indigenous Ways of Knowing, and participate in ceremony.

STUDENTS WITH DISABILITIES

As an access-oriented college, we work hard to make sure all students have access to the education they need through academic accommodations and the promotion of Universal Design for Learning (UDL) practices. We encourage instructors to incorporate UDL principles in the design of curriculum and classes as this decreases the need for individual accommodations and increases access and engagement for all students. UDL is a framework to improve and optimize teaching that eliminates barriers through initial design and instruction rather than overcoming barriers later, through individual accommodations.

Some of our initiatives supporting our students with disabilities during the 2018-2019 reporting year include:

- Hosting a UDL panel for faculty and staff to celebrate the International Day of Persons with Disabilities.
- Supporting 752 students with confirmed, documented disabilities.
- In conjunction with other Calgary area colleges and universities, Bow Valley College hosted the annual Transition Event for students with disabilities who are moving from high school to post-secondary.

RURAL STUDENTS

We remain committed to enhancing access to adult education and training, as evidenced by Bow Valley College's ongoing presence serving rural communities through our regional campuses. For example, Bow Valley College's Practical Nurse program is a large component of our regional stewardship offerings, supporting communities with nurses as a result. We also continue to partner with Red Crow Community College and Iyarhe Nakoda to offer our Education Assistant Certificate. The delivery with Iyarhe Nakoda includes a small group in Eden Valley who join by web-conference for synchronous delivery. Offerings such as these enable Bow Valley College to provide extended access to programs and services through strategic locations across our regions.

STUDENTS FROM LOW-INCOME BACKGROUNDS

Bow Valley College recognizes the challenges faced by our low-income students, and we work hard to ensure that all Albertans have the same opportunity to get a post-secondary education regardless of their financial circumstances. Examples of initiatives undertaken include:

- Our Student Loan Information Session was recorded and posted on the Bow Valley College website to increase access for prospective students.
- Our RGO Library and Learning Commons free textbook lending service saves students the cost of purchasing expensive textbooks. Approximately 15,000 textbook loans were issued from the reserve collection.
- A new program in our RGO Library and Learning Commons supports student lending of green screens, portable video recording equipment, livescribe pens, and video stabilizers along with access to sound recording booths in all library project rooms.
- After completing a comprehensive competitive bid process, Laugh N Learn Childcare Centre opened on campus in September, 2018, offering quality childcare and enhanced student benefits, at competitive rates for students.
- Launched our “Open Cupboards” initiative, a monthly free food market for students, through donations of non-perishable food items identified as commonly used by students.
- During the inaugural Bow Valley College Reading Week, in February, launched “Money Tune-Up” to give students the opportunity to create personalized spending plans with support from the Learner Success Services Financial Empowerment Coach.

In doing so, we work with our community partners to continue promoting and enhancing financial empowerment on campus. This includes developing and fostering the financial literacy and empowerment of our students. We are proud of our students and this work, as our student loan repayment rate for the most recent reporting period was 92.7 per cent, above the 88.6 per cent average for Alberta and 91.1 per cent national average. Initiatives undertaken include:

- We launched a Food Security Advisory Group in response to survey results that indicated that food security was a significant source of financial stress for students. Sodexo is also participating in this group as a key partner.
- We undertook a successful pilot of partnership with Fresh Routes, to deliver the Fresh Routes Mobile Market, a low-cost fresh produce market made available weekly to students and employees of Bow Valley College. The uptake from the College community has been tremendous, resulting in an ongoing partnership and permanent space to deliver the market on a weekly basis.
- We launched a “Food for Fines” initiative to accept non-perishable food donation in lieu of cash for library fines in the RGO Library and Learning Commons. Food will be included in the “Open Cupboards” market.
- We developed a Financial Wellness Workbook for students in partnership with the Calgary Counselling Centre. This initiative was funded through the Post-Secondary Mental Health Grant, supporting the holistic approach to student mental health.
- We launched a “Basics of Investing” workshop in partnership with ATB Financial.

- We expanded the offerings during November’s Financial Literacy Month, including a “Financial Literacy Month Kick Off” event with games and prizes, weekly workshops including “Good Food on a Tight Budget” in partnership with Sodexo, and a large Financial Wellness Fair, which included participation from ATB Financial, Bromwich and Smith, Calgary Housing Corporation, City of Calgary — Fair Entry, Community Kitchen, Momentum, Money Mentors, and Sunrise Link Community Resource Centre.
- With support from our partnership with ATB Financial, we launched an “Ask the Banker” pop up event to offer the opportunity for students to seek advice and answers from a banking expert with fun incentives.
- With support from the Better Business Bureau, we delivered a “Savvy Newcomers” workshop to help students recognize fraud targeting newcomers.

We also continued to strengthen relationships that generate sustainable funding and revenues to advance Bow Valley College as an innovative, world-class community college, and foster enduring value in the communities we serve. Work during 2018-2019 included:

- A total of \$977,678 was administered and disbursed in scholarships, awards, and bursaries.
- Our 24th Annual Premier’s Scholarship Luncheon raised over \$96,000 for scholarships for our students. Thanks to the generosity of our community, since inception, the Premier’s Scholarship Luncheon has helped raise more than \$1.8M. With this commitment, we have been able to help more than 250 adult students through scholarship support, making a critical difference in their path to graduation.
- To further ensure that our students have access to bursaries, we pooled donor funds and income from our investments to form a \$4.5M Financial Needs Bursary endowment. This endowment will provide student support in perpetuity. The vision is to continue to grow this endowment so that we have a minimum of \$250,000 annually to provide bursaries.
- Our annual Celebrating Student Futures event, honouring the generosity of donors who make a significant impact on the lives of our students, involved a presentation of 181 awards worth a total of \$305,000 in support to students — 19 per cent growth over 2018.
- In order to increase access to distance and regional students, the Matched Savings Bursary Program workshops were delivered both face-to-face and online (in real-time).

INTERNATIONALIZATION

We are proud to engage learners, employees and our broader community in international and intercultural experiences. As an illustration, our international department works hard to foster inclusion and meaningful connections on campus, serving over 2,100 international learners annually. The department offers programming to support the development of intercultural competence, engaged citizenship, and a global mindset. This includes offering workshops, hosting events, and providing student leadership and volunteer opportunities within Bow Valley College and the Calgary community. The department also hosts two signature annual international events including International Education week and International Development week to promote global and international perspectives. Bow Valley College also promotes diversity and inclusivity across the campus through the Intercultural Center which is open to students, faculty, and staff. The Center also hosts an annual TEDx to promote student leadership and international perspectives.

In recognition of our dedication to internationalization, Bow Valley College joined many countries to celebrate International Education Week (IEW) from November 13-16, 2018. IEW showcases the significant contribution that international education makes to our social, economic, and cultural well-being and supports Canada's ongoing efforts to engage on the international stage. During the week, students and staff were invited to participate in the different activities we have organized for this year's theme "Empowering minds through an International Education."

We provide a holistic approach to how we interact with our students and celebrate our diversity. Initiatives for the 2018-2019 year include:

- Continued delivery of International Youth Internship Program, providing 84 internships in Kenya, Tanzania, Jamaica, and Peru over three-years.
- Completed multi-year contribution to Improving Skills Training for Employment Program (ISTEP) in Tanzania.
- Continued delivery of training in partnership with Algonquin College supporting Kenya Education for Employment Program (KEFEP) including:
 - Competency-based education and training to nine members of the Kenyan Ministry of Education.
 - Competency-based education and training curriculum development to 87 representatives from 10 National Polytechnics across Kenya, in partnership with Algonquin College.

Bow Valley College does not currently have any off-shore delivery initiatives to report that provided credentialed training.

CAPITAL PLAN

For the 2018-2019 year, Bow Valley College spent \$6.8M on capital initiatives. The primary split of these expenditures is as follows:

Technology | \$0.32M

Ongoing operation | \$0.45M

Campus Space Optimization (Fit For Future) | \$6.03M

2018-2019 concluded a multi-year initiative, known as Fit for Future, to rework several College spaces. Our current facilities had reached capacity with respect to administrative offices, and appropriate spaces for students and teaching needed to be enhanced or created. This program of work began in 2016-2017 and concluded in 2018-2019. It included the creation or upgrading of multiple lab spaces for the creative technology and healthcare programs, the resizing of classrooms to better accommodate class sizes, the consolidation of administrative offices, and the creation of new student workrooms.

A detailed update on Bow Valley College’s planned priority capital project – space optimization (Fit for Future) – is therefore noted in the following table:

Type	Description	Funding Sources	Progress of Funding Collection	Expected Completion Date (from CIP)	Status	Progress Made in Last 12 Months	Revised Expected Completion Date
Priority Projects							
Campus Space Optimization	Campus Space Optimization (Fit for Future)	College	\$6M	June 30, 2019	Complete	All planned work completed.	June 30, 2019

INFORMATION TECHNOLOGY

In 2018-2019, Bow Valley College invested \$2.1M from College reserves to advance and support several strategic projects, with \$0.32M of this investment as capital expenditure and \$1.78M as operating costs. The most prominent investment among these initiatives is the implementation of a new Student Information System (SIS). The SIS implementation is a multi-year expenditure with total project costs estimate to be \$9.8M.

