

New Beginnings. Endless Possibilities.



NORTHERN LAKES
COLLEGE

ANNUAL REPORT
2015-2016

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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.



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 council 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 needs. 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 on-line 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 Lakes College is a unique institution with a flexible delivery model of online and on-campus learning, bringing quality post-secondary education to the student's community.



ACCOUNTABILITY STATEMENT

The Northern Lakes College Annual Report for the year ending June 30, 2016 was prepared under the Board's direction in accordance with the Fiscal Management Act and ministerial guidelines established pursuant to the Fiscal Management 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

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 Management Act and the Post-secondary Learning Act. The Auditor General of the Province of Alberta, the institution's external auditor appointed under the Auditor General Act, performs an annual independent audit of the consolidated financial statements in accordance with generally accepted auditing standards.

[ORIGINAL SIGNED BY]

Ann Everatt, President and CEO,
Northern Lakes College

BOARD OF GOVERNORS

FISCAL YEAR 2015-2016



Daniel Vandermeulen
Chair, Public Member



Dan Fletcher
Vice Chair, Public Member



Fern Welch
Public Member



Inier Cardinal
Public Member



Ray Stern
Public Member



Odessa Ptashnyk
Staff-nominated Member



Shona Hommy
Faculty-nominated Member



Zachariah Keyesapapmotew
Student-nominated Member



Ann Everatt
President and CEO

* Two Vacant Public Member positions

Senior Management 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

MESSAGE FROM THE BOARD CHAIR

As I look ahead and see good things for adult education, I also look back and reflect on how far Northern Lakes College has come. The College began over 45 years ago bringing adult education to small rural communities and today we continue to do the same. Although the programs offered by the College have expanded and changed a lot over the years and technology has added a lot to our delivery methods, the basic vision remains the same. In the early days, programming started in the form of adult education taught by graduates of the Ed Tech program. Classes met in whatever facilities the community managed to pull together and so it went. Our focus was on our communities when we started, and today the communities remain our focus.

The College programs have evolved significantly from basic education to social work programs, nursing programs, Bachelor of Education programs, business programs, university transfer programs and trades. The latest program, the Water Wastewater Operator program delivered using NLC LiveOnline™ has gone national! NLC has the distance education expertise and the connections in the north. In the future, I envision partnerships which would enable northern Albertans to take advantage of more degree programs and expanding our reach. The future for Northern Lakes College is very promising.

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

Daniel Vandermeulen, Chair
Northern Lakes College Board of Governors

MESSAGE FROM THE PRESIDENT

At Northern Lakes College we are committed to providing access to a quality post-secondary education for students throughout our geographic region. The key values that have guided the College over time have been Community, Respect, Accessibility, Collaboration, Excellence and Lifelong Learning. Northern Lakes College has lived by these principles and in doing so has focused on ensuring that we make our programming accessible to all of the learners throughout our region. The challenge of making our programs accessible throughout our region has guided us to use distance learning technologies. In the early days of pioneering distance education, we used audioconferencing and now have moved into multi-modality using a variety of technologies that best suits each program. In fact, Northern Lakes College delivers over 90% of our programs via distance education.

Although we describe ourselves as an accessible institution using distance technology we also have ensured that resources are accessible in each community to ensure that our students have access to a variety of supports they need to be successful in their post-secondary learning journey. Each of our campuses has at least one full-time Campus Instructor and an Access Facilitator who provide supports on a day to day basis to our students. As well, our other specialized staff are assigned a number of campuses to ensure that our students have ongoing supports throughout the academic year.

The 2015-16 Academic year was the beginning of a renewal process for Northern Lakes College. A restructure in 2014-15 paved the way for the investment in new career programming such as Water/Wastewater Certification and the EMT – Paramedic Program, both being delivered in a distance learning – blended format. We have worked this year to further develop our Academic Upgrading programs into a distance learning format to ensure that learners in the remotest of our communities had access to learning opportunities. As well, we have worked with over 10 school boards to ensure that dual credit students have a broad range of access to programs and this year we added Business, University Studies and Early Learning and Child Care to the range of dual credit offerings.

At Northern Lakes College we value the input of our stakeholder communities. This year we have worked hard to ensure that we are fully engaged with the Community Adult Learning Programs in our region. In fact, for many of these Programs we provide office and learning space at our various campuses. Beyond that we are working with the CALPs to ensure that we are working in tandem to support the learners in our region so that they have the opportunity to fulfill their career goals. As well, we are connected to each of our communities through a Community Education Committee who provide input and feedback on the programs and services needed in their individual communities. We have also ensured that we meet with our communities at large through Business and Industry Stakeholder meetings and regular meetings with each of our Municipal partners.

All of these accomplishments are possible by the collective determination of our Board of Governors, our faculty and staff, our Student Association and our many community partners. Together we are focused on our mandate of provision of a quality accessible post-secondary education for the learners in our region.

Sincerely,
Ann Everatt, President and CEO
Northern Lakes College

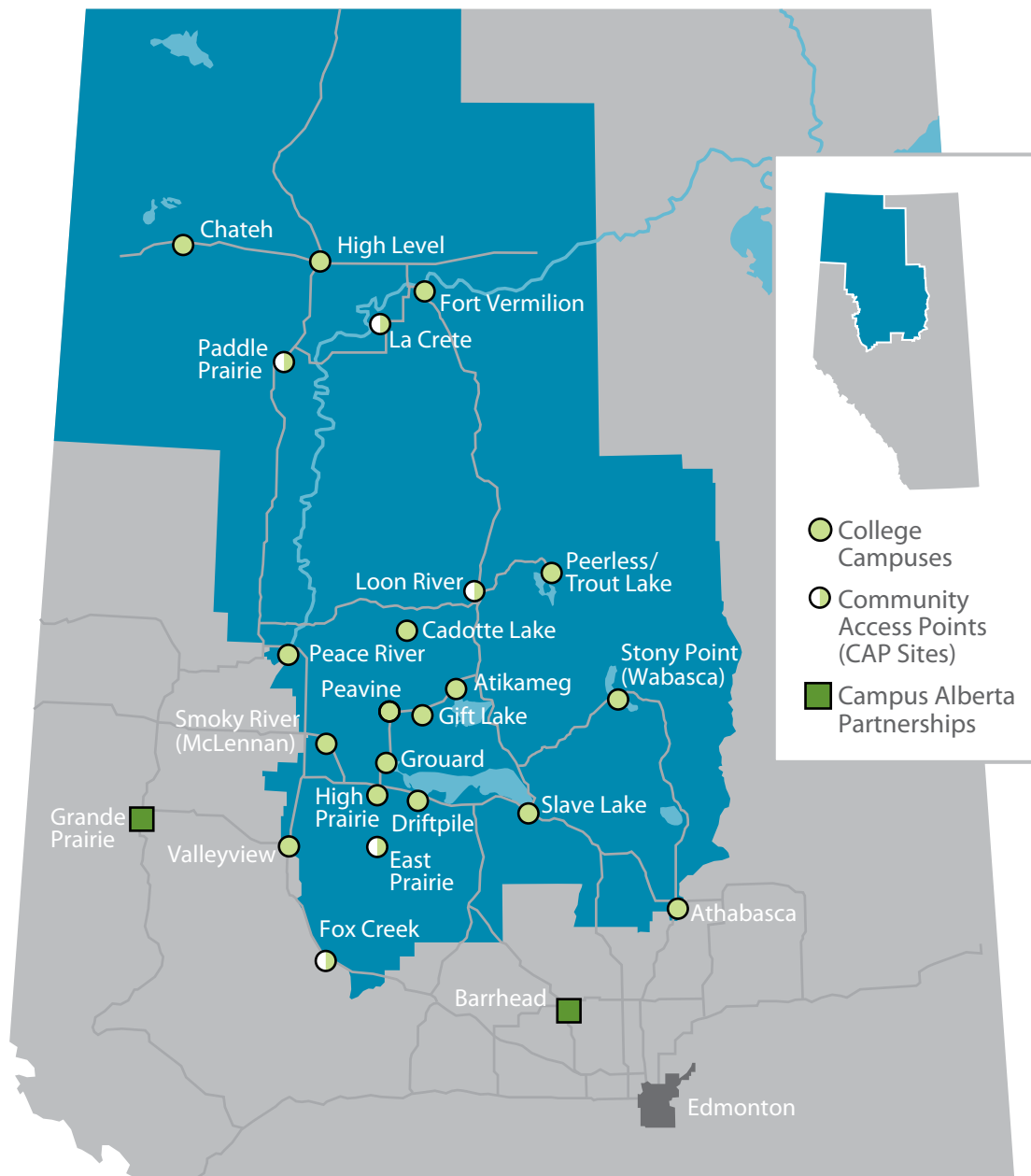
PUBLIC INTEREST DISCLOSURE (WHISTLEBLOWER PROTECTION) ACT

The Board of Governors for Northern Lakes College approved the Safe Disclosure Policy (Whistleblower) in October 2014. The goal of this policy was to make it the responsibility of all members of the College community to report concerns about violations of Northern Lakes College's governing policies, procedures, regulations or suspected violations of laws that govern the College's operations. This policy would foster an environment where all members of the College community can report wrongdoings or suspected wrongdoings without reprisal. This policy was made available to all employees and posted on the Northern Lakes College website.

In fiscal year 2015-16 the College received a single complaint through the safe disclosure policy. The college Safe Disclosure Officer conducted a thorough investigation and the result of this investigation found the complaint was valid. The offending individual, who was an employee of a contractor, was reprimanded and the contractor was required to provide cultural awareness to all employees who were on college property. This condition was acceptable to the contractor, his employee and the complainant.

NORTHERN LAKES COLLEGE SERVICE REGION

Northern Lakes College encompasses a service region of over 164,000 square kilometers with 23 campuses and 5 Community Access Points in northern Alberta.



NORTHERN LAKES COLLEGE

PROGRAMS & COURSES

ACADEMIC UPGRADING

Adult Basic Education

High School

BUSINESS & ADMINISTRATIVE STUDIES

Business Administration

Human Resource Management

Office Administration

HEALTH CAREERS

Community Health Promotion

Emergency Medical Responder

Emergency Medical Technician

Emergency Medical Technologist – Paramedic

Health Care Aide

Health Care Aide Prior Learning
and Recognition

Health Care Aide Employed Student Tutored
Education Program

Practical Nurse

HUMAN SERVICE CAREERS

Addictions Service Worker

Early Learning and Child Care

Educational Assistant

Social Work

UNIVERSITY STUDIES

College and Career Preparation

University Studies

TRADES & RESOURCE TECHNOLOGY

Carpenter Apprenticeship

Crane & Hoisting Equipment Operator –
Boom Truck

Crane & Hoisting Equipment Operator –
Mobile Crane Apprenticeships

Electrician Apprenticeship

Oilfield Operator Training

Power Engineering 3rd Class

Power Engineering 4th Class

Power Engineering 4th Class Lab Certification

Power Engineering 5th Class

Survey Theory & Calculations

Welder Apprenticeship

CONTINUING EDUCATION & CORPORATE TRAINING

Certificates & Programs

Advanced Skills for Leadership

Essential Skills for Administrative Professionals

Essential Skills for Supervisors

Introduction to Forest Stewardship (IFS)

Maintenance Management Professional
(MMP) (PEMAC)

Water and Wastewater Operator Preparation

Short Courses and Workshops

Business & Leadership

Computer & IT

General Interest

Health Courses

Land and Environment

Safety & Driver Training



At NLC we are innovative in
the use of technology to
provide access to students.

OPERATIONAL OVERVIEW

WE ARE NORTHERN.

Northern Lakes College encompasses a service region of 164,000 square kilometers with 23 campuses and five Community Access Points in northern Alberta.

WE ARE DISTANCE EDUCATION.

We use technology to serve over 50 communities across the province.

WE ARE COMMUNITY.

We're proud to provide post-secondary education to fifteen First Nations and four Métis Settlements within our service region. 68% of our students are Indigenous.

WE ARE CONNECTED.

A distinct Community Education Committee (CEC) represents each of the communities we serve on the Council of Community Education Committees (CCEC), the principal advisory body of the College.

WE ARE RESPONSIVE.

NLC engages with business, industry, and communities, to ensure our programs meet their needs.

WE ARE INNOVATIVE.

Using blended delivery and mobile training facilities, we bring quality post-secondary education to the student's community.

WE ARE GROWING.

OPERATIONAL OVERVIEW

ENROLLMENT FULL LOAD EQUIVALENT (FLE) BY PROGRAM

Program	2013-14	2014-15	FLE Forecast CIP 2015-2016	2015-16	Change in FLEs from 2014-15
Academic, University Studies and Business	490	497	516	502	+5
Academic Upgrading	369	385	360	400	+15
Business Administration	43	49	55	26	-23
Office Administration	25	27	26	25	-2
College and Career Preparation	9	6	9	13	+7
University Studies	44	30	66	38	+8
Health and Human Services	361	338	392	316	-16
Addiction Services Worker	15	17	16	23	+6
Educational Assistant	16	17	17	14	+3
Early Learning and Child Care Certificate	26	22	24	25	+3
Early Learning and Child Care Diploma	0	0	18	10	-
Medical Receptionist	22	14	0	0	-
Emergency Medical Responder	22	24	23	20	-4
Emergency Medical Technician	10	15	12	17	+2
Health Care Aide	93	93	96	73	-20
Practical Nurse	107	99	110	98	-1
Social Work	50	37	50	33	-4
Community Health Promotion	0	0	26	3	-
Trades and Resource Technology	456	404	439	270	-134
Carpenter Apprentice	6	6	8	5	-1
Crane & Hoisting - Boom truck	24	13	18	9	-4
Crane & Hoisting - Mobile Crane	12	13	15	18	+3
Electrician Apprentice	15	20	18	18	-2
Oilfield Operator Training	13	21	20	11	-11
Power Engineering – 3rd, 4th, 5th Class	266	206	240	151	-55
Pre-Employment Trades Carpentry, Electrician, Millwright, Welder	18	19	20	5	-14
Survey Theory & Calculations	90	89	85	43	-46
Welder Apprentice	12	17	15	10	-7
Total	1307	1239	1347	1088	-151

KEY CHANGES IN ENROLLMENT

TRADES AND RESOURCE TECHNOLOGY

Trades and Resource Technology program enrollments were significantly impacted in 2015-16 by the economic downturn. The Oilfield Operator Training Program dropped by ten FLEs and enrollment in the Power Engineering Program went from 206 FLE to 151. Alberta Apprenticeship and Industry Training allocated fewer trades seats to Northern Lakes College in the 2015-16 academic year. The exception was enrollment in the Electrician Apprentice Program which remained stable. The Crane & Hoisting Programs also remained stable. The change in enrollments in Trades & Resource Technology has had the largest impact on overall enrollment.

