

# 2016-17

## ANNUAL REPORT



New Beginnings. Endless Possibilities.

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## MISSION

With respect for cultures and the needs of communities, Northern Lakes College provides quality educational programs and services which enable adults to continue their education, to improve their employment opportunities, and to enhance their quality of life.

## VISION

Northern Lakes College will be recognized as a first-choice community-based college with the most accessible programs and services in Alberta.

## VALUES

To achieve our mission and vision, we share values that guide our practices and behaviors. We value: Community, Respect, Accessibility, Collaboration, Excellence and Lifelong Learning.

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05	Board of Directors and Senior Leadership Team
06	Message from the Board Chair
07	Message from the President
09	Mandate
10	Service Region
11	Programs and Courses
12	Operational Overview
20	Goals, Priority Initiatives, Expected Outcomes and Performance Measures
50	Information Technology
53	Capital Report
55	Financial Statement Discussion and Analysis
60	Consolidated Financial Statements

## ACCOUNTABILITY STATEMENT

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The Northern Lakes College Annual Report for the year ending June 30, 2017, was prepared under the Board's direction in accordance with the Fiscal Planning and Transparency Act and ministerial guidelines established pursuant to the Fiscal Planning and Transparency Act. All material economic, environment, or fiscal implications of which we are aware have been considered in the preparation of this report.

[Original signed by]

Daniel Vandermeulen, Chair

Northern Lakes College Board of Governors

## MANAGEMENT'S RESPONSIBILITY FOR REPORTING

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Northern Lakes 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, reliable financial records are maintained, and assets are properly accounted for and safeguarded. The Annual Report has been developed under the oversight of management 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 Alberta, the institution's external auditor appointed under the Auditor General Act, performs an annual independent audit of the consolidated financial statements in accordance with generally accepted auditing standards.

[Original signed by]

Ann Everatt, President and CEO

Northern Lakes College

## BOARD of GOVERNORS



Daniel Vandermeulen  
Public Member (Chair)



Fern Welch  
Public Member



Ray Stern  
Public Member

\*Two vacant  
Public Member  
positions



Inier Cardinal  
Public Member



Candice Calliou  
Public Member



Shona Hommy  
Faculty-nominated Member



Edith Mackenzie  
Staff-nominated Member



Darian Cunningham  
Student-nominated Member



Ann Everatt  
President and CEO

## SENIOR LEADERSHIP Team

Ann Everatt, President and CEO

Madeline McVey, Vice President, Academic

Robert LeSage, Vice President, Corporate Services and CFO

Dana Hynes, Senior Director, Human Resources

Bruce D'Sena, Chief Information Officer



## MESSAGE FROM THE BOARD CHAIR

“  
... made it a  
priority to  
lobby for  
capital funding  
to enhance our  
campuses.”

Northern Lakes College serves students from 23 campuses and 5 community access points throughout north western Alberta. Our students are getting the skills they need to find good jobs to earn a better living and support themselves and their families in fields like health care, education, social services, forestry, and oil and gas. This past year demand for many programs continued to be strong. In some programs we have a wait list. We have increases in health, social service, university studies, and college prep programs. The success of these programs has been the culmination of hard work by faculty, staff, and strong partnerships. The strength of a community is its people and local employers. Northern Lakes College is proud that we can provide innovative training to help fill the labour market demand while retaining skilled individuals in rural northern communities. We are proud that for almost five decades we have enabled community residents to learn the skills to make better lives for themselves and their families. Yes, we are approaching our 50th Anniversary in serving our students and communities!

As Northern Lakes College continues to grow and expand, it is important that we are able to provide suitable learning spaces. The Board of Governors recognizes this need and over the past several years has made it a priority to lobby for capital funding to enhance our campuses. Our successful colocation in Gift Lake has led to similar plans for Peerless Lake. In March, we were very pleased to celebrate a funding announcement with the Minister of Advanced Education to build a new campus in High Prairie. Getting post-secondary education and learning in their home community is very important for our students.

The Board of Governors would like to thank the team of staff, faculty, and executives for continuing to deliver high-quality educational programs and services to students, business, industry, and communities across the region. Their hard work and commitment continue to make Northern Lakes College successful in meeting and exceeding our goals.

Daniel Vandermeulen, Chair  
Northern Lakes College Board of Governors





## MESSAGE FROM THE PRESIDENT

“  
Ensuring that  
programming  
is relevant to  
our students  
is essential to  
student success.”

Since its inception Northern Lakes College has held the key values of Community, Respect, Accessibility, Collaboration, Excellence, and Lifelong Learning as our guide in the development of our Institutional Plan and decisions for our communities and learners. We are unique as a College in that we have used the technology available to us to distribute opportunity throughout our vast region. With the introduction of our online trades initiative we can now say that all of our programs are available to all of our students throughout our region.

It is important to our communities that our programming is accessible to learners throughout our vast service region and in the last 40 years, Northern Lakes College (NLC) has become an adept in using distance learning technologies. In the early days it was the College finding an opportunity to hijack the open government telephone line to provide audio conferencing and since that time we have used whatever tools became available. This College has a history of innovative pioneers who have found a way to do what seemed impossible. It is not just the innovative use of technology that make us pioneers, it is the staff that are located in each campus who support our students and assist them as they pursue their goals and it is the counselling and specialized learning staff that regularly visit these campuses to support our learners. And now, with the advent of enhanced learning technologies we need to again shift to ensure that we have a Learning Management System that supports access, quality, accessibility and community as we move into a new era of enhanced technology and an updated Student Information System and Learning Management System.

One example of the real impact of Northern Lakes College can be demonstrated with the latest enrolment profile of one of our remote campuses. Peerless Lake and Trout Lake with a combined population of less than 700 people is taking full advantage of NLC's distance delivery model. In the current year we have 26 students enrolled in 10 different programs. Those programs include Power Engineering, Oilfield Operator, University Studies, Social Work, Office Administration, Business Administration, Addiction Services Worker and Early Learning and Childcare. In the communities we service we know that having full access to quality educational opportunities is important and we are committed to being able to continue to provide opportunities for our students who wish to remain in their home communities to pursue their dreams.

Within the context of Alberta's Comprehensive Community Institutions (CCIs), the Council of Presidents have affirmed their commitment to collaboration in achieving the goals and objectives (Adult Learning System Principles) of Alberta Advanced Education. Increasing participation rates through regional access and affordability are current priorities for all CCIs and will be enhanced through coordination and the sharing of experience, resources, and knowledge. With the support and commitment of the Ministry of Advanced Education, we will collaborate and explore new and innovative approaches to maximize efficiencies, minimize duplication, and optimize resources within the Alberta system to increase financial sustainability for all CCIs. Community and stakeholder engagement will ensure the unique regional contexts and cultures are recognized and that learner needs are met. The alignment of these principles across CCIs provides opportunities to build upon and grow our collective strengths.

Ann Everatt, President and CEO  
Northern Lakes College





## MANDATE

Northern Lakes College is a public, board-governed college operating as a Comprehensive Community Institution under the authority of the Post-Secondary Learning Act of Alberta. Northern Lakes College is a dynamic college that contributes to continuous improvement in the lives of learners in rural communities. Innovative program and service delivery models are designed to overcome access challenges for learners in remote communities. As a member of Campus Alberta, Northern Lakes College offers and facilitates programs and educational services in a large rural region of Northern Alberta that includes many First Nations and Métis communities.

Working within the framework of Campus Alberta allows Northern Lakes College to provide opportunities from other educational institutions, to reach out to other regions where requested, share services, improve transfer options for learners, and participate in applied research, typically with partner institutions. The College contributes to community development, leadership capacity, and vibrant communities through a unique partnership with a network of local Community Education Committees.

The Board recognizes the Council of Community Education Committees as the principal advisory body of the College through a Statement of Mutual Respect. The committees and their councils identify program and service needs for their communities and regions, support individual learners, and advise each other about best practices in community education.

The College plays an important role in the communities by providing facilities, leadership, and activities that contribute to the educational, social, cultural, recreational, and economic development of the region.

The College offers certificates and diplomas leading to careers in health and human services, education, information technology, technical occupations, culinary arts, business, creative fine arts, and resource-based industries. The College also offers pre-employment programs and apprenticeship training. A University Studies diploma is offered which leads to degree completion opportunities in partnership

with degree-granting institutions. Preparatory programs include second language instruction, adult basic education, adult high school, life management, and employability preparation. Preparatory programs are a key factor in preparing learners for post-secondary education and long-term meaningful employment.

The College also responds to workforce development and cultural awareness. Non-credit offerings include supervisory and safety-related certificates, contract and in-service training, and customized employability programs. The College sponsors Aboriginal cultural events and offers educational programming from the Native Cultural Arts Museum.

The College is committed to student support services that reflect the communities served and the needs of local learners. Student success is encouraged by providing a supportive learning environment and strong counselling services in Community Learning Centres and regional campuses. All sites are equipped with technology for online learning and additional student support. Family support is available when the College delivers education close to home or in regional campuses where student housing is available. As a partner in Alberta-North, student support infrastructure extends across northern Alberta and into the Northwest Territories.

As a Comprehensive Community Institution within the post-secondary system, Northern Lakes College is a regional steward with a defined role to provide or facilitate access to a range of adult learning services and opportunities across the College's geographic service area. The College collaborates with industry, agencies, community groups, local governments, school divisions, and post-secondary institutions to provide access to quality programs, services, and courses. This collaboration includes post-secondary programs offered through Campus Alberta partners and high school courses offered jointly with public schools. The College is a member of the Woodland Operations Learning Foundation, an industry driven partnership, which aims to standardize quality training for forest occupations.

## NORTHERN LAKE COLLEGE CAMPUSES AND COMMUNITY ACCESS POINTS



## PROGRAMS AND COURSES

### ACADEMIC UPGRADING

Adult Basic Education

Academic Upgrading

### BUSINESS & ADMINISTRATIVE STUDIES

Business Administration

Business Administration - Accounting

Human Resource Management Diploma

Office Administration

### HEALTH CAREERS

Advanced Care Paramedic

Community Health Promotion Certificate

Emergency Medical Responder

Health Care Aide

Health Care Aide – Prior Learning Assessment and Recognition

Health Care Aide Employed Student Tutored Education Program (eSTEP)

Practical Nurse Diploma

Primary Care Paramedic

### HUMAN SERVICE CAREERS

Addiction Services Worker

Addictions Counselling Diploma

Early Learning and Child Care

Early Learning and Child Care Diploma

Educational Assistant Certificate

Social Work Diploma

### TRADES & RESOURCE TECHNOLOGY

Carpenter Apprenticeship

Crane & Hoisting Equipment Operator – Boom Truck

Crane & Hoisting Equipment Operator – Mobile Crane Apprenticeship

Electrician Apprenticeship

Introduction to Surveying

Oilfield Operator Training

Power Engineering 3rd Class

Power Engineering 4th Class

Power Engineering 4th Class Lab Certification

Power Engineering 5th Class

Pre-employment Carpenter

Pre-employment Electrician

Pre-employment Millwright (Industrial Mechanic)

Pre-employment Welder

Survey Theory & Calculations

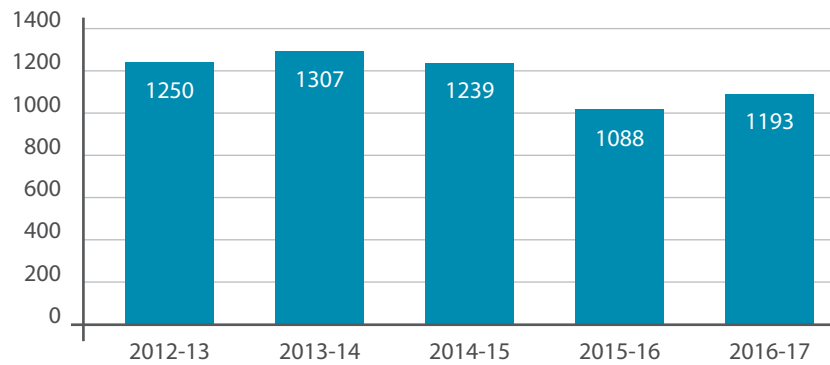
Welder Apprenticeship

### UNIVERSITY STUDIES

College and Career Preparation

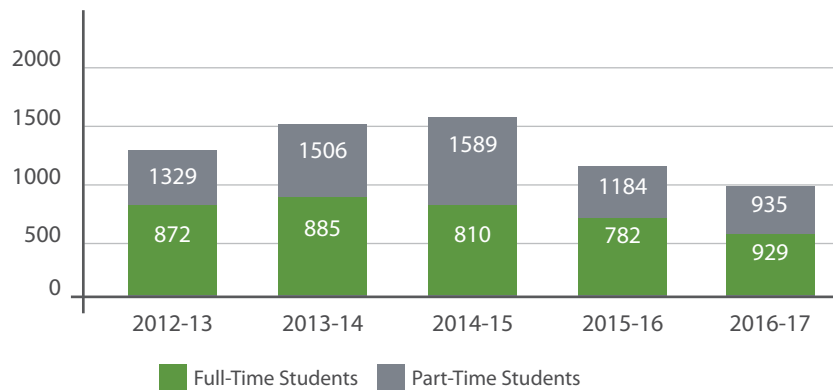
University Studies

## FULL LOAD EQUIVALENT (FLE)

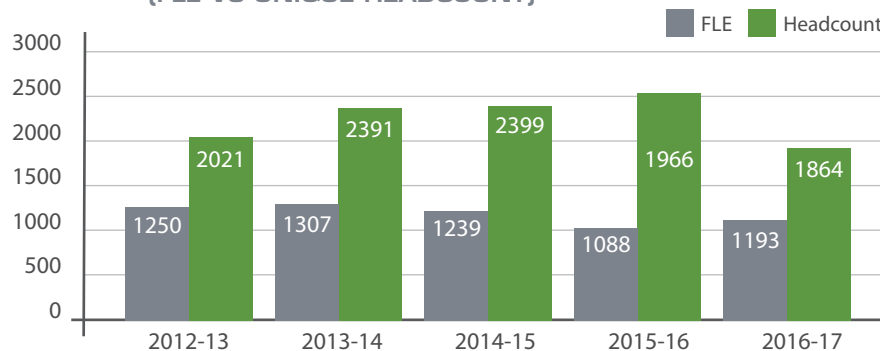


2015-16 to 2016-17 NLC experienced 9.7% growth

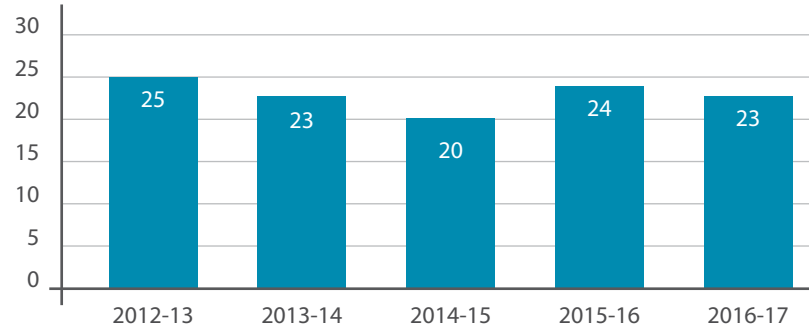
## NUMBER OF STUDENTS IN CREDIT PROGRAMS (UNIQUE HEADCOUNT)



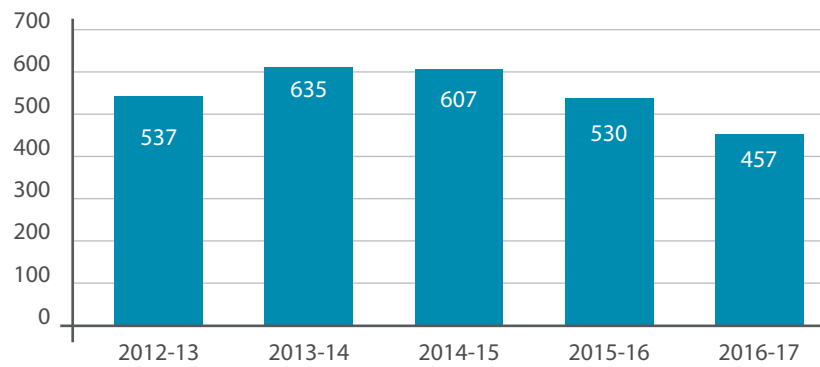
## STUDENT ENROLLMENTS - 5 YEAR (FLE VS UNIQUE HEADCOUNT)



### COMMUNITIES WITH CAMPUSES AND COMMUNITY ACCESS POINTS



### NUMBER OF GRADUATES BY YEAR





## OPERATIONAL OVERVIEW

	2014-15 Actuals	2015-16 Actuals	2016-17 Projected	2016-17 Actuals	Change in FLEs from 2015-16
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### Basic and Preparatory Programs