A specific update on Bow Valley College’s planned priority Information Technology projects – our new SIS – is therefore noted in the following table:

Type	Description	Funding Sources	Progress of Funding Collection	Expected Completion Date (from CIP)	Status	Progress Made in Last 12 Months	Revised Expected Completion Date
Priority Projects							
SIS	Implementation of a new Student Information System (SIS)	College	\$10M from Bow Valley College restricted assets	April 30, 2021	In Progress	Implementation underway	April 30, 2021

In addition to the SIS initiative a number of additional projects were undertaken in 2018-2019 financial year. These include:

- Ongoing ever-greening of the educational and administrative computers.
- Audio-visual technology replacements and upgrades to better support both face-to-face and blended learning.
- Implementation of a security alerting app.
- Continued enhancement of cybersecurity protections and training. This includes implementing multi-factor authentication and continued hardening of College systems.
- Migration of administrative and staff email to the cloud.
- Upgrading of the fund development and alumni customer relationship management system.
- Selection and early-stage implementation of a budgeting and planning tool to support dynamic budgeting and scenario planning.
- Implementation of a work-integrated learning platform.
- Enhancements to the financial and human resource systems to support the SIS implementation.
- Development and implementation of a virtual reality lab for the nursing program.
- Provide students with access to new and advanced technology at Bow Valley College. These technologies include Virtual Reality, advanced recording equipment, Microsoft Studio Surface with design and drawing programs, Arduino and maker creative kits, and 3-D printers.
- Upgrade loaner laptops for students on both main and regional campuses – allowing students without their own computers to access technology and online resources.
- Develop data marts and implementation of business analytics tools to allow Bow Valley College to better analyze, report, and enable data informed decision making.
- Update of all College information technology-related policies.
- Continue to explore tools for our Learning Management System platform, Brightspace. Examples of this include implementing an invigilation tool that enables students to complete online exams from wherever they choose to do so.
- Introduce a new program to support student lending of green screens, portable video recording equipment, liverscribe pens, and video stabilizers along with access to sound recording booths in all library project rooms.

MANAGEMENT DISCUSSION AND ANALYSIS

YEAR END JUNE 30, 2019

INTRODUCTION

Bow Valley College (the College) has prepared the following management discussion and analysis (MD&A), which should be read in conjunction with the 2019 audited financial statements and accompanying notes included in the annual report. The MD&A and financial statements have been reviewed and approved by the Board of Governors of Bow Valley College.

This MD&A begins with a summary of financial performance (revenue and expenses), is followed by a summary of financial position (assets and liabilities), and concludes with an overview of financial risk.

1. SUMMARY OF FINANCIAL PERFORMANCE

The summary of financial performance section of the MD&A examines the College's revenue and expenses for the year ended June 30, 2019.

The College generated revenue of \$127.4 million and incurred expenses of \$113.3 million, generating a \$14.1 million annual operating surplus (2018: \$11.5 million).

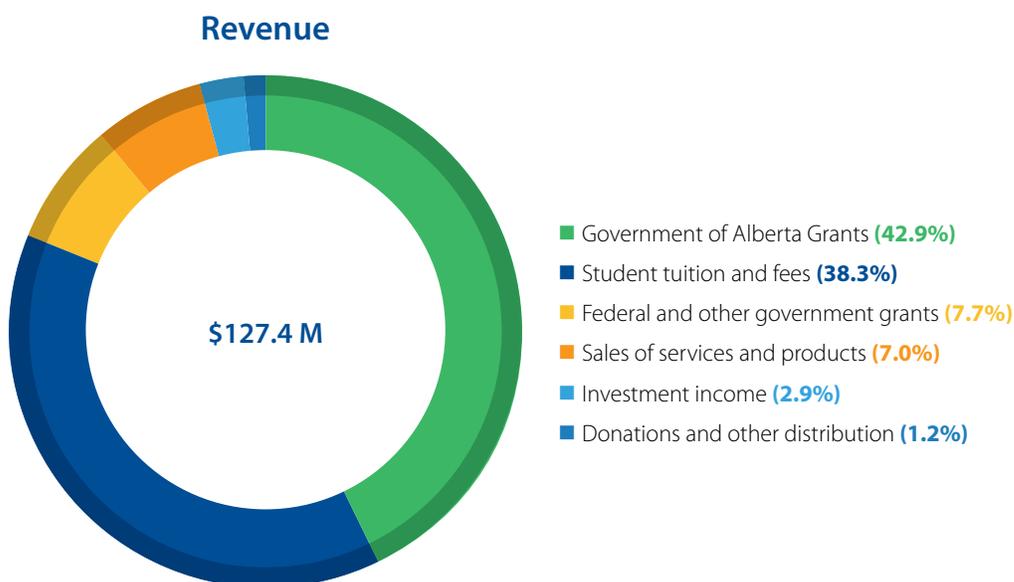
As the lowest government-funded college, the College continues to steward fiscal resources in an efficient and responsible manner. We have a long track record of fiscal responsibility, continually operating with a lens of cost containment and fiscal prudence throughout our history. Further, we have continued to diversify our revenue to its maximum via robust internationalization and other revenue sources.

This position of relative strength has allowed Bow Valley College to steward its growth, maximize capacity within its existing urban footprint, provide guidance and monitor progress on opportunistic and strategic initiatives, promote operational efficiency, deliver robust financial performance, and provide strategic guidance on the implementation of the College's strategic plan, Open Doors – Open Minds.

Which is why we are proud to fund principally from College reserves the implementation of a new Student Information System, as well as new pharmacy technician and information technology labs. Doing so allows our students to get to work with the skills Alberta needs now and in the future.

REVENUE

Annual revenue of \$127.4 million was up 7.7 per cent over the prior year (2018: \$118.3 million), and was up 11.8 per cent over budget. The following chart breaks down revenue by type:



Government of Alberta grant revenue of \$54.6 million was down 0.9 per cent from the prior year (2018: \$55.1 million), but up 1.8 per cent over budget. This revenue is comprised of funding that supports annual operations as well as the amortization of capital contributions of historical infrastructure development projects. For the year, total annual operating funding was \$47.8 million (2018: \$47.0 million); growth in funding is due to CPI inflation in the Campus Alberta grant and additional funding for mental health initiatives from the Government of Alberta. The amortization of capital contributions decreased by \$1.2 million in the current year as 2018 included a one-time accelerated write-down of capital associated with facility upgrading.

Student tuition and fees revenue of \$48.8 million was up 23.3 per cent over the prior year (2018: \$39.6 million), and up 22.1 per cent over budget. As domestic tuition has been frozen at 2013-2014 levels, growth experienced in the College's tuition and fees was predominantly driven by an increase in the number of international students. The College's international students as a percentage of total students, when measured as Full-Load Equivalents (FLEs), grew to 21.1 per cent (2018: 16.7 per cent).

Federal and other government grant revenue of \$9.8 million was up 7.8 per cent over the prior year (2018: \$9.1 million), and up 14.6 per cent over budget. The Language Instruction for Newcomers to Canada program (LINC) generated the majority of this result.

Sales of services and products revenue of \$8.9 million was down 1.4 per cent over the prior year (2018: \$9.0 million), but up 21.7 per cent over budget. Educational contract revenues accounted for the majority of the over budget performance.

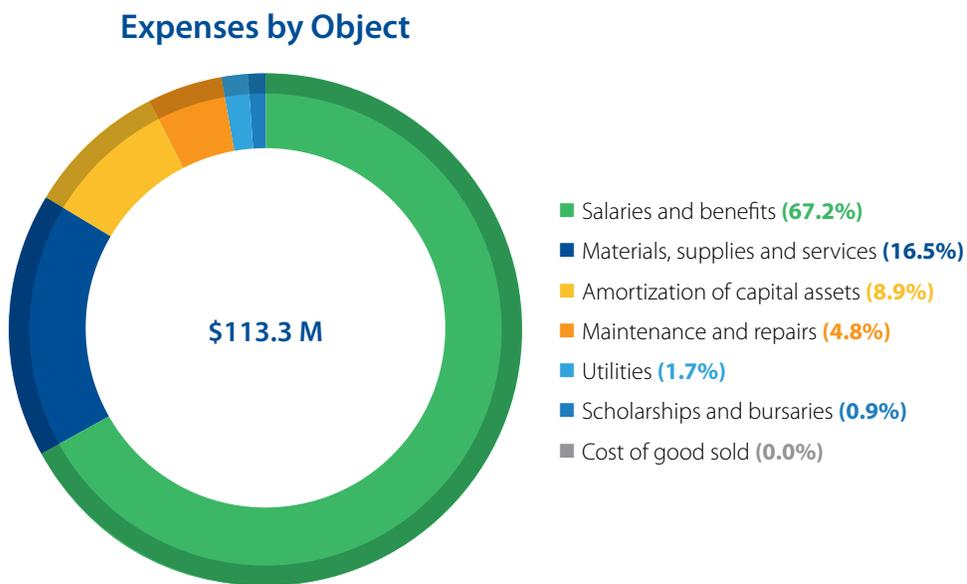
Investment income revenue of \$3.7 million was up 14.6 per cent over the prior year (2018: \$3.2 million), and up 18.7 per cent over budget. Over the course of the year, the College continued to invest surplus cash with its investment managers. This helped to build a larger than budgeted asset base. Returns on investments were consistent with the prior year but the higher investment base contributed to the over budget performance of investment income.

Finally, *Donations and other contributions revenue* of \$1.6 million was down 29.6 per cent from the prior year (2018: \$2.2 million), but up 19.0 per cent over budget.

EXPENSES

Although the financial statements and notes are presented in public sector accounting standards (PSAS) format, which classifies expenses by function, the comparative analysis of expenses in this MD&A is based on reporting used in Canadian generally accepted accounting principles (GAAP), which classifies expenses by object. Note 13 provides more details on this composition. It is management's belief that this analysis provides the reader with greater continuity and visibility into the College's key operating activities.

Annual expenses of \$113.3 million was up 6.1 per cent over the prior year (2018: \$106.8 million), but down 0.5 per cent compared to budget. The following chart breaks down expenses by type:



Salaries and benefits expense of \$76.2 million was up 4.1 per cent over the prior year (2018: \$73.2 million), but down 2.6 per cent compared to budget. As a public sector employer whose prime mandate is the delivery of educational and human services, the major annual expenditure is related to salary and benefits. Year over year salary and benefit cost increases were driven by a higher staff complement necessary to support the growing student population serviced by the College.