UNIVERSITY STUDIES

University Studies experienced an increase in enrollment in 2015-16.

BUSINESS ADMINISTRATION

Business Administration experienced a decrease in enrollment due to the cancellation of low enrollment programs and the dissolution of a program partnership. Additional Business Administration offerings were developed in the 2015-16 academic year for delivery in 2016-17.

BASIC AND PREPARATORY PROGRAMS

Basic and Preparatory programs, including Academic Upgrading and Adult Basic Education, enrollment increased year-over-year and remains a high enrollment area. There continues to be a significant need for Basic and Preparatory programs throughout the Northern Lakes College service region.

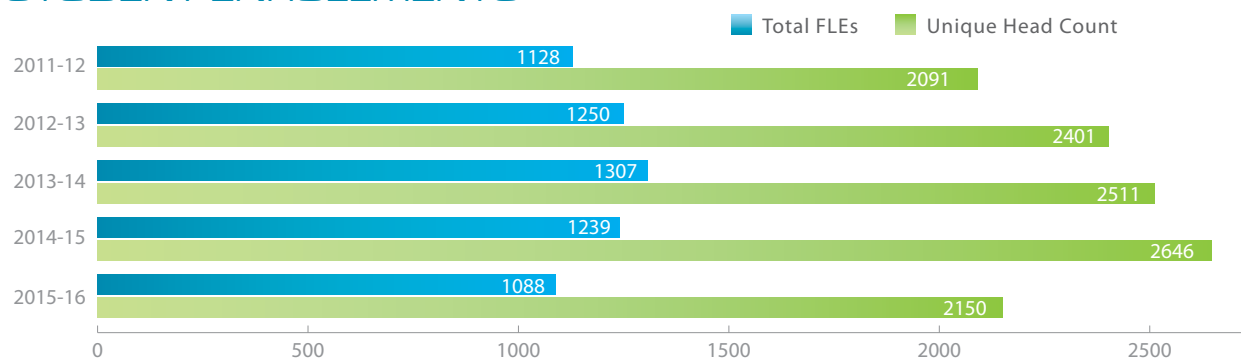
HEALTH PROGRAMS

Health programs experienced a notable decline in the Health Care Aide Program, largely due to a decline in student funding opportunities. The Practical Nurse Program remains a high enrollment area. Emergency Medical Responder enrollment declined over the 2015-16 year due to limited employment opportunities, while the Emergency Medical Technician Program exceeded enrollment forecasts.

HUMAN SERVICES

Human Services program enrollment met or exceeded forecasts in most cases. While the Social Work program did not meet forecasted enrollments, they were in alignment with five-year trends. A decline in first year students was noted for this program.

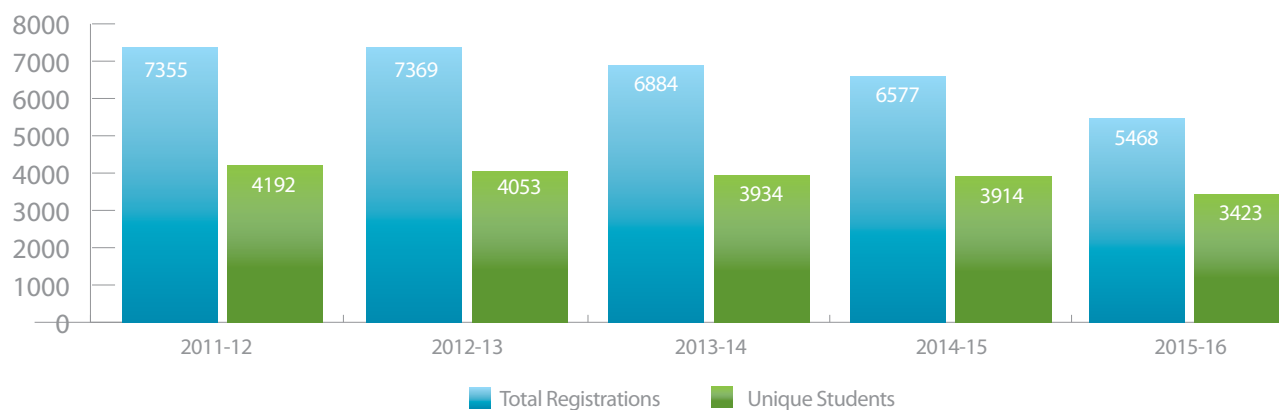
FIVE YEARS TOTAL STUDENT ENROLLMENTS



FIVE YEARS NUMBER OF GRADUATES BY YEAR

	2011-12	2012-13	2013-14	2014-15	2015-16
Number of Graduates	553	537	635	607	530

NON-CREDIT ENROLLMENTS

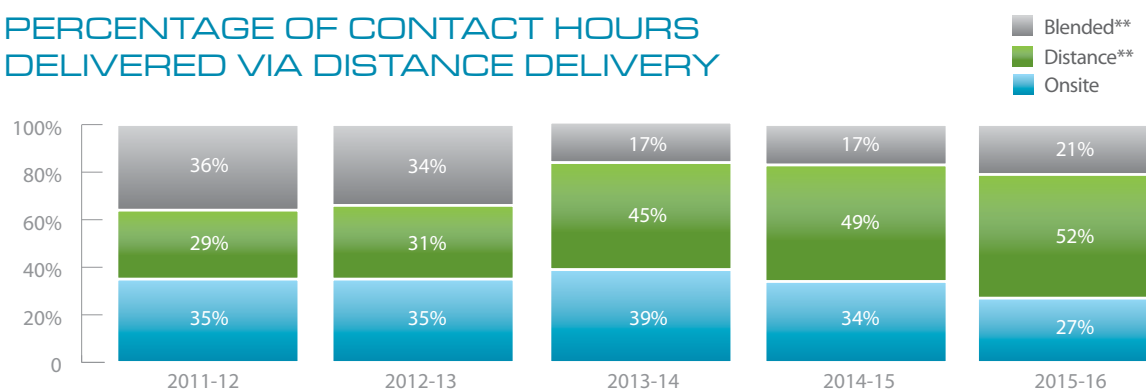


NUMBER OF COMMUNITIES SERVED

	2011-12	2012-13	2013-14	2014-15	2015-16
Communities Served College Campuses and CAP Sites*	26	25	23	20	24
Additional Communities Served with NLC Programs					21
Total Communities Served					45

* Includes Barrhead and Grande Prairie

PERCENTAGE OF CONTACT HOURS DELIVERED VIA DISTANCE DELIVERY

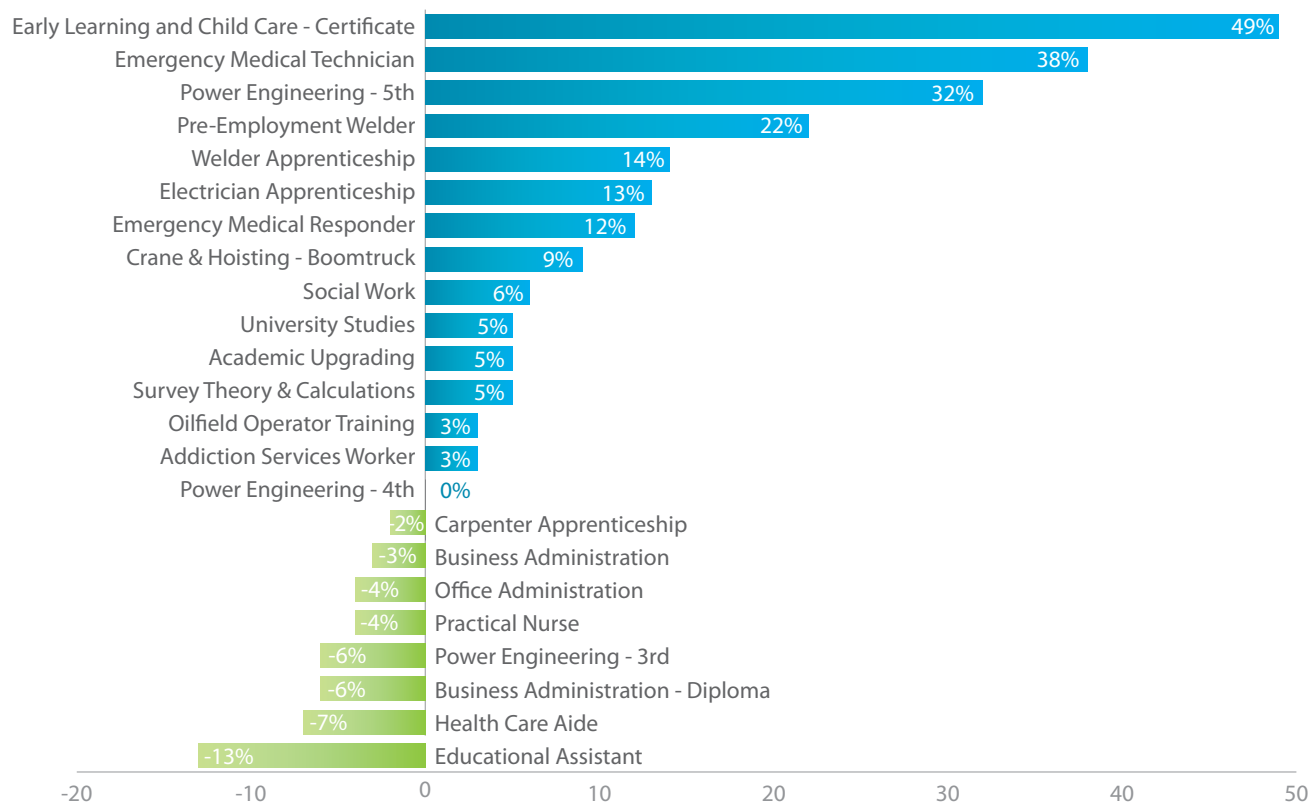


** In the 2013-14 Academic Year there was a change to the definitions of Blended and Distance delivery.

CONVERSION RATES OF STUDENT APPLICATIONS

	2011-12	2012-13	2013-14	2014-15	2015-16
Applications	4560	4915	4992	4949	4562
Acceptances	2455	2759	2749	2893	2288
Registrations	1643	1873	1892	2010	1440
Students Retained	1293	1482	1500	1636	1168
Acceptance Rate	53.8%	56.1%	55.1%	58.5%	50.2%
Conversion Rate	66.9%	67.9%	68.8%	69.5%	63.9%
Retention Rate	78.7%	79.1%	79.3%	81.4%	81.1%

% ENROLLMENT CHANGE LAST 4 YEARS GRAPH



1 | Align college programs on the basis of regional and provincial workforce demand.

1.1 An established curriculum ever-greening schedule which ensures that all courses are viable, relevant and responsive.

Status: Achieved

Progress Made in the last 12 Months:

- The Academic Upgrading Curriculum Committee ensures curriculum alignment with Alberta Education requirements, and quality assurance in their master course templates through ongoing reviews.
- Ten Adult Basic Education courses have been reviewed. Learner Management System templates and the curriculum committee conduct ongoing reviews, as well as random sampling.
- Three Business Administration courses have been reviewed in addition to random sample reviews.
- The Health Programs Curriculum Quality Control Committee has reviewed the curriculum for Health programs and determined that the program met 2015-16 accreditation standards.
- Upon successful implementation of program recommendations, the First Nations & Inuit Branch of Health Canada renewed the Addiction Services Worker Program contract for one year.
- Curriculum updates for the Power Engineering 4th Class Program commenced May, 2016 in response to national syllabus changes. Implementation of the new curriculum is scheduled for Fall 2017.
- Curriculum revisions for the Survey Theory and Calculations Program commenced in March, 2016 to address updates in technology and industry practices. The new curriculum is scheduled to be implemented in Fall 2017.
- Power Engineering 3rd Class course was reviewed and redeveloped to meet industry standards.
- Eight courses were redeveloped in the University Studies department.
- Five new courses, and one new program were implemented in the Continuing Education & Corporate Training department.
- Three courses were redesigned in the Educational Assistant Program.
- Two courses were redesigned to be offered asynchronously in the Practical Nurse Program.
- Two courses were redesigned to meet program accreditation guidelines in the Emergency Medical Technician Program.
- Two new courses were developed in the new Early Learning and Child Care Diploma Program.
- Ten new courses were developed in the new Community Health Promotion Program.
- Six new courses developed in the new Emergency Medical Technologist-Paramedic Diploma Program.
- A Moodle course template aligned with eCampusAlberta Quality Standards was created and made mandatory in all online or blended courses.



At NLC we are unique – the Crane & Hoisting Boom Truck and Mobile Crane programs travel across the province of Alberta delivering training when and where it is needed.

1.2 New programs will be developed annually in response to the region's needs.

Status: **Achieved**

Progress Made in the last 12 Months:

- The Human Resource Diploma was re-introduced in 2015-16.
- The Early Learning and Child Care Diploma Program was introduced in 2015-16.
- Four new University Studies courses were developed.
- Adult Basic Education (ABE) courses were developed for online delivery to meet learner and community demand. Transitioning these courses online allowed NLC to be responsive to the region's needs and offer ABE in 17 sites.
- Continuing Education & Corporate Training, in partnership with ATAP Infrastructure Management, developed the Water & Wastewater Operator Preparation Certificate (Level 1) in 2015-16; the first offering of this regulator recognized program is scheduled for September, 2016. Level 2 program development is scheduled to begin in 2016-17.
- An Unmanned Aerial Vehicle "Drone" course was developed and delivered in 2015-16.
- Continuing Education & Corporate Training, in partnership with the Woodland Operations Learning Foundation (WOLF), developed the Introduction to Forest Stewardship Certificate. The first offering in Fall 2016.
- The Trades Preparation Program was developed in Spring 2015 for delivery in conjunction with the new mobile trades labs.
- The Emergency Medical Technologist-Paramedic Program was developed and approved for first offering in Fall 2016.
- The first intake of the Community Health Promotions Program began in January, 2016.
- A Community Health Promotions Cultural Seminar was developed and will offer students a First Nations cultural learning experience.
- NLC received both mobile trades labs and new crane and hoisting equipment to meet regional and provincial requests for training.
- A new Introduction to Surveying Program was approved by Alberta Advanced Education, and curriculum development commenced in March, 2016; first delivery is scheduled for March, 2017.