Academic Upgrading (HS and ABE Combined)	385	399	370	439	40
<b>Basic and Preparatory Programs Totals</b>	<b>385</b>	<b>399</b>	<b>370</b>	<b>439</b>	<b>40</b>

### Post-Secondary Certificate Programs

Addiction Services Worker	17	23	18	25	2
Business Administration	31	21	32	35	13
College and Career Preparation	6	13	10	14	1
Community Health Promotion	-	3	12	7	4
Early Learning and Child Care	22	25	26	34	9
Educational Assistant	17	14	18	15	2
Emergency Medical Responder	24	20	25	5	-15
Health Care Aide	93	73	96	107	34
Human Resource Management Certificate <sup>1</sup>	1	0	-	-	-
Medical Receptionist <sup>1</sup>	14	-	-	-	-
Office Administration	27	25	26	30	5
Oilfield Operator Training	21	11	12	6	-6
Primary Care Paramedic	15	17	18	29	11
Survey Theory and Calculations	89	43	50	22	-21
University Studies	23	24	35	42	19
<b>Post-Secondary Certificate Programs Totals</b>	<b>401</b>	<b>312</b>	<b>378</b>	<b>371</b>	<b>59</b>

### Post-Secondary Diploma Programs

Advanced Care Paramedic <sup>2</sup>	-	-	21	20	-
Business Administration - Management Studies Collaborative <sup>3</sup>	9	5	-	-	-
Early Learning and Child Care	-	10	15	12	2
Human Resource Management	7	0	6	6	-
Practical Nurse	99	98	120	111	12
Social Work	37	33	38	46	13
University Studies	7	14	8	14	0
<b>Post-Secondary Diploma Programs Totals</b>	<b>159</b>	<b>160</b>	<b>208</b>	<b>208</b>	<b>48</b>

## OPERATIONAL OVERVIEW

	2014-15 Actuals	2015-16 Actuals	2016-17 Projected	2016-17 Actuals	Change in FLEs from 2015-16
<b>Other Programs</b>					
Boom Truck	13	9	7	4	-5
Mobile Crane	13	18	26	9	-9
Carpentry 1st, 2nd, 3rd, and 4th Year	6	5	8	5	1
Electrician 1st, 2nd, 3rd, and 4th Year	20	18	19	12	-6
Welding 1st, 2nd, and 3rd Year	17	10	11	6	-4
Power Engineering 3rd, 4th, and 5th Class	206	151	140	127	-25
Pre-Employment: Carpentry, Electrician, Millwright, Welding	17	5	16	10	5
Open Studies	3	1	6	3	2
<b>Other Programs Totals</b>	<b>294</b>	<b>217</b>	<b>233</b>	<b>175</b>	<b>-42</b>
<b>Total Official Full Load Equivalent (FLE)</b>	<b>1239</b>	<b>1088</b>	<b>1189</b>	<b>1193</b>	<b>105</b>
<b>International Students</b>					
International Students included in above numbers	32	16	35	10	-6
<b>Total International Students</b>	<b>32</b>	<b>16</b>	<b>35</b>	<b>10</b>	<b>-6</b>

<sup>1</sup>Medical Receptionist and Human Resource Management Certificate are suspended programs

<sup>2</sup>Advanced Care Paramedic: new two-year diploma program introduced for the 2016-17 academic year

<sup>3</sup>Business Administration - Management Studies Collaborative: program partnership ended at the end of the 2015-16 academic year



## KEY CHANGES TO ENROLLMENT

### ACADEMIC UPGRADING

In 2016-2017, numbers in Academic Upgrading increased by more than 40 FLEs over the previous year to 439. Academic Upgrading is currently the College's largest program. Much of this growth can be attributed to the transition to online delivery, increasing the program's accessibility.

### BUSINESS AND ADMINISTRATIVE STUDIES

Business Administration experienced a substantial increase in FLEs from 21.4 in 2015-2016 to 35 in 2016-2017, an increase of 63% due to increasing demand for this program.

The College partnered with Portage College to offer Management Studies. Both colleges mutually agreed to project dissolution.

FLEs in Office Administration increased in 2016-2017 by 5 over the previous year, for a total of 30.2, representing a 21% growth. This is a very stable program, with annual FLEs averaging 28.77 over the last seven years.

Human Resource Management is a new program offered on a part-time basis. As interest increases, this program will transition to a full-time offering.

### HEALTH CAREERS

The Practical Nurse program enrollments have increased due to strong labour market demands, high student satisfaction and four-year program approval from the College of Licensed Practical Nurses of Alberta.

The Primary Care Paramedic program saw a significant increase in enrollment due to changes in prerequisites, allowing learners to apply directly to the Primary Care Paramedic program. Prior to the 2016-2017 academic year, learners were required to complete the Emergency Medical Responder program prior to taking the Primary Care Paramedic program. A large number of students now apply directly to the Primary Care Paramedic program. As a result,

enrollments for the Emergency Medical Responder program have significantly declined.

Labour market demands and competency of instruction have resulted in 46% enrollment growth in the Health Care Aide program over the previous year.

### HUMAN SERVICES

Enrollment in the Addiction Services Worker program increased by 10% in the 2016-2017 academic year. Enrollment continues to fluctuate, with most students taking the program part-time. This program is offered asynchronously, which meets the needs of students working in National Native Alcohol Drug Abuse Programs throughout the province.

Demand for the Early Learning and Child Care Certificate program continues to grow as child care providers require the certification to work in the field. FLEs increased by 37% in 2016-2017, which may be attributed to increased program flexibility, particularly for students who work in the field and need to attend on a part-time basis.

The 2016-2017 academic year was the second year of offering the Early Learning and Child Care Diploma program, and there has been a 25% FLE increase since the program start. The program continues to show strong growth.

Enrollment in the Educational Assistant program has gradually increased over the past few years, with an increase of 13% in the 2016-2017 academic year. This program can be taken full-time or part-time and provides flexible options for students who currently work and require a schedule that fits into their personal lives.

The Social Work Diploma program continues to thrive, with a 40% increase from the 2015-2016 to 2016-2017 academic years. This program consistently meets enrollment projections with the exception of 2014-2015 where a small cohort in Year One resulted in lower student numbers for two consecutive years.

## TRADES AND RESOURCE TECHNOLOGY

The variance between projected and actuals is not unexpected as 2015-2016 was the beginning of the economic slowdown. Particularly hard hit were oil-related trades such as welder, boom truck, power engineering (all years), oilfield operator, and survey theory. Additionally, seats allocated to the College in 2015-2016 were assigned in the later part of 2014 when the full effects and consequences of the downturn had not been considered.

However, the Trades Department had the capabilities and capacity to expand pre-employment and trades preparation programs. These could be scheduled on a relatively short-time basis and target a different market. This adaptability is reflected in the large increase in those enrollments.

## UNIVERSITY STUDIES

University Studies experienced a substantial increase of 19 FLEs (80%) over the previous year, increasing from 23.5 in 2015-2016 to 42.4 in 2016-2017. This increase is largely due to the demand for service courses for other programs. Enrollment fluctuations are common in this program as students attend to prepare for the next offering of the Aboriginal Teacher Education program.

In 2016-2017, FLEs in the College and Career Preparation increased by 10% over the previous year. This program remains relatively stable and continues to trend upward each year since 2014-2015.

The following enrollments are of the 2016-17 NLC campus in Peerless/Trout Lake, a simple table of small numbers.

Academic Upgrading	12
Addiction Services Worker	1
Business Administration	1
Human Resource Management Diploma	1
Office Administration	3
Oilfield Operator Training	1
Power Engineering 4th Class	1
Health Care Aide	1
Social Worker (BSW)	1
University Studies	3

How are such small numbers feasible? NLC community instructors are adult learning facilitators. They are specialist in adult learning, not necessarily in curriculum subjects. Distance instructors add the required subject/career expertise. In Peerless/Trout Lake, distance instructors enable 12 adults complete high school and 14 adults in 9 career programs, prepare for employment. Put these students with other students in similar communities and we get regular sized classes.

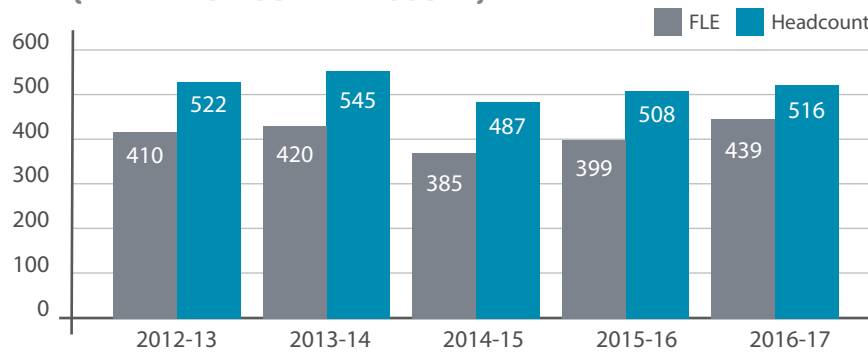
Often forgotten in our business is the aspirational power of adult education. The core program of NLC is Academic Upgrading. But upgrading enrollments would be lower if the career programs weren't available to aspire to. The career students would not be able to aspire to higher education (and employment) if they weren't able to succeed academically and build confidence at home without relocating and disrupting their families.

That's the impact of distance learning on a relatively isolated northern community. It enables adults to succeed, gain confidence, and aspire.

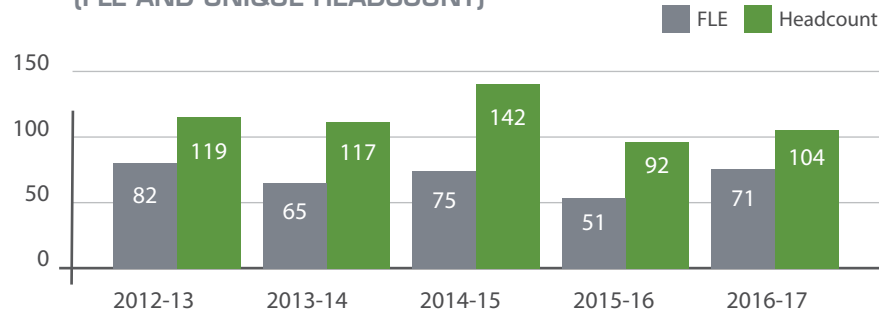
Quoted: Daniel Vandermeulen, Chair  
Northern Lakes College Board of Governors

## ENROLLMENT TRENDS BY PROGRAM AREA

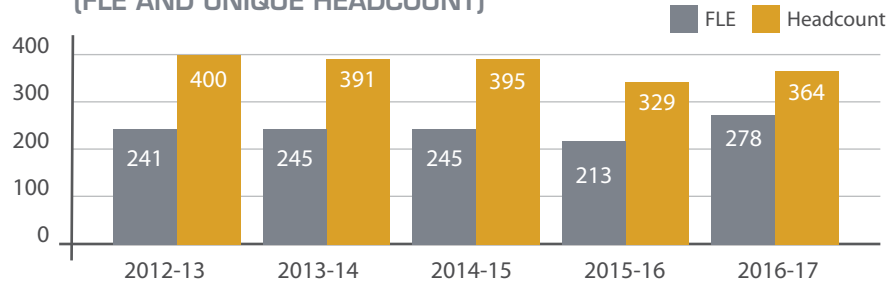
### ACADEMIC UPGRADING PROGRAMS (FLE AND UNIQUE HEADCOUNT)



### BUSINESS PROGRAMS (FLE AND UNIQUE HEADCOUNT)

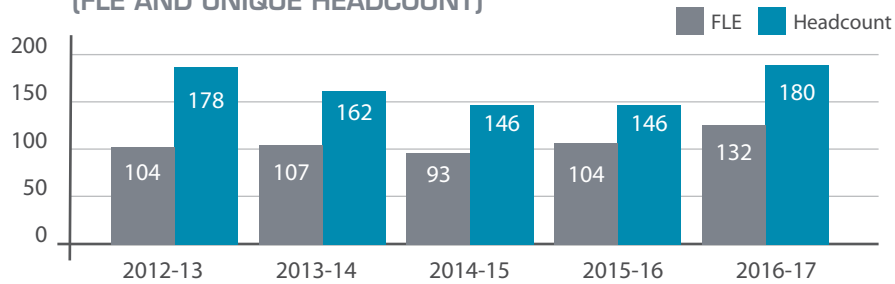


### HEALTH CAREER PROGRAMS (FLE AND UNIQUE HEADCOUNT)

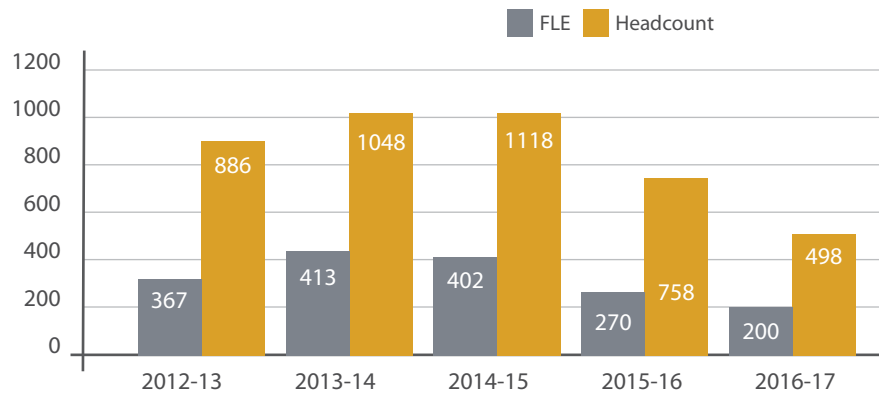




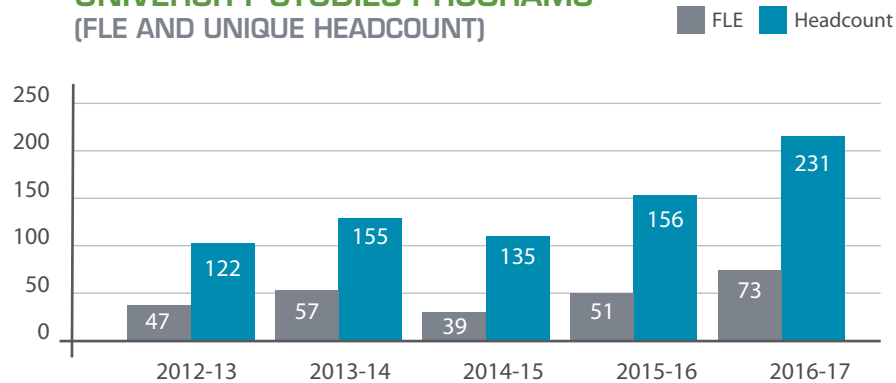
### HUMAN SERVICES PROGRAMS (FLE AND UNIQUE HEADCOUNT)



### TRADES AND RESOURCE TECHNOLOGY PROGRAMS (FLE AND UNIQUE HEADCOUNT)



### UNIVERSITY STUDIES PROGRAMS (FLE AND UNIQUE HEADCOUNT)



## KEY FOCUS AREA



### **EXCELLENCE IN EDUCATION:** Quality & Accessibility

## AN AMBASSADOR FOR SUCCESS

As an energetic and enthusiastic student, Jzomuel (Jay) Vida fit in with the class well and instantly made friends with his peers. His excitement to be part of the class was contagious! Vida was a student of the Practical Nurse Program from the Grande Prairie Campus, who graduated in June of 2017. Vida comes from a family whose members all work in the health sector, and he pursued nursing while he was still living in the Philippines. Vida continued his educational journey with Northern Lakes College to become a Licensed Practical Nurse in Canada.

Being a newcomer to Canada can pose many challenges. "The main challenge was the language. English is not my first language. Northern Lakes College provided an e-tutor who guided me in the right direction and helped me explain my thoughts on paper," he said. Vida excelled and had some of the top grades in his class, but he always found time to help others, whether this was explaining a nursing principle or helping with an assignment.

Vida says that going through secondary education for the third time really surprised him. "I have never seen instructors devote their time and effort in ensuring that their students are ready for the real world. They are very passionate about teaching and inspiring us to be the best that we can be. I felt I would succeed in the program from Day One because the instructors at the College support and have confidence in their students."

Vida was Valedictorian of the Graduation Class of 2017. During his speech he said, "Northern Lakes College has been known for producing the best professionals regardless of their chosen careers. This is because they choose the best people to educate, guide, support, train, and nurture their students." He reminded his peers, "Be compassionate, stay humble, keep the passion burning inside your heart, take time to laugh, and share a piece of yourself with the world."