Materials, supplies, and services expense of \$19.1 million was up 28.1 per cent over the prior year (2018: \$15.3 million), and up 20.1 per cent compared to budget. This expense category comprises a variety of expenditures and includes computer costs, professional fees, advertising costs, educational and consulting contract costs, travel expenditures, service charges, and insurance expenses. Professional fees and computer costs increased during the year as the College integrated cloud-based computing services to support key enterprise-wide functions; also during the year, the College experienced an increase in property insurance costs related to the College being located on the Calgary flood plain.

Amortization of capital assets expense of \$10.1 million was up 3.5 per cent over the prior year (2018: \$9.7 million), but down 8.7 per cent compared to budget. Amortization was under budget primarily due to the accounting treatment around cloud-based computer enhancements.

Maintenance and repairs expense of \$5.0 million was down 2.4 per cent from the prior year (2018: \$5.1 million), and down 6.3 per cent compared to budget. The College is implementing a life-cycle facility management program that is intended to extend the life of campus infrastructure. That said, the College's facilities are relatively new and the level of maintenance and repairs does not materially deviate from budget or the prior year.

Utilities expense of \$1.9 million was up 0.6 per cent over the prior year (2018: \$1.9 million), and up 4.3 per cent compared to budget.

Finally, *Scholarships and bursaries expense* of \$1.0 million was down 32.5 per cent from the prior year (2018: \$1.5 million), and down 7.5 per cent compared to budget. The prior year experienced a higher expenditure rate to support students in financial need. In the current year, accumulated designated donations supporting this initiative were fully implemented. The College has taken steps to revitalize this program in future years.

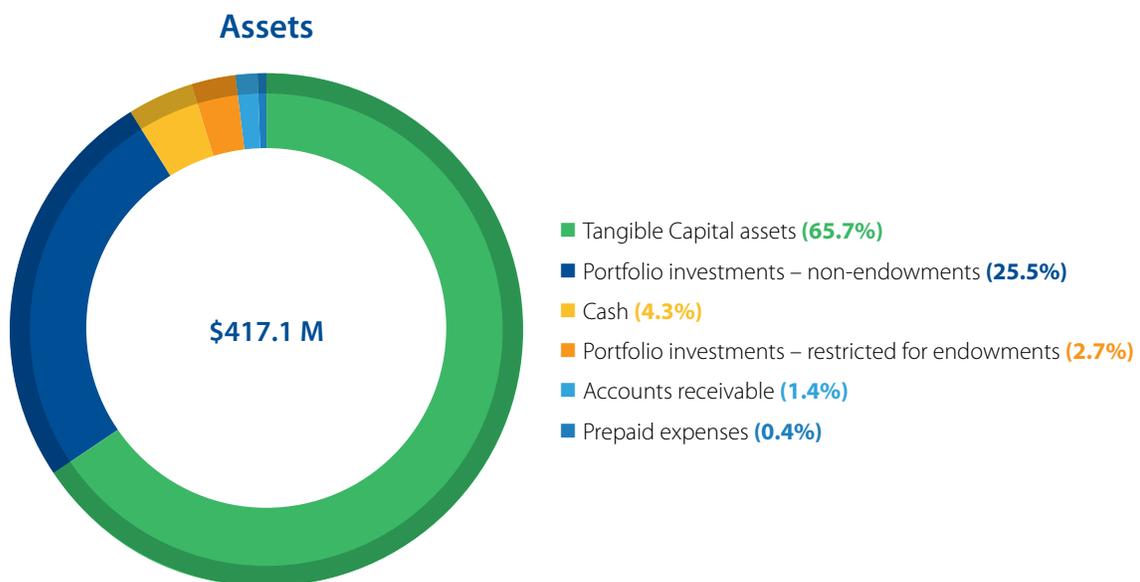
2. SUMMARY OF FINANCIAL POSITION

The summary of financial position section of the MD&A examines the College's assets and liabilities at June 30, 2019.

Bow Valley College continues to maintain a strong financial position. At June 30, 2019, total assets were \$417.1 million, while total liabilities including spent deferred capital contributions were \$251.7 million, resulting in accumulated net assets of \$165.4 million (2018: \$148.4 million).

ASSETS

At June 30, 2019, assets totaled \$417.1 million, up 4.6 per cent over the prior year (June 30, 2018: \$398.8 million). The following chart breaks down assets by type:



Tangible capital assets of \$274.0 million was down 1.2 per cent from the prior year (2018: \$277.4 million). The amortization of capital assets (\$10.0 million) outpaced the level of annual capital expenditure (\$6.8 million).

Portfolio investments – non-endowments of \$106.4 million was up 12.5 per cent over the prior year (2018: \$94.5 million). Investments are recorded at market values as at June 30, 2019. A strong second half of the fiscal year saw the market value of College investments increase \$2.9 million dollars. In addition to this, the College invested surplus cash of \$6.0 million during the year and directly invested an incremental \$3.0 million of investment income back into the asset base.

Cash of \$18.0 million was up 29.9 per cent over the prior year (2018: \$13.9 million) primarily driven by surplus cash from operations.

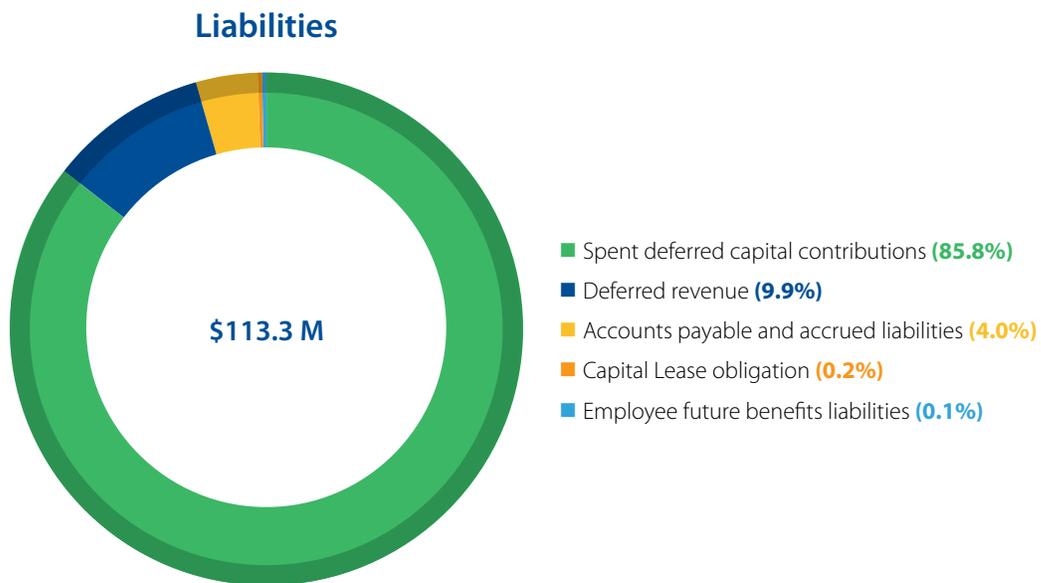
Accounts receivable of \$6.0 million was down 5.0 per cent from the prior year (2018: \$6.3 million).

Portfolio investments – restricted for endowments of \$11.1 million was up 100.9 per cent over the prior year (2018: \$5.5 million). The College endowed contributions received from donors and matched some of these contributions with College-sourced reserves.

Finally, *Prepaid expenses* of \$1.6 million was up 40.4 per cent over the prior year (2018: \$1.2 million).

LIABILITIES

At June 30, 2019, liabilities totaled \$251.7 million, up 0.5 per cent over the prior year (2018: \$250.4 million). The following chart breaks down liabilities by type:



Spent deferred capital contributions of \$216.0 million was down 3.1 per cent from the prior year (2018: \$222.9 million) due entirely to the annual amortization of deferred capital contributions.

Deferred revenue of \$24.9 million was up 28.2 per cent over the prior year (2018: \$19.4 million). The College continues to receive tuition from international students well in advance of these students landing in Canada. This phenomenon is partially a function of international students fulfilling the requirements of an expedited study permit processing program, the Student Direct Stream (SDS). SDS applicants must demonstrate proof of full payment of tuition for the first year of study.

Accounts payable and accrued liabilities of \$10.1 million was up 31.2 per cent over the prior year (2018: \$7.7 million) due to timing of statutory remittances.

Capital lease obligation of \$0.5 million was up 210.3 per cent over the prior year (2018: \$0.2 million) as the College established a new lease agreement for its printing machines.

Finally, *Employee future benefits liabilities* of \$0.2 million was down 10.6 per cent from the prior year (2018: \$0.2 million) entirely due to the annual amortization of this commitment.

3. AREAS OF SIGNIFICANT FINANCIAL RISK

The College operates in a complex environment and must deal with a variety of risks that it manages through its integrated enterprise risk management framework. The major risks that can affect the College from a financial perspective are as follows:

A. GOVERNMENT FUNDING AND TUITION

Provincial funding (via the Campus Alberta grant) and revenue from tuition and fees represents the bulk of the College's funding of its day-to-day operating activities. Tuition for domestic students has been frozen since 2015.

The recently released MacKinnon Report, commissioned by the Government of Alberta to review Alberta's finances and economy, poses significant recommendations for the Advanced Education sector. The exact implication of these recommendations for the College are still being assessed. Any changes to provincial funding or tuition rates will have significant implications for the College. For example, a 1 per cent change to the Campus Alberta Grant would be \$0.5 million, and the impact of a 1 per cent change to tuition would also be \$0.5 million.

The College also holds grants from the federal government. While the College is diligent in their management, they still must be competed for on a year-to-year or multi-year basis. As a result, despite past success, these grants are not assured to be awarded to the College for various reasons (unsuccessful applications, change in government funding priorities, etc). Any significant changes to the amount of grants held is therefore likely to have impact on the College.