IN THE NEWS

Northern Lakes College Offers Introduction to Metals

Northern Lakes College recently completed a unique training session, Introduction to Metals, at the Stony Point Campus in Wabasca. A partnership forged between Atoske Action Group and Northern Lakes College identified that there was a demand in Wabasca for a program in this area. Both organizations worked to develop the training to provide practical, hands-on learning as well as theoretical knowledge.

To read the full media release please visit www.northernlakescollege.ca

1.3 Business industry partners will be engaged in advising post-secondary programs.

Status: Achieved

Expected Completion: Ongoing

Progress Made in the last 12 Months:

- Provincial Advisory Committees for Business and Administrative programs continue to provide direction regarding employment trends and programming needs in the region.
- The College regularly attends regional economic development meetings to determine economic trends and labour market demands.
- Business and industry consultations were held throughout the service region.
- Continuing Education & Corporate Training partnered with the Water North Coalition to address the water and wastewater challenges facing northern communities, specifically in the areas of industry training.
- Continuing Education & Corporate Training established a working group with Vanderwell Contractors (1971) Ltd. to investigate and develop a saw filing training program to address needs in the forestry industry.
- An advisory group was re-established for the College's Survey Theory Program, and recommendations from this group were used to focus new program development and existing program revision plans.
- NLC continues to be a member of the Atoske Action Group in Wabasca. This group works with NLC to create program opportunities in the Wabasca region.

Program Advisory Committees met in 2015-16 for the following programs:

- Survey Theory and Calculations
- Power Engineering: Alberta Power Engineering Curriculum Committee (APECC) met twice in 2015-16 and Interprovincial Power Engineering Curriculum committee IPECC met once. NLC has members on those committees.
- Early Learning and Child Care
- Social Work
- Practical Nurse
- Health Care Aide
- Allied Health
- Business Administration
- Office Administration
- Trades attended Provincial Advisor Committees hosted by Apprenticeship and Industry Training (AIT).

IN THE NEWS

Water and Wastewater Program Partnership

"Northern Lakes College is proud to announce that we will be continuing our development of innovative programming to serve northern communities," stated Ann Everatt, CEO and President, Northern Lakes College. "In partnership with ATAP Infrastructure Management Ltd. we are developing the water wastewater training program to address critical demand for training in Alberta. Northern Lakes College's water and wastewater treatment program will be a premiere training program, providing practical job readiness training." The program will be delivered LIVE Online which will allow students to access the program from their home community and still continue working.

To read the full media release please visit www.northernlakescollege.ca



IN THE NEWS

Shell Canada Aboriginal Education Advancement Awards Distribution

Northern Lakes College along with its partner Shell Canada distributed \$250,000 in student awards in the last few years. Students attended a lunch with Shell Canada's representative Charlene Parker and Ann Everatt, President and CEO of Northern Lakes College. "This is a wonderful opportunity for our students to meet with the award donor and personally tell Shell how much the award made an impact in their ability to attend NLC" says Ann Everatt. "Many students who attend college in the north face greater financial barriers and challenges."

To read the full media release please visit www.northernlakescollege.ca

1.4 The percentage of College programming offered through eCampusAlberta will increase by 10% per year.

Status: Achieved

Progress Made in the last 12 Months:

- NLC Departments focused on meeting eCampusAlberta standards.
- A total of six new courses became available through eCampusAlberta.
- All courses offered on eCampusAlberta that had not met essential quality standards were developed to meet the standard. This included the Power Engineering 3rd and 4th Class Programs and three courses in our Academic Upgrading Department.

1.5 An introductory trades program for secondary school divisions in the region will be developed by June 2015 and offered during the 2015-2016 Academic year.

Status: Achieved

Expected Completion: Growth anticipated in 2016-17

Progress Made in the last 12 Months:

- Six cohorts of introductory trades programs were offered to high school and young adult students during the year. Programs were delivered in Wabasca (4), Loon River First Nation, and Sturgeon Cree Nation. These included the Welder, Electrician, and Carpenter trades.

1.6 At least one new, ongoing student award will be implemented each year for the next three years.

Status: Achieved

Expected Completion: Ongoing in 2017 & 2018

Progress Made in the last 12 Months:

- The College received an endowment in support of two new awards for Métis students from the Métis Education Foundation (an affiliate of the Métis Nation of Alberta) – the Métis Scholar Award and the Métis Student Bursary.
- New Advanced Education awards for full-time Indigenous students were introduced.

2015-16 HIGHLIGHTS

100% SUCCESS RATE ON PRACTICAL NURSE NATIONAL STANDARDIZED EXAM

\$3.5M FOR EQUIPMENT & DELIVERY OF MOBILE TRADES TRAINING OVER 5 YEARS

2 Enhance the student experience at Northern Lakes College

2.1 Within three years, online applications and registrations will exceed paper based applications and registrations.

Status: In-progress

Expected Completion: June 2018

Progress Made in the last 12 Months:

- The number of online applications through the Alberta Post-Secondary Applications System increased from 13.02% in 2014-15 to 16.86% in 2015-16.
- An increase in the number of electronically submitted applications to Continuing Education & Corporate Training was noted in 2015-16. Online registrations in this department are expected to increase further once the College's website is revised and re-launched in 2016-17 with online course payment functionality.
- The online application and payment system was under development in the 2015-16 year and is expected to be complete in October, 2016. The online application system is expected to substantially increase the number of online applications.

2015-16 HIGHLIGHT

\$4.9M IN NEW CRANE & HOISTING EQUIPMENT & MOBILE DELIVERY OVER 5 YEARS

2.2 The student application and registration process will be streamlined to provide immediate and relevant communications with prospective learners contributing to an overall increase of 5% in applicant conversion.

Status: Not Achieved

Expected Completion: Ongoing

Progress Made in the last 12 Months:

- The overall conversion rate decreased from 69% in 2014-15 to 63% in 2015-16. Economic factors, student readiness, and the timing of offers of acceptance continue to impact conversion rates.
- An electronic document management project was launched to improve the storage, access, and flow of documents relating to student information and improve workflows associated with student services including the admissions process. Improved document management is focused on reducing processing timelines and improving conversion from applicant to registered student by providing faster decisions regarding applications.
- The Resource Technology Department, in collaboration with the Registrar's Office and Finance Department, implemented a highly automated admissions process to accommodate a continuous intake enrollment model and flexible payment and program completion options.
- Work continues in the Office of the Registrar to improve the application and admissions process. Work processes have been documented and analyzed to improve accuracy and shorten timelines for admissions decisions. Collaboration between admissions and programs has been increased to provide more timely advising support to the admissions and registration processes.

IN THE NEWS

Northern Lakes College Unveils New Logo and Branding Video

Northern Lakes College is proud and excited to unveil a new logo in recognition of its continued growth and contribution to northern Alberta. The new logo and a branding video was unveiled to over 250 staff and the crowd was very excited! Northern Lakes College understands that students have education choices and they want symbols and brands to be a reflection of their own commitment and success.

To read the full media release please visit www.northernlakescollege.ca

2.3 Programs will be reviewed, a base-line established, and goals created and implemented to increase experiential learning and entrepreneurship opportunities by 5% each successive year.

Status: Achieved

Expected Completion: Ongoing

Progress Made in the last 12 Months:

- With a 145-hour optional practicum component, experiential learning in partnership with business and industry is an important element of the Business Administration Program.
- With 130 hours of practicum and 60 hours of keyboarding skills, experiential learning is a core component of the Office Administration Program.
- Academic Upgrading offers work experience credits for high school students.
- The Power Engineering 4th Class Lab Certification Program includes 200 hours of practical experience with boilers, turbine generators, and associated equipment.
- The Oilfield Operator Training Program includes lab training equipment utilized in the oil & gas industry.
- All Trades programs include practical lab components.
- All Health programs include practice labs onsite, and some include clinical placements.
- Human Services programs include practicum placements.
- The Addiction Services Worker students participate in lab days.

2.4 Students requiring learning accommodations will have the opportunity to utilize the most current technology and tools to support them in achieving equality in the learning environment, resulting in increased persistence towards educational goal completion.

Status: Achieved

Progress Made in the last 12 Months:

- Read & Write Gold was introduced in the Spring of 2016 to support a greater number of students requiring reading and visual accommodation. Read & Write Gold literacy software makes accessing the web, documents, and files more manageable. It is able to read on-screen text aloud, check written work, and copy a student's words into text. It is an assistive technology software developed to read electronic text from a variety of sources (i.e. websites, documents, e-books, PDF, etc.). The program includes voice dictation that also reads aloud what students write.
- NLC has enhanced access to the Read & Write Gold software across all credit programs.

2015-16 HIGHLIGHT

BACHELOR OF SOCIAL WORK
DEGREE COMPLETION IN
PARTNERSHIP WITH THE
UNIVERSITY OF CALGARY

2.5 A determination of the most significant student learning accommodations needs will be made to establish baseline data to support resource planning so that accommodations align with the beginning of the term.

Status: Achieved

Progress Made in the last 12 Months:

- New metrics have been established and utilized for pre-term assessment resulting in accommodations in place in time for the beginning of the course.
- Use of ACCUPLACER, a new assessment tool, has assisted in determining student accommodation needs in advance of the start of the term. ACCUPLACER is a suite of tests that quickly, accurately, and efficiently assesses reading, writing and math skills. Interactive, online, untimed and individualized subtests are administered based on programming prerequisites. Minimum scores (known as “cut-scores”) are normed, and are determined based on Northern Lakes College’s programming.
- The number of students requiring assistance from NLC’s Learner Assistance Services has increased substantially from 117 in 2014-15 to 274 in 2015-16.

2.6 Baseline data on student wellness needs will be established in 2015.

Status: Achieved

Progress Made in the last 12 Months:

- A needs assessment survey was completed in Winter 2015 and provided excellent data for identifying and supporting student wellness goals. All students in credit programs were asked to participate using an on-line instrument.
- A cross-functional Student Wellness committee was formed, including members of the Students’ Association, to develop the goals, objectives, and tactics needed to move forward in enhancing our student retention and support based on the results of the needs assessment survey and secondary research.
- Data outcomes from the survey were used to help focus the student wellness strategy by incorporating the top issues identified which included: the need to increase awareness, education, and coping skills of students; assistance with spotting warning signs that students need help and how to help, and addressing the on-going requirement for crisis response and management.
- Operational resources were aligned to support student wellness strategic objectives through a dedicated Student Wellness Facilitator and through student financial assistance (bursaries) to encourage engagement.

IN THE NEWS

Northern Lakes College Graduating Class of 2016 Celebrates the Best Day of My Life

Northern Lakes College proudly celebrated the success of 1385 students on June 3rd, 2016. Friends and family celebrated student achievements at the Convocation ceremony held in Slave Lake, Alberta at the Multi-Rec Centre. Eight hundred and ninety-three credit students and an additional 492 continuing education program students celebrated graduation this year. The theme of the ceremony was commemorated with the celebratory tune “Best Day of My Life” by America Authors.

To read the full media release please visit www.northernlakescollege.ca

2.7 All faculty will be trained to utilize new technology, tools and knowledge so they can support learners in need of learning accommodations.

Status: In-Progress

Expected Completion: Ongoing

Progress Made in the last 12 Months:

- Read & Write Gold training was provided to students requiring test to speech technology as per Duty to Accommodate. Training was conducted face-to-face and online through an instructional portal created by the Information Technology Department. Online training was also provided to educational support staff and Access Facilitators to support students requiring the technology.
- A Northern Lakes College staff member is represented on eCampusAlberta's advisory committee on Universal Design for Learning. The framework created by this committee is incorporated into course design expectations.
- Implementation of ACCUPLACER expanded license capacity and users. ACCUPLACER face-to-face training was provided to all educational support staff and Campus Access Facilitators twice during the winter in numerous locations to accommodate the large number of campuses. Training was also provided to Admissions Specialists and Counsellors so they may accurately interpret the results and support students.
- As part of the new Essential Skills for Instructors Program, a unit on teaching students with learning barriers was created. This will assist all faculty to support students requiring learning accommodations.
- Faculty who teach students requiring learning accommodations received individualized strategies to support each learner in the classroom.

2.8 A minimum of three student wellness activities, as identified by the Student Wellness Committee, were launched and evaluated in 2015. All learners will have opportunities to participate in wellness activities.

Status: Achieved

Progress Made in the last 12 Months:

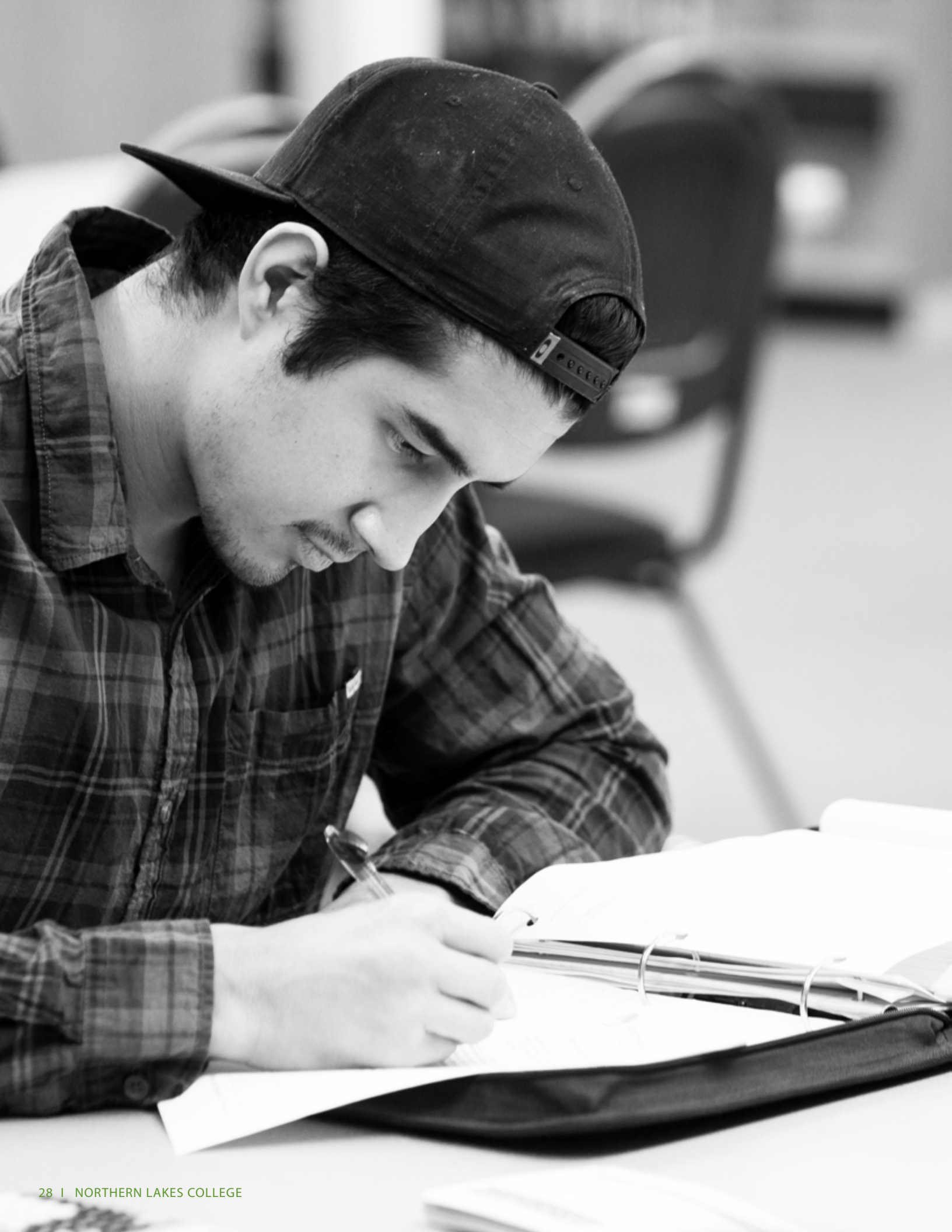
- Two keynote addresses on wellness were provided to students online in the winter and spring terms.
- A pilot of the Student Wellness Passport Program was tested for launch in the Fall of 2015. The success of the pilot will result in an ongoing wellness program.
- An interactive multi-campus invitation for recreation challenges was held at four campus locations in the region.