“

Be compassionate, stay humble,  
keep the passion burning inside  
your heart, take time to laugh, and  
share a piece of yourself with the  
world.”

Vida's instructors feel he is up for any challenge the PN role has to throw at him. One memory stands out for his instructor, Ann Noseworthy. "We were working on a busy medical unit, and Jay was given the task of caring for a gentleman who had been given the news of terminal cancer. Jay cared for him daily and always kept a positive attitude. He helped the patient transition at such a difficult time and did so with compassion as well as any veteran nurse. It was a proud moment for me. I am inspired by his passion for nursing and his caring attitude. He will be an amazing nurse."

# Goal 1

Enhance access through technology upgrades to support our model of teaching and learning, focusing on mobile technologies and self-service models

## Explore mobile technology and the enhanced use of ebooks

Status

Conducted laptop and ebook pilot project to gain valuable insight and assess the feasibility of expanding use of digital learning resources into multiple program areas.

Achieved

Developed the Mobile Device Pilot Project, to be implemented by a cohort of Academic Upgrading students in Fall 2017.

In Progress:  
Complete by June 2018

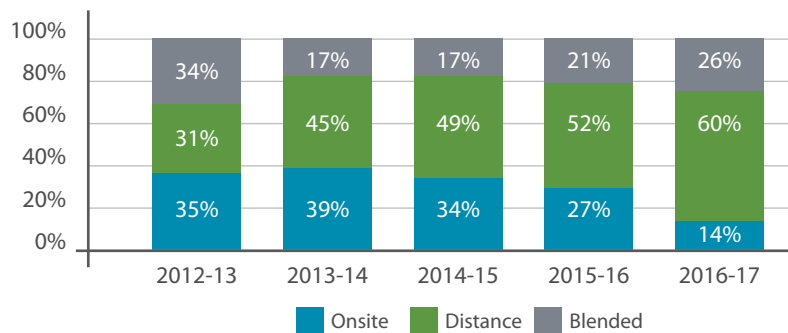
Completed online integration of the NLC library system with Government of Alberta NEOS services to provide students with cost-effective access to additional content.

Achieved

Facilitated the use of ebooks by implementing the EBSCO Discovery Service Curriculum Builder application.

Achieved

## PERCENT OF STUDENT CONTACT HOURS DELIVERED VIA DISTANCE DELIVERY



*\*In the 2013-14 academic year, the definitions of Blended and Distance learning were expanded and the concept of asynchronous and synchronous were introduced.*

**Onsite:** An educational situation in which the instructor and the students are interacting at the same time at the same physical situation.

**Distance:** An educational situation in which the instructor and students are separated by time, location, or both. Online learning can be:

- Asynchronous: interaction between instructors and students that occurs intermittently with a time delay.
- Synchronous: a real-time, instructor-led event in which all participants are virtually "in class" at the same time.

**Blended:** An educational situation that uses a combination of face-to-face and distance learning activities.

	Status
<b>Interdisciplinary, in-unit, mobile, and high fidelity simulation training trailers in Trades, Health, and Human Services programs</b>	
Delivered programming using mobile trades trailers in Peace River, Wabasca, and Fort McMurray. Over 100 students were trained in trades preparation and pre-employment programs.	Achieved
Delivered Crane & Hoisting mobile program to students in Red Deer, Grande Prairie, Slave Lake, and Brooks.	Achieved
Developed a mobile health lab for implementation in 2018-19 to enhance access to Health Careers and Dual Credit for rural and remote students in all communities.	In Progress: Complete by June 2019
<b>Improve the information technology foundation infrastructure</b>	
Transitioned NLC's Information Technology Department under new leadership with the addition of a Chief Information Officer.	Achieved
<b>Cloud based collaboration and productivity systems successfully introduced</b>	
Completed a full transition to Microsoft Office 365, Outlook E-mail, and OneDrive storage in September 2016 with all College personnel and students migrated to the new system.	Achieved
Completed the digitization of Student Records for Academic Upgrading to enhance accessibility of student information.	Achieved
<b>Cyber-Security Enhancements:</b>	
Introduced various enhancements to the network and information security infrastructure, including improved identity and access management integration with Microsoft Azure Active Directory Services.	Achieved
Initiated full self-service password reset and two-factor authentication capabilities for students and staff.	Achieved
<b>Grow strategic IT capabilities to improve learner services</b>	
<b>Web Services:</b>	
Revitalized the College's website management and web content management strategy to harness specialized capabilities and required expertise from an external, third party web services agency.	Achieved
Launched a new, mobile-ready public website supporting self-registration, credit card, and Interac payments for Continuing Education and Corporate Training courses.	Achieved
<b>Transform our College-wide information technology environment</b>	
Prioritized the implementation of the Student Information System upgrade to precede the development of a full-service student portal.	In Progress: Complete by June 2018
Implemented automated facilities for the transfer of marks and enrollment information from existing learning management system with numerous courses completed.	Achieved
Implemented a web based training system with industry standard course content to promote cyber-security awareness, including a mandatory basic information security awareness campaign as well as training on topics such as strong passwords and phishing awareness.	Achieved
Introduced committees to address the Lean approach to Continuous Process Improvement and formal Project and Change management processes.	In Progress
Established new timelines for My Trade Secrets integration as part of a major evolution of the Student System.	In Progress: Complete by June 2019



## Goal 2

## Create additional pathways for students

Ladder programs by ensuring transferability to higher levels of learning	Status
Advanced block transfer agreement discussions with multiple institutions to ensure students have access to higher levels of learning.	Achieved
Developed several new courses in University Studies to increase transferability for students in multiple program areas and enhance internal efficiency.	Achieved
Introduced Dual Credit offerings to NLC Academic Upgrading students to provide advanced standing and exposure to post-secondary studies.	Achieved
Implement new programs aligned with labour market demands with a focus on environmental and forestry sectors	
Developed a new Business Administration Accounting Diploma to be delivered in September 2017 upon the recommendation of the Business Program Advisory Committee.	Achieved
Developed a new Addictions Counselling Diploma in partnership with Health Canada to be introduced in September 2017.	Achieved
Developed and delivered Narcan training both face-to-face at all campuses and online to mitigate rising opioid crisis within Alberta. Outcomes: 1) NLC programming trains Alberta Paramedics to the competency level to support Alberta College Paramedics and Alberta Health harm reduction strategy 2) All NLC Campus have Naloxone readily available and trained personnel to administer to support Alberta Health harm reduction strategies.	Achieved
Delivered nursing preparation programming in Wabasca to prepare individuals in the community for work in health and seniors' facilities.	Achieved
Introduction to Survey was offered to students for the first time in May of 2017.	Achieved
Developed a Solar Energy Certificate program and will begin offering in September of 2017.	In Progress
Offered forestry-related programs throughout the year, including the Forest Operations and Measurements program and ongoing certificate deliveries of Forest Stewardship. In 2016-17, NLC delivered a total of 57 course offerings to 878 students. These programs and courses were offered in partnership with Woodland Operations Learning Foundation (WOLF).	Achieved

METRICS	New Program Enrollments 2016-17	Unique Students	FLE
	Advanced Care Paramedic (Diploma)	15	20
	Human Resource Management (Diploma)	15	6

### Continue to develop online delivery options to enhance access to programs such as: Oilfield Operator, Welder Period 1 & Carpenter Period 1

Status

Converted the Oilfield Operator Program to online delivery to be launched in Fall 2017.	Achieved
Redeveloped the Power Engineering 4th Class to align with timelines set by industry. Implementation of the new delivery model is ongoing and includes upgraded evaluation, pacing, and instructor support.	Achieved
Approved for Electrician 1st period LIVE Online delivery beginning in the Fall of 2018 to enhance access to apprenticeship training for apprentices in rural and remote communities.	Achieved
Development of Welder Period 1 and Carpenter Period 1 for LIVE Online delivery to be launched in 2017-18.	In Progress

### Investigate and provide access to a broader range of degree completion opportunities through partnerships with degree granting institutions

Investigated feasibility of partnership with Athabasca University and other universities to support appropriate degree completion opportunities within the service region, including Bachelor of Arts, Bachelor of Education, Bachelor of Nursing, and Bachelor of Paramedicine.	In Progress: Complete by Sept 2018
Build community capacity through program partnerships with various levels of government, business, and industry. Collaborated with the Peace River Correctional Centre and the Alberta Justice and Solicitor General to modify existing programs and investigate options for new programs to provide increased access to quality programming for inmates.	Achieved
Continued collaboration with Health Canada to offer the Addiction Services Worker program, including the recently introduced Addiction Counselling Diploma.	Achieved
Engaged multiple partners to ensure the continuity of the Community Health Promotions program, including Health Canada, Indigenous and Northern Affairs, First Nations and Inuit Health Branch, and Treaty 6, 7, and 8 First Nations.	Achieved
Partnered with Alberta Advanced Education and three other post-secondary institutions to provide plumber apprenticeship training at Keyano College utilizing NLC mobile trades labs.	Achieved

502

transfer course agreements with  
**16** institutions in Alberta, British Columbia  
 and Saskatchewan

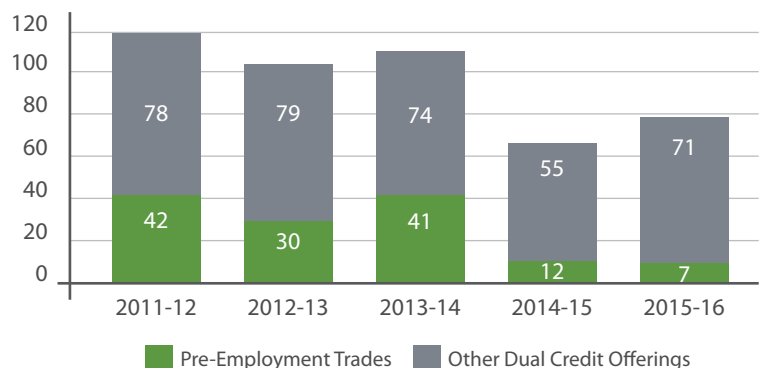
11

program transfer agreements with  
**2** institutions in Alberta

57

forestry-related course offerings to  
**878** Students

### DUAL CREDIT STUDENTS HEADCOUNT UNIQUE BY PROGRAM - 5 YEAR TREND



# Goal 3

Training sources for business and industry through partnerships with professional organizations, accrediting bodies, employers and unions

## Enhance program advisory committees to create a more meaningful link between academics and industry

Status

Implemented Program Advisory Committee in all program areas to meet industry needs and enhance employability of NLC graduates.	Achieved
Collaborated with Business Support Networks to ensure active participation by business and industry on Program Advisory Committees.	Achieved
Integrated business and industry recommendations into Power Engineering curriculum content.	Achieved

## Expand water and wastewater programming through industry partnerships

Offered Water Wastewater Level 1 program in the Fall of 2016 to build capacity among municipal water operators.	Achieved
Developed Water Wastewater Level 2 for delivery in Fall of 2017.	Achieved

2016-17 REGISTRATIONS	Water and Wastewater Operator Preparation Program: Level 1	
	Fall Offering	11
	Winter Offering	14
	<b>Total</b>	<b>25</b>

*\*Water and Wastewater Operator Preparation Program: Level 1 was the only course offered for 2016-17*





## KEY FOCUS AREA



### **NLC AS THE LEARNING PARTNER FOR LIFE:** Accessibility & Affordability





## NLC ALUMNI'S PASSION FOR THE NORTH

For communities like Peace River, educational opportunities can change people's lives in very meaningful ways. In Northern Lakes College's Social Work Diploma program, students learn to work with different cultures and learn how to recognize and deal with oppression. Graduates are active in their own communities and bring their knowledge and passion forward to help change the lives of others.

Christine Kaip, a Northern Lakes College Alumni who completed the Social Work Diploma in 2015, says, "I have been very fortunate in my career in Social Services. I had an impeccable mentorship that allowed me to learn and grow in this field. One of my mentors stressed the importance of self-reflection when it comes to working with vulnerable clients. It supported my belief that social work is not what you do but who you are. I believe it is part of my responsibility to contribute to a healthy community."

Kaip is married and a mother of two who enjoys the outdoors. She says, "My husband and I like to travel and spend time camping in our holiday trailer." She has lived in the north her entire life and is dedicated to continue working in the Peace River region. "I believe it is my responsibility to contribute to a healthy community which is why I volunteer with Victim Services as a victim's advocate and also volunteer in the community as needed," she said.

The University of Calgary selected the NLC Peace River Campus to deliver the Bachelor of Social Work degree for the 2015-16 and 2016-17 program years. Kaip says, "Northern Lakes College and the University of Calgary do an exceptional job in providing educational services to the Peace River area. I was able to pursue my educational goal and continue my career in my own community. I am forever grateful that Northern Lakes College enabled me to improve my skills and knowledge while I live and work in the north."



“

I am forever grateful that Northern  
Lakes College enabled me to  
improve my skills and knowledge  
while I live and work in the North.”

Kaip is an excellent example of a lifelong learner. "My goal for the future is to complete a Master of Social Work through the University of Calgary." When asked about what she would say to a future student, her response was, "If you are considering earning a social work diploma or degree in the north, readjust your expectations of a classroom environment. Northern Lakes College's Diploma program is delivered through virtual learning, and the responsibility is on you to be a mature student. The benefits, however, are that you will be able to pursue education in your own community where you will gain perspective of northern and rural practice."

## Goal 4

## Identify and mitigate the barriers to learning for our students

**Create a Centre for Student Success incorporating relevant services in support of retention**

Status

Increased referrals to Student Success Services by 51% year-over-year and helped to identify opportunities for struggling students to receive individualized learning strategies to assist with their perseverance.

Achieved

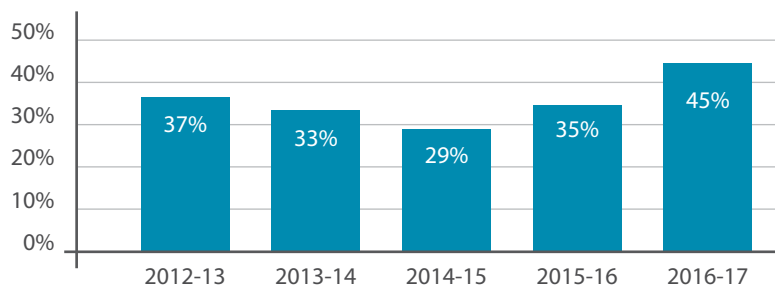
Realized a 62% increase in student participation in learning strategies workshops about developing successful approaches to studying and exam taking.

Achieved

Developed and promoted a “There’s an app for that” webpage featuring free computer applications which connect students with speech to text and text to speech tools.