Cumulatively, any grant reductions and uncertainty in the funding formula make planning and program delivery challenging.

B. INTERNATIONAL STUDENTS

The College has a goal to create linkages between international markets and our college community to foster and support learning opportunities abroad and also enrich learning experiences and outcomes of all our students.

As international students are not covered by Government of Alberta funding, tuition levied on these students is set at rates that ensure the College recovers the full costs of their education. Bow Valley College currently operates with a growing ratio of international to domestic students. A sharp and sudden reduction in the number of international students educated by Bow Valley College would significantly limit the number of service offerings the College could maintain. Changing constraints on tuition fees and a substantial reliance on international tuition consequently create uncertainty regarding the College's ongoing financial performance.

C. STAFF AND FACULTY ATTRACTION AND RETENTION

The province has passed legislation that brings all academic employees under the Labour Relations Code, thereby granting the College's staff associations all the rights and remedies that are granted to unions under the Code, including the right to strike. These changes will have an impact on future salary negotiations. Exempt staff salaries have been frozen since 2016.

The broader public service bargaining environment is challenging due to multiple factors, resulting in uncertainty and potential unrest surrounding related labour negotiations. This context, in combination with extended wage freezes and restrictions in movement through the salary ranges, as well as with competing private sector options, makes it very difficult to retain existing dedicated College employees and to recruit skilled individuals.

D. INFORMATION SYSTEM INFRASTRUCTURE

The College continues to invest in technology that will further enhance its service capacity and enrich the student experience.

Much of this investment involves building cloud-based information system infrastructure, and as a result the licences to support this infrastructure will replace capital depreciation in the future. This has the benefit of minimizing upfront costs associated with launching these initiatives, but also leaves the College open to future price changes from vendors providing cloud resources.

There are also potential risks concerning the implementation of a new Student Information System, a vital system for the College. Implementation is a complicated process, and although well managed, any delays or challenges would have impact to the College and its operations.

Further, as Bow Valley College is responsible for a significant amount of private, confidential and sensitive data, we are dedicated to the continued enhancement of cybersecurity protections and ongoing training for employees and students. While doing so helps protect the integrity and confidentiality of this information, ransomware and malware attacks are an increasing global challenge. This poses a significant, ongoing risk to Bow Valley College and our operations, as well as a substantial, growing resource challenge in protecting our information assets.

Independent Auditor's Report

To the Board of Governors of Bow Valley College

Report on the Financial Statements

Opinion

I have audited the financial statements of Bow Valley College, which comprise the statement of financial position as at June 30, 2019, and the statements of operations, change in net financial assets, remeasurement gains and losses, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Bow Valley College as at June 30, 2019, and the results of its operations, its remeasurement gains and losses, its changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of my report. I am independent of Bow Valley College in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other information

Management is responsible for the other information. The other information comprises the information included in the *Annual Report*, but does not include the financial statements and my auditor's report thereon. The *Annual Report* is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I will perform on this other information, I conclude that there is a material misstatement of this other information, I am required to communicate the matter to those charged with governance.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing Bow Valley College's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless an intention exists to liquidate or to cease operations, or there is no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Bow Valley College's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Bow Valley College's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Bow Valley College's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause Bow Valley College to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

[Original signed by W. Doug Wylie FCPA, FCMA, ICD.D]
Auditor General

October 31, 2019
Edmonton, Alberta

STATEMENT OF MANAGEMENT RESPONSIBILITY
YEAR ENDED JUNE 30, 2019



The financial statements of Bow Valley College have been prepared by management in accordance with Canadian public sector accounting standards. The financial statements present fairly the financial position of the College as at June 30, 2019 and the results of its operations, changes in net financial assets, remeasurement gains and losses, and cash flows for the year then ended.

In fulfilling its responsibilities and recognizing the limits inherent in all systems, management has developed and maintains a system of internal controls designed to provide reasonable assurance that College assets are safeguarded from loss and that the accounting records are a reliable basis for the preparation of the financial statements.

The Board of Governors is responsible for reviewing and approving the financial statements, and overseeing management's performance of its financial reporting responsibilities.

The Board of Governors carries out its responsibilities for review of the financial statements principally through its Audit and Risk Management Council. With the exception of the President and Chief Executive Officer, all members of the Audit and Risk Management Council are not employees of the College. The Audit and Risk Management Council meets with management and the external auditor to discuss the results of audit examinations and financial reporting matters. The external auditor has full access to the Audit and Risk Management Council, with and without the presence of management.

These financial statements have been reported on by the Auditor General of Alberta, the auditor appointed under the *Post-Secondary Learning Act*. The Independent Auditor's Report outlines the scope of the audit and provides the audit opinion on the fairness of the presentation of the information in the financial statements.

Laura Jo Gunter
President and Chief Executive Officer

Catherine Koch
Vice President, Learner Services and Chief Financial Officer

STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2019
(thousands of dollars)



	2019	2018
Financial assets excluding portfolio investments restricted for endowments		
Cash	\$ 18,009	\$ 13,861
Portfolio investments – non-endowment (note 4)	106,393	94,542
Accounts receivable (note 7)	5,986	6,304
	130,388	114,707
Liabilities		
Accounts payable and accrued liabilities	10,120	7,716
Employee future benefit liabilities (note 21)	211	236
Deferred revenue (note 9)	24,850	19,383
Capital lease obligation	481	155
	35,662	27,490
Net financial assets excluding portfolio investments restricted for endowments		
	94,726	87,217
Portfolio investments – restricted for endowments (note 4)	11,101	5,527
Net financial assets	105,827	92,744
Non-financial assets		
Tangible capital assets (note 8)	274,009	277,383
Prepaid expenses	1,648	1,174
	275,657	278,557
Net assets before spent deferred capital contributions		
	381,484	371,301
Spent deferred capital contributions (note 10)	216,043	222,906
Net assets (note 11)	\$ 165,441	\$ 148,395
Net assets are comprised of:		
Accumulated surplus	\$ 158,040	\$ 143,933
Accumulated remeasurement gains	7,401	4,462
	\$ 165,441	\$ 148,395

Contingent assets and Contractual rights (notes 14 and 16)
 Contingent liabilities and Contractual obligations (notes 15 and 17)

Approved by the Board of Governors

 Chair, Board of Governors

 President and Chief Executive Officer

The accompanying notes are an integral part of these financial statements.

STATEMENT OF OPERATIONS
YEAR ENDED JUNE 30, 2019
(thousands of dollars)



	Budget 2019 (note 23)	2019	2018
Revenues			
Government of Alberta grants (note 19)	\$ 53,626	\$ 54,613	\$ 55,121
Federal and other government grants (note 19)	8,588	9,846	9,133
Sales of services and products	7,322	8,911	9,038
Student tuition and fees	39,972	48,794	39,567
Donations and other contributions	1,327	1,579	2,242
Investment income (note 6)	3,111	3,692	3,222
	113,946	127,435	118,323
Expenses (note 13)			
Instruction and training	45,096	47,094	45,752
Academic and student support	29,151	26,026	24,326
Facility operations and maintenance	15,080	16,180	16,538
Institutional support	24,086	23,532	19,775
Ancillary services	533	510	417
	113,946	113,342	106,808
Annual operating surplus	-	14,093	11,515
Endowment contributions (note 11)	-	14	10
Endowment capitalized investment income (note 11)	-	-	84
	-	14	94
Annual surplus	-	14,107	11,609
Accumulated surplus, beginning of year	143,933	143,933	132,324
Accumulated surplus, end of year (note 11)	\$ 143,933	\$ 158,040	\$ 143,933

The accompanying notes are an integral part of these financial statements.

STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
YEAR ENDED JUNE 30, 2019
(thousands of dollars)



	Budget 2019 (note 23)	2019	2018
Annual surplus	\$ -	\$ 14,107	\$ 11,609
Acquisition of tangible capital assets	(9,193)	(6,838)	(6,181)
Amortization of tangible capital assets	11,034	10,070	9,733
Loss on disposal of tangible capital assets		142	1,148
Change in prepaid expenses		(474)	6
Change in spent deferred capital contributions	(6,904)	(6,863)	(7,721)
Change in accumulated remeasurement gains (losses)		2,939	(257)
(Decrease) increase in net financial assets	(5,063)	13,083	8,337
Net financial assets, beginning of year	92,744	92,744	84,407
Net financial assets, end of year	\$ 87,681	\$ 105,827	\$ 92,744

The accompanying notes are an integral part of these financial statements.

STATEMENT OF REMEASUREMENT GAINS AND LOSSES
YEAR ENDED JUNE 30, 2019
(thousands of dollars)



	2019	2018
Accumulated remeasurement gains, beginning of year	\$ 4,462	\$ 4,719
Unrealized gains attributable to:		
Portfolio investments – non-endowment ⁽¹⁾	3,217	368
Amounts reclassified to statement of operations:		
Portfolio investments – non-endowment ⁽¹⁾	(278)	(625)
Accumulated remeasurement gains, end of year (note 11)	\$ 7,401	\$ 4,462

(1) Quoted in active markets

The accompanying notes are an integral part of these financial statements.

STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2019
(thousands of dollars)



	2019	2018
Operating transactions		
Annual surplus	\$ 14,107	\$ 11,609
Add (deduct) non-cash items:		
Amortization of tangible capital assets	10,070	9,733
Gain on disposal of portfolio investments	(278)	(625)
Loss on disposal of tangible capital assets	142	1,148
Expended capital recognized as revenue	(6,863)	(8,029)
Decrease in employee future benefits liabilities	(25)	(400)
Change in non-cash items	3,046	1,827
Decrease (increase) in accounts receivable	318	(189)
Decrease in inventories held for sale	-	14
(Increase) decrease in prepaid expenses	(474)	6
Increase (decrease) in accounts payable and accrued liabilities	2,404	(1,257)
Increase in deferred revenue	5,467	5,205
Cash provided by operating transactions	24,868	17,215
Capital transactions		
Acquisition of tangible capital assets	(6,838)	(6,181)
Cash applied to capital transactions	(6,838)	(6,181)
Investing transactions		
Purchase of portfolio investments	(52,179)	(40,361)
Proceeds on sale of portfolio investments	37,971	30,181
Cash applied to investing transactions	(14,208)	(10,180)
Financing transactions		
Increase (repayment) of capital lease obligation	326	(274)
Increase in spent deferred capital contributions, less expended capital recognized as revenue	-	308
Cash provided by financing transactions	326	34
Increase in cash	4,148	888
Cash, beginning of year	13,861	12,973
Cash, end of year	\$ 18,009	\$ 13,861

The accompanying notes are an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019
(thousands of dollars)



1. Authority and purpose

The Board of Governors of Bow Valley College is a corporation that manages and operates Bow Valley College ("the College") under the *Post-Secondary Learning Act* (Alberta). All members of the Board of Governors are appointed by either the Lieutenant Governor in Council or the Minister of Advanced Education, with the exception of the President and Chief Executive Officer, who is an *ex officio* member. Under the *Post-Secondary Learning Act*, Campus Alberta Sector Regulation, the College is a comprehensive community institution offering mandated credentials and programs as well as a full range of continuing education programs and activities. The College is a registered charity, and under section 149 of the *Income Tax Act* (Canada), is exempt from the payment of income tax.

2. Summary of significant accounting policies and reporting practices

a. General – Canadian Public Sector Accounting Standards and use of estimates

These financial statements have been prepared in accordance with Canadian Public Sector Accounting Standards.

The measurement of certain assets and liabilities is contingent upon future events; therefore, the preparation of these financial statements requires the use of estimates, which may vary from actual results. The College's management uses judgment to determine such estimates. Employee future benefit liabilities, amortization of tangible capital assets and the revenue recognition for expended capital are the most significant items based on estimates. In management's opinion, the resulting estimates are within reasonable limits of materiality and are in accordance with the significant accounting policies summarized below. These significant accounting policies are presented to assist the reader in evaluating these financial statements and, together with the following notes, should be considered an integral part of the financial statements.

b. Valuation of financial assets and liabilities

The College's financial assets and liabilities are generally classified and measured as follows:

Financial statement component	Measurement
• Cash	Cost
• Portfolio investments – non-endowment	Fair value and amortized cost
• Portfolio investments – restricted for endowments	Fair value and amortized cost
• Accounts receivable	Lower of cost or net recoverable value
• Accounts payable and accrued liabilities	Cost

Unrealized gains and losses from changes in the fair value of financial assets and liabilities are recognized in the statement of remeasurement gains and losses. When the restricted nature of a financial instrument and any related changes in fair value create a liability, unrealized gains and losses are recognized as deferred revenue.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019
(thousands of dollars)



All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations. A write-down of a portfolio investment to reflect a loss in value is not reversed for a subsequent increase in value.

For financial assets and liabilities measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense. Transaction costs are a component of cost for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value. Investment management fees are expensed as incurred. The purchase and sale of cash and portfolio investments are accounted for using trade-date accounting.

The College does not use foreign currency forward contracts or any other type of derivative instruments for trading or speculative purposes.

Management evaluates contractual obligations for the existence of embedded derivatives and elects to either designate the entire contract for fair value measurement or separately measure the value of the derivative component when characteristics of the derivative are not closely related to the economic characteristics and risks of the contract itself. Contracts to buy or sell non-financial items for the College's normal purchase, sale or usage requirements are not recognized as financial assets or financial liabilities. The College does not have any embedded derivatives.

c. Revenue recognition

All revenues are reported on the accrual basis of accounting. Cash received for goods or services not provided by year end is recognized as deferred revenue.

Government grants, non-government grants and donations

Government transfers are referred to as government grants.

Restricted government grants and donations are recognized as deferred revenue if the terms for use, or the terms along with the College's actions and communications as to the use, create a liability. These grants and donations are recognized as revenue as the terms are met. If the grants and donations are used to acquire or construct tangible capital assets, revenue will be recognized over the useful life of the tangible capital assets.

Unrestricted government grants are recorded as revenue when the College is eligible to receive the funds. Unrestricted non-government grants and donations are recorded as revenue in the year received or in the year the funds are committed to the College if the amount can be reasonably estimated and collection is reasonably assured.

In-kind donations of services, materials and tangible capital assets are recognized at fair value when a fair value can be reasonably determined. Transfers of tangible capital assets from related parties are recorded at the carrying value. While volunteers and College staff contribute a significant amount of time each year to assist the College in carrying out its mission, these contributed services are not recognized in these financial statements because a fair value cannot be reasonably determined.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019
(thousands of dollars)



Grants and donations related to land

Grants and donations for the purchase of land are recognized as deferred revenue when received and recognized as revenue when the land is purchased.

The College recognizes in-kind contributions of land as revenue at the fair value of the land when a fair value can be reasonably determined. When the College cannot determine the fair value, it recognizes such in-kind contributions at nominal value.

Endowment donations

Endowment donations are recognized as revenue in the statement of operations in the year in which they are received and are required by donors to be maintained intact in perpetuity.

Investment income

Investment income includes dividends, interest income and realized gains or losses on the sale of portfolio investments. Investment income from restricted grants and donations is recognized as deferred revenue when the terms for use create a liability and is recognized as investment income when the terms of the grant or donation are met.

The endowment spending allocation portion of investment income earned by endowments is recognized as deferred revenue when the terms for the use by the endowment create a liability. Realized investment income allocated to endowment balances for the preservation of endowment capital purchasing power is recognized in the statement of operations.

d. Endowments

Endowments consist of externally restricted donations received by the College and internal allocations by the College's Board of Governors, the principal of which is required to be maintained intact in perpetuity.

Investment income earned on endowments must be used in accordance with the various purposes established by the donors or the Board of Governors. College policy stipulates that the economic value of the endowments must be protected by limiting the amount of income that may be expended and reinvesting unexpended income.

Under the *Post-Secondary Learning Act*, the College has the authority to alter the terms and conditions of endowments to enable:

- Income earned by the endowments to be withheld from distribution to avoid fluctuations in the amounts distributed and generally to regulate the distribution of income earned by the endowment.
- Encroachment on the capital of the endowment to avoid fluctuations in the amounts distributed and generally to regulate the distribution of income earned by the endowment if, in the opinion of the Board of Governors, the encroachment benefits the College and does not impair the long-term value of the fund.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

(thousands of dollars)



In any year, if the investment income earned on endowments is insufficient to fund the spending allocation, the spending allocation is funded from the cumulative capitalized investment income. However, for individual endowment funds without sufficient cumulative capitalized income, endowment principal is used in that year and is expected to be recovered by future investment income.

e. Tangible capital assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets, and costs associated with asset retirement obligations. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset. Work in progress, which includes facilities and improvement projects and development of information systems, is not amortized until after the project is complete and the asset is in service. Assets or disposal groups that are classified as held-for-sale are measured at the lower of carrying amount and fair value less costs to sell.

Capital lease obligations are recorded at the present value of the future minimum lease payments at the inception of the lease, excluding executor costs (e.g. insurance, maintenance costs, etc.). The discount rate used to determine the present value of lease payments is the lower of the College's rate for incremental borrowing or the interest rate implicit in the lease.

The cost less residual value of the tangible capital assets, excluding land, is amortized on a straight-line basis over the estimated useful lives as follows:

- | | |
|--|--------------|
| • Buildings, leasehold and site improvements | 3 - 40 years |
| • Furniture and equipment, computer equipment and software | 2 - 10 years |
| • Learning resources equipment | 2 - 3 years |

Tangible capital assets write-downs are recognized when conditions indicate they no longer contribute to the College's ability to provide services, or when the value of future economic benefits associated with the capital assets is less than their net book value. Net write-downs are recognized as expenses.

Contributed capital assets are recorded as revenues at their fair market value on the date of donation except in circumstances where fair value cannot be reasonably determined, in which case they are recognized at nominal value. Transfers of tangible capital assets from related parties are recorded at their carrying value.

Intangible assets, works of art, historical treasures and collections are expensed when acquired and not recognized as tangible capital assets because a reasonable estimate of the future benefits associated with such property cannot be made.

f. Asset retirement obligations

Asset retirement obligations are recognized for statutory, contractual or legal obligations, associated with the retirement of tangible capital assets when those obligations result from the acquisition, construction, development or normal operation of the assets. The obligations are measured initially at fair value, determined using present value methodology, and the resulting

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019
(thousands of dollars)



costs capitalized into the carrying amount of the related asset. In subsequent years, the liability is adjusted for the accretion of discount and any changes in the amount or timing of the underlying future cash flows. The capitalized asset retirement cost is amortized on the same basis as the related asset and the discount accretion is included in determining the results of operations. At June 30, 2019, the College did not have any asset retirement obligations.

g. Foreign currency translation

Transaction amounts denominated in foreign currencies are translated into their Canadian dollar equivalents at exchange rates prevailing at the transaction dates. Carrying values of monetary assets and liabilities and non-monetary items included in the fair value category reflect the exchange rates at the statement of financial position date. Unrealized foreign exchange gains and losses are recognized in the statement of remeasurement gains and losses.

In the period of settlement, foreign exchange gains and losses are reclassified to the statement of operations, and the cumulative amount of remeasurement gains and losses is reversed in the statement of remeasurement gains and losses. Foreign exchange gains and losses are not significant and are therefore not disclosed separately in the statement of remeasurement gains and losses.

h. Employee future benefits

Pension

The College participates with other employers in the Management Employees Pension Plan (MEPP) and the Public Service Pension Plan (PSPP). These pension plans are multi-employer defined benefit pension plans that provide pensions for the College's participating employees, based on years of service and earnings.