IN THE NEWS

Northern Lakes College Peace River CEC Helping Students

Five students from Northern Lakes College's Social Work Program received sponsorship to attend the Alberta College of Social Workers annual conference in Edmonton. Northern Lakes College's Peace River Community Education Committee (CEC) recognized the importance for social work students to attend this session to gain valuable information and network. 'Social Workers Embracing a Diverse and Changing World' is the theme of this year's conference, which is a complement of their in-class learnings. Jeremy Johnson, President of the Peace River Student Union, who accepted the fifteen-hundred-dollar donation on behalf of the Social Work program stated, "it is so valuable for students to connect to current social workers, to hear their stories and share their experiences. Opportunities may be presented these students many not experience otherwise, including mentorship and employment."

To read the full media release please visit www.northernlakescollege.ca



IN THE NEWS

Northern Lakes College Hosts 14th Annual Round Dance

The Slave Lake Campus hosted a regional Round Dance on March 19th. The Aboriginal peoples of the area have long held traditional social dances, drawing dancers and drummers in either celebration or in remembrance. Randy Anderson, Manager of Aboriginal Relations at Northern Lakes College welcomed approximately 350 attendees this year. Though this is NLC's fourteenth year of sponsoring the Round Dance, it is the first year it has been held at the Slave Lake Campus. "The Round Dance is an event that the College is proud to host. Our staff volunteer their time to ensure the event is run smoothly and enjoyed by all participants. It is an opportunity for us to continue to strengthen relationships with students and celebrate aboriginal heritage" says Ann Everatt, President and CEO.

To read the full media release please visit www.northernlakescollege.ca

- 2.9 Faculty, staff and learners will engage in orientation programs regarding student mental health awareness and support. A multi-response system to identify and address early indicators of student distress will be developed in 2015.

Status: Partially Achieved

Expected Completion: Spring 2017

Progress Made in the last 12 Months:

- A multi-response system to identify and address early indicators of student distress began development in 2015. Included in this approach is our current student mental health awareness training workshops, the development of an on-line course for instructors and staff on student mental health awareness and support (Winter 2016), and a best practices guide on early intervention (Spring 2016).
- Revision of the Student Conduct Procedure was completed to ensure that students at risk would receive additional supports; this revision was required prior to developing the orientation program for mental health and early intervention. We anticipate that this program will be ready for the Winter 2017.
- NLC now has three certified Mental Health First Aid Trainers. NLC, in collaboration with the Students' Association, provided five Mental Health First Aid training workshops to our students across the region.

- 2.10 A college representative will attend all regional economic development meetings.

Status: Achieved

Expected Completion: Ongoing

Progress Made in the last 12 Months:

- The College is represented in economic development and local Chamber of Commerce meetings.
- The College is represented on the Community Futures Board for the Slave Lake/High Prairie region.
- The College was represented at the Northern Health Summit in Peace River in June, 2016.
- The College is represented on the Atoske Action Group Board of Directors in Wabasca.
- The President has attended Chambers of Commerce and economic development meetings on an ongoing basis throughout the region.

2015-16 HIGHLIGHT

TRUTH & RECONCILIATION
CALLS TO ACTION
IMPLEMENTATION INITIATIVES

2.11 Technology will be utilized to expand access and support for learners to asynchronous, part-time and eCampusAlberta offerings. Benchmarks to be established in 2015.

Status: **Achieved**

Progress Made in the last 12 Months:

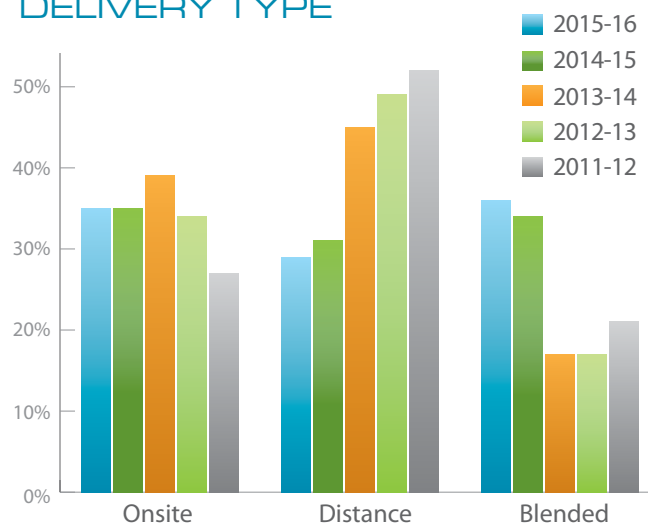
- Student Services, the Academic Upgrading Program, and the NLC Students' Association collaborated on providing supplemental tutoring support for the fall and winter terms. This was a cost shared activity between Student Services and the Students' Association with anticipated future tutoring initiative for the next term and the development of a peer tutoring program as part of the Students' Association Strategic Plan.
- Each program area worked on developing asynchronous curriculum options where appropriate.
- The Adult Basic Education program has transitioned to online delivery, allowing NLC to serve 17 locations and home based students; as opposed to the eight locations previously.
- Northern Lakes College uses distance education technologies (Blackboard Collaborate and Moodle) to deliver programming online throughout our service region and the province.
- Northern Lakes College remains current in the distance education technologies and the latest version of Moodle was adopted. Additionally, a new synchronous platform, Collaborate Ultra, was piloted.

BENCHMARK OF NUMBERS OF ASYNCHRONOUS OFFERING BY PROGRAM

	2011-12	2012-13	2013-14	2014-15	2015-16
Onsite	35%	35%	39%	34%	27%
Distance	29%	31%	45%	49%	52%
Blended	36%	34%	17%	17%	21%

Note: In the 2013-14 Academic Year there was a change to the definitions of Blended and Distance delivery.

PROGRAMMING BY DELIVERY TYPE



2.12 Self-service opportunities for learners to access information and support services through the web and mobile technology will be established by 2016.

Status: **In-progress**

Expected Completion: **June 2017**

Progress Made in the last 12 Months:

- Website redevelopment on a new platform to improve support for mobile devices took place with an expected launch in 2016-17.
- An online registration and payment project, providing an easy way to register and pay for Continuing Education & Corporate Training courses was implemented.
- The student portal project is underway and will be in place in early 2018.
- NLC101: Getting Started at Northern Lakes College is an online resource that supports students enrolled in online programs.



At NLC we listen - NLC engages with business, industry and communities to ensure our programs meet their needs.

3 | Improve and update facilities and technology infrastructure

3.1 Student Satisfaction Surveys will indicate an increased satisfaction with services and supports for learners.

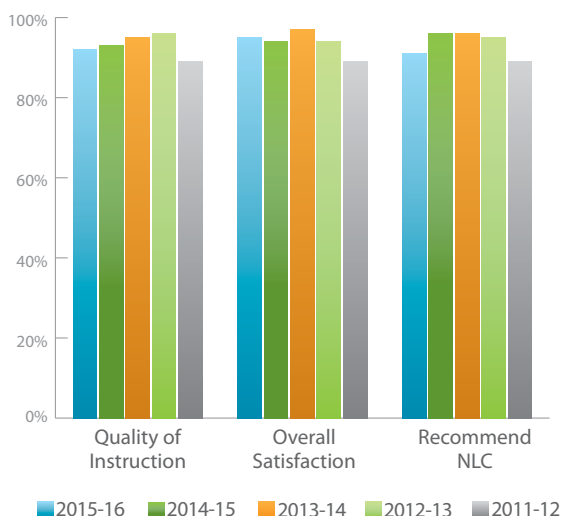
Status: Not Achieved

Expected Completion: Ongoing

Progress Made in the last 12 Months:

- Student satisfaction declined in 2015-16 due to a particular program concern. College Management has investigated and rectified the concerns identified.

STUDENT SATISFACTION SURVEY



3.2 Campus Master Plan will be developed before the end of 2016.

Status: In-progress

Expected Completion: February 2017

Progress Made in the last 12 Months:

- Developed and completed request for proposal process.
- Architectural consultants have been retained and consultations are in-progress.

3.3 Bandwidth to communities with limited access to broadband will be increased by December 2015.

Status: Achieved

Progress Made in the last 12 Months:

- Wide area network bandwidth connections have been upgraded from 10 MB to 100MB at all campuses with one exception which will be completed by November, 2016.
- Slave Lake and High Prairie campuses have been upgraded to 1GB bandwidth connections.

IN THE NEWS

Northern Lakes College Offers Access to International Students

Through Study International, Northern Lakes College is proud to offer several programs online to students from across the world. In keeping with Northern Lakes College's vision of being the most accessible institution in Alberta, Study International connects learners from across the world directly with programs of choice, regardless of physical location. Northern Lakes College is offering, LIVE Online, Maintenance Management Professional (MMP) Certification Program, Introduction to Forest Stewardship, business and professional development courses, computer courses and Disinfection for Operators.

To read the full media release please visit www.northernlakescollege.ca

IN THE NEWS

Generous Donation Will Save Lives – Northern Lakes College Receives \$200,000 Donation From the Heart & Stroke Foundation

Northern Lakes College has received \$200,000 from the Heart and Stroke Foundation through a generous donation from an anonymous donor to provide 20 Automated External Defibrillators (AEDs) and the associated training at 20 campuses throughout the Northern Lakes College service region. "In addition to the donation of the actual 20 AED devices, the College also received 10 Trainers and 350 CPR (cardio pulmonary resuscitation) Training Kits." Jim Meldrum, Occupational Health and Safety Officer at Northern Lakes College went on to explain that "distribution, training and accreditation classes have already commenced. In conjunction with a training video, students will use the AED Trainers and material in their CPR Training Kits to experience true-to-life situations in dealing with persons experiencing a cardiac arrest."

To read the full media release please visit www.northernlakescollege.ca

3.4 The College's Advisory Committee on Educational Technology and Information Technology Services will assess educational technology needs at all College campuses and plan to address these needs by December 2016.

Status: In-progress

Expected Completion: December 2016

Progress Made in the last 12 Months:

- The NLC Advisory Committee on Educational Technology performed a needs analysis on the synchronous delivery platform. Collaborate Ultra was piloted as a result.
- All courses were upgraded to the latest version of Moodle 3.1.

3.5 A Student Housing Master Plan will be developed by December 2017.

Status: In-Progress

Expected Completion: February 2017

Progress Made in the last 12 Months:

- The Student Housing Master Plan will be developed in alignment with the Campus Master Plan that is currently in progress. Consultations are taking place to inform the development of the Student Housing Master Plan.

3.6 Instructors will implement one technology based learning activity each term for the next three years and document the results.

Status: Achieved

Expected Completion: Ongoing

Progress Made in the last 12 Months:

- NLC is expanding course offerings so that courses are offered asynchronously and are accessible at all times.
- Instructors are required to attend at least two online training sessions offered by the Centre for Teaching and Learning.
- All faculty are trained in the implementation of technology based learning activities, such as the use of Respondus to create exam banks, StudyMate Class to create interactive learning activities, using online discussion forums to create engagement and deeper learning, and OfficeMix to create interactive videos.

2015-16 HIGHLIGHT

STUDENTS IN THE FORT VERMILION CAMPUS WILL ENJOY A NEW FACILITY.

4 | Implement employee development processes to support strategic directions

4.1 The Employee Performance Management process will be reviewed, revised and implemented by 2015.

Status: Achieved

Expected Completion: Ongoing

Progress Made in the last 12 Months:

- Performance Appraisal forms have been revised and made available to all supervisors.
- Progressive Discipline training was provided to all managers.
- Cross-training is being promoted within all departments.
- A succession planning framework has been developed at NLC.

IN THE NEWS

Northern Lakes College Hosts Forestry Career Fair

Northern Lakes College hosted its second annual Forestry Career Fair at the Slave Lake Campus on March 4, 2016 drawing more than 200 students from grades nine through twelve. This year's Fair boasted commitments from Tolko, Vanderwell, and West Fraser allowing students to research careers into Woodland Operations, Manufacturing and Administration. In keeping with the forest industry theme, related groups and associations were also invited such as the Junior Forest Wardens and the Forest Education Society. Additional participation from the Woodland Operator Learning Foundation (WOLF) and displays from Careers Next Generation and Alberta Apprenticeship and Industry Training (AIT) provided a wide and varied view and opportunities within the industry.

To read the full media release please visit www.northernlakescollege.ca

4.2 All employees will participate in at least one professional development or training opportunity each year.

Status: Achieved

Expected Completion: Ongoing

Progress Made in the last 12 Months:

- All Management employees attended the following trainings: Presentation Workshop, Leadership/Management training, and Workers Compensation training.
- All staff had the opportunity to attend training, workshops, and conferences this year.
- All faculty had the opportunity to attend training, workshops, and conferences this year as it relates to their program area.
- Centre for Teaching and Learning (CTL) presented a session for eCampusAlberta on teaching students at a distance. This session was also published in the eCampusAlberta's newsletter, the eZine.
- The Centre for Teaching and Learning facilitated a two-day session on Universal Design for Learning and Asynchronous Teaching in Slave Lake with 30 faculty in attendance.
- Northern Lakes College provided training onsite at 18 campuses and a large scale CPR Automatic External Defibrillator training session to all employees at the Annual General Meeting.

