Annual Report 2019-2020





50 YEARS | Inspiring new beginnings. | Creating endless possibilities.



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ACCOUNTABILITY STATEMENT

The Northern Lakes College Annual Report for the year ended June 30, 2020 was prepared under the Board's direction in accordance with the *Fiscal Planning and Transparency Act* and ministerial guidelines established pursuant to the *Post-Secondary Learning Act*. All material economic, environmental or fiscal implications of which we are aware have been considered in the preparation of this report.

<u>Original Signed by Daniel Vandermeulen</u> Chair, 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, are executed in accordance with all relevant legislation, regulations and policies, reliable financial records are maintained and assets are properly accounted for and safeguarded.

The Annual Report has been developed under the oversight of the institution audit committee, as well as approved by the Board of Governors and is prepared in accordance with the *Fiscal Planning and Transparency Act* and the *Post-Secondary Learning Act*.

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

Original Signed by Glenn Mitchell President & CEO



BOARD of GOVERNORS*



Daniel Vandermeulen Public Member (Chair)



Ray Stern Public Member (Vice-Chair)



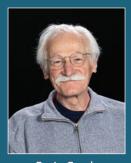
Fern Welch **Public Member**



Inier Cardinal Public Member



Candice Calliou **Public Member**



Ernie Grach Public Member



Marie Dyck Public Member



Tim Murphy Faculty-nominated Member



Rachel Ouellette Staff-nominated Member



Gloria Fierro Student-nominated Member



Kelsey Gladue Student-nominated Member



Patrick Meneen Student-nominated Member



Ann Everatt President & CEO

*Reflects membership from July 1, 2019 to June 30, 2020. Two Student-nominated Members, with a changeover occurring during 2019-2020.

SENIOR LEADERSHIP TEAM

Glenn Mitchell, President & CEO

Glenn Mitchell, (Acting) Vice-President, Academic

Sergey Semagin, Executive Director, Finance Services

Diane Smith, Executive Director, Student Services

Dana Hynes, Executive Director, Human Resources and Health & Safety

Bruce D'Sena, Chief Information Officer

MESSAGE FROM THE **BOARD CHAIR AND** PRESIDENT & CEO

As we celebrate our 50th year, Northern Lakes College (NLC) has built a solid reputation as one of the most accessible post-secondary institutions in Alberta. Our innovative Supported Distance Learning (SDL) model, which includes unique delivery approaches like NLC LIVE Online™ and NLC Anytime, Anywhere, ensures educational access for students at home, work, or on campus. With limited broadband services in many northern communities, students can study from any NLC campus and receive support through our unique 'wraparound' system. This system consists of highly-supportive learning environments with staff located at each campus to assist, counsel, and provide academic assistance. The 'wraparound' system includes a focus on mental health and wellness for our students and staff.

In our 50th year, our vision to provide the most accessible educational opportunities to Albertans proved to be very valuable. COVID-19 provided challenges for which no aspect of society was prepared, including the post-secondary education sector. However, our SDL model enabled us to adapt swiftly. The majority of our programs are delivered online and were not impacted by the pandemic. Instead, our focus turned to ensuring continued access for those students without reliable internet, broadband, or home technology. This included initiatives such as providing students with devices preloaded with course information. Drive-Up Wi-Fi provided students with access to the local campus broadband connection from the safety of their own vehicle, enabling them to download course content and upload assignments for submission.







Glenn Mitchell President & CEO

Northern Lakes College has deep roots in the region we serve. We maintain a direct link to each of our communities through our community engagement model of the Community Education Committees (CECs). Northern Lakes College serves over 50 communities, including 15 First Nations and four (4) Métis Settlements. With accessibility as a cornerstone strategic initiative, Northern Lakes College employs a multi-campus approach, serving students from 24 campuses and community access points throughout northern Alberta. In addition, NLC has students throughout the province at our partnership sites, such as Lakeland College and Medicine Hat College. Our SDL model allows us to make our programs accessible not only within the service region, but throughout the province and the nation. Northern Lakes College continues to be a champion of community-based learning through Supported Distance Learning.