The College does not have sufficient plan information on the MEPP or PSPP to follow the standards for defined benefit accounting, and therefore follows the standards for defined contribution accounting. Accordingly, pension expense recorded for MEPP and PSPP is comprised of employer contributions to the plans that are required for its employees during the year, which are calculated based on actuarially pre-determined amounts that are expected to provide the plans future benefits.

Long-term disability

Up to December 31, 2014, the College contributed both the employer and employee portion of pension premiums and the employer portion of premiums for the health spending account, dental and extended health account on behalf of employees on long-term disability (LTD) for the duration of their leave or until retirement age. The annual cost and ongoing liability for these benefits are determined by management's estimate based on a present value calculation taking into account the number of employees, the discount rate, the year of employee disability and the retirement age of the employee. Effective January 1, 2015, the College discontinued this practice, although this change does not affect those employees who were receiving LTD prior to 2015.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019
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i. Environmental Liability

Contaminated sites are a result of a chemical, organic, radioactive material or live organism that exceeds an environmental standard, being introduced into soil, water or sediment. The liability is recognized net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all of the following criteria are met:

- i. an environmental standard exists;
- ii. contamination exceeds the environmental standard;
- iii. the College is directly responsible or accepts responsibility;
- iv. an expectation that future economic benefits will be given up; and
- v. a reasonable estimate of the amount can be made.

At June 30, 2019, the College does not have any contaminated sites.

j. Expense by function

The College uses the following categories of functions for its statement of operations:

Instruction and training

Expenses relating to instruction and training support for the academic functions of the College both directly and indirectly. This function includes expenses incurred by faculties for their scholarly and non-sponsored research activities, in both credit and non-credit courses.

Academic and student support

Includes activities directly relating to the support of the academic functions of the College such as libraries and galleries, as well as expenses for the deans. This category includes functions that support individual students or groups of students, such as student service administration, student recruitment, records and admissions, counselling or career services, social development and recreation, financial aid administration, and any other centralized student support group.

Facility operations and maintenance

Facility operations and maintenance costs includes centralized management of grounds and facilities, and buildings. This function also includes utilities, facility administration, building maintenance, custodial services, landscaping and grounds keeping, and major repairs and renovations. The College maintains service and operating contracts with external vendors for operations and maintenance, security and custodial services of its facilities. Amortization of buildings and capital assets is also included with the exception of those attributable to ancillary services.

Institutional support

Includes expenses for executive management, public relations, alumni relations and development, corporate insurance premiums, corporate finance, human resources and any other centralized college-wide administrative services. This category also includes computing, network and data communication expenses.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019
(thousands of dollars)



Ancillary services

Includes expenses for operations outside of the normal functions of instruction and research such as bookstores, food services and parking services. This also includes amortization directly related to ancillary services. The College maintains service and operating contracts with external vendors for its food services, printing, parking and bookstore operations.

k. Funds and reserves

Certain amounts, as approved by the Board of Governors, are set aside in accumulated operating surplus for future operating and capital purposes. When approved, transfers to and from funds and reserves are an adjustment to the respective fund.

l. Future accounting changes

In August 2018, the Public Sector Accounting Board issued PS 3280: Asset retirement obligations. This accounting standard is effective for fiscal years starting on or after April 1, 2021 and provides guidance on how to account for and report a liability for retirement of a tangible capital asset.

In November 2018, the Public Sector Accounting Board approved PS 3400: Revenue. This accounting standard is effective for fiscal years starting on or after April 1, 2022 and provides guidance on how to account for and report on revenue, specifically addressing revenue arising from exchange transactions and unilateral transactions.

Management is currently assessing the impact of these new standards on the financial statements.

3. Adoption of new accounting standard

The College has prospectively adopted PS 3430: Restructuring transactions. This accounting standard is effective for fiscal years starting on or after April 1, 2018 and defines and establishes disclosure standards for restructuring transactions. The adoption of this standard did not affect the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019
(thousands of dollars)



4. Portfolio investments

	2019	2018
Portfolio investments – non-endowments	\$ 106,393	\$ 94,542
Portfolio investments – restricted for endowments	11,101	5,527
	\$ 117,494	\$ 100,069

The composition of portfolio investments measured at fair value and annual market yields on portfolio investments are as follows:

Portfolio investments at fair value	2019				
	Market Yield	Level 1	Level 2	Level 3	Total
Bonds					
Pooled investment funds – Canadian government and corporate bonds	2.68%	\$ -	\$ 58,937	\$ -	\$ 58,937
Pooled investment funds – Foreign Bonds	3.60%	-	1,793	-	1,793
Equities					
Pooled investment funds – Canadian equity	4.07%	-	11,732	-	11,732
Pooled investment funds – Foreign equity	2.20%	-	22,449	-	22,449
Other					
Money market funds, short-term notes, treasury bills	1.64%	22,583	-	-	22,583
Total portfolio investments		\$ 22,583	\$ 94,911	\$ -	\$ 117,494

Portfolio investments at fair value	2018				
	Market Yield	Level 1	Level 2	Level 3	Total
Bonds					
Pooled investment funds – Canadian government and corporate bonds	3.03%	\$ -	\$ 50,723	\$ -	\$ 50,723
Pooled investment funds – Foreign Bonds	5.98%	-	1,604	-	1,604
Equities					
Pooled investment funds – Canadian equity	2.52%	-	10,108	-	10,108
Pooled investment funds – Foreign equity	2.05%	-	16,646	-	16,646
Other					
Money market funds, short-term notes, treasury bills	1.32%	20,988	-	-	20,988
Total portfolio investments		\$ 20,988	\$ 79,081	\$ -	\$ 100,069

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019
(thousands of dollars)



The fair value measurements are those derived from:

- Level 1 – Quoted prices in active markets for identical assets;
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the assets, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
- Level 3 – Valuation techniques that include inputs for the assets that are not based on observable market data (unobservable inputs).

Canadian bond investment yields ranged from 2.15% to 3.69% (2018 - 2.68% to 3.73%); foreign bond investment yields were 3.60% (2018 - 5.98%); equity pooled fund yields ranged from 1.40% to 4.97% (2018 - 1.40% to 2.85%); and the average annualized effective yields on the money market investments ranged from 1.32% to 1.79% (2018 - 0.91% to 1.65%).

Terms to maturity of fixed income investments are as follows:

- Canadian government, corporate and foreign bonds – range from less than one year to 30 years;
- Money market funds, short-term notes, and treasury bills – less than one year.

The primary objective of the College's investment policy is to have an established investment strategy that will preserve capital and achieve growth beyond the rate of inflation, while providing a secure and consistent income flow to meet daily operations, longer-term operating and capital needs, and endowment requirements. The College has a policy and procedures in place governing asset mix, diversification, exposure limits, credit quality and performance measurement.

The College, through two investment advisers, invests primarily in Canadian bonds and pooled investment funds containing Canadian government and corporate bonds, Canadian equities and foreign equities. Management has consulted with its investment advisers regarding the components of its investment portfolio and the College's exposure to derivatives is restricted to holdings in a short-term bond pooled fund in which derivatives represent less than 1% of the total portfolio value.

The College's Audit and Risk Management Council, a subcommittee of the Board of Governors, has delegated authority for oversight of the College's investments. The Audit and Risk Management Council meets regularly to monitor investments, to review investment managers' performance, to ensure compliance with the College's Investment Policy and to evaluate the continued appropriateness of that policy.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019
(thousands of dollars)



5. Financial risk management

The College is exposed to the following risks:

Market price risk

The College is exposed to market price risk, which is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual security, its issuer or general market factors affecting all securities. To manage this risk, the College has established an investment policy with a target asset mix that is diversified by asset class with individual issuer limits and is designed to achieve a long-term rate of return that in real terms equals or exceeds total endowment expenditures with an acceptable level of risk.

The College assesses its portfolio sensitivity to a percentage increase or decrease in the market prices. The following details the College's portfolio sensitivity to a 3.73% increase or decrease in market prices. The sensitivity rate is determined by the College's investment advisers using the historical annualized standard deviation for the total endowment fund over a four-year period. At June 30, 2019, if market prices had a 3.73% (2018 - 3.79%) increase or decrease, with all other variables held constant, the increase or decrease in remeasurement gains and losses and endowment net assets for the year would have been \$3,538 (2018 - \$2,996).

Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The College does not have any investments or pooled funds denominated in foreign currencies. The College's exposure to foreign currency risk is very low due to minimal business activities conducted in a foreign currency.

Credit risk

Counterparty credit risk is the risk of loss arising from the failure of a counterparty to fully honour its financial obligations with the College. The College is exposed to credit risk on investments and has established its investment policy with required minimum credit quality standards and issuer limits to manage this risk. The credit risk from accounts receivable is low as the majority of balances are due from government agencies and corporate sponsors.

The credit ratings for investments held are as follows:

	2019	2018
AAA	31%	35%
AA	29%	26%
A	24%	25%
BBB	16%	13%
Below BBB	0%	1%
	100%	100%

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019
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Liquidity risk

Liquidity risk is the risk that the College will encounter difficulty in meeting obligations associated with its financial liabilities. The College maintains a short-term line of credit that is designed to ensure that funds are available to meet current and forecasted financial requirements in the most cost-effective manner. As at June 30, 2019, the College has committed borrowed facilities of four million dollars (2018 - four million dollars), none of which has been drawn.

Interest rate risk

Interest rate risk is the risk to the College's earnings that arises from fluctuations in interest rates and the degree of volatility of these rates. This risk is managed by the College's Investment Policy that limits the term to maturity of certain fixed income securities that the College holds. If interest rates increased by 1%, and all other variables are held constant, the potential loss in fair value to the College would be approximately \$4,362 (2018 - \$3,602).