IN THE NEWS

Northern Lakes College Electrical Instructor Receives Top Mentor Award

NLC Electrical Instructor Martin Engler receives Top Mentor Award. The Alberta Apprenticeship and Industry Training Board has recognized Martin Engler, an Electrical Instructor at Northern Lakes College with this prestigious award for his contributions at a dinner and ceremony held in Edmonton. Mentors are nominated by recent graduates of the apprenticeship (AIT) system.

To read the full media release please visit www.northernlakescollege.ca

- 4.3 Annual professional development activities focusing on college wide training and development initiatives will be offered annually.

Status: Achieved

Expected Completion: Ongoing

Progress Made in the last 12 Months:

- Northern Lakes College supports all employees in pursuing advanced credentials.
- The Instructional Skills Workshop was offered to all new faculty at the Slave Lake campus in August. The workshop focuses on teaching and learning and is mandatory for all new faculty. This training is offered annually.
- Online Workplace Hazardous Materials Information System 2015 (WHMIS 2015) training, Freedom of Information & Privacy (FOIP) and Occupational Health & Safety orientation have become a mandatory part of all new employees' onboarding.
- The Centre for Teaching and Learning offered thirty-three online training sessions to faculty this year and will continue to do so annually.
- NLC employees attended the Agresso Conference and two-day training session.
- NLC staff participated in government certified training for mental health first aid.

- 4.4 Human Resources templates, recruitment documents and processes will be reviewed for quality assurance and College branding in 2015.

Status: Achieved

Progress Made in the last 12 Months:

- Recruitment documents have been reviewed and updated to ensure and enhance College branding.
- Human Resources Generalist is present at all interviews to ensure processes are followed.
- A system is in place to track the receipt of transcripts, certifications, and licenses to ensure that employees have the required credentials upon hire.

2015-16 HIGHLIGHT

OVER 100 CERTIFIED TEACHERS EARNED THEIR BACHELOR OF EDUCATION THROUGH ATEP PROGRAM IN PARTNERSHIP WITH THE UNIVERSITY OF ALBERTA AND ARE WORKING IN NORTHERN ALBERTA.

4.5 Human Resource's on-boarding process will be supported and reinforced at the department level.

Status: Achieved

Progress Made in the last 12 Months:

- A new on-boarding procedure has been developed.
- An on-boarding checklist has been developed and implemented for Human Resources and Managers.
- The Information Technology department is informed of all hires to ensure appropriate access is granted.
- Human Resources has implemented a process to follow up with new employees after they are hired to ensure all questions are answered.
- All new staff are introduced at the annual general meetings.
- Program areas work collaboratively with Human Resources to carry out orientation of new employees.

4.6 All Commencement documents and processes are currently under review and will be complete by December 2016.

Status: Achieved

Progress Made in the last 12 Months:

- All hiring documents have been reviewed and changes made to ensure processes are accurately followed.

2015-16 HIGHLIGHT

NEW NORTHERN LAKES
COLLEGE LOGO & BRANDING

IN THE NEWS

Northern Lakes College Celebrates Earth Day

Members of the Regional Environmental Action Committee (REAC) along with Ann Everatt, President and CEO of Northern Lakes College and a group of students and staff met on the grounds of the Slave Lake Campus to celebrate Earth Day 2016. It's no coincidence that REAC chose NLC's Slave Lake Campus as the backdrop for their Earth Day celebration for here, perched on the roof of the facility is their Solar Panel Project. Tilted at 45 degrees, the array of solar panels was installed in 2014 and is designed to produce 5760 watts of electrical energy for the facility. Collecting the sun's energy year round, this silent but important demonstration project reflects the College's commitment to partnering with industry and the public to work toward environmental sustainability. "REAC is very pleased with the solar power project installed at Northern Lakes College. There were several funding partners in the project - BP Canada, Pembina Pipelines, Encana, Rotary Club of Slave Lake, Penn West, Shell Canada and RMSS Outdoor Education; this partnership shows that we can all act together toward a sustainable future" says Bonnie Raho, Chair of REAC.

To read the full media release please visit www.northernlakescollege.ca

5 | Maximize college effectiveness, quality and funding to ensure our learners are prepared for employment or further education

- 5.1 A program outcomes framework and program review process will be created before the end of 2016. The goal will be to meet or exceed established benchmarks for all programs.

Status: Achieved

Progress Made in the last 12 Months:

- Program outcomes are identified in the program handbooks. Course outcomes are identified in course outlines. Combined, these provide the program outcomes framework.
- All programs were reviewed through the internal program review process. Recommendations resulting from the reviews were implemented.
- Benchmarks are being established for all programs and an intensive program is implemented annually.

- 5.2 One new partnership will be created per year for the next three years.

Status: Achieved

Expected Completion: Ongoing

A number of new partnerships have been developed including:

- The University of Calgary offered the Bachelor of Social Work degree completion at the Peace River campus.
- NLC partnered with First Nations Inuit Health Branch to offer an Addictions Service Worker program.
- Continuing Education & Corporate Training formed a partnership with ATAP Infrastructure Management to develop Water Wastewater Level 1 training.
- Red Crow Community College, Lethbridge College, and Northern Lakes College partnered with Health Canada to support the development and delivery of the Community Health Promotion Certificate and Diploma. The first accredited program in Canada designed for on-reserve health promotion professionals.
- The Early Learning and Child Care faculty developed a partnership with the Supports for Early Learning and Child Care, Slave Lake Chapter, to host a conference in June, 2016. This conference took place at the Slave Lake campus and NLC faculty presented.
- A faculty member represents the College as a member of the Slave Lake chapter of the Supports for Early Learning and Child Care. This partnership supports ongoing recruitment into the Early Learning and Child Care programs.

IN THE NEWS

Northern Lakes College Participates in Peace Country Science Fair

This year's Peace Country Regional Science Fair included participation from the Northern Lakes College resident Instructor in Atikameg, Michele Prevost. Ms. Prevost holds a Master's Degree in Molecular Biology and was invited to assist in the judging process in Peace River on March 23rd. The Regional Science Fair, which was held this year at the Belle Petroleum Centre showcases and celebrates student work in the area of scientific research from school communities in the Peace Country. Held as an annual, two-day event the fair is a product of cooperation and involvement between industry, governments, regional schools and most importantly, the students themselves.

To read the full media release please visit www.northernlakescollege.ca

5.3 Funds raised through alternate sources will increase 5% per year for the next three years.

Status: Not Achieved

Expected Completion: Ongoing

Progress Made in the last 12 Months:

- Overall the College experienced a 10.4% decrease from the prior year.
- Ancillary revenue streams decreased slightly due to less rental revenues.
- Donations and other contributions experienced a decrease from the prior year as the College did not have a capital campaign underway.
- Continuing Education & Corporate Training revenue experienced a slight increase (2.4%) over the prior year.

5.4 The number of dual credit agreements will expand to include two additional regional school districts and one out-of-region school district annually.

Status: Achieved

Progress Made in the last 12 Months:

- Eight regional and three out-of-region school jurisdiction dual credit agreements were signed for 2015-16.
- A partnership was formed with Alberta Health Services and the Fort Vermilion School Division to pursue a joint venture for dual credit in Health Care Aide.

5.5 Dual credit FLEs will increase by 10% annually.

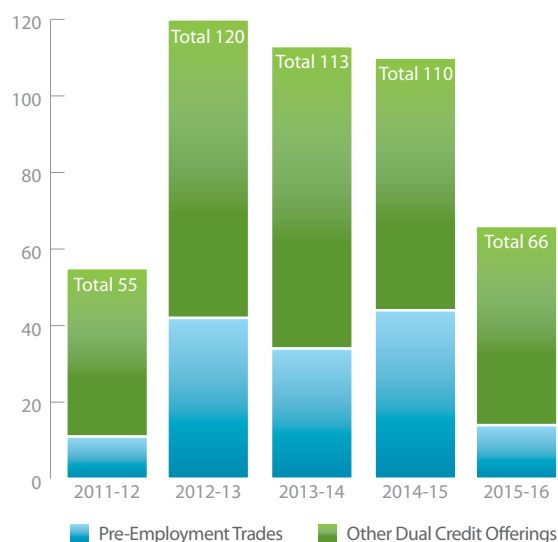
Status: Not Achieved

Expected Completion: Ongoing

Progress Made in the last 12 Months:

- Overall dual credit FLE enrollments declined in the 2015-16 academic year.
- Dual credit students were primarily enrolled in pre-employment trades programs in the prior year. With the economic downturn, the number of dual credit students enrolled in these programs was drastically reduced in 2015-16 which mirrors the enrollment change in trades overall.
- Three dual credit students successfully completed the first offering of Sociology 1000 in 15-16.
- A record number of over 40 dual credit students in the Power Engineering program were enrolled in the 2015-16 school year.

DUAL CREDIT HEADCOUNT



5.6 Northern communities clean water management needs will be supported with the help of sister institutions by developing and implementing training programs by June 2015.

Status: Partially Achieved

Expected Completion:

Level 1 September 2016,

Level 2 January 2017

Progress Made in the last 12 Months:

- Continuing Education & Corporate Training, in partnership with ATAP Infrastructure Management, has created a Water & Wastewater Operator Preparation program, with Level 1 launching in September, 2016 and Level 2 in January, 2017.
- Partnerships were developed to provide field placement experience as part of the Water & Wastewater Operator Preparation Program.
- Water North Coalition was developed in 2014 to find and implement northern solutions to water sourcing and water challenges through: advocacy, public education, attraction/retention, and training. Both Northern Lakes and Portage College are members of this coalition, and take information from this group into consideration in order to address water needs in northern Alberta from an educational perspective.

5.7 Business and industry safety and compliance training needs will be met through Continuing Education & Corporate Training as evidenced by increased revenue targets of 15% per annum.

Status: Not Achieved

Progress Made in the last 12 Months:

- The economic downturn in 2015-16 had a negative impact on Continuing Education & Corporate Training safety training revenue, highlighting the direct relationship between industry activity and the need for safety training. The College safety training enrollments are expected to rebound as the economy recovers.

5.8 Credit program FLE targets will increase annually by an average of 3% through the recruitment, retention and transition of our learners to further education and employment in their chosen field.

Status: Not Achieved

Expected Completion: Ongoing

- Trades and Resource Technology programs enrollments were significantly impacted in 2015-16 by the economic downturn. Enrollment in the Oilfield Operator Training Program dropped by ten FLEs and the Power Engineering Programs went from 206 FLEs to 151. Alberta Apprenticeship and Industry Training allocated fewer trades seats to NLC in the 2015-16 academic year. The exception was the Electrician Apprentice Program; enrollments remained stable in this program. The Crane & Hoisting Programs also remained stable. Enrollments in Trades & Resource Technology have had the largest impact on overall enrollments.
- University Studies experienced an increase in enrollment in 2015-16.

- Business Administration experienced a decrease in enrollments due to the cancellation of low enrollment programs and the dissolution of a program partnership. Additional Business Administration offerings were developed in the 2015-16 academic year for delivery in 2016-17.
- Basic and Preparatory programs, including Academic Upgrading and Adult Basic Education, enrollment increased year-over-year and remains a high enrollment area. There continues to be a significant need for Basic and Preparatory programs throughout the Northern Lakes College service region.
- Health programs experienced a notable decline in the Health Care Aide Program, largely due to a decline in student funding opportunities. The Practical Nurse Program remains a high enrollment area. Emergency Medical Responder enrollment declined over the 2015-16 year due to limited employment opportunities, while the Emergency Medical Technician Program exceeded enrollment forecasts.
- Human Services program enrollment met or exceeded forecasts in most cases. While the Social Work Program did not meet forecasted enrollment, it was in alignment with five-year trends. A decline in first-year students was noted for this program.

5.9 A Community/Stakeholder Engagement Plan will be developed which includes enhancing the role of the CEC and student recruitment opportunities. This plan will be developed and implemented by December 2016.

Status: In-Progress

Expected Completion: December 2016

Progress Made in the last 12 Months:

- The President's Office and External Relations Department worked with stakeholders and the Community Education Committees (CEC's) to develop a continuous Community Stakeholder Engagement Plan.
- Ongoing stakeholder consultation is undertaken each year to inform people about institutional planning and overall direction in multiple communities.
- The Community Education Committees remained an integral part of the college's approach to community-based education.
- The Council of Community Education Committees meetings were hosted quarterly, and a spring workshop focused on the Truth and Reconciliation Commission Calls to Action for Post-Secondary.

IN THE NEWS

Northern Lakes College Offers EMT-Paramedic Program

Advanced Education has recently approved a new program at Northern Lakes College. The Emergency Medical Technologist-Paramedic program is a two-year diploma program that will prepare students to practice emergency pre-hospital medical and trauma care. Students will gain hands-on experience through hospital, intermediate and advanced care practicums. The program will be offered face-to-face in Slave Lake over the two years. The first offering will be September 2016. "The Emergency Medical Technologist – Paramedic program reflects Northern Lakes College's commitment to providing leading skills based training in health careers," said Kathy Reid, Chair Allied Health. "It's critical to offer ongoing training for individuals to further their careers and fill much needed positions that require advanced education."

To read the full media release please visit www.northernlakescollege.ca

5.10 A College Environmental Sustainability Plan will be developed and implemented by December 2016.

Status: In-Progress

Expected Completion: December 2016

Progress Made in the last 12 Months:

- The Facilities and Ancillary Services Department has identified areas to reduce carbon emission through conservation initiatives. NLC is reducing power consumption by replacing all technology systems with more power-conscious solutions and virtualization.
- A request for proposal for an Asbestos Management Plan was developed and placed for Tender with an expected completion date of April, 2017
- Data logging and software analytics have been implemented and are utilized to maximize building automation efficiency.

2015-16 HIGHLIGHT

DUAL CREDIT PARTNERSHIPS WITH 10 SCHOOL BOARDS IN NLC'S SERVICE REGION.

5.11 Learners will be surveyed each year in regards to their satisfaction with College services. Benchmarks will be established and goals identified for improvement.

Status: Not Achieved

Expected Completion: Ongoing

Progress Made in the last 12 Months:

- A survey was administered to gauge student satisfaction with College services to assist in establishing benchmarks.
- A review of the Student Services division is anticipated for 2016-17 to inform the development of benchmarks.