Achieved

STUDENT SUCCESS SERVICES REFERRALS	2015-16	2016-17
	89	134

**INDIGENOUS STUDENT POPULATION (%)**

*Indigenous student population is under-represented due to students not self-identifying. Values are obtained from LERs for 2012-2016. Values for 2016-17 are reported differently from LERs due to the introduction of new internal measures that determine Indigenous students based on self-identification through crossreferencing other required College applications.*

	Status
<b>Implement the Truth and Reconciliation Commission calls to action for post-secondary institutions</b>	
Hosted a workshop called "History & Impact of Residential Schools" for staff, students and community members in collaboration with the National Centre for Truth and Reconciliation to raise awareness about residential schools within the College community.	Achieved
Completed comprehensive course reviews for Indigenous content and texts incorporating ways of knowing where appropriate.	Achieved
Furthered the development of an Elder's Program with stakeholders in Treaty 6, 7, and 8 advising on student needs and cultural protocols.	In Progress: Complete by Sept 2018
Offered additional Indigenous cultural components for students by introducing activities such as moccasin making at various campus locations.	Achieved
Expanded Counsellor participation in Aboriginal Inter-Agency groups to build collaboration and best practices as they relate to mental health and well-being of our Indigenous students.	Achieved
Implemented the Aboriginal Career Explorers Academy with 12 Indigenous youth participating in a five-week summer camp to provide work experiences and job readiness training.	Achieved
Hired Indigenous youth for summer employment in partnership with Rupertsland Institute.	Achieved
Created a Library Guide that provides links to various resources on Indigenous issues that relate to the Truth and Reconciliation Calls to Action.	Achieved
Acquired relevant Indigenous learning resources to support the development of courses and assignments.	Achieved
<b>Provide a comprehensive wellness program to support student success</b>	
Collaboration between Student Services and all program areas during student orientations to increase student self-referral for mental health needs.	Achieved
Developed an online student self-referral form on the NLC website to improve access to Counselling Services. In 2016-17, 30 students utilized the online self-referral system.	Achieved
Introduced a Crisis Response Checklist and a Critical Incident Debriefing process for crisis intervention to assist with ensuring that members of the College community are supported through significant and traumatic issues.	Achieved
Updated the Student Wellness Framework to help emphasize citizenship, collaboration, and community connectedness as critical determinants of Indigenous resiliency in the post-secondary context.	Achieved

## Goal 5

## Develop and implement relevant programs and services, delivery models and student support services

Integrate preparatory education offerings including pre-employment trades programs and foundational learning	Status
Transitioned Adult Basic Education to online delivery since September of 2016 to enhance access in rural and remote communities.	Achieved
Community Adult Learning Programs (CALP) are now sharing space with NLC at a number of campuses.	Achieved
Developed a plan to establish four new CALPs at NLC campuses funded by the Ministry in Atikameg, Cadotte Lake, Wabasca, and Chateh.	In Progress: Complete by June 2018
Established partnerships in Driftpile First Nation (completed), Loon River, and Aurora College to offer foundational learning onsite.	Achieved
Offered Healthcare Preparation in Wabasca in partnership with the Bigstone Cree Nation and Atoske during the year.	Achieved
Approved for two new pre-employment programs in 2016-17 — mobile crane and boom truck. The number of offerings of pre-employment programs grew considerably in 2016–17.	Achieved
Pursued approval for Heavy Equipment Technician pre-employment program expected to be complete in Fall of 2017.	In Progress: Complete by Oct 2017
Establish Universal Instructional Design model in all programs	
Enhanced tools for learning accommodation to include a universal design approach wherein all students have access to Read and Write Gold, an online tool that transcribes the written word to verbal. As a result, there has been positive uptake by students, primarily for those with English as a second language and some Indigenous students.	Achieved
Implemented mandatory use of Learning Management System course templates, incorporating Universal Design Principles for all program areas and a continuous review cycle.	Achieved
Increase access to foundational learning by making it available online	
Transitioned all Foundational Learning and Academic Upgrading programming to online delivery, making both available and accessible to all communities within the Northern Lakes College service region and throughout the province. Early student results have been positive, and we are committed to continuing to offer high quality online programming that is available to all.	Achieved

### Utilize strategic enrollment management data measures to improve recruitment, student success, and graduation rates

Status

Delivered Dual Credit offerings to students from 10 school divisions, consisting of 24 high schools in 8 NLC programs, resulting in a 20% increase in the number of high schools engaged in Dual Credit programming over the prior year.

Achieved

Reviewed conversion potential for recruitment events based on level of activity to identify which events provided the greatest return on enquiries.

Achieved

Implemented early interventions in Academic Upgrading that resulted in Campus Instructors and Counselling Services providing additional student supports.

Achieved

### Increase access to financial resources and knowledge for students

Increased the number of applicants for student awards by 18% and \$419,000 was distributed in awards.

Achieved

Increased access to emergency financial aid resulting in 50 applicants in 2015-16 to 100 applicants in 2016-17.

Achieved



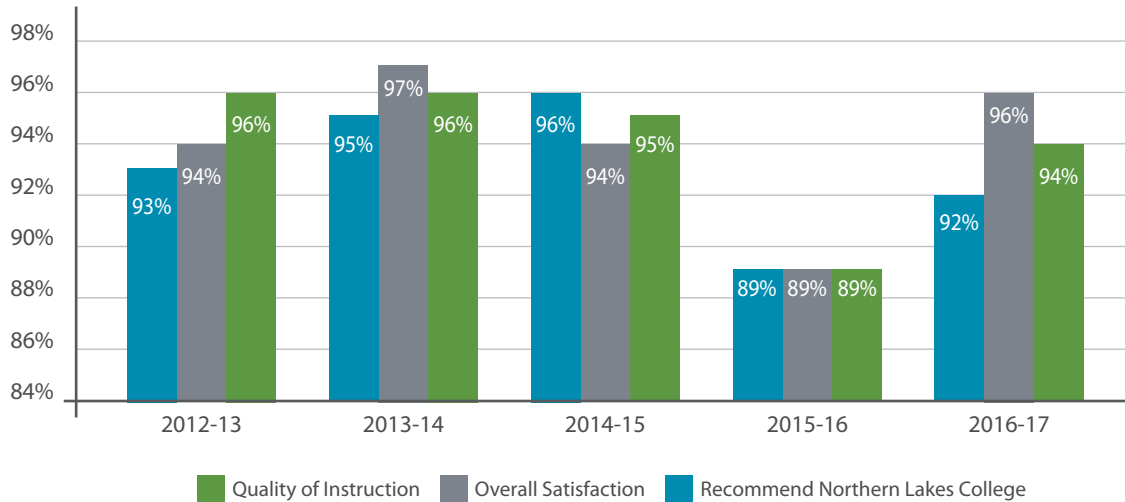
Retention Rate:

**2% overall increase**  
from 2015-16 to 2016-17

ADULT BASIC EDUCATION		2012-13	2013-14	2014-15	2015-16	2016-17
	FLE	191	179	178	173	205
	Headcount	292	258	270	256	278

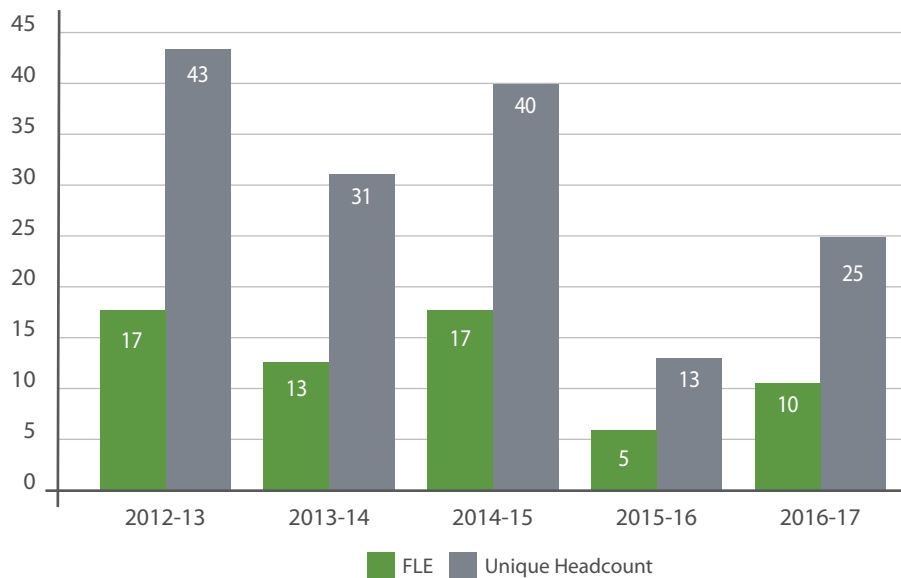
## STUDENT SATISFACTION SURVEY 2012 - 2017

### OVERALL SATISFACTION INDICATORS



## PRE-EMPLOYMENT TRADES 2012 - 2017

### FLE AND UNIQUE HEADCOUNT





## Goal 6

Develop Alumni processes and practices that will lead to ongoing relationship with our students

#### Develop an alumni program

Status

Developed an alumni program which will be phased in over two years and is expected to strengthen our alumni community.

Achieved

#### Develop and implement an Alumni Strategic Plan

Implemented the Alumni Strategic Plan and focused on building connections and long-term relationships between alumni and current students resulting in an enriched student experience.

Achieved



## KEY FOCUS AREA



**CONNECTED TO OUR COMMUNITIES:**  
Affordability, Accessibility & Quality

## FORT VERMILLION: A FAMILY OF STUDENTS

One of Northern Lakes College's tag lines is, "New beginnings. Endless Possibilities." It definitely applies to Peter Beaver, a father of seven. Beaver is currently enrolled as an Academic Upgrading student at the Fort Vermilion Campus alongside two of his children, Corrina and Sammy. He was inspired to return to school when his oldest daughter, Cora, graduated from Academic Upgrading in 2010. Watching his daughter graduate filled Beaver with a sense of pride and the desire to learn.

When his two children Corrina and Sammy applied for College, Beaver saw how easy it was to apply and be accepted, so he decided to submit his application too. His initial career goal was to enroll in the Social Work Diploma program but decided that the two-year Primary Care Paramedic program was a better match to his personality.

The most challenging aspect of returning to school has been the financial costs. A lot of sacrifices were made, but his positive outlook and desire to change his career is noticeable. "The rewarding part of success is just a year away. I take it one day at a time, knowing it will soon be over," said Beaver.

Beaver is grateful for Jason Kawalaskas and Tracey Parenteau, staff from the Fort Vermilion Campus, for making the learning environment positive and for putting students first, no matter how busy their own schedules are. The support does not end at the College; it is also seen within the Beaver family home. Beaver credits his wife of 25 years, Alvina, for being the one to keep him going. He said, "She tells me how proud she is of me, and when I come home excited because of a 100% grade in math, she tells me that I am a smart man. That's worth more than a million dollars when your wife believes in you and is very proud of your accomplishments."

Beaver is a great role model for his family, and it shows in his younger children who have great aspirations for their own



*Left to Right: Corrina Beaver, Peter Beaver and Sammy Beaver*



They say you can't teach an old  
dog new tricks. I say yes you can.

The only ones who will not learn  
are those who won't listen."

futures. His daughter Shae-Lynn wants to be a doctor, which will enable her to take care of her family. His son Raven, who has great building skills, wants to be a carpenter. His other son also sees the opportunities that are available through Northern Lakes College and looks forward to following in his father's footsteps by returning to school.

Beaver has some words for those considering going back to school. "If there's one thing I could say to those who are thinking of going back to school, I would say do it. If you even considered it, that's the first step. I am grateful for having the chance to get my education. If I can do it, so can you. They say you can't teach an old dog new tricks. I say yes you can. The only ones who will not learn are those who won't listen."



# Goal 7

Training sources for business and industry through partnerships with professional organizations, accrediting bodies, employers and unions

Investigate experiential and entrepreneurship potential in course and program development opportunities	Status
Developed experiential learning and active learning for all programs.	Achieved
Initiated development of an Innovation Den for implementation in Spring of 2018. The Innovation Den includes training for students and community members, as well as a competition wherein students would compete for an opportunity to present their business idea at the Innovation Rodeo in Calgary, at the Calgary Stampede, plus gain business start-up support.	In Progress
Support community needs through volunteerism and service learning opportunities	
Donated products to various community groups to support fundraising efforts created by NLC's Peace River Correctional Centre students who are taking NLC programs in welding and Aboriginal Arts.	In Progress
All program areas are seeking opportunities for service learning to be implemented.	In Progress
Increase the profile of NLC through staff relationships within the community and education institutions	
Enhanced community relationships by attending local events, organizing small social events at community learning centres, and supporting the local CEC.	Achieved
Hosted a BBQ & Open House Road Show in partnership with local organizations in every campus community within the service region.	Achieved
Enhanced community relationships by attending local events, organizing small social events at community learning centres, and supporting the local CEC.	Achieved
Continue hosting cultural events within our communities	
Hosted the Métis Cultural Celebration in Fort Vermilion and the Round Dance in High Prairie to enhance community engagement and celebrate Indigenous cultures within the service region.	Achieved
Foster opportunities for community engagement through student-based activities	
Increased offerings of recreational activities to help build community and teamwork with students. In 2016-17, with 5,570 students participating in 170 recreation and wellness events in-person and online.	Achieved

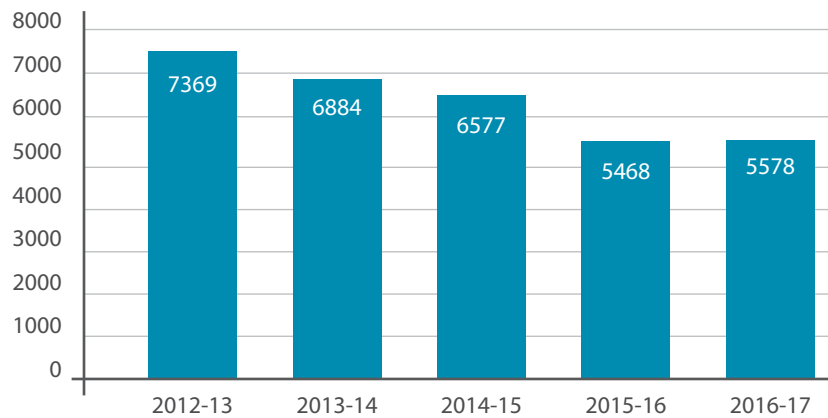
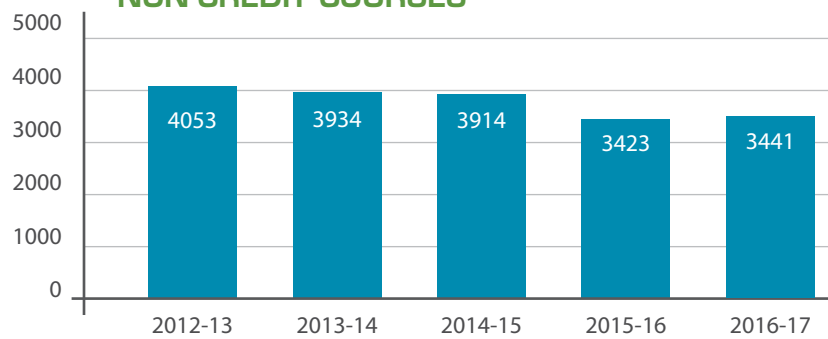
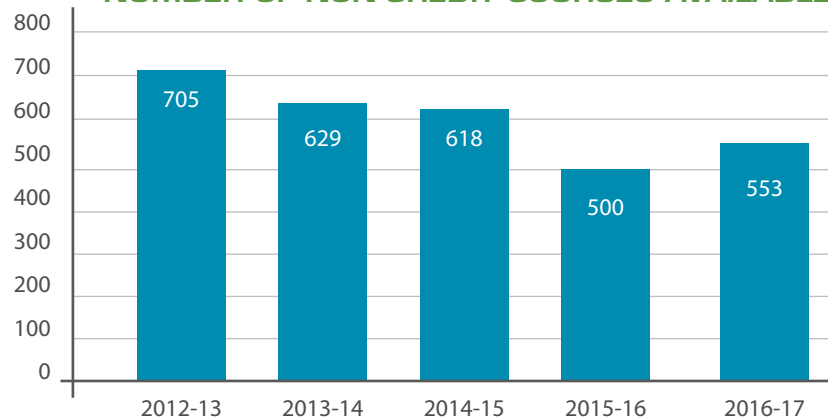
**TOTAL PARTICIPANTS IN  
RECREATION & WELLNESS EVENTS**

2015-16

2016-17

3,690

5,570

**TOTAL NUMBER OF REGISTRATIONS IN  
NON-CREDIT COURSES**

**UNIQUE STUDENTS ENROLLED IN  
NON-CREDIT COURSES**

**NUMBER OF NON-CREDIT COURSES AVAILABLE**


## Goal 8

## Continue to enhance the role of the Community Education Committees and work in collaboration with the Community Adult Learning Programs

Ensure Community Education Committee members are in leadership and educational roles within their communities	Status
Worked with local Community Education Committees to ensure members are in leadership roles that are committed to enhancing educational opportunities, including elected officials, educational liaisons with First Nation bands, and CALP staff.	Achieved
CECs to create a strategic plan for each community	
Conducted community consultations in each community to inform the development of strategic plans.	In Progress: Complete by June 2018
Provide a spring workshop for all CEC members to attend, focusing on a theme of significance within the service region	
Planned CCEC Workshop with a theme of Economic Partnerships for Regional Development with a keynote speaker scheduled for October 2017.	Achieved
Partner to provide foundational adult learning and preparatory education for existing and prospective NLC students	
Hosted an NLC-CALP Partnership Summit to develop an annual partnership plan slating strategic initiatives to enhance the adult learning continuum.	Achieved
Enhanced relationships with CALPs through space sharing, learner referrals, and collaborative initiatives.	Achieved
Developed plan to establish four new CALPs at NLC campuses funded by the Ministry in Atikameg, Cadotte Lake, Wabasca, and Chateh.	Achieved



## Goal 9

## Regular and ongoing engagement with Business and Industry

Status

**Play an active role with regional organizations with an economic development mandate, such as: Peace Regional Economic Development Alliance, Regional Economic Development Initiative, Lesser Slave Lake Economic Alliance and the Chambers of Commerce**

Active participation by NLC staff (often in leadership roles) with economic development organizations, Community Futures, and Chambers within the service region.

Achieved

**Regular business and industry engagement activities**

NLC staff continue to act as ambassadors promoting NLC to over 50 communities in NLC's service region.