The maturity and effective market yield of interest-bearing investments are as follows:

Asset class	< 1 year	1-5 years	>5 years	Average effective market yield
Cash and cash equivalents	100%	0%	0%	1.64%
Portfolio investments, fixed income	5%	10%	85%	2.70%

Commodity price risk

The College is exposed to commodity price risk as a result of substantial electricity and natural gas usage required to operate the College's facilities. To mitigate this risk, the College has entered into contracts to fix the price for electricity and natural gas (note 17).

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019
(thousands of dollars)



6. Investment income

	2019	2018
Portfolio investments – non-endowment	\$ 3,710	\$ 3,238
Portfolio investments – restricted for endowments	486	238
	4,196	3,476
Income capitalized to endowments	-	(84)
Deferred	(504)	(170)
	\$ 3,692	\$ 3,222

7. Accounts receivable

	2019	2018
Accounts receivable	\$ 1,307	\$ 1,015
Other receivables	4,780	5,564
Less: Allowance for doubtful accounts	(101)	(275)
Balance, end of the year	\$ 5,986	\$ 6,304

Accounts receivable are unsecured and non-interest bearing.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019
(thousands of dollars)



8. Tangible capital assets

	2019					2018
	Buildings, leasehold, and site improvements	Furniture and equipment, computer equipment and software	Learning resources equipment	Land	Total	Total
Cost						
Beginning of year	\$ 286,728	\$ 27,671	\$ 570	\$ 36,626	\$ 351,595	\$ 346,847
Acquisitions	6,173	452	213	-	6,838	6,181
Disposals	-	(567)	-	-	(567)	(1,433)
	292,901	27,556	783	36,626	357,866	351,595
Accumulated amortization						
Beginning of year	55,687	17,989	536	-	74,212	64,764
Amortization expense	7,278	2,750	42	-	10,070	9,733
Disposals	-	(425)	-	-	(425)	(285)
	62,965	20,314	578	-	83,857	74,212
Net book value at June 30, 2019	\$ 229,936	\$ 7,242	\$ 205	\$ 36,626	\$ 274,009	
Net book value at June 30, 2018	\$ 231,041	\$ 9,682	\$ 34	\$ 36,626		\$ 277,383

Included in Buildings, leasehold, and site improvements and Furniture and equipment, computer equipment, and software is work in progress of \$2,521 (2018 - \$3,701).

The College entered into a capital lease for multi-function print devices. This equipment is classified as part of Furniture and equipment, computer equipment and software. The original present value of the capital lease obligation was \$533 and the related accumulated amortization on this equipment is \$27. At year end, the capital lease obligation owing was \$481.

The College holds a collection of works of art including paintings, sculptures and photographs. Given the subjective nature of these assets, the values are not reported in this note.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019
(thousands of dollars)



9. Deferred revenue

Deferred revenue is comprised of unspent externally restricted grants and donations, unspent deferred capital contributions, prepaid tuition and other fees. Deferred revenues are set aside for specific purposes as required by legislation, regulation or agreement.

	2019				2018
	Unspent externally restricted grants and donations	Unspent deferred capital contributions	Tuition and other fees	Total	Total
Balance, beginning of year	\$ 3,910	\$ 2,313	\$ 13,160	\$ 19,383	\$ 14,178
Grants, tuitions, contract revenue, donations, and other fees received	7,324	987	23,299	31,610	22,369
Investment income					
Realized gains	486	18	-	504	255
Unrealized losses	(64)	-	-	(64)	(12)
Transfers to spent deferred capital contributions	-	-	-	-	(308)
Recognized as revenue	(7,248)	(138)	(19,197)	(26,583)	(17,099)
Balance, end of year	\$ 4,408	\$ 3,180	\$ 17,262	\$ 24,850	\$ 19,383

10. Spent deferred capital contributions

Spent deferred capital contributions is comprised of restricted grants and donations spent on tangible capital acquisitions (not yet recognized as revenue).

	2019	2018
Balance, beginning of year	\$ 222,906	\$ 230,627
Transfers from unspent externally restricted grants and donations	-	308
Expended capital recognized as revenue	(6,863)	(8,029)
Balance, end of year	\$ 216,043	\$ 222,906

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019
(thousands of dollars)



11. Net assets

	Accumulated surplus from operations	Investment in tangible capital assets ⁽¹⁾	Internally restricted reserves (note 12)	Endowments	Total
Net assets as at June 30, 2017	\$ 5,048	\$ 51,456	\$ 76,324	\$ 4,215	\$ 137,043
Annual surplus	10,932	-	677	-	11,609
Endowments					
New donations	(12)	-	-	12	-
Capitalized investment income	(84)	-	-	84	-
Tangible capital assets					
Internally funded acquisition of tangible capital assets	(2,781)	5,873	(3,092)	-	-
Amortization of internally funded tangible capital assets	2,628	(2,628)	-	-	-
Net change in investment in capital leased assets	(190)	190	-	-	-
Operating expenses funded from internally restricted reserves	1,904	-	(1,904)	-	-
Net Board appropriation to internally restricted reserves	(12,300)	-	12,300	-	-
Change in accumulated remeasurement gains	(257)	-	-	-	(257)
Net assets, beginning of year	4,888	54,891	84,305	4,311	148,395
Annual surplus	14,107	-	-	-	14,107
Endowments					
New donations	(14)	-	-	14	-
Transfer to endowments	-	-	(5,298)	5,298	-
Tangible capital assets					
Internally funded acquisition of tangible capital assets	(1,179)	6,271	(5,092)	-	-
Amortization of internally funded tangible capital assets	2,782	(2,782)	-	-	-
Net change in investment in capital leased assets	895	(895)	-	-	-
Operating expenses funded from internally restricted reserves	2,899	-	(2,899)	-	-
Net Board appropriation to internally restricted reserves	(19,876)	-	19,876	-	-
Change in accumulated remeasurement gains	2,939	-	-	-	2,939
Net assets, end of year	\$ 7,441	\$ 57,485	\$ 90,892	\$ 9,623	\$ 165,441

Net assets are comprised of:

Accumulated surplus	\$ 40	\$ 57,485	\$ 90,892	\$ 9,623	\$ 158,040
Accumulated remeasurement gains	7,401	-	-	-	7,401
	\$ 7,441	\$ 57,485	\$ 90,892	\$ 9,623	\$ 165,441

(1) Investment in capital tangible assets represents the amount of the College's accumulated surplus that has been invested in the College's capital assets.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019
(thousands of dollars)



12. Internally restricted reserves

Certain amounts, as approved by the Board of Governors, are set aside in accumulated operating surplus for future operating and capital purposes. Those amounts are not available for other purposes without the approval of the Board.

	Balance, beginning of year	2019 Net Board appropriation from accumulated surplus			Balance, end of year
		Inflows	Transfers	Disbursements	
Appropriation for capital activities					
Facilities infrastructure improvements	\$ 55,250	\$ 9,175	\$ (751)	\$ (4,960)	\$ 58,714
Appropriation for operating activities					
Special initiatives fund	7,608	100	(276)	(440)	6,992
College technology plan	13,810	3,135	-	(2,119)	14,826
Fund development plan	7,398	7,438	(4,271)	(472)	10,093
Academic excellence scholarship	239	28	-	-	267
	\$ 84,305	\$ 19,876	\$ (5,298)	\$ (7,991)	\$ 90,892

13. Expense by object

The following is a summary of expense by object:

	Budget 2019 (note 23)	2019	2018
Salaries and benefits	\$ 78,185	\$ 76,167	\$ 73,156
Materials, supplies and services	16,405	19,176	15,366
Maintenance and repairs	5,344	5,004	5,131
Amortization of capital assets	11,034	10,070	9,733
Cost of goods sold	61	13	26
Scholarships and bursaries	1,112	1,029	1,524
Utilities	1,805	1,883	1,872
	\$ 113,946	\$ 113,342	\$ 106,808

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019
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14. Contingent assets

In the normal course of business, the College will initiate legal proceedings and pursue insurance claims where possible assets are being sought. These matters may give rise to contingent assets. The outcomes from these matters may result in recognition of assets.

As at June 30, 2019, there were no legal proceedings or insurance claims which would result in the recognition of contingent assets.