Being treated with respect by staff

Percent very satisfied or satisfied 95%

Access to campus building

Percent very satisfied or satisfied 89%

Computer and information technology services

Percent very satisfied or satisfied 97%

Help from your Academic Counsellor

Percent very satisfied or satisfied 95%

Student organizations and activities

Percent very satisfied or satisfied 82%

Recreational Facilities and activities

Percent very satisfied or satisfied 63%

IN THE NEWS

Million Dollar Idea Wins Big at 2015 Capstone Awards

Northern Lakes College Maintenance Management Professional (MMP) students James Gunn and Darren Mangin were recently recognized by hundreds of peers at the 2015 Capstone Awards Ceremony at the MainTrain Conference in Vancouver, BC. James Gunn was the 2015 Winner of the Capstone Award for Excellence in Business Process Focused Capstone Project. Mr. Gunn's project will allow his employer to save millions of dollars. Northern Lakes College student Darren Mangin was also recognized as the 2015 Winner of the Capstone Award for Excellence in Technical Focused Capstone Project for Hiram Walker & Sons Limited.

To read the full media release please visit www.northernlakescollege.ca

6 Elevate the NLC Brand and Image

6.1 An internal and external communications plan focused on the College's re-branding initiative will be developed in 2015.

Status: In-Progress

Expected Completion: June 2017

Progress Made in the last 12 Months:

- A Communication Plan was developed and implemented. A new logo was approved by the Board of Governors in May, 2016 and unveiled to the public at the June Annual General Meeting with a celebration including a branding video. Institutional Branding Guidelines have been completed, approved, and implemented internally.
- New brand and logo are being implemented throughout the College (website, logos on all fleet vehicles, signs on buildings, floor mats, forms, recreational advertising in community facilities). We expect this changeover to be completed in the next year.
- The College Merchandise store is fully stocked, and merchandise sales tripled in value over the previous year. Engaged student participation from every campus through surveys and meetings in the selection of College Closet merchandise. A wide variety of new items are available to students at reasonable prices.
- Seven new CTV videos were produced, and the commercials aired in the fall and spring. Three additional videos were produced and aired on YouTube.
- The NLC training ambulance had a full vinyl graphic wrap applied, further enhancing the NLC brand and advertising Health programs.

6.2 A marketing plan, including social media and media will be integrated in 2015.

Status: Achieved

Progress Made in the last 12 Months:

- A Social Media Plan was developed and integration is complete. Social media platforms include Facebook, Instagram, Twitter, LinkedIn, and YouTube. A social media scheduler is in place with continuous updates to all platforms.
- Social media advertising campaigns have been very successful in increasing general brand awareness, driving customers to the NLC website, and increasing conversations by the public on Facebook and Twitter. New branding has been integrated onto the website.

6.3 Program-specific target marketing plans for each program will be developed by the end of 2015.

Status: Achieved

Progress Made in the last 12 Months:

- The marketing staff met with all program Chairs and developed marketing plans for each program, including how to focus on low enrollment campuses or programs. Each marketing plan has specific outcomes identified and goals set by the target market research conducted. Specific campaigns were developed to target student demographics.
- Branding kits including brochures, posters, and promotional giveaways were sent to each campus.
- Recruitment and Marketing staff attended over 25 external career fairs, trade shows, and community events providing exposure and program promotion to various audiences across the NLC service region.

7 | Enhance Research and Scholarly Activity

7.1 The college will partner with other institutions, when and where appropriate.

Status: In-Progress

Expected Completion: Ongoing

Progress Made in the last 12 Months:

- The Participatory Assessment for Knowledge and Learning is developing an assessment tool for Indigenous learners in Alberta. The Northern Lakes College Research Ethics Committee approved the Academic Upgrading Department's participation in this research.

7.2 The College will support internal research projects that focus on teaching and learning.

Status: Achieved

Expected Completion: Ongoing

Progress Made in the last 12 Months:

- Community Health Promotions has developed a research proposal for the investigation of a Cultural Seminar with First Nations.
- The Northern Lakes College Truth & Reconciliation Committee was formed in response to the Truth and Reconciliation Commission of Canada Calls to Action. The committee has developed initiatives focused on incorporating Indigenous curriculum content, and success strategies for Indigenous students.
- NLC is a member of the Integrated School Support Project (ISSP), an ambitious intervention initiative that is intended to provide intensive wraparound services to address a variety of needs in a diverse school and community in First Nations communities. The objective is to create a supportive environment in which a child can attain personal success both academically and socially. We want to enhance and make accessible the supports and resources necessary to fulfill this goal.
- NLC is in discussions with the University of Alberta (ICCER) to support Aboriginal Research Initiatives and Health in Aboriginal Communities in northern Alberta.

IN THE NEWS

Dual Credit Students Successful at NLC

Dual Credit programming provides high school students the opportunity to enroll in post-secondary courses and earn credits towards both their high school diploma and post-secondary credits at the same time. High school student Travis Wakefield and Brody Timmann have successfully passed both the Northern Lakes College and Alberta Apprenticeship and Industry Training exams. These students have put themselves ahead of their peers and now have the skills and experience that rivals many 20-25 year olds. Northern Lakes College is currently working with several school districts in the region providing dual credit programming to high school students.

To read the full media release please visit www.northernlakescollege.ca

INFORMATION TECHNOLOGY

IT STRATEGIC PLANNING AND MANAGEMENT	
Activities	Outcome
An intensive business process review of our Information Technology Department was conducted during the 2015-16 year. This review identified capacity and system issues that required support to ensure the department had the capacity to support the Comprehensive Institutional Plan.	Improved alignment to maximize investments in technology to meet business needs. All current projects are aligned with the CIP goals. Further investments are required to support ongoing projects.
Introduced Stakeholder Relationship Management through quarterly meetings with each stakeholder department of the College.	Improved alignment with department stakeholder needs.
IT OPERATIONS MANAGEMENT	
Helpdesk customer support calls resolution was introduced this year with regular reviews to ensure prompt service. (Opened tickets vs Closed tickets)	Maintained a high user satisfaction level.
Extended the IT Helpdesk support hours to ensure support was available during evening classes.	Improved support for Continuing Education & Corporate Training students and students' accessing programs during the evening hours.
IT APPLICATION MANAGEMENT	
Time and attendance module implemented in Agresso.	Improved time tracking and employee management capability.
Agresso health check completed for Student Services, Finance and Human Resources modules.	Improved insight into potential enhancement features to help Student Services, Finance and Human Resources departments.
The Learner Management System (LMS) was upgraded in 2015-16 (Moodle upgrade).	Improved student access while enhancing available features to improve student experience.
IT INFRASTRUCTURE MANAGEMENT	
Capacity expansion for Virtual Server Infrastructure	Mitigated IT systems and application failure risk. Improved user experience.
Work station capacity expansion; 50 new computers deployed for laboratories and e-learning locations.	Enhanced student's access to learning infrastructure.

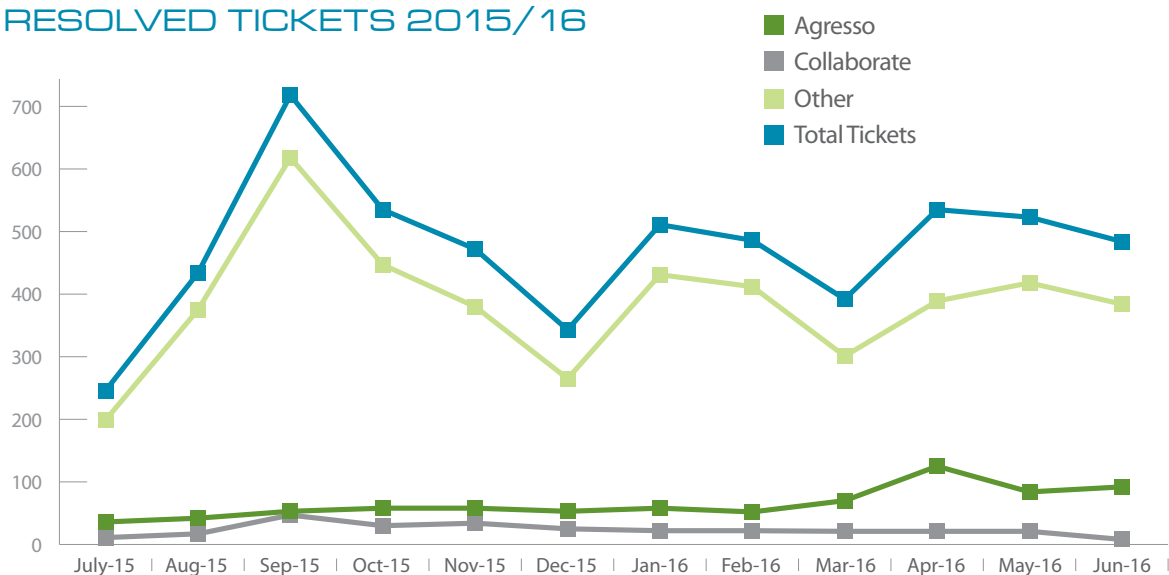
IT CAPITAL BUDGET SUMMARY

Actual - Approved Budget	Spent - Capital deployed
\$701,000	\$ 281,687

Please note that the expenditures for the capital budget variance appears high due to a number of capital projects that were approved in the budget but were delayed until 2016-17. (eg: the mytradesecret integration with provincial system).

IT PROJECTS	
Activities	Outcome
Upgrade of Business Unit4 (Agresso) from Milestone 3 to Milestone 5	Upgrade completed, providing new capabilities and improved business processes.
Redesign of Northern Lakes College website with E-commerce capability (in progress)	The Website development is still in progress, however substantial user access was implemented in 2015/16.
MS Office 365 Implementation	This project is 60% complete with an expected completion in 2016/17. Improved business continuity.
Windows 10 Upgrade	Improved staff & student experience with new windows platform.
Enterprise Content Management – DocuShare	DocuShare implementation completed for Student Services. Improved content management and retention for student services.
Wide Area Network Capacity Expansion	Achieved 5 to 10 times capacity expansion. Enhanced access for learners to learning resources.

RESOLVED TICKETS 2015/16



Note: An average of 473 support tickets are resolved per month by the IT service desk, with September being the peak period.

CAPITAL PLAN

MOBILE TRADES LABS

Type: New

Status: Complete

Expected Completion: Equipment procurement expected completion in July 2016

Progress Made in the last 12 Months:

- The first Mobile Trades Lab arrived in February 2016 and was deployed to Sturgeon Cree Nation where Preparatory Trades programs were delivered.
- The second Mobile Trades Lab arrived in July 2016.
- NLC has support to deliver mobile trades programming for five years.
- Grant Total: \$3,050,000

CRANE & BOOM TRUCK TRAINING

Type: New

Status: Complete

Expected Completion: Equipment procurement complete in June 2016

Progress Made in the last 12 Months:

- Cranes and Boom Trucks were delivered to NLC throughout the 2015-16 year.
- NLC has support to deliver mobile trades programming for five years.
- Grant Total: \$3.4M

GIFT LAKE CAMPUS

Type: New

Status: Complete

Expected Completion: Completed June 2015, students attending in September 2015

Progress Made in the last 12 Months:

- The Gift Lake Campus construction was complete in June 2015, with students attending in September 2015.
- This campus replacement was a successful partnership with Northlands School Division.

FORT VERMILION CAMPUS REPLACEMENT

Type: New

Status: Complete

Expected Completion: Construction completed June 2016. Equipment installation and opening by September 2016.

Progress Made in the last 12 Months:

- Construction of the Fort Vermilion Campus was completed with a modernized modular campus, equipment installation and campus opening slated for the 2016-17 academic year.

TROUT LAKE/PEERLESS LAKE FIRST NATION CAMPUS REPLACEMENT

Type: New

Status: In-Progress

Expected Completion: February 2019

Progress Made in the last 12 Months:

- Funding has been secured and agreements are being negotiated with Peerless/Trout First Nation. Design and development has commenced.

INFORMATION TECHNOLOGY UPGRADES

Type: Upgrades

Status: In-Progress

Expected Completion: 2018-19

Progress Made in the last 12 Months:

- The Enterprise Resource Program upgrade to Milestone 5 was completed under budget.
- Enterprise Content Management system (DocuShare) implementation was completed under budget.
- Windows 10 and MS Office 365 implementation was completed.
- The mytradesecret.com integration project was delayed pending funding allocation.
- Completion of the network capacity expansion project has resulted in a five to ten times increase in network capacity for staff and students.

HIGH PRAIRIE CONSOLIDATED CAMPUS

Type: New

Status: Planning

Expected Completion: TBD

Progress Made in the last 12 Months:

- The High Prairie Consolidated Campus has been identified as NLC's top priority within the Capital Plan. NLC has developed a comprehensive business case for this project. An application was submitted to the Federal Strategic Infrastructure Fund but was unsuccessful.
- NLC has continued to engage with local partners in High Prairie to ensure a shared vision for the project.

SLAVE LAKE TRADES AND RESOURCE TECHNOLOGY FACILITY

Type: New

Status: Planning

Expected Completion: TBD

Progress Made in the last 12 Months:

- NLC has developed a comprehensive business case for this project. An application was submitted to the Federal Strategic Infrastructure Fund but was unsuccessful.