Achieved

Hosted community engagement forums with business and industry throughout the year gathering feedback on programing and labour market needs; one-on-one engagement with small businesses was a priority.

Achieved

**Business and industry participation on advisory committees**

Actively recruited business and industry participants on all program advisory committees.

Achieved



## KEY FOCUS AREA



**BUILD CAPACITY FOR THE FUTURE:**  
Quality & Accessibility

## LEADING BY EXAMPLE: EXCEEDING PERSONAL EXPECTATIONS

Graduating is a major accomplishment, and there's great joy in donning your cap and gown and receiving your parchment. It's a day when you look back on the challenges you've overcome the late nights studying, driving through storms to get to class, remembering the people you met along the way and the fun memories you've made. For Tanis Flett, a graduate of the Social Work Diploma program in June of 2017, it is also proof that her hard work and determination has set her up for a successful future.

Flett is a 29 year-old mother of four who lives in Sucker Creek First Nation with her husband. Flett was a stay-at-home mom for eight years, and when her youngest child started kindergarten, she decided it was time to return to school full-time. Flett credits her husband and his support in her success. She chose to study with NLC because of accessibility. The High Prairie Campus is only 20 minutes away from where she lives, and it was easy to travel back and forth.

During her studies at NLC, Flett was involved with several committees, including the Student Union, the Students' Association, Academic Council, and the Community Education Committee. Flett appreciates the support. "I had incredible instructors. The people in the Students' Association and staff at the College were great. I really appreciate their support. It was a really good four years."

Flett was very excited and relieved when she made it to graduation day. Graduating alongside her sister, Kim Flett-Letendre, was a proud moment. Flett recalled when she was attending a convocation ceremony a few years earlier and watched a Social Work student being called up to receive multiple awards. This was an awe-inspiring moment for her, and she set a goal for herself to be that person one day. Her hard work paid off; on her graduation day, Flett received



*Left to Right: Tanis Flett, Graduate and Daniel Vandermeulen, Chair, Board of Governors, Northern Lakes College at the June 2017 Convocation in High Prairie.*

“

I don't think I realized it back then, but  
it made me very adaptable as a person.  
I got used to meeting new people,  
and it broadened my view on life. That  
influenced who I am today.”

three awards, including the Governor General's Collegiate Bronze Medallion for highest academic achievement. "I hope that my children will see my hard work and effort as an example for themselves to succeed in life. I believe in leading by example. If you work hard, you can achieve anything you want," she said.

Today, Flett works for the Social Development Department at Sucker Creek First Nation. In her work, Flett continues to aim high and says that her education has given her the skills and tools to handle challenging situations that life has in store.

# Goal 10

## Recruit qualified staff- recruit, retain, develop and celebrate our people

### Enhance the College website, marketing and brand to ensure NLC attracts top quality faculty and staff

Status

Augmented website functionality to include resume and/or application online submission for all competitions.	Achieved
Integrated digital time and attendance functionality for all salaried employees.	Achieved
Introduced a new onboarding procedure to improve the new employee experience.	Achieved
Developed a Community Report magazine and launched several new program videos.	Achieved

### Enhance professional development available to all NLC employees to advance educational qualifications

Developed and facilitated training for Budget Officers to emphasize fiscal accountability among Management Team.	Achieved
Offered EducationTalk sessions three times per months for the year featuring topics related to teaching and learning.	Achieved
Offered Coffee Shop sessions four times in 2016-17.	Achieved
Distributed the Apple Express Newsletter monthly featuring academic content for faculty and staff.	Achieved
Expanded the Learning Management System Professional Development area.	Achieved
Developed a return service structure to support faculty and staff to advance educational qualifications.	Achieved

### Implement succession plans and cross-train personnel in all departments

Succession plan has been developed for the college and all staff have the opportunity to participate in professional development to support their career goals.	Achieved
Staff have been cross-trained in all appropriate departments.	Achieved



# Goal 11

## Ensure the College is recognized as a financially sustainable organization

Ensure annual audits are completed on time and all Office of the Auditor General recommendations are implemented	Status
All annual audits are completed on time.	Achieved
Management asserts all prior years recommendations are implemented.	Achieved
Focus on raising and effectively utilizing needed resources to advance the College	
Received \$90,000 from Indigenous and Northern Affairs Canada to develop the Addictions Counselling Diploma program.	Achieved
Executed a partnership agreement for \$400,000 in continued funding from the First Nations Inuit Health Branch to continue offering the Addiction Services Worker program.	Achieved
Build additional revenue sources through entrepreneurial activities	
Applied and received a \$250,000 grant to open four new Community Adult Learning Programs on NLC campuses. This work creates ease of access and transition, allowing students to move into college programming without having to leave their home communities and support networks.	Achieved
Negotiated an increased to the programming budget at the Peace River Correctional Centre by nearly 5% for 2017-18, or approximately \$30,000 for 2017-18, supported by Alberta Justice and Solicitor General.	Achieved
Supported community needs by working with Loon River to develop a contract opportunity in excess of \$86,000 that allows for 21 local students to receive Academic Upgrading programming without having to leave their home community.	In-Progress: Complete by June 2018



# Goal 12

Prepare for infrastructure funding by having a Campus Development Master Plan and shovel-ready projects

	Status
<b>Complete a Campus Master Plan</b>	
Completed Campus Master Plan. Approval pending.	In Progress
<b>Implement recommendations for campus renewals, replacements and critical infrastructure (including Information Technology) as prescribed in the Campus Master Plan</b>	
Pending approval of Campus Master Plan.	In Progress
<b>Build a new consolidated High Prairie Campus</b>	
Anticipated start in summer 2018.	In Progress
<b>Build a new Trades &amp; Technology Centre at the Slave Lake Campus</b>	
Completed business case and preliminary design. Capital funding approval pending.	In Progress
<b>Complete Community Learning Centre Projects Phases 1 and 2</b>	
Funding approval pending.	In Progress





KEY FOCUS AREA



**APPLIED RESEARCH:**  
Quality

## A DUAL CREDIT JOURNEY TO SUCCESS

What inspires you? Have you ever thought about the reason why you do the work that you do? Inspiration is what a lot of people search for, and for Northern Lakes College Alumnus Kylar Schamp, it is what drives him. Schamp is a small town guy with big picture thinking. As a teenager, he enrolled into the College's Dual Credit Welding program and earned his high school diploma and industrial certification credits at the same time. He had logged almost five years of work experience while most of his peers only begun to enter their chosen fields.

Northern Lakes College (NLC) offers a variety of Dual Credit programs and courses for high school students that are delivered through different methods: on-campus classes, online classes, or a mixture of distance learning and face-to-face instruction and labs. "I learned my skills through Northern Lakes College and while working in the industry. Through studying, challenging exams, and hands on tasks, I learned problem solving skills, physical endurance, how to work with others, and developed a strong work ethic in an industry that deals with precision work." About his Dual Credit experiences, Schamp said, "I'll definitely go back to NLC to take other programs."

Over the years, Schamp has demonstrated a strong commitment to his trade. From entering into the Dual Credit program to participating in welding competitions, he shows no signs of stopping. This year, the College reached out to him and asked him to instruct the one-week Mind Over Metal Welding camp in High Prairie. The camp teaches youth the basics of welding and cultivates their interest in the industry. "The chance to pass my knowledge onto a younger generation was the main reason I took the position as an instructor. I used my welding knowledge as a tool to leave my own personal footprint. Knowing that this may benefit others and inspire future welding careers brings me pure joy," says Schamp.

Dual Credit programming provides Grade 10, 11, or 12 students with the opportunity to participate in apprenticeship training or get a head start on their post-



“

Knowing that this may benefit  
others and inspire future welding  
careers brings me pure joy.”

secondary education and to earn both high school and post-secondary credits at the same time. It gives students, such as Schamp, the opportunity to engage and be exposed to college courses and campus culture. Many students' high school grades are positively impacted when they participate in a Dual Credit program because it highlights the importance of education as they consider their future careers.

"NLC really opened my eyes to where welding could lead me. I enjoyed the program too – I met lots of great people and made a lot of friends who are now in the industry." Schamp is moving forward in his educational pursuits and is currently embarking on his Red Seal Heavy Duty Mechanic ticket while continuing his work in the welding industry. "I am looking forward to new experiences, skills, and knowledge that I am bound to acquire on this journey."

If one thing can be said, Schamp definitely is an inspiration to others, showing that people can achieve anything they set their minds to and that there are great opportunities out there when it comes to education.

# Goal 13

## Improve capacity in teaching, learning technologies and distributed learning

**Implement a research fund accessible to faculty and staff to apply to projects and/or release time**

Status

**Engage partnerships with various stakeholders, other post-secondary institutions, and legislative bodies to enhance research opportunities focused on teaching and learning**

Incomplete

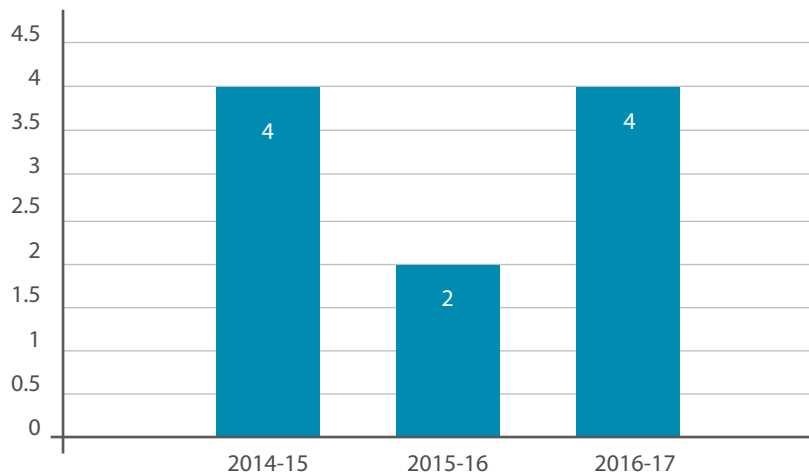
Developed the Mobile Device Pilot Project (MDPP) student intake and exit surveys which have been approved by the NLC Research Ethics Committee to establish a baseline and measure success.

In Progress

Trained staff in data analysis to support knowledge translation.

Achieved

### RESEARCH PROPOSALS RECEIVED BY THE RESEARCH ETHICS COMMITTEE



## INFORMATION TECHNOLOGY

### PROMOTING GROWTH THROUGH DIGITAL AND ONLINE SERVICES

The enhancement of the College's web based services is a key part of Northern Lakes College's growth and student experience improvement strategies. Timely processing of student applications is essential due to the high demand for the College's educational services and for the College to sustain continued growth.

The College's website was relaunched in 2016, introducing new features such as mobile device support and credit card and Interac payments. Approximately 40% of annual applications are received electronically at this time, marking an increase of 20% from the previous year. Online payments are similarly increasing, with over 800 payments processed since launch in late 2016.

The release of the new College website also marked the first phase of a broader content management strategy, allowing various departments across the College a higher degree of control over self-generated content. In August 2017, the College's Intranet "MyNLC" will be given a facelift, bringing a higher degree of consistency across internal and external services.

### RETENTION LEVELS THROUGH A RICHER DIGITAL EXPERIENCE

A seamlessly integrated, intuitive, and engaging learning experience is critical for student success and for the improvement of retention levels. The College has been actively exploring opportunities with other post-secondary institutions to enhance Student Information System functionality, to improve uptake of ApplyAlberta services, and to introduce support for MyTradeSecrets. In parallel, the College is working to simplify and introduce efficiencies in administrative processes related to student services.

A Proof-of-Concept that will match simplified business processes with enhanced self-serve, portal and student relationship management features is planned for 2018. It is anticipated that this initial pilot will help the college set a course for the broader evolution of its enterprise and learning delivery systems.

### TRANSFORMATION THROUGH CONTINUOUS IMPROVEMENT

Applications, screening, enrollments, and related payments have many dependencies on the development and publication processes related to the College's program plans and course offerings. Many of these interlinked processes are expected to evolve significantly as both staff and student experience improves through the introduction of portal and online self-serve capabilities.

Lean Continuous Process Improvement principles are being introduced as part of the College's transformation strategy, and process reviews and workshops have been in progress since June 2017 in the area of student applications and related payments. Additional processes and IT workflows related to program and course plan generation, scheduling, student enrollment and roster management, grading and transcript services, and student pathways are also expected to be reviewed throughout the year. Lean Daily Management was introduced within the Information Technology Department in June 2017.

### ANALYTICS AND STRATEGIC INFORMATION DELIVERY

Interactive visual analytics to support process reviews were introduced in July 2017, and are helping better align development planning and decision making with strategic goals. Visual Dashboards that allow analysis of student applications and conversions across various segmentation categories have been created and are being systematically operationalized in the course of each process review. A Navigational Scorecard based on the College's Key Performance Indicators is planned for 2018.



## TECHNOLOGY IMPROVEMENTS THAT FOCUS ON EFFECTIVENESS, EFFICIENCY, AND SUSTAINABILITY

The College celebrated its fourth consecutive year implementing eco-friendly, green improvements in the area of Information Technology. Approximately 500 workstations have been replaced with low footprint, energy efficient Intel NUC workstations, supported by a high degree of virtualization and Cloud services. Electronic equipment past their useful lifetime go through a secure data removal process and are professionally recycled in a cost effective, environmentally friendly manner.

The transition to Microsoft Office 365, OneDrive storage, and Outlook e-mail was completed in September 2016, along with an integration of the College's e-mail and voice mail services and a switch to the Windows 10 operating system.

The college also actively continues to improve its underlying technology infrastructure across various campuses. Options to enhance the access and availability of various Internet services across its broad coverage area, including backup access to the SuperNet, are under review.

## DIGITAL TECHNOLOGIES THAT ENHANCING ACCESS AND LEARNING

A pilot project to assess benefits of increased e-book and laptop usage in the area of University Studies was completed in Spring 2016. Important insights into the impact of licensing constraints on student learning and other aspects of e-book usage were obtained. A similar evaluation focused on assessing laptop and mobile usage in the Academic Upgrading program began in September 2017.

Skype for Business has been deployed as a complement to Blackboard Collaborate to broaden the options available to staff for internal web conferencing as well as learning delivery to students. Feedback from these initial pilots will be used to further improve services through 2018 and setup assessments in additional program areas, such as Health and Human Services.

## SAFETY AND CYBERSECURITY IMPROVEMENTS

The College continues to improve workplace hazard management and emergency response systems. In 2017, the College installed multiple phone line transfer facilities that allow emergency communications in the event of power outages. Other improvements included the deployment of silent alarm capabilities and upgrades to wireless notification systems. The College's mobile trailers have been equipped with self-contained Local Area Network, Internet access and emergency phone capabilities.

The College also carried out many essential security improvements through 2017, including a significant re-segmentation of its network architecture and the implementation of enhanced Identity and Access Management capabilities that included Self Service Password Reset and Two-Factor authentication.

College staff have completed training on Cybersecurity, FOIP, the use of Strong Passwords, and PCI/DSS basics. Basic prerequisite online security training for students is planned. A new Information Security Officer was hired in August 2017.



## ENHANCED LIBRARY SERVICES AND TRANSITION TO DIGITAL ARCHIVES

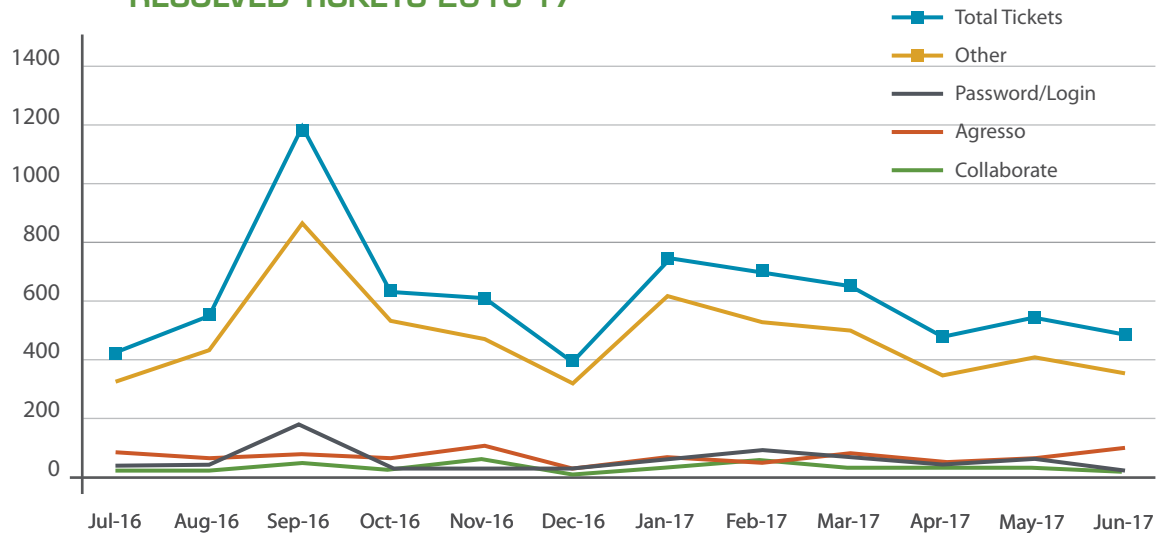
Early in 2017, the College completed an online integration of its library with Government of Alberta NEOS services, providing students with cost-effective access to additional content through the NEOS consortium.