Our robust technologies ensure the distribution of programs and services to students in our region, the province, and beyond. Maximizing technological tools and our expertise, we are able to create opportunities for students where none existed before, directly in their communities. The Board of Governors understands the

fundamental importance of the technological backbone on which the College's SDL programming relies, and has aligned resources to update teaching and learning technology to meet the needs of students. Learning Management Systems and Student Information Systems that provide enhanced student experiences and support access, quality, and excellence are imperative, as demonstrated in our resilience to the COVID-19 pandemic.

Community-based learning lies at the heart of the NLC model. Access to suitable spaces in which to obtain postsecondary education and learning is important to our communities. The construction of the new High Prairie Campus is nearing completion and we anticipate we will be teaching and learning in the new campus in January 2021. Construction of the consolidated Peerless-Trout building, a partnership and co-location with Peerless Trout First Nation, is near completion. The co-location of NLC into the Athabasca University campus is serving the community and students well. Renovations and updates to the High Level Campus, including a new building envelope, groundwork, and attaching the portable classrooms to the main building, are complete. The Board of Governors will continue to lobby for capital funding for campus improvements in multiple communities.

Northern Lakes College values collaboration and is committed to achieving the goals and objectives of Alberta Advanced Education within the context of a Comprehensive Community College. Agreements with the University of Calgary, providing Northern Lakes College students with access to the Community-Based Bachelor of Education and Bachelor of Social Work degrees, and partnerships with other provincial institutions, such as Lakeland College, Medicine Hat College, and Community Adult Learning Programs (CALPs), underscore the Northern Lakes College commitment to collaboration.

Northern Lakes College provides a number of programs to partner institutions, ensuring they are able to fulfill local training needs without incurring the costs of program development. Our expansion to eight (8) CALPs and Dual Credit agreements with 22 school divisions exemplify our commitment to increasing participation and graduate rates through collaboration, access, and affordability. Community initiatives such as the Business Bootcamp, which brings training to entrepreneurs, and a partnership with the Slave Lake Daycare, which sees childcare providers registered in our Early Learning and Child Care offerings, further illustrate our commitment to increasing participation rates. Engagement with business and industry through our Program Advisory Committees ensures that Northern Lakes College offers relevant programs that meet labour market needs.

We will continue to create and welcome opportunities to collaborate and to embrace innovative approaches. Maximizing access and efficiencies, minimizing duplication, and optimizing resources within the Alberta system will increase financial sustainability for all Comprehensive Community Colleges.

The Board of Governors and the Senior Leadership Team would like to thank Ann Everatt for her service to Northern Lakes College, its students, staff, and communities. As President, Ms. Everatt dedicated herself to the Northern Lakes College vision to be recognized as a first-choice, community-based college with the most accessible programs and services in Alberta.

Original Signed by Daniel Vandermeulen Chair, Board of Governors

Original Signed by Glenn Mitchell President & CEO

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 students in rural communities. Innovative program and service delivery models are designed to overcome access challenges for students 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 students, 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 students, 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.

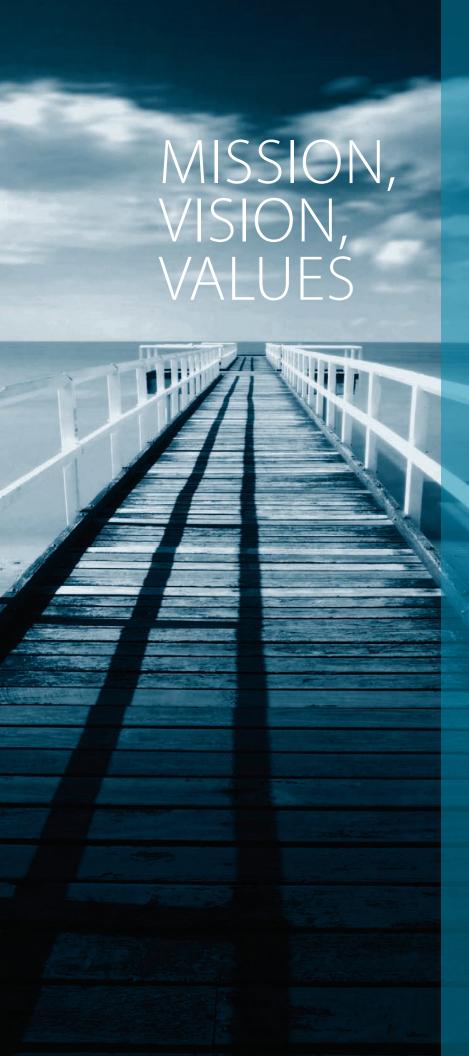
The College offers certificates and diplomas leading to careers in health and human services, education, information technology, technical occupations, culinary arts, business, creative fine arts, and resource-based industries. The College also offers pre-employment programs and apprenticeship training. 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 students for post-secondary education and long-term meaningful employment.