COMMUNITY LEARNING CENTRE REPLACEMENTS PHASE 1

Type: New

Status: Planning

Expected Completion: TBD

Progress Made in the last 12 Months:

- The following campuses have been prioritized for campus replacement and await funding:
- Chateh
- Driftpile
- Cadotte Lake
- Atikameg

COMMUNITY LEARNING CENTRE REPLACEMENTS PHASE 2

Type: New

Status: Slated

Expected Completion: TBD

Progress Made in the last 12 Months:

- The following campuses are nearing the end of their useful lifecycle and will require replacement and remain in the Capital Plan:
- Peavine
- Athabasca
- Valleyview

INTERNALLY FUNDED CAPITAL PROJECTS

Projects	Budget	Actual
IT (Servers, Agresso)	\$701,000	\$281,687
Facilities (Equipment, vehicles)	\$213,000	\$293,288
Academic (Health programs, paramedic, other)	\$879,500	\$822,231
Contingency	\$191,000	\$157,932

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

CHANGES IN FINANCIAL PRESENTATION

During the fiscal year ended June 30, 2016, the College adopted the presentation of the Net Financial Asset indicator in the Consolidated Statement of Financial Position. In adopting this presentation, the College, along with other post-secondary institutions in Alberta, received direction from the Controller of the Province of Alberta relating to the classification and presentation of portfolio investments restricted for endowments along with recording of endowment contributions and related investment income capitalized on an annual basis into the endowed balance. The impact of this direction results in:

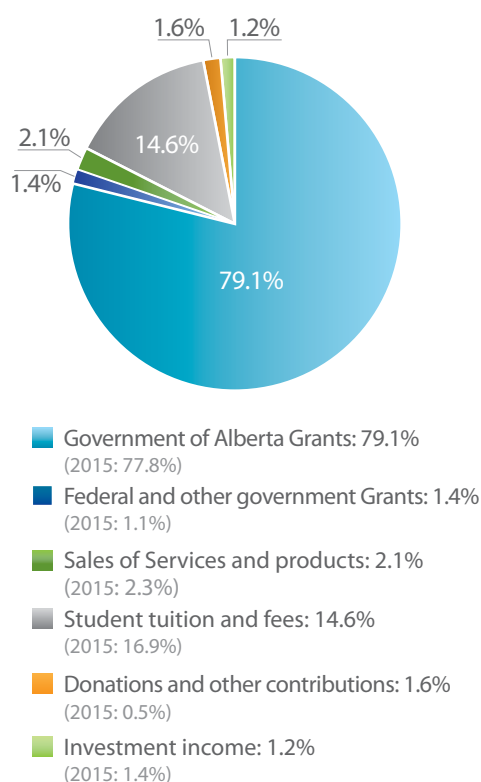
1. Presentation of net Financial Assets on the Consolidated Statement of Financial Position that includes portfolio investments restricted for endowments; and,
2. The inclusion of endowment contributions and related capitalized endowment investment income in the Consolidated Statement of Operations after annual surplus from operations. These amounts were not previously recorded in the Consolidated Statement of Operations, but as direct increases into net assets.

CONSOLIDATED STATEMENT OF OPERATIONS

REVENUE (in 000's)

Total revenue increased by \$270 (0.6%) from \$41,975 in 2015 to \$42,245 in 2016.

The distribution of total revenue between revenue sources for the 2016 fiscal year is presented in the chart below. A comparative percentage for the previous year is also shown.



- 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%, while the College had budgeted for a decrease of 5%. GoA grants are also more than budget due to funding provided in place of tuition freezes.
- Federal and other government grants was more than budget due to the College collaboratively participating in a Federally funded program.
- 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 \$903 was higher than budget but lower than 2015 consistent with expectations.
- Student tuition and fees was under budget due to the tuition fees freeze implemented by the GoA. In addition, commodity market pressures caused some of the vocational programs to have lower than expected student numbers.
- Donations and other contributions support many College activities. Donations and other contribution revenue is more than budget due to increased revenue recognition from the deferred revenues of the College.
- Investment income was under budget due to market conditions not being as strong as anticipated. This income does not include the accumulated remeasurement gain in net assets.

Revenue	Budget	2016	2015
Government of Alberta Grants	31,880	33,395	32,666
Federal and other government grants	400	608	472
Sales of services and products	815	903	949
Student tuition and fees	7,676	6,158	7,080
Donations and other contributions	332	692	211
Investment income	641	489	597

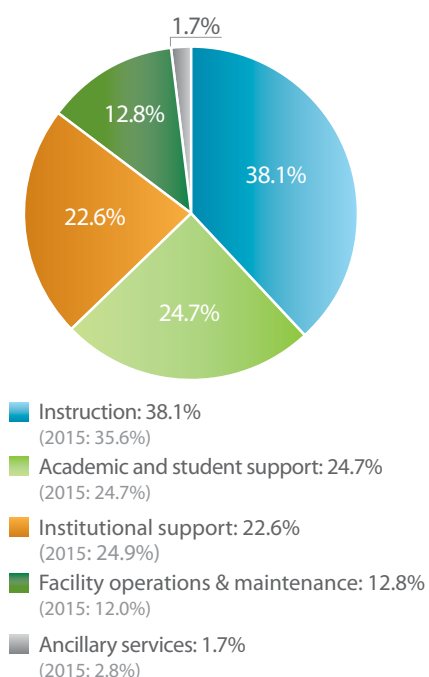
CONSOLIDATED STATEMENT OF OPERATIONS

EXPENSES (in 000's)

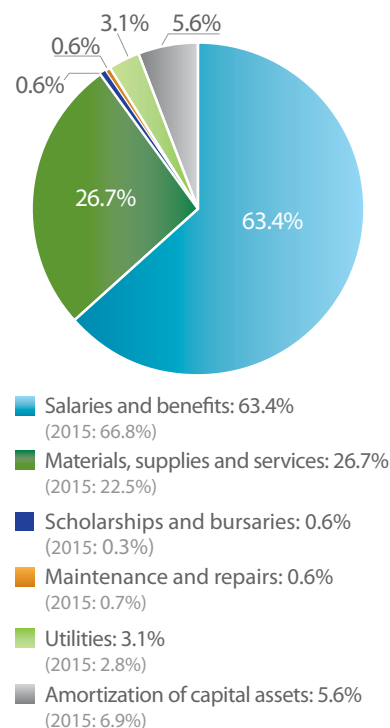
Total actual expenses decreased by \$3,015 (7.1%), from \$42,331 in 2015 to \$39,316 in 2016.

The distribution of total expenses by objects of expenditure for the 2015-16 fiscal year is presented in the following chart.

EXPENSES BY FUNCTION



EXPENSES BY OBJECT



Expenses	Budget	2016	2015
Salaries and benefits	24,851	24,926	28,289
Materials, supplies and services	12,839	10,483	9,545
Scholarships and bursaries	51	221	120
Maintenance and repairs	382	235	290
Utilities	1,356	1,236	1,174
Amortization of capital assets	2,265	2,215	2,913

- Salaries and benefits are on budget. The reduction from prior years reflects no restructuring costs in 2016.
- Materials, supplies and services are less than budget but increased from 2015. This is as a result of cost savings the College was able to obtain surrounding classroom consumables and resource materials.
- Other remaining expenses are comparable to budget

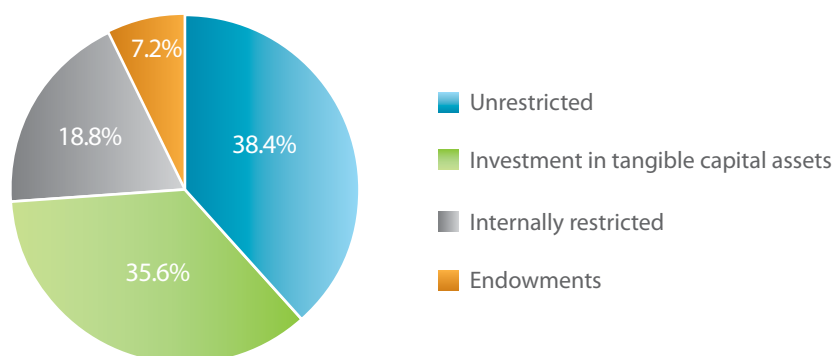
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

NET ASSETS (in 000's)

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

	Balance June 30, 2015	Change	Balance June 30, 2016
Accumulated surplus			
Accumulated operating surplus	\$ 6,981	\$1,176	\$ 8,157
Investment in tangible capital assets	7,972	353	8,325
Internally restricted surplus	3,000	1,400	4,400
Endowments	<u>1,663</u>	<u>17</u>	<u>1,680</u>
Total accumulated surplus	19,616	2,946	22,562
Accumulated remeasurement gains	<u>712</u>	<u>106</u>	<u>818</u>
Total net assets	<u>\$20,328</u>	<u>\$3,052</u>	<u>\$23,380</u>

NET ASSETS AT JUNE 30, 2016



Net assets is more fully described in Note 13 to the consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

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 \$2,213 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.

	<u>2016</u>	<u>2015</u>
Net financial assets (as presented in the consolidated statement of financial position)	\$14,139	\$11,751
Less portfolio investments – restricted for endowments	<u>(2,213)</u>	<u>(2,068)</u>
Adjusted net financial assets	<u>\$11,926</u>	<u>\$ 9,683</u>

During the year the Adjusted Net Financial Asset balance increased by \$2,243 primarily as a result of significant capital spending out of deferred revenues. The College continues to have sufficient positive Adjusted Net Financial Assets, demonstrating financial strength and commitment to managing the College's financial position.

NORTHERN LAKES COLLEGE

Consolidated Financial Statements

June 30, 2016



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, 2016, 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, 2016, 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 20, 2016

Edmonton, Alberta

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, 2016 and the results of its operations for the year then ended June 30, 2016.

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. The majority of 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 Dan Vandermeulen]
Chair, Board of Governors

[Original signed by Ann Everatt]
President and CEO

NORTHERN LAKES COLLEGE

Consolidated Statement of Financial Position
As at June 30, 2016
(thousands of dollars)

	2016	2015
Financial Assets		
Cash and cash equivalents (Note 4)	\$ 4,983	\$ 13,501
Portfolio investments - non-endowment (Note 5)	18,660	11,685
Portfolio investments - restricted for endowments (Note 5)	2,213	2,068
Accounts receivable (Note 7)	4,017	703
Inventories for resale	16	26
	29,889	27,983
Liabilities		
Accounts payable and accrued liabilities	4,997	4,757
Employee future benefits liabilities (Note 9)	488	799
Debt (Note 10)	3,078	-
Deferred revenue (Note 11)	7,187	10,650
Liability for contaminated sites	-	26
	15,750	16,232
Net financial assets	\$ 14,139	\$ 11,751
Non-financial assets		
Tangible capital assets (Note 8)	37,649	31,421
Inventories of supplies	587	335
Prepaid expenses	329	269
	38,565	32,025
Net assets before deferred capital contributions	52,704	43,776
Spent deferred capital contributions (Note 12)	29,324	23,448
Net assets	\$ 23,380	\$ 20,328
Net assets comprised of:		
Accumulated surplus (Note 13)	22,562	19,616
Accumulated remeasurement gains	818	712
	\$ 23,380	\$ 20,328

Approved by the Board of Governors

[Original signed by Dan 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.

NORTHERN LAKES COLLEGE

Consolidated Statement of Operations
For the year ended June 30, 2016
(thousands of dollars)

	Budget	2016	2015
Revenues			
Government of Alberta grants (Note 20)	\$ 31,880	\$ 33,395	\$ 32,666
Federal and other government grants	400	608	472
Sales of services and products	815	903	949
Student tuition and fees	7,676	6,158	7,080
Donations and other contributions	332	692	211
Investment income	641	489	597
	41,744	42,245	41,975
Expenses			
Instruction	14,656	14,979	15,073
Academic and student support	9,265	9,706	10,460
Institutional support	11,482	8,896	10,538
Facility operations and maintenance	5,711	5,051	5,064
Ancillary services	630	684	1,196
	41,744	39,316	42,331
Annual operating surplus (deficit)	-	2,929	(356)
Endowment contributions and capitalized investment income (Note 13)	-	17	11
Annual surplus (deficit)	-	2,946	(345)
Accumulated surplus, beginning of year	19,616	19,616	19,961
Accumulated surplus, end of year	\$ 19,616	\$ 22,562	\$ 19,616

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

NORTHERN LAKES COLLEGE

Consolidated Statement of Change in Net Financial Assets
For the Year Ended June 30, 2016
(thousands of dollars)

	2016	2015
Annual surplus (deficit)	\$ 2,946	\$ (345)
Acquisition of tangible capital assets	(8,598)	(5,125)
Proceeds from sale of tangible capital assets	183	223
Amortization of tangible capital assets	2,215	2,913
(Gain) loss on sale of tangible capital assets	(28)	19
Change in inventories of supplies	(252)	265
Change in prepaid expenses	(60)	(116)
Change in spent deferred capital contributions (Note 12)	5,876	1,736
Net accumulated remeasurement gains (losses)	106	201
Increase (decrease) in net financial assets	2,388	(229)
Net financial assets, beginning of year	11,751	11,980
Net financial assets, end of year	\$ 14,139	\$ 11,751

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

NORTHERN LAKES COLLEGE

Consolidated Statement of Cash Flows
Year Ended June 30, 2016
(thousands of dollars)

	2016	2015
OPERATING TRANSACTIONS		
Annual surplus (deficit)	\$ 2,946	\$ (345)
Add (deduct) non-cash items:		
Amortization of tangible capital assets	2,215	2,913
(Gain) loss on disposal of tangible capital assets	(28)	19
Expended capital recognized as revenue	(1,519)	(1,890)
(Decrease) increase in employee future benefit liabilities	(311)	283
(Increase) decrease in accounts receivable	(3,314)	235
Decrease (increase) in inventories for resale	10	(11)
Increase in accounts payable and accrued liabilities	241	124
(Decrease) increase in deferred revenue	(3,463)	473
Increase in spent deferred capital contributions, less expended capital recognized as revenue	7,395	3,626
Decrease in liability for contaminated sites	(26)	-
(Increase) decrease in inventory of supplies	(252)	265
Increase in prepaid expenses	(60)	(116)
Cash provided by operating transactions	3,834	5,576
INVESTING TRANSACTIONS		
Purchases of portfolio investments, net of sales	(7,015)	(951)
Cash applied to investing transactions	(7,015)	(951)
FINANCING TRANSACTIONS		
Debt - new financing	3,259	-
Debt repayment	(181)	-
Cash provided by financing transactions	3,078	-
CAPITAL TRANSACTIONS		
Acquisition of tangible capital assets	(8,598)	(5,145)
Proceeds on sale of tangible capital assets	183	223
Cash applied to capital transactions	(8,415)	(4,922)
Decrease in cash and cash equivalents	(8,518)	(297)
Cash and cash equivalents at beginning of year	13,501	13,798
Cash and cash equivalents at end of year	\$ 4,983	\$ 13,501

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

NORTHERN LAKES COLLEGE

Consolidated Statement of Remeasurement Gains
For the Year Ended June 30, 2016
(thousands of dollars)

	2016	2015
Accumulated remeasurement gains at beginning of year	\$ 712	\$ 511
Unrealized gains (losses) attributable to:		
Portfolio investments - non-endowment	122	223
Portfolio investments - restricted for endowments	17	11
Amounts reclassified to the consolidated statement of operations:		
Portfolio investments - non-endowment	(16)	(22)
Portfolio investments - restricted for endowments	(17)	(11)
Accumulated remeasurement gains at end of year	\$ 818	\$ 712

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

NORTHERN LAKES COLLEGE

Notes to the Consolidated Financial Statements

June 30, 2016

(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
Fixed income investments	Amortized cost
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 instruments 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 recorded 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 instruments 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.

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.

NORTHERN LAKES COLLEGE

Notes to the Consolidated Financial Statements

June 30, 2016

(thousands of dollars)

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

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

In kind donations of services, materials and tangible capital assets are 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. Endowments

Endowments consist of externally restricted donations received by the College, the principal of which is required to be maintained intact in perpetuity.