A mass conversion of the College's paper archives to digital format was initiated in June 2016. As part of the project, over 2500 boxes of existing paper records (an estimated 40,000-50,000 student files) will be indexed and scanned into the DocuShare Electronic Records Management System. As of August 2017, over 5000 student files have been processed, and the completion of this project will allow more efficient and secure student record management, along with other benefits such as reduced physical storage requirements, improved staff safety, and reduced fire hazards.

## IT SERVICE DESK PRODUCTIVITY

Although seasonal trending associated with the demand for IT services was similar to the 2015-2016 period, the overall number of tickets increased through the period due to a high level of technology transition. IT service desk productivity has kept pace with the growth and was able to deliver an approximate 23% increase in the monthly average of the number of tickets closed over the same period.

### RESOLVED TICKETS 2016-17



*Note: The average number of support tickets resolved per month was 613.*



## CAPITAL REPORT

### INFRASTRUCTURE MAINTENANCE PROGRAM

**Type:** Renewal

**Status:** Complete

**Progress:** Building envelope, electrical upgrades, HVAC upgrade, Makeup Air System, roofing

**Expenditure:** \$180,192

### MOBILE TRADES UNITS

**Type:** New

**Status:** Complete

**Progress:** Mobile Trades Lab equipment upgrades to deliver mobile trades programs.

**Expenditure:** \$351,356

### MOBILE CRANE/BOOM TRUCK

**Type:** New

**Status:** Complete

**Progress:** Acquired mobile office and classroom, as well as a 53' Tandem Axle Hi-boy Trailer.

**Expenditure:** \$80,863

### DEHYDRATOR TRAINER

**Type:** New

**Status:** Complete

**Progress:** Acquired glycol dehydration simulator unit for Oilfield Operator Training program.

**Expenditure:** \$34,162

### TROUT LAKE/PEERLESS LAKE FIRST NATIONS CAMPUS REPLACEMENT

**Type:** New

**Status:** In Progress

**Progress:** Funding was secured in 2015-16. Escrow, lease, and participation agreements are in process with Peerless Lake/Trout Lake First Nation. NLC collaborated with Alberta Infrastructure and Peerless Lake/Trout Lake First Nation in the design of the new facility. The new design includes modern, purpose-built features with a partitioned wall system as well as pad/hookups to accommodate the mobile trades lab. Construction is expected to commence in 2018.

**Expenditure:** \$2,604

### ELECTRICAL SERVICE UPGRADE

**Type:** New

**Status:** In Progress

**Progress:** Completed design work for Grouard electrical upgrades.

**Expenditure:** \$10,500

### HIGH PRAIRIE CONSOLIDATED CAMPUS

**Type:** New

**Status:** Planning

**Progress:** Government of Alberta awarded \$21.6 million over four years, allowing the College to consolidate the High Prairie campuses. The \$21.6 million includes \$882,000 for planning and \$20.6 million to construct the consolidated High Prairie campus. The creation of a single facility will reduce the campus' environmental footprint and energy consumption while providing students with more accessible and efficient learning spaces.

## SLAVE LAKE TRADES AND RESOURCE TECHNOLOGY FACILITY

**Type:** New

**Status:** Planning

**Progress:** NLC has developed a comprehensive business case and conceptual diagram for this facility. These plans have been submitted to the Government of Alberta through the Building/Land Information Management System as a priority.

## COMMUNITY LEARNING CENTRE REPLACEMENTS PHASE 1

**Type:** New

**Status:** Planning

**Progress:** Phase 1 of the Community Learning Centre was assigned to the Government of Alberta unfunded capital list. The following campuses that have been prioritized for replacement include Chateh, Driftpile, Cadotte Lake, and Atikameg.

## COMMUNITY LEARNING CENTRE REPLACEMENTS PHASE 2

**Type:** New

**Status:** Planning

**Progress:** The following campuses have been identified as nearing the end of their useful lifecycle and remain in the Capital Plan: Peavine, Athabasca, and Valleyview.

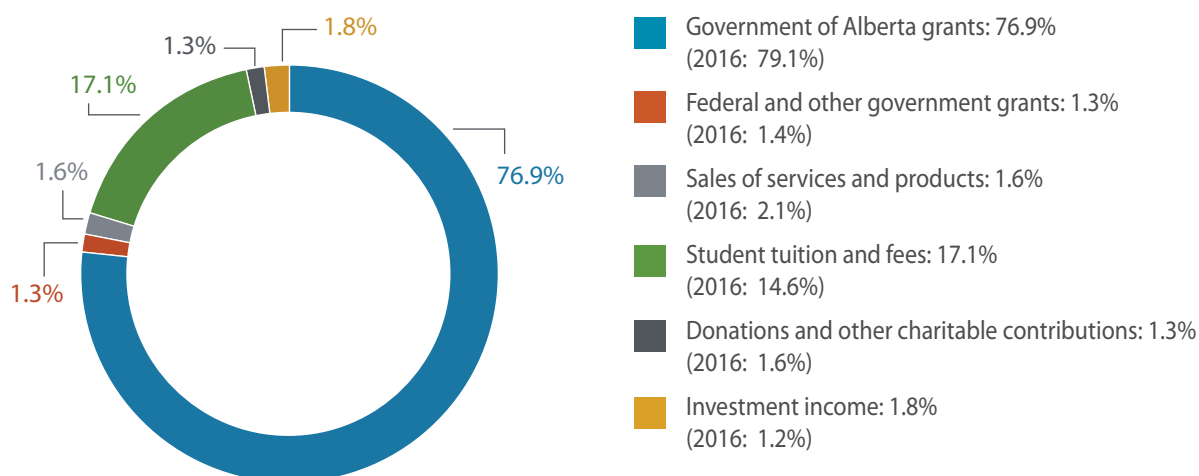
INTERNALLY FUNDED PROJECTS	Projects	Budget		Actual
	Information Technology Renewal	\$	50,000	\$ 50,000
	Electronic Records Management	\$	81,000	\$ -
	Facilities Infrastructure & Equipment	\$	420,000	\$ 386,218
	Information Technology	\$	397,500	\$ 47,952
	Trades Equipment	\$	48,000	\$ 34,615
	Practical Nursing & Allied Health - Equipment	\$	159,400	\$ 153,131
	Contingency	\$	300,000	\$ 295,917

## FINANCIAL RESULTS

### 1. Revenue (in 000's)

Total revenue increased by \$1,506 (3.6%) from \$42,245 in 2016 to \$43,751 in 2017.

The distribution of total revenue between revenue sources for the 2017 fiscal year is presented in the chart below. A comparative percentage for the previous year is also shown.



REVENUE			
	Budget	2017	2016
Government of Alberta grants	\$ 33,007	\$ 33,603	\$ 33,395
Federal and other government grants	527	582	608
Sales of services and products	803	718	903
Student tuitions and fees	7,129	7,474	6,158
Donations and other contributions	610	576	692
Investment income	\$ 652	\$ 798	\$ 489

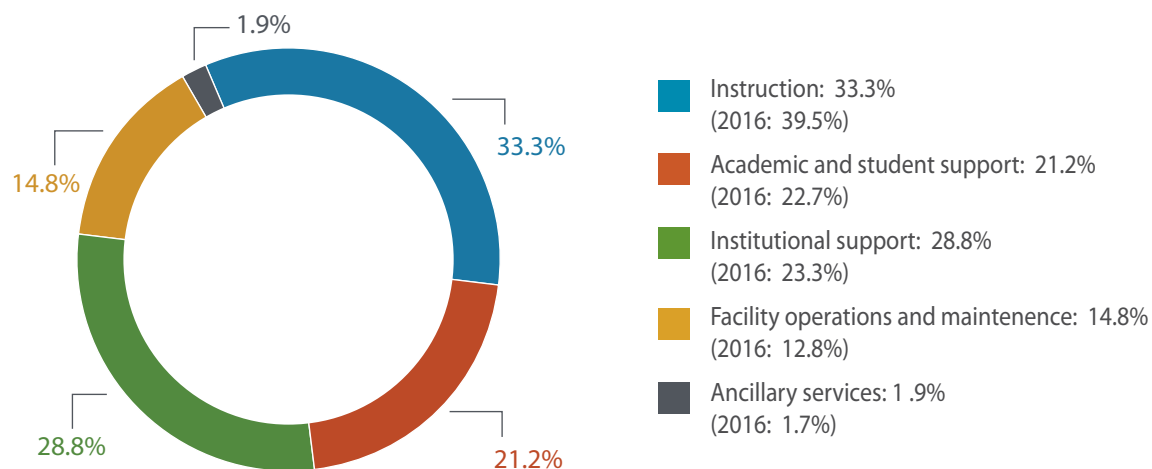
- Government of Alberta operating grants (GoA) represent the College's single largest source of funding for College activities. The GoA has increased the Campus Alberta (base operating) grant by 2%.
- Federal and other government grants were not materially different than budget. The College does not participate in a large amount of Federally funded grants.
- Sales of services and products are generated by ancillary services. In providing services to the communities, students and staff, the College continued to develop funding for College operations and strategic initiatives. Sales of services and products revenues of \$718 was lower than budget and prior year. In 2017 the College stopped receiving funding for the management of the Supplemental Income Program as the Province of Alberta manages it itself.
- Student tuition and fees were over budget due to increases in enrolment, primarily in University Studies, Academic Upgrading and Practical Nursing. There was also an increase in continuing education and contract training due to a stronger year in contracting revenue.
- Donations and other contributions support many College activities. Donations and other contribution revenue were not materially different from the budget.
- Investment income was over budget due to trades made by the investment manager. This income does not include the accumulated remeasurement gain in net assets.

## 2. Expenses (in 000's)

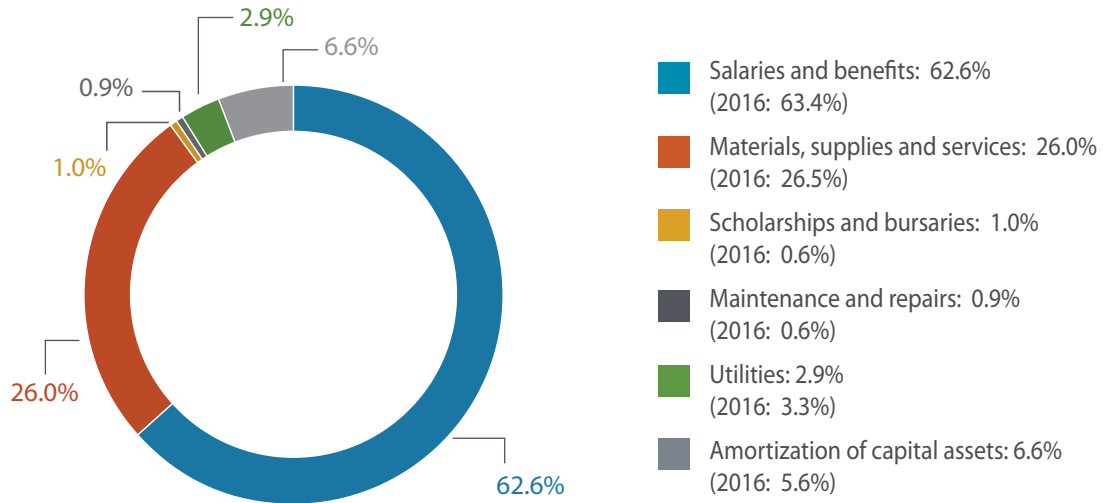
Total actual expenses increased by \$2,213 (5.6%), from \$39,316 in 2016 to \$41,529 in 2017.

The distribution of total expenses by objects of expenditure for the 2016-17 fiscal year is presented in the following chart.

### Expense by Function



## Expense by Object



EXPENSES				
	Budget	2017	2016	
Salaries and benefits	\$ 26,461	\$ 26,029	\$ 24,926	
Materials, supplies and services	12,270	10,790	10,426	
Scholarships and bursaries	100	417	221	
Maintenance and repairs	327	354	235	
Utilities	1,340	1,198	1,293	
Amortization of capital assets	\$ 2,230	\$ 2,741	\$ 2,215	

## The key expense highlights are:

- Salaries and benefits are on budget. The increase from prior years reflects the adding of new positions to the College.
- Materials, supplies and services are less than budget. This is primarily a result of a reduction in crane rental costs as the college now owns its own cranes.
- Scholarships and Bursaries spending has increased over 2016 and exceeded budget. There has been an increased focus at the college on ensuring that it disburses as many awards out to students as possible to increase accessibility.
- Other remaining expenses are comparable to budget.

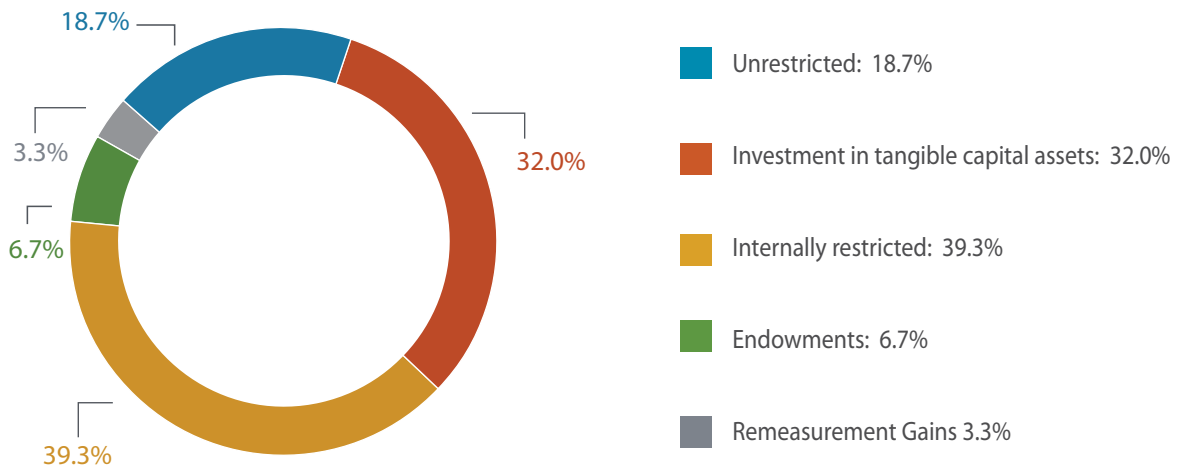
### 3. Net Assets (in 000's)

The increase in total net assets occurred as a result of changes in the following:

	Balance 30-Jun-16	Change	Balance 30-Jun-17
Accumulated surplus			
Accumulated operating surplus	\$ 8,157	\$ (3,353)	\$ 4,804
Investment in tangible capital assets	8,325	(125)	8,200
Internally restricted surplus	4,400	5,700	10,100
Endowments	1,680	45	1,725
<b>Total accumulated surplus</b>	22,562	2,267	24,829
Accumulated remeasurement gains	818	25	843
<b>Total net assets</b>	\$ 23,380	\$ 2,292	\$ 25,672

Net assets are more fully described in Note 12 to the consolidated financial statements.

#### Net Assets





#### 4. Net Financial Assets (in 000's)

The College's liquidity needs are met primarily through operating cash flows, working capital balances and capital expansion funding received through grants or long-term debt. Net financial assets is a measure of an organizations ability to use its financial assets to cover liabilities and fund future operations. The College presents the net financial assets indicator as directed by the Controller of the Province of Alberta.

The College's presentation of net financial assets includes \$2,112 of portfolio investments that are restricted for endowments. Endowment restricted investments represent contributions from donors that are required to be maintained in tact in perpetuity, as well as capitalized investment income that is also required to be maintained in perpetuity to protect the economic value of the endowment. Therefore these investments cannot be used to pay for liabilities or future operating or capital purchases. As a result, College management also monitors an adjusted indicator, which management believes is important in evaluating the assets the College has available for future spending.

	2017	2016
Net financial assets (as presented in the consolidated statement of financial position)	\$ 16,827	\$ 14,139
Less portfolio investments – restricted for endowments	(2,112)	(2,213)
<b>Adjusted net financial assets</b>	<b>\$ 14,715</b>	<b>\$ 11,926</b>

During the year the Adjusted Net Financial Asset balance increased by \$2,789. The College continues to have sufficient positive Adjusted Net Financial Assets, demonstrating financial strength and commitment to managing the College's financial position.

# CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2017



## STATEMENT OF MANAGEMENT RESPONSIBILITY

The consolidated financial statements of Northern Lakes College have been prepared by management in accordance with Canadian public sector accounting standards. The consolidated financial statements present fairly the financial position of the college as at June 30, 2017 and the results of its operations, remeasurement gains and losses, changes in net financial assets 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 control 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 consolidated financial statements.

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

The Board of Governors carries out its responsibility for review of the consolidated financial statements principally through its Audit and Finance Committee. Half the members of the Audit and Finance Committee are not employees of the college. The Audit and Finance Committee 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 Finance Committee, with and without the presence of management.

These consolidated 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 presentation of the information in the consolidated financial statements.

[Original signed by Ann Everatt]

President and CEO

[Original signed by Robert LeSage]

Vice-President and CFO (Corporate Services)

**Independent Auditor's Report**

To the Board of Governors of Northern Lakes College

**Report on the Consolidated Financial Statements**

I have audited the accompanying consolidated financial statements of Northern Lakes College, which comprise the consolidated statement of financial position as at June 30, 2017, and the consolidated statements of operations, remeasurement gains and losses, change in net financial assets, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

My responsibility is to express an opinion on these consolidated financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

**Opinion**

In my opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Northern Lakes College as at June 30, 2017, 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.

[Original signed by Merwan N. Saher FCPA, FCA]

Auditor General

October 19, 2017

Edmonton, Alberta

**Consolidated Statement of Financial Position**

As at June 30, 2017

(thousands of dollars)

	2017	2016
<b>Financial Assets excluding portfolio investments restricted for endowments</b>		
Cash and cash equivalents (Note 3)	\$ 8,703	\$ 4,983
Portfolio investments - non-endowment (Note 4)	20,154	18,660
Accounts receivable (Note 6)	2,498	4,017
Inventories for resale	30	16
	31,385	27,676
<b>Liabilities</b>		
Accounts payable and accrued liabilities	4,091	4,997
Employee future benefits liabilities (Note 7)	495	488
Debt (Note 8)	2,019	3,078
Deferred revenue (Note 9)	10,065	7,187
	16,670	15,750
<b>Net financial assets excluding portfolio investments restricted for endowments</b>	14,715	11,926
Portfolio investments - restricted for endowments (Note 4)	2,112	2,213
<b>Net financial assets</b>	16,827	14,139
<b>Non-financial assets</b>		
Tangible capital assets (Note 11)	36,286	37,649
Inventories of supplies	392	587
Prepaid expenses	253	329
	36,931	38,565
<b>Net assets before spent deferred capital contributions</b>	53,758	52,704
Spent deferred capital contributions (Note 10)	28,086	29,324
<b>Net assets (Note 12)</b>	\$ 25,672	\$ 23,380
<b>Net assets comprised of:</b>		
Accumulated surplus	24,829	22,562
Accumulated remeasurement gains	843	818
	\$ 25,672	\$ 23,380

Contingent liabilities and contractual obligations (Note 13 and 14)

**Approved by the Board of Governors**[Original signed by Daniel Vandermeulen]

Chair, Board of Governors

[Original signed by Ray Stern]

Chair, Audit and Finance Committee

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

**Consolidated Statement of Operations**

For the year ended June 30, 2017

(thousands of dollars)

	Budget	2017	2016
<b>Revenues</b>			
Government of Alberta grants (Note 19)	\$ 33,007	\$ 33,603	\$ 33,395
Federal and other government grants	527	582	608
Sales of services and products	803	718	903
Student tuition and fees	7,129	7,474	6,158
Donations and other contributions	610	576	692
Investment income	652	798	489
	42,728	43,751	42,245
<b>Expenses</b>			
Instruction	13,455	13,781	15,504
Academic and student support	9,267	8,820	8,930
Institutional support	12,860	11,971	9,147
Facility operations and maintenance	6,274	6,148	5,051
Ancillary services	872	809	684
	42,728	41,529	39,316
<b>Annual operating surplus (deficit)</b>	-	2,222	2,929
Endowment capitalized investment income (Note 12)	-	45	17
<b>Annual surplus</b>	-	2,267	2,946
<b>Accumulated surplus, beginning of year</b>	-	22,562	19,616
<b>Accumulated surplus, end of year</b>	\$ -	\$ 24,829	\$ 22,562

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



**Consolidated Statement of Change in Net Financial Assets**

For the year ended June 30, 2017

(thousands of dollars)

	2017	2016
<b>Annual surplus</b>	\$ 2,267	\$ 2,946
Acquisition of tangible capital assets	(1,549)	(8,598)
Proceeds from sale of tangible capital assets	156	183
Amortization of tangible capital assets	2,741	2,215
Loss (gain) on disposal of tangible capital assets	15	(28)
Change in inventories of supplies	195	(252)
Change in prepaid expenses	76	(60)
Change in spent deferred capital contribution	(1,238)	5,876
Net accumulated remeasurement gains	25	106
<b>Increase in net financial assets</b>	<b>2,688</b>	<b>2,388</b>
<b>Net financial assets, beginning of year</b>	<b>14,139</b>	<b>11,751</b>
<b>Net financial assets, end of year</b>	<b>\$ 16,827</b>	<b>\$ 14,139</b>

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

**Consolidated Statement of Cash Flows**

Year Ended June 30, 2017

(thousands of dollars)

	2017	2016
<b>OPERATING TRANSACTIONS</b>		
Annual surplus	\$ 2,267	\$ 2,946
Add (deduct) non-cash items:		
Amortization of tangible capital assets	2,741	2,215
Loss (gain) on disposal of tangible capital assets	15	(28)
Expended capital recognized as revenue	(1,967)	(1,519)
Increase (decrease) in employee future benefit liabilities	7	(311)
Decrease (increase) in accounts receivable	1,519	(3,314)
(Increase) decrease in inventories for resale	(14)	10
(Decrease) increase in accounts payable and accrued liabilities	(906)	241
Increase (decrease) in deferred revenue	2,878	(3,463)
Increase in spent deferred capital contributions, less expended capital recognized as revenue	729	7,395
Decrease in liability for contaminated sites	-	(26)
Decrease (increase) in inventory of supplies	195	(252)
Decrease (increase) in prepaid expenses	76	(60)
<b>Cash provided by operating transactions</b>	<b>7,540</b>	<b>3,834</b>
<b>INVESTING TRANSACTIONS</b>		
Purchases of portfolio investments, net of sales	(1,368)	(7,015)
<b>Cash applied to investing transactions</b>	<b>(1,368)</b>	<b>(7,015)</b>
<b>FINANCING TRANSACTIONS</b>		
Debt - new financing	-	3,259
Debt repayment	(1,059)	(181)
<b>Cash provided by financing transactions</b>	<b>(1,059)</b>	<b>3,078</b>
<b>CAPITAL TRANSACTIONS</b>		
Acquisition of tangible capital assets	(1,549)	(8,598)
Proceeds on sale of tangible capital assets	156	183
<b>Cash applied to capital transactions</b>	<b>(1,393)</b>	<b>(8,415)</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>3,720</b>	<b>(8,518)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>4,983</b>	<b>13,501</b>
<b>Cash and cash equivalents at end of year</b>	<b>\$ 8,703</b>	<b>\$ 4,983</b>

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

**Consolidated Statement of Remeasurement Gains**

For the year ended June 30, 2017

(thousands of dollars)

	2017	2016
<b>Accumulated remeasurement gains at beginning of year</b>	\$ 818	\$ 712
Unrealized gains (losses) attributable to:		
Portfolio investments - non-endowment	(265)	122
Amounts reclassified to the consolidated statement of operations:		
Portfolio investments - non-endowment	290	(16)
<b>Accumulated remeasurement gains at end of year</b>	<u>\$ 843</u>	<u>\$ 818</u>

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

## Notes to the Consolidated Financial Statements

June 30, 2017

(thousands of dollars)

### 1. Authority and Purpose

The Board of Governors of Northern Lakes College is a corporation which manages and operates Northern Lakes 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, who is an *ex officio* member. Under the *Post-Secondary Learning Act*, Campus Alberta Sector Regulation, the College is a comprehensive community institution offering diploma and certificate 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 - Public Sector Accounting Standards and Use of Estimates

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards (PSAS). The measurement of certain assets and liabilities is contingent upon future events; therefore, the preparation of these consolidated 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 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 measured as follows:

Financial Statement Component	Measurement
Cash and cash equivalents	Amortized cost
Portfolio investments	Fair value
Inventories held for resale	Lower of cost or net realizable value
Accounts receivable	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Debt	Amortized cost

Unrealized gains and losses from changes in the fair value of financial assets and liabilities are recognized in the consolidated 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.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recognized in the consolidated 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 cash equivalents and portfolio investments are accounted for using trade-date accounting.

**Notes to the Consolidated Financial Statements**

June 30, 2017

(thousands of dollars)

**2. Summary of Significant Accounting Policies and Reporting Practices (continued)**

The College does not use foreign currency contracts or any other type of derivative financial 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 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 which goods or services have not been provided by year end is recognized as deferred revenue.

**i. Government grants, non-government grants and donations**

Government transfers are referred to as government grants.

Restricted grants and donations are recognized as deferred revenue if the terms for the use, or the terms along with the College's actions and communication 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 asset.

Government grants without terms for the use for the grant are recognized as revenue when the College is eligible to receive the funds. Unrestricted non-government grants and donations are recognized 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 recorded at fair value when such value can reasonably be determined. Transfers of tangible capital assets from related parties are recorded at the carrying value. While volunteers as well as College staff contribute a significant amount of time each year to assist the College in carrying out its mission. The value of their services are not recognized in the consolidated financial statements because fair value cannot be reasonably determined.

**ii. 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 records such in-kind contributions at nominal value.

**iii. Endowment donations**

Endowment donations are recognized as revenue in the consolidated statement of operations in the year in which they are received and are required by donors 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. Benefactors may stipulate that the economic value of the endowments must be protected by limiting the amount of income that may be expended and reinvesting unexpended income.

## Notes to the Consolidated Financial Statements

June 30, 2017

(thousands of dollars)

### 2. Summary of Significant Accounting Policies and Reporting Practices (continued)

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 endowment 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 Institution and does not impair the long-term value of the fund.

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, unrestricted accumulated operating surplus is used in that year. This amount is expected to be recovered by future investment income.

Endowment contributions, matching contributions and associated investment income allocated for the preservation of endowment capital purchasing power are recognized in the Consolidated Statement of Operations in the period in which they are received.

#### iv. 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 Consolidated Statement of Operations as a component of endowment contributions and capitalized investment income.

#### d. Inventories

Inventories for resale are valued at the lower of cost and expected net realizable value and are determined using the weighted average method. Inventories of supplies are valued at cost.

#### e. Tangible Capital Assets

Tangible capital assets are recognized 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 liabilities are recognized at the present value of the minimum lease payments excluding executor costs (e.g. insurance, maintenance costs, etc.). The discount rate used to determine the present value of the 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	10 - 40 years
Land improvements	10 - 40 years
Furniture and equipment	5 - 10 years
Computer hardware and software	4 - 5 years
Library	2 - 5 years



## Notes to the Consolidated Financial Statements

June 30, 2017

(thousands of dollars)

### 2. Summary of Significant Accounting Policies and Reporting Practices (continued)

Tangible capital assets are written down when conditions indicate that they no longer contribute to the College's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the consolidated statement of operations.

Intangible assets are expensed when acquired and not recognized as tangible capital assets.

#### 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 costs capitalized into the carrying amount of the related asset. In subsequent periods, 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.

#### g. Employee Future Benefits

##### i. Pension

The College participates with other employers in the Public Service Pension Plan (PSPP) and the Management Employees Pension Plan (MEPP). 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 PSPP or MEPP to follow the standards for defined benefit accounting, and therefore follows the standards for defined contribution accounting. Accordingly, pension expense recorded for the PSPP or MEPP is comprised of employer contributions to the plan that are required for its employees during the year, which are calculated based on actuarially pre-determined amounts that are expected to provide the plan's future benefits.

##### ii. Long-term disability

The cost of providing non-vesting and non-accumulating employee future benefits for compensated absences under the College's long-term disability plans is charged to expense in full when the event occurs which obligates the College to provide the benefits. The cost of these benefits is actuarially determined using the accumulated benefit method, a market interest rate and administration's best estimate of the retirement ages of employees, expected health care costs and the period of employee disability. Actuarial gains or losses on the accrued benefit obligation are amortized over the average expected period the benefits will be paid.

#### h. Basis of Consolidation

These consolidated financial statements use the line-by-line method to record the accounts of the controlled entity, Council of Community Education Committees Society of Northern Lakes College ("the CCEC"). The CCEC is incorporated under the Societies Act of Alberta and is a registered charity under the *Income Tax Act*.

##### i. Expense by Function

The College uses the following categories of functions on its consolidated statement of operations

##### Instruction

Expenses directly relating to the delivery of programming and training within the College, whether for credit or non-credit programs.

##### Academic and student support

Expenses relating to activities directly supporting the academic functions of the College. This includes items such as libraries and expenses for Deans. Academic and student support also includes expenses for centralized functions that support individual students or groups of students.

**Notes to the Consolidated Financial Statements**

June 30, 2017

(thousands of dollars)

**2. Summary of Significant Accounting Policies and Reporting Practices (continued)****Institutional support**

Includes expenses for centralized College-wide administration including executive management, external relations, corporate insurance premiums, corporate finance, human resources and network and data communications.

**Facility operations and maintenance**

Expenses relating to maintenance and renewal of facilities that house the teaching, research and administrative activities within the College. These include utilities, facilities administration, building maintenance, custodial services, landscaping and grounds keeping, as well as major repairs and renovations.

**Ancillary services**

Expenses relating to services and products provided to the College community and to external individuals and organizations. Services include the staff and student residences.

**j. Funds and Reserves**

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

**k. Future Accounting Changes**

In March 2015, the Public Sector Accounting Board issued PS 2200 Related party disclosures and PS 3420 Inter-entity transactions. In June 2015, the Public Sector Accounting Board issued PS 3210 Assets, PS 3320 Contingent assets, PS 3380 Contractual rights, and PS 3430 Restructuring transactions. These accounting standards are effective for fiscal years starting on or after April 1, 2017, with the exception of PS 3430, which is effective for fiscal years starting on or after April 1, 2018.

- PS 2200 - Related party disclosures defines a related party and identifies disclosures for related parties and related party transactions, including key management personnel and close family members.
- PS 3420 - Inter-entity transactions, establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective.
- PS 3210 - Assets provides guidance for applying the definition of assets set out in PS 1000, Financial statement concepts, and establishes general disclosure standards for assets.
- PS 3320 - Contingent assets defines and establishes disclosure standards for contingent assets.
- PS 3380 - Contractual rights defines and establishes disclosure standards on contractual rights.
- PS 3430 - Restructuring transactions defines a restructuring transaction and establishes standards for recognizing and measuring assets and liabilities transferred in a restructuring transaction.

Management is currently assessing the impact of these new standards on the consolidated financial statements. The College discloses transactions and balances related to the Government of Alberta in (Note 19).

**Notes to the Consolidated Financial Statements**

June 30, 2017

(thousands of dollars)

**3. Cash and Cash Equivalents**

	2017	2016
Cash	\$ 6,525	\$ 262
Money market funds, short-term notes and treasury bills	2,178	4,721
	<u>\$ 8,703</u>	<u>\$ 4,983</u>

Cash equivalents include highly liquid short term investments with a short maturity less than three months from the date of acquisition.

**4. Portfolio Investments**

	2017	2016
Portfolio investments - non-endowment	\$ 20,154	\$ 18,660
Portfolio investments - restricted for endowments	2,112	2,213
	<u>\$ 22,266</u>	<u>\$ 20,873</u>

The composition of portfolio investments measured at fair value is as follows:

2017	Level 1	Level 2	Level 3	Total
Portfolio investments at fair value				
Bonds				
Canadian Bonds	\$ -	\$ 7,801	\$ -	\$ 7,801
Equities				
Mutual Funds	5,601	8,850	14	14,465
Total portfolio investments	<u>\$ 5,601</u>	<u>\$ 16,651</u>	<u>\$ 14</u>	<u>\$ 22,266</u>
	25%	75%	-%	100%
2016	Level 1	Level 2	Level 3	Total
Portfolio investments at fair value				
Bonds				
Canadian Bonds	\$ -	\$ 7,812	\$ -	\$ 7,812
Equities				
Mutual Funds	5,431	7,630	-	13,061
Total portfolio investments	<u>\$ 5,431</u>	<u>\$ 15,442</u>	<u>\$ -</u>	<u>\$ 20,873</u>
	26%	74%	-%	100%

The fair value measurements are those derived from:

Level 1 – Quoted prices in active markets for identical assets;

Level 2 – Fair value measurements are those derived from inputs other than quoted prices included with level 1 that are observable for the assets, either directly (i.e. as prices) or indirectly (i.e. derived from prices);

Level 3 – Fair value measurements are those derived from valuation techniques that include inputs for the assets that are not based on observable market data (unobservable inputs).