The College also responds to workforce development and cultural awareness needs. Noncredit offerings include supervisory and safety related certificates, contract and inservice 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 students. 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 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.



OUR 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.

OUR VISION

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

OUR 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.

PUBLIC INTEREST DISCLOSURE (Whistleblower Protection) ACT

The Board of Governors for Northern Lakes College originally approved the Safe Disclosure Policy (Whistleblower) in October 2014. In October 2018, a review of the Safe Disclosure Policy was performed and changes were made to meet recent legislative changes. The Safe Disclosure Policy was reviewed and reaffirmed by the Board of Governors in April 2020.

The goal of this policy is to make it the responsibility of all College community members 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 fosters an environment where all members of the College community can report wrongdoings or suspected wrongdoings without reprisal. This policy has been communicated and made available to all employees on the Northern Lakes College website.

In fiscal year 2019-2020 the College received zero (0) safe disclosure policy complaints.

APPLICABLE LEGISLATION AND REGULATIONS

The Board of Governors has responsibilities under, and is subject to, a number of statutes and regulations including the:

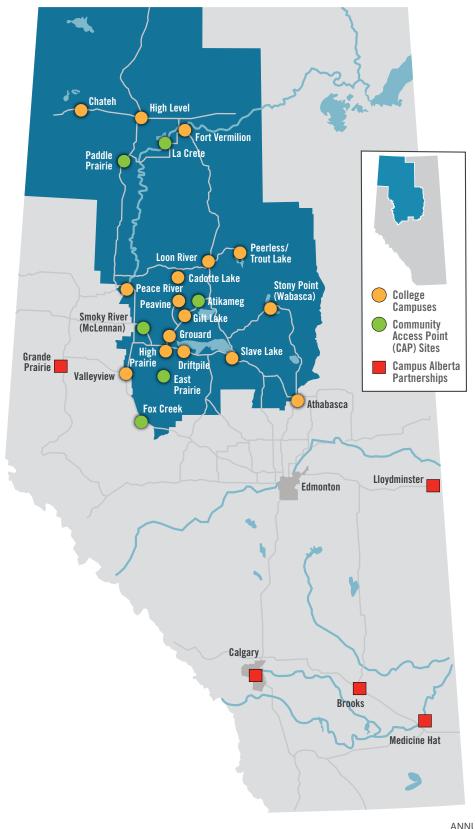
- Post-secondary Learning Act
- Alberta Public Agencies Governance Act
- Financial Administration Act
- Government Accountability Act
- · Freedom of Information and Protection of Privacy Act
- Lobbyists Act
- Workers' Compensation Act
- · Labour Relations Code
- · Occupational Health and Safety Code
- Public Service Employee Relations Act
- Alberta Public Agencies Governance Act
- · Results Based Budgeting Act
- Public Interest Disclosure (Whistleblower Protection) Act. and
- Canada Income Tax Act and Regulations.

The Post-Secondary Learning Act provides the primary legislation for public post-secondary institutions in the province of Alberta. Regulations enacted under the PSLA include:

- · Alternative Academic Council Regulation
- Campus Alberta Sector Regulation
- Model Provisions Regulation
- · Programs of Study Regulation, and
- Public Post-secondary Institutions' Tuition Fee Regulation.