Investment income earned on endowments must be used in accordance with the various purposes established by the donors or the Board of Governors. 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.

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 dividend, 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.

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.

NORTHERN LAKES COLLEGE

Notes to the Consolidated Financial Statements

June 30, 2016

(thousands of dollars)

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

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

Capital lease obligations are recorded at the present value of the 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

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.

NORTHERN LAKES COLLEGE

Notes to the Consolidated Financial Statements

June 30, 2016

(thousands of dollars)

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

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.

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 20).

NORTHERN LAKES COLLEGE

Notes to the Consolidated Financial Statements

June 30, 2016

(thousands of dollars)

3. Changes in Accounting Policies

a. Adoption of the Net Debt Model

The net debt model (with reclassification of comparatives) has been adopted for the presentation of financial statements. Net financial asset or net debt is measured as the difference between the College's financial assets and liabilities. The effect of this change results in changing the presentation of the consolidated statement of financial position and adding the consolidated statement of change in net financial assets (net debt).

b. Endowment contributions and capitalized investment income

Effective April 1, 2015, 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. In prior years, such transactions were recognized as direct increases to endowments, not through income in the consolidated statement of operations, in the period they were received. This change in accounting policy is applied retroactively with restatement of comparatives.

4. Cash and Cash Equivalents

	2016	2015
Cash	\$ 262	\$ 9,201
Money market funds, short-term notes and treasury bills	4,721	4,300
	<u>\$ 4,983</u>	<u>\$ 13,501</u>

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

5. Portfolio Investments

	2016	2015
Portfolio investments - non-endowment	\$ 18,660	\$ 11,685
Portfolio investments - restricted for endowments	2,213	2,068
	<u>\$ 20,873</u>	<u>\$ 13,753</u>

The composition, fair value, and annual market yields on portfolio investments are as follows:

	2016			
	Level 1	Level 2	Level 3	Total
Investments at Fair Value				
Bonds				
Canadian Bonds	\$ -	\$ 7,812	\$ -	\$ 7,812
Equities				
Mutual funds	5,431	7,630	-	13,061
Other (if significant, please specify)				
Total investments	<u>\$ 5,431</u>	<u>\$ 15,442</u>	<u>\$ -</u>	<u>\$ 20,873</u>
	<u>26 %</u>	<u>74 %</u>	<u>- %</u>	<u>100 %</u>

NORTHERN LAKES COLLEGE

Notes to the Consolidated Financial Statements

June 30, 2016

(thousands of dollars)

5. Portfolio Investments (continued)

	2015			
	Level 1	Level 2	Level 3	Total
Investments at Fair Value				
Bonds				
Canadian Bonds	\$ -	\$ 2,598	\$ -	\$ 2,598
Equities				
Mutual funds	4,568	6,587	-	11,155
Total investments	4,568	9,185	-	13,753
	33 %	67 %	- %	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).

6. 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, 2016, the impact of a change in the rate of return on the investment portfolio is as follows:

- a 13.35% increase in fixed income securities would have a \$1,039 increase (2015 - 16.26% change would have a \$947 increase)

Foreign currency risk

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

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 (2015 - \$2,000) limit with interest paid monthly at an interest rate of Prime plus 0.3% (2015 - Prime plus 0.3%). As at June 30, 2016, no draws (2015 - no draws) have been made from this available line of credit.

Credit risk

The College is exposed to credit risk on investments arising from the potential failure of a counter-party, debtor or issuer to honor its contractual obligations. To manage this risk the College 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.

NORTHERN LAKES COLLEGE

Notes to the Consolidated Financial Statements

June 30, 2016

(thousands of dollars)

6. Financial risk management (continued)

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

Credit Rating	2016	2015
Bonds		
AAA	33.19 %	21.68 %
AA	21.46 %	29.68 %
A	20.47 %	26.89 %
BBB	23.53 %	21.58 %
Not rated	1.35 %	0.17 %
	100.00 %	100.00 %

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 10).

The maturity of interest bearing investments are as follows:

	Less than 1 year	1 to 5 years	Greater than 5 years	Average effective market yield
Cash and cash equivalents	100.00 %	- %	- %	1.30 %
Canadian corporate bonds	9.30 %	90.70 %	- %	2.00 %
Canadian government bonds	- %	58.49 %	41.51 %	2.80 %
Provincial government bonds	- %	100.00 %	- %	2.14 %

7. Accounts Receivable

	2016	2015
Accounts receivable	\$ 4,075	\$ 779
Less allowance for doubtful accounts	(58)	(76)
	\$ 4,017	\$ 703

Accounts receivable are unsecured and non-interest bearing.

NORTHERN LAKES COLLEGE

Notes to the Consolidated Financial Statements

June 30, 2016

(thousands of dollars)

8. Tangible capital assets

	2016						2015	
	Land	Buildings	Land Improvements	Equipment ⁽¹⁾	Computer Hardware & Software	Library	Total	Total
Cost								
Beginning of year	\$ 1,266	\$ 44,938	\$ 723	\$ 6,202	\$ 1,899	\$ -	\$ 55,028	\$ 52,286
Acquisitions	-	1,431	-	6,885	282	-	8,598	5,145
Disposals	(3)	(120)	(37)	(475)	(204)	-	(839)	(2,403)
	1,263	46,249	686	12,612	1,977	-	62,787	55,028
Accumulated Amortization								
Beginning of year	\$ -	\$ 18,092	\$ 333	\$ 3,710	\$ 1,472	\$ -	\$ 23,607	\$ 22,832
Amortization expense	-	1,350	17	781	67	-	2,215	2,913
Effects on disposals, including write-downs	-	(99)	(37)	(345)	(203)	-	(684)	(2,138)
	-	19,343	313	4,146	1,336	-	25,138	23,607
Net book value at June 30, 2016	\$ 1,263	\$ 26,906	\$ 373	\$ 8,466	\$ 641	\$ -	\$ 37,649	\$ -
Net book value at June 30, 2015	\$ 1,266	\$ 26,846	\$ 390	\$ 2,492	\$ 427	\$ -	\$ 31,421	\$ -

Cost include work-in-progress at June 30, 2016 totaling \$1,907 (2015 - \$2,369) comprised of buildings \$107 (2015 - \$2,135), computer hardware and software \$267 (2015 - \$234) and equipment \$1,532 (2015 - nil), which are not amortized as the assets are not in service.

No interest was capitalized by the College in 2016 (2015 - nil).

(1) Equipment includes vehicles, equipment, office equipment and furniture.

9. Employee Future Benefit Liabilities

Employee future benefit liabilities are comprised of the following:

	2016	2015
Long term disability	\$ 488	\$ 799

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, 2016.

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

NORTHERN LAKES COLLEGE

Notes to the Consolidated Financial Statements

June 30, 2016

(thousands of dollars)

9. Employee Future Benefit Liabilities (continued)

	2016	2015
Accrued benefit obligation:		
Balance, beginning	\$ 799	\$ 516
Interest cost	19	10
Benefits paid	(86)	(223)
Actuarial (gain) loss	(244)	496
	<u>\$ 488</u>	<u>\$ 799</u>

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

	2016	2015
Accrued benefit obligation:		
Discount rate	2.5 %	2.5 %
Long-term average compensation increase	- %	- %
Estimated average remaining service life (years)	8	6

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, 2015, the MEPP reported an actuarial surplus of \$299,051 (2014 - \$75,805). An actuarial valuation of the MEPP was carried out as at December 31, 2012 and was then extrapolated to December 31, 2015. The pension expense recorded in these financial statements is \$318 (2015 - \$307).

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 \$2,280 (2015 - \$2,473).

An actuarial valuation of the PSPP was carried out as at December 31, 2013 and was then extrapolated to December 31, 2015. At December 31, 2015, the PSPP reported an actuarial deficiency of \$133,188 (2014 - deficiency of \$803,299). For the year ended December 31, 2015, PSPP reported employer contributions of \$347,759 (2014 - \$326,134) and employee contributions of \$349,954 (2014 - \$328,193). 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.

10. Debt

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

	2016			2015	
	Collateral	Maturity	Interest Rate	Amortized Cost	Amortized Cost
Royal Bank lease agreement	2	May 2019	2.86 %	\$ 3,078	\$ -
				<u>\$ 3,078</u>	<u>\$ -</u>

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

NORTHERN LAKES COLLEGE

Notes to the Consolidated Financial Statements

June 30, 2016

(thousands of dollars)

10. Debt (continued)

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

2017	\$	1,058
2018		1,088
2019		932
2020		-
2021		-
Thereafter		-
	\$	<u>3,078</u>

Interest expense on debt is \$59 (2015 - \$-) and is included in the consolidated statement of operations.

11. Deferred Revenue

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

	2016			2015	
	Restricted				
	Research and special purpose	Unspent deferred capital contributions	Tuition and other fees	Total	Total
Balance, beginning of year	\$ 7,238	\$ 3,112	\$ 300	\$ 10,650	\$ 9,872
Grants, tuition, donations received during the year	4,672	3,461	6,421	14,554	14,940
Restricted investment income	80	28	-	108	88
Unrealized gains (losses)	(23)	-	-	(23)	37
Transfers to spent deferred capital contributions	(2,787)	(4,608)	-	(7,395)	(3,321)
Recognized as revenue	(4,546)	(3)	(6,158)	(10,707)	(10,966)
Balance, end of year	\$ 4,634	\$ 1,990	\$ 563	\$ 7,187	\$ 10,650

12. 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).

	2016	2015
Spent Deferred Capital Contributions		
Spent deferred capital contributions, beginning of year	\$ 23,448	\$ 22,017
Transfers from unspent deferred capital contributions	4,608	1,631
Transfers from deferred research and special purpose	2,787	1,690
Expended capital recognized as revenue	(1,519)	(1,890)
Spent deferred capital contributions, end of year	\$ 29,324	\$ 23,448

NORTHERN LAKES COLLEGE

Notes to the Consolidated Financial Statements

June 30, 2016

(thousands of dollars)

13. Accumulated Surplus

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
Balance as at June 30, 2014	\$ 7,770	\$ 7,439	\$ 3,100	\$ 1,652	\$ 19,961
Operating surplus (deficit)	(345)	-	-	-	(345)
Acquisition of capital assets	(1,235)	1,935	(700)	-	-
Transfer to endowment	(11)	-	-	11	-
Amortization of internally funded tangible capital assets	1,276	(1,276)	-	-	-
Net book value of assets disposals	126	(126)	-	-	-
Net Board appropriation to internally restricted surplus	(600)	-	600	-	-
Balance as at June 30, 2015	6,981	7,972	3,000	1,663	19,616
Operating surplus (deficit)	2,946	-	-	-	2,946
Acquisition of capital assets	(603)	1,203	(600)	-	-
Transfer to endowment	(17)	-	-	17	-
Amortization of internally funded tangible capital assets	709	(709)	-	-	-
Net book value of assets disposals	141	(141)	-	-	-
Net Board appropriation to internally restricted surplus	(2,000)	-	2,000	-	-
Balance as at June 30, 2016	\$ 8,157	\$ 8,325	\$ 4,400	\$ 1,680	\$ 22,562

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:

	2016	2015
Trout/Peerless Campus	\$ 1,000	\$ 1,000
Peace River Student Residences	1,000	1,000
Peace River, Land	400	400
Fort Vermilion Trailer installation	-	600
Slave Lake Trades Centre	1,000	-
High Prairie campus consolidation	1,000	-
	\$ 4,400	\$ 3,000

14. 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.

NORTHERN LAKES COLLEGE

Notes to the Consolidated Financial Statements

June 30, 2016

(thousands of dollars)

15. 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 Technology	Long-term Leases	Total
2017	\$ 253	\$ 172	\$ 302	\$ 727
2018	202	172	280	654
2019	-	72	188	260
2020	-	-	55	55
2021	-	-	8	8
	<u>\$ 455</u>	<u>\$ 416</u>	<u>\$ 833</u>	<u>\$ 1,704</u>

16. 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.

	2016			2015	
	Base salary ⁽²⁾	Other cash benefits ⁽³⁾	Other non-cash benefits ⁽⁴⁾	Total	Total
Governance⁽¹⁾					
Chair of the Board of Governors	\$ 8	\$ -	\$ -	\$ 8	\$ 7
Members of the Board of Governors	18	-	-	18	19
Executive					
President	224	8	37	269	261
Vice-Presidents:					
Vice-President Academic	171	11	37	219	225
Vice-President Corporate Services	164	19	39	222	204
Other					
Senior Director, Human Resources	\$ 123	\$ -	\$ 34	\$ 157	\$ 149

(1) 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.

(2) Base salary includes pensionable base pay.

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

(4) 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.

17. 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.

NORTHERN LAKES COLLEGE

Notes to the Consolidated Financial Statements

June 30, 2016

(thousands of dollars)

18. Expense by Object

The following is a summary of expense by object.

	2016		2015
	Budget	Actual	Actual
(Note 17)			
Salaries and benefits	\$ 24,851	\$ 24,926	\$ 28,289
Materials, supplies and services	12,839	10,483	9,545
Scholarships and bursaries	51	221	120
Maintenance and repairs	382	235	290
Utilities	1,356	1,236	1,174
Amortization of capital assets	2,265	2,215	2,913
	<u>\$ 41,744</u>	<u>\$ 39,316</u>	<u>\$ 42,331</u>

19. 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.

	2016	2015
Northern Alberta Development Council	\$ 44	\$ 54
	<u>\$ 44</u>	<u>\$ 54</u>

NORTHERN LAKES COLLEGE

Notes to the Consolidated Financial Statements

June 30, 2016

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20. 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.

	2016	2015
Grants from Government of Alberta		
Advanced Education:		
Operating	\$ 28,101	\$ 27,349
Other	4,082	3,850
Total Advanced Education	\$ 32,183	\$ 31,199
Other Post-secondary Institutions	\$ 25	\$ -
Total contributions received	32,208	31,199
Restricted expended capital recognized as revenue	1,519	1,890
Less: deferred contributions	(332)	(423)
	<u>\$ 33,395</u>	<u>\$ 32,666</u>
Accounts receivable		
Advanced Education	\$ 3,042	\$ -
Other Government of Alberta departments and agencies	-	1
Other Post-secondary Institutions	-	16
	<u>\$ 3,042</u>	<u>\$ 17</u>
Accounts payable		
Other Government of Alberta departments and agencies	7	-
Other Post-secondary Institutions	\$ 1	\$ 9

21. Approval of Financial Statements

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

22. Comparative Figures

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



NORTHERN LAKES
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