## Notes to the Consolidated Financial Statements

June 30, 2017

(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 - 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 affected all securities. To manage this risk, the College has established an investment policy with a target 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 president has the delegated authority for oversight of the College's investments.

At June 30, 2017, the impact of a change in the rate of return on the investment portfolio is as follows:

- a 11.45% increase in fixed income securities would have a \$887 increase (2016 - 13.35% change would have a \$1,039 increase)

#### 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 is exposed to foreign exchange risk on investments that are denominated in foreign currencies. The College does not use foreign currency forward contracts or any other type of derivative financial instruments for trading or speculative purposes. The College's exposure to foreign exchange risk is very low due to minimal business activities conducted in a foreign currency.

#### Liquidity risk

Liquidity risk is the risk that the College will encounter difficulty 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. This short-term line of credit has a \$2,000 (2016 - \$2,000) limit with interest paid monthly at an interest rate of Prime plus 0.3% (2016 - Prime plus 0.3%). As at June 30, 2017, no draws (2016 - no draws) have been made from this available line of credit.

#### 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 an investment policy with required minimum credit quality standards and issuer limits. The credit risk from accounts receivable is low as the majority of balances are due from government agencies and corporate sponsors.

The credit risks on investments held as a percentage of total bond portfolio are as follows:

Credit Rating	2017	2016
<b>Bonds</b>		
AAA	31.95 %	33.19 %
AA	30.48 %	21.46 %
A	16.58 %	20.47 %
BBB	20.00 %	23.53 %
Below BBB	0.02 %	- %
Not Rated	0.97 %	1.35 %
	<u>100.00 %</u>	<u>100.00 %</u>

#### Interest rate risk

Interest rate risk is the risk to the College's earnings that arise from the fluctuations in interest rates and the degree of volatility of these rates. This risk is managed by investment policies that limit the term to maturity of certain fixed income securities that the College holds. Interest risk on the College's debt is managed through a fixed-rate agreement with its lender (Note 8).

## Notes to the Consolidated Financial Statements

June 30, 2017

(thousands of dollars)

### 5. Financial risk management (continued)

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

	Less than 1 year	1 - 5 years	Greater than 5 years	Average effective market yield
Cash and cash equivalents	100.00 %	- %	- %	0.92 %
Canadian corporate bonds	- %	100.00 %	- %	2.06 %
Canadian government bonds	66.17 %	11.55 %	22.28 %	3.29 %
Provincial government bonds	70.30 %	29.70 %	- %	2.00 %

### 6. Accounts Receivable

	2017	2016
Accounts receivable	\$ 2,690	\$ 4,075
Less allowance for doubtful accounts	(192)	(16)
	<u>\$ 2,498</u>	<u>\$ 4,017</u>

Accounts receivable are unsecured and non-interest bearing.

### 7. Employee Future Benefit Liabilities

Employee future benefit liabilities are comprised of the following:

	2017	2016
Long term disability	<u>\$ 495</u>	<u>\$ 488</u>

#### A. Defined benefit plan accounted for on a defined benefit basis

##### Long term disability (LTD) benefits

The College provides long-term disability defined benefits to its employees. The most recent actuarial valuation for these benefits was at June 30, 2015.

The long-term disability plan provides pension and non-pension benefits after employment, but not before the employee's normal retirement date.

	2017	2016
Accrued benefit obligation:		
Balance, beginning	\$ 488	\$ 799
Interest cost	12	19
Benefits paid	(56)	(86)
Actuarial (gain) loss	51	(244)
	<u>\$ 495</u>	<u>\$ 488</u>

## Notes to the Consolidated Financial Statements

June 30, 2017

(thousands of dollars)

### 7. Employee Future Benefit Liabilities (continued)

The significant actuarial assumptions used to measure the LTD accrued benefit obligation are as follows:

	2017	2016
Accrued benefit obligation:		
Discount rate	2.5 %	2.5 %
Long-term average compensation increase	- %	- %
Estimated average remaining service life (years)	7	8

#### B. Defined benefit accounted for on a defined contribution basis

##### Management Employees Pension Plan (MEPP)

The MEPP is a multi-employer contributory defined benefit pension plan for managers at the College and is accounted for on a defined contribution basis. At December 31, 2016, the MEPP reported an actuarial surplus of \$402,033 (2015 - \$299,051). An actuarial valuation of the MEPP was carried out as at December 31, 2015 and was then extrapolated to December 31, 2016. The pension expense recorded in these financial statements is \$318 (2016 - \$318).

##### Public Service Pension Plan (PSPP)

The PSPP is a multi-employer contributory defined benefit pension plan for support staff members and is accounted for on a defined contribution basis. The pension expense recorded in these consolidated financial statements is \$2,305 (2016 - \$2,280).

An actuarial valuation of the PSPP was carried out as at December 31, 2014 and was then extrapolated to December 31, 2016. At December 31, 2016, the PSPP reported an actuarial surplus of \$302,975 (2015 - deficiency of \$133,188). For the year ended December 31, 2016, PSPP reported employer contributions of \$350,083 (2015 - \$347,759) and employee contributions of \$352,532 (2015 - \$349,954). The PSPP's deficit is being discharged through additional contributions from both employees and employers until 2025. Other than the requirement to make additional contributions, the College does not bear any risk related to the PSPP deficiency.

### 8. Debt

Debt is measured at amortized cost and is comprised of the following:

	2017			2016
	Collateral	Maturity	Interest Rate	Amortized Cost
Royal Bank lease agreement	2	May 2019	2.86 %	\$ 2,019
				\$ 2,019

Collateral – (1) none; (2) title to 5 cranes.

Principal repayments in each of the next five years and thereafter are as follows:

2018	\$ 1,089
2019	930
2020	-
2021	-
2022	-
Thereafter	-
	<u>\$ 2,019</u>

Interest expense on debt is \$70 (2016 - \$59) and is included in the consolidated statement of operations.



**Notes to the Consolidated Financial Statements**

June 30, 2017

(thousands of dollars)

**9. Deferred Revenue**

Deferred revenues are set aside for specific purposes as required either by legislation, regulation or agreement:

	2017				2016
	Unspent externally restricted grants and donations	Unspent deferred capital contributions	Tuition and other fees	Total	Total
Balance, beginning of year	\$ 4,634	\$ 1,990	\$ 563	\$ 7,187	\$ 10,650
Grants, tuition, donations received during the year	7,378	-	7,217	14,595	14,554
Restricted investment income	125	22	-	147	108
Unrealized gains (losses)	17	-	-	17	(23)
Transfers to spent deferred capital contributions	(692)	(37)	-	(729)	(7,395)
Recognized as revenue	(3,678)	-	(7,474)	(11,152)	(10,707)
Balance, end of year	\$ 7,784	\$ 1,975	\$ 306	\$ 10,065	\$ 7,187

**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).

	2017	2016
<b>Spent Deferred Capital Contributions</b>		
Spent deferred capital contributions, beginning of year	\$ 29,324	\$ 23,448
Transfers from unspent deferred capital contributions	37	4,608
Transfers from unspent externally restricted grants and donations	692	2,787
Expended capital recognized as revenue	(1,967)	(1,519)
Spent deferred capital contributions, end of year	\$ 28,086	\$ 29,324

**Notes to the Consolidated Financial Statements**

June 30, 2017

(thousands of dollars)

**11. Tangible capital assets**

	2017						2016
	Buildings	Land	Land Improvements	Equipment <sup>(1)</sup>	Computer Hardware & Software	Library	Total
<b>Cost</b>							
Beginning of year	\$ 1,263	\$ 46,249	\$ 686	\$ 12,612	\$ 1,977	\$ -	\$ 62,787
Acquisitions	-	369	-	1,165	15	-	1,549
Disposals	-	(50)	-	(389)	(21)	-	(460)
	1,263	46,568	686	13,388	1,971	-	63,876
<b>Accumulated Amortization</b>							
Beginning of year	\$ -	\$ 19,343	\$ 313	\$ 4,146	\$ 1,336	\$ -	\$ 25,138
Amortization expense	-	1,285	17	1,325	114	-	2,741
Effects on disposals, including write-downs	-	(54)	-	(214)	(21)	-	(289)
	-	20,574	330	5,257	1,429	-	27,590
Net book value at June 30, 2017	\$ 1,263	\$ 25,994	\$ 356	\$ 8,131	\$ 542	\$ -	\$ 36,286
Net book value at June 30, 2016	\$ 1,263	\$ 26,906	\$ 373	\$ 8,466	\$ 641	\$ -	\$ 37,649

Cost include work-in-progress at June 30, 2017 totaling \$330 (2016 - \$1,907) comprised of buildings \$251 (2016 - \$107), computer hardware and software \$79 (2016 - \$267) and equipment nil (2016 - \$1,532), which are not amortized as the assets are not in service.

No interest was capitalized by the College in 2017 (2016 - nil).

<sup>(1)</sup> Equipment includes vehicles, equipment, office equipment and furniture.

## Notes to the Consolidated Financial Statements

June 30, 2017

(thousands of dollars)

## 12. Net assets

The composition of accumulated operating surplus is as follows:

	Accumulated surplus (deficit) from operations	Investment in tangible capital assets	Internally restricted surplus	Endowments	Total accumulated surplus
<b>Net assets as at June 30, 2015</b>	<b>\$ 6,981</b>	<b>\$ 7,972</b>	<b>\$ 3,000</b>	<b>\$ 1,663</b>	<b>\$ 19,616</b>
Operating surplus	2,946	-	-	-	2,946
Acquisition of capital assets	(603)	1,203	(600)	-	-
Capitalized investment income	(17)	-	-	17	-
Amortization of internally funded tangible capital assets	709	(709)	-	-	-
Net book value of tangible capital assets disposals	141	(141)	-	-	-
Net Board appropriation to internally restricted surplus	(2,000)	-	2,000	-	-
<b>Net assets, beginning of year</b>	<b>8,157</b>	<b>8,325</b>	<b>4,400</b>	<b>1,680</b>	<b>22,562</b>
Operating surplus	2,267	-	-	-	2,267
Acquisition of capital assets	(821)	821	-	-	-
Capitalized investment income	(45)	-	-	45	-
Net book value of tangible capital assets disposals	119	(119)	-	-	-
Amortization of internally funded capital assets	827	(827)	-	-	-
Net Board appropriation to internally restricted surplus	(5,700)	-	5,700	-	-
<b>Net assets, end of year</b>	<b>\$ 4,804</b>	<b>\$ 8,200</b>	<b>\$ 10,100</b>	<b>\$ 1,725</b>	<b>\$ 24,829</b>

Investment in tangible capital assets represents the amount of the institution's accumulated operating surplus that has been invested in the institution's capital assets.

Internally restricted accumulated surplus represent amounts set aside by the Institution's Board of Governors for specific purposes. Those amounts are not available for other purposes without the approval of the Board and do not have interest allocated to them. Internally restricted net assets includes:

	2017	2016
Trout/Peerless Campus	\$ 1,000	\$ 1,000
Peace River Student Residences	1,000	1,000
Peace River, Land	400	400
High Prairie campus consolidation	1,000	1,000
Slave Lake Trades Centre	1,000	1,000
High Prairie co-build	200	-
Enterprise information system	2,500	-
Campus replacements	3,000	-
	<b>\$ 10,100</b>	<b>\$ 4,400</b>

**Notes to the Consolidated Financial Statements**

June 30, 2017

(thousands of dollars)

**13. Contingent Liabilities**

The College has identified potential asset retirement obligations 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 Institution may be required to take appropriate remediation procedures to remove the asbestos. As the Institution 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 period in which there is certainty that the capital project will proceed and there is sufficient information to estimate fair value of the obligation.

**14. Contractual Obligations**

The College has contractual obligations which are commitments that will become liabilities 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:

	Other contracts	Information Systems and Technologys	Long-term Leases	Total
2018	\$ 619	\$ 172	\$ 292	\$ 1,083
2019	327	71	188	586
2020	35	-	55	90
2021	-	-	8	8
	<b>\$ 981</b>	<b>\$ 243</b>	<b>\$ 543</b>	<b>\$ 1,767</b>

## Notes to the Consolidated Financial Statements

June 30, 2017

(thousands of dollars)

### 15. Salary and Employee Benefits

Under the authority of the Fiscal Planning and Transparency Act, the President of Treasury Board and Minister of Finance requires the disclosure of certain salary and employee benefits information.

	2017				2016
	Base salary <sup>(2)</sup>	Other cash benefits <sup>(3)</sup>	Other non-cash benefits <sup>(4)</sup>	Total	Total
<b>Governance<sup>(1)</sup></b>					
Chair of the Board of Governors	\$ 8	\$ -	\$ -	\$ 8	\$ 8
Members of the Board of Governors	15	-	-	15	18
<b>Executive</b>					
President	224	7	34	265	269
Vice-Presidents:					
Vice-President Academic	171	3	34	208	219
Vice-President Corporate Services	167	2	36	205	222
Chief Information Officer <sup>(5)</sup>	58	-	13	71	-
<b>Other</b>					
Senior Director, Human Resources	\$ 123	\$ -	\$ 32	\$ 155	\$ 157

<sup>(1)</sup> The Chair and Members of Board of Governors receive stipends for their participation on the Board. Board members also receive honoraria for participation in Board meetings; these are included in base salary.

<sup>(2)</sup> Base salary includes pensionable base pay.

<sup>(3)</sup> Other cash benefits include wellness pay-outs, health spending accounts, vacation payments, car allowances and other lump sum payments, including severance.

<sup>(4)</sup> Other non-cash benefits include the College's share of all employee benefits including Canada Pension Plan, Employment Insurance, pensions, supplementary health care, dental plan, group life insurance, accidental death and dismemberment insurance and long-term disability plans.

<sup>(5)</sup> The Chief Information Officer commenced March 1, 2017.

### 16. Budget Figures

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

**Notes to the Consolidated Financial Statements**

June 30, 2017

(thousands of dollars)

**17. Expense by Object**

The following is a summary of expense by object.

	2017		2016
	Budget	Actual	Actual
Salaries and benefits	\$ 26,461	\$ 26,029	\$ 24,926
Materials, supplies and services	12,270	10,790	10,426
Scholarships and bursaries	100	417	221
Maintenance and repairs	327	354	235
Utilities	1,340	1,198	1,293
Amortization of capital assets	2,230	2,741	2,215
	<u>\$ 42,728</u>	<u>\$ 41,529</u>	<u>\$ 39,316</u>

**18. 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. Accordingly, these funds are not included in the consolidated financial statements.

	2017	2016
Northern Alberta Development Council	\$ 73	\$ 44
	<u>\$ 73</u>	<u>\$ 44</u>



**Notes to the Consolidated Financial Statements**

June 30, 2017

(thousands of dollars)

**19. Government of Alberta Transactions and Balances**

The College operates under the authority and statutes of the Province of Alberta. Transactions and balances between the College and the Government of Alberta (GOA) are measured at the exchange amount and summarized below.

	2017	2016
Grants from Government of Alberta		
Advanced Education:		
Operating	\$ 28,811	\$ 28,101
Other	6,967	4,082
Total Advanced Education	\$ 35,778	\$ 32,183
Other Post-secondary Institutions	\$ 25	\$ 25
Total contributions received	35,803	32,208
Restricted expended capital recognized as revenue	1,967	1,519
Less: deferred contributions	(4,167)	(332)
	<u>\$ 33,603</u>	<u>\$ 33,395</u>
Accounts receivable		
Advanced Education	\$ 1,692	\$ 3,042
Other Government of Alberta departments and agencies	14	-
Other Post-secondary Institutions	59	-
	<u>\$ 1,765</u>	<u>\$ 3,042</u>
Accounts payable		
Other Government of Alberta departments and agencies	62	7
Other Post-secondary Institutions	\$ 3	\$ 1

**20. Approval of Financial Statements**

The consolidated financial statements were approved by the Board of Governors of Northern Lakes College.

**21. Comparative Figures**

Certain comparative figures have been reclassified where necessary to conform with current period presentation.



**NORTHERN LAKES**  
**COLLEGE**

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