15. Contingent liabilities

- a) The College, in the conduct of its normal activities, is a defendant in a number of legal proceedings. While the ultimate outcome and liability of these proceedings cannot be reasonably determined at this time, the College believes that any settlement will not have a material adverse effect on the College's financial position or operations. Based on legal advice, management has concluded that none of the claims meet the criteria for recording an accrued liability under Canadian Public Sector Accounting Standards.
- b) The College has identified a potential liability related to the existence of asbestos in a number of its facilities. Although not a current health hazard, upon renovation or demolition of these facilities, the College may be required to take appropriate remediation procedures to remove the asbestos. As the College has no legal obligation to remove the asbestos in these facilities as long as the asbestos is contained and does not pose a public health risk, the fair value of the obligation cannot be reasonably estimated due to the indeterminate timing and scope of the removal. The asset retirement obligations for these assets will be recorded in the year in which there is certainty that the renovation or demolition project will proceed and there is sufficient information to estimate the fair value of the obligation.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019
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16. Contractual rights

Contractual rights are rights of the College to economic resources arising from contracts or agreements that will result in both assets and revenues in the future when the terms of those contracts or agreements are met. Estimated amounts that will be received or receivable for each of the next five years and thereafter are as follows:

	2019		
	Service contracts	Operating leases	Total
Fiscal year:			
2020	\$ 9,892	\$ 373	\$ 10,265
2021	1,295	357	1,652
2022	155	360	515
2023	-	360	360
2024	-	356	356
Thereafter	-	1,956	1,956
	\$ 11,342	\$ 3,762	\$ 15,104
Total as at June 30, 2018	\$ 16,029	\$ 1,146	\$ 17,175

17. Contractual obligations

- a) The College has contractual obligations that are commitments that will become both liabilities and expenses in the future when the terms of the contracts or agreements are met. The estimated aggregate amount payable for the unexpired terms of these contractual obligations are as follows:

	2019			
	Service contracts	Information systems and technology	Long-term leases	Total
Fiscal year:				
2020	\$ 3,074	\$ 749	\$ 141	\$ 3,964
2021	2,911	653	135	3,699
2022	1,928	525	136	2,589
2023	905	496	20	1,421
2024	146	458	-	604
Thereafter	-	543	-	543
	\$ 8,964	\$ 3,424	\$ 432	\$ 12,820
Total as at June 30, 2018	\$ 10,480	\$ 114	\$ 613	\$ 11,207

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019
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- b) At April 1, 2019, the College entered into a capital lease obligation for multi-function print devices. The lease term will expire in March 2024. At inception, the present value of the net minimum capital lease payments was \$533 (i.e. total instalments outstanding were \$564 less \$31 representing interest).
- c) To manage its exposure to the volatility in electricity price, the Board of Governors has entered into contracts to fix its energy cost at the following rates:
- | | |
|--|---------------|
| • Up to December 2019 | \$0.05910/kWh |
| • Between January 2020 and December 2023 | \$0.05070/kWh |
- d) To manage its exposure to the volatility in natural gas price, the Board of Governors has entered into contracts to fix its energy cost at the following rates:
- | | |
|--|-----------|
| • Up to October 2019 | \$2.68/GJ |
| • Between November 2019 and October 2022 | \$2.06/GJ |

18. Related parties

The College is a related party with organizations within the Government of Alberta reporting entity. Key management personnel and the Board of Governors of the College and their close family members are also considered related parties. The College may enter into transactions with these entities and individuals.

During the year, the College occupied space from a related party on an operating cost recovery basis. As well, certain related entities occupied space from the College. These costs and related revenues are recorded at carrying values that differ from values that would have been recorded if the parties were at arm's length.

During the year, the College received \$100,000 in donations from ATB (2018 - \$100,000).

The College has entered into transactions with an external vendor, where an executive of that organization is a Board member of Bow Valley College. All transactions between the College and that vendor are with normal commercial terms.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019
(thousands of dollars)



19. Government transfers

	2019	2018
Grants from Government of Alberta:		
Advanced Education:		
Operating	\$ 46,562	\$ 44,844
Health Workforce Action Plan	1,176	1,176
Infrastructure Maintenance grant	987	852
Other learner support grants	1,484	1,255
Total Advanced Education	\$ 50,209	\$ 48,127
Total contributions received	50,209	48,127
Add: Amortization of deferred capital contributions	6,863	8,029
Add: Amortization of deferred non-capital contributions	459	180
Add: Amount receivable	(579)	300
Less: Deferred revenue	(2,339)	(1,515)
	\$ 54,613	\$ 55,121
Accounts receivable:		
Advanced Education	\$ -	\$ 690
Other Government of Alberta departments and agencies	120	1,678
Other Post-secondary institutions	151	111
	\$ 271	\$ 2,479
Accounts payable:		
Other Post-secondary institutions	\$ 19	\$ 12
	\$ 19	\$ 12
Federal and other government grants:		
Contributions received	\$ 10,910	\$ 9,911
Less: deferred revenue	(1,064)	(778)
Revenue	\$ 9,846	\$ 9,133

During the year, the College conducted business transactions with related parties, including ministries of the Province of Alberta, other public colleges, and corporations for which certain Board members of the College served as management. The revenue earned from these business transactions amounts to \$4,417 (2018 - \$4,075) and is included in these financial statements. These transactions were entered into on the same business terms as with non-related parties and are recorded at fair market values.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019
(thousands of dollars)



20. Salary and employee benefits

	2019				2018
	Base salary ⁽¹⁾	Other cash benefits ⁽²⁾	Other non-cash benefits ⁽³⁾	Total	Total
Governance ⁽⁴⁾					
Chair of the Board of Governors	\$ -	\$ -	\$ -	\$ -	\$ -
Members of the Board of Governors	-	3	-	3	1
	-	3	-	3	1
Executive					
President and Chief Executive Officer	300	45	37	382	396
President and Chief Executive Officer (Retired) ⁽⁵⁾	-	-	-	-	211
Vice President, Academic and Chief Learning Officer	202	-	40	242	194
Vice President, Academic and Chief Learning Officer (Retired)	-	-	-	-	1
Vice President, Learner Services and Chief Financial Officer	202	-	38	240	240
Vice President, External	202	-	38	240	155
Vice President, Strategy and Chief Information Officer	202	-	38	240	239
Associate Vice President, Human Resources	172	-	38	210	210
	\$ 1,280	\$ 48	\$ 229	\$ 1,557	\$ 1,647

(1) Base salary includes pensionable base pay.

(2) Other cash benefits include payments in lieu of pension, car allowance and honoraria. No bonuses were paid.

(3) Other non-cash benefits include College's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, vision coverage, out-of-country medical benefits, group life insurance, accidental death and dismemberment insurance, long and short-term disability plan, Employment Insurance, Canada Pension Plan, Workers' Compensation, professional membership and fair market value of parking benefits.

(4) The majority of board members do not accept honoraria from the College. Waived honoraria have been contributed to endowments and deferred donations.

(5) The retired President and Chief Executive Officer received transitional leave to December 31, 2017.

NOTES TO THE FINANCIAL STATEMENTS
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21. Employee future benefit liabilities

Long-term disability health and pension premiums

Up to December 31, 2014, the College contributed both the employer and employee portion of pension premiums and the employer portion of premiums for the health spending account, dental and extended health account on behalf of employees on long-term disability (LTD) for the duration of their leave or until retirement age. The annual cost and ongoing liability for these benefits are determined by management's estimate based on a present value calculation taking into account the number of employees, the discount rate, the year of employee disability and the retirement age of the employee. Effective January 1, 2015, the College discontinued this practice, although this change does not affect those employees who were receiving LTD prior to 2015.

Transitional leave

In fiscal 2018, the College fulfilled all commitments of transitional leave to the former President and Chief Executive Officer.

	2019	2018		
	LTD health & pension premiums	LTD health & pension premiums	Transitional leave	Employee future benefit liability
Expenses				
Current service cost	\$ -	\$ -	\$ -	\$ -
Less: Previous service costs recognized	(25)	(184)	(216)	(400)
Net current service cost	(25)	(184)	(216)	(400)
Financial position				
Accrued benefit obligation				
Beginning of year	236	420	216	636
Net current service cost	(25)	(184)	(216)	(400)
Balance, end of year	\$ 211	\$ 236	\$ -	\$ 236

Significant management assumptions used to measure the accrued benefit obligation for the LTD health and pension premiums are as follows:

	2019	2018
Average inflation rate	2.10 %	2.10 %
Average discount rate	3.00 %	3.00 %

NOTES TO THE FINANCIAL STATEMENTS
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Defined benefit plans accounted for on a defined contribution basis

The College participates with other employers in the Management Employees Pension Plan (MEPP) and the Public Service Pension Plan (PSPP).

Management Employees Pension Plan (MEPP)

MEPP is a multi-employer contributory defined benefit pension plan for eligible management employees of the Province of Alberta, approved provincial agencies and public bodies. As the College does not have sufficient information to follow the accounting standards for defined benefit plans, it is accounted for on a defined contribution basis. The pension expense recorded in these financial statements is \$562 (2018 - \$547).

At December 31, 2018, the MEPP reported an actuarial surplus of \$670,700 (2017 - \$866,006). In accordance with the *Public Sector Pension Plans Act*, the actuarial surplus or deficit is determined by an actuarial funding valuation performed at a minimum of every three years. The actuarial funding valuation of the MEPP took place on December 31, 2017.

For the calendar year ended December 31, 2018, MEPP reported employer contributions of \$107,630 (2017 - \$109,462). For the calendar year ended December 31, 2018, the College's employer contributions to the MEPP were \$526 (2017 - \$591). Other than the requirement to make additional contributions, the College does not bear any risk related to any MEPP deficiency.

Public Service Pension Plan (PSPP)

PSPP is a multi-employer contributory defined benefit pension plan for faculty, exempt and support staff members. As the College does not have sufficient information to follow the accounting standards for defined benefit plans, it is accounted for on a defined contribution basis. The pension expense recorded in these financial statements is \$5,055 (2018 - \$5,091).

An actuarial valuation of the PSPP was carried out as at December 31, 2017 and was then extrapolated to December 31, 2018. At December 31, 2018, the PSPP reported an actuarial surplus of \$519,218 (2017 - actuarial surplus of \$1,275,843).

For the calendar year ended December 31, 2018, PSPP reported employer contributions of \$337,390 (2017 - \$363,748). For the calendar year ended December 31, 2018, the College's employer contributions were \$4,953 (2017 - \$5,252). Other than the requirement to make additional contributions, the College does not bear any risk related to any PSPP deficiency.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019
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22. Funds held on behalf of others

The College holds the following funds on behalf of others over which the Board has no power of appropriation.

	2019	2018
Bow Valley College Students' Association	\$ 2	\$ 2
Other	15	19
	\$ 17	\$ 21

23. Budget figures

Budgeted figures have been provided for comparison purposes and have been derived from the Colleges's Comprehensive Institutional Plan as approved by the Board of Governors.

24. Comparative figures

Certain comparative figures have been reclassified to conform to the current year's presentation.



Bow Valley College

345 – 6 Avenue SE, Calgary, Alberta T2G 4V1

bowvalleycollege.ca | 403-410-1400