NORTHERN LAKES COLLEGE

CAMPUSES, COMMUNITY ACCESS POINTS, AND CAMPUS ALBERTA PARTNERSHIPS



PROGRAMS AND COURSES 2019-2020

ACADEMIC Adult Basic Education **UPGRADING**

Academic Upgrading

BUSINESS and **ADMINISTRATIVE STUDIFS** **Business Administration**

Business Administration - Accounting

Human Resource Management

Office Administration

Advanced Care Paramedic

Advanced Care Paramedic Upgrading

HEALTH CARFERS

Health Care Aide

Practical Nurse

Primary Care Paramedic

Primary Care Paramedic Upgrading

Addictions Counselling

HUMAN SERVICE CARFFRS Early Learning and Child Care

Early Learning and Child Care Diploma

Educational Assistant

Social Worker Diploma

Carpenter Apprenticeship (1st, 2nd, 3rd, and 4th periods)

Electrician Apprenticeship (1st, 2nd, 3rd, and 4th periods)

Introduction to Surveying

Oilfield Operator Training Program

Power Engineering 3rd Class

Power Engineering 4th Class

Power Engineering 4th Class Lab Certification

TRADES and RESOURCE **TECHNOLOGY**

Power Engineering 5th Class

Pre-employment Carpenter

Pre-employment Electrician

Pre-employment Heavy Equipment Technician

Pre-employment Industrial Mechanic (Millwright)

Pre-employment Mobile Crane and Hoisting

Equipment Operator

Pre-employment Welder

Survey Theory and Calculations

Welder Apprenticeship (1st, 2nd, 3rd, periods)

UNIVERSITY

College and Career Preparation

University of Calgary Community-Based

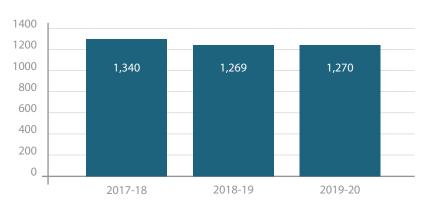
Bachelor of Education

University Studies



OPERATIONAL OVERVIEW

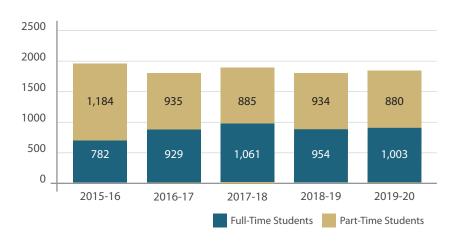
Full Load Equivalent (FLE)



From 2018-2019 to 2019-2020, the College maintained FLEs.

Full Load Equivalent (FLE): A measure of enrolment in which one FLE represents one student for a year of study taking a full course load.

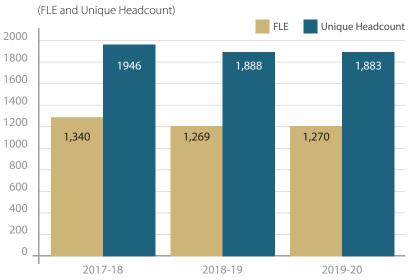
Number of Students in Credit Programs (Unique Headcount)



An increase in full-time students and decrease in part-time students was experienced from 2018-2019 to 2019-2020.

Unique Headcount: A measurement of enrolment referring to the number of unique students registered at and attending an institution.





Employment Rate of Northern Lakes College Program Completers

2014-15	2015-16	2016-17	2017-18	2018-19
89%	91%	96%	95%	97%

Program completers are defined to coincide with Alberta Advanced Education criteria and are reported annually through Alberta's Learner and Enrolment Reporting System (LERS). To be included in the Employment Outcomes Interviews, the student must be eligible for an academic credential recognizable in the labour market (i.e. certificate, diploma or journeyman). The survey is conducted six (6) months after graduation.

FULL LOAD EQUIVALENT BY PROGRAM	2017-18 Actuals	2018-19 Actuals	2019-20 Projected	2019-20 Actuals	Change in FLEs from 2018-19	Change in FLEs from 2018-19
Basic and Preparatory Programs						
Academic Upgrading (HS and ABE Combined)	549.6	502.7	560.0	494.9	-7.8	-1.6%
Advanced Care Paramedic Upgrading	N/A	2.0	4.0	1.7	-0.3	-15.0%
Primary Care Paramedic Upgrading	N/A	1.9	4.0	1.6	-0.3	-15.8%
Basic and Preparatory Programs Totals	549.6	506.6	568.0	498.2	-8.4	-1.7%
Business and Administrative						
Business Administration	25.6	21.5	28.0	23.4	1.9	8.8%
Business Administration - Accounting	3.8	5.6	6.0	2.5	-3.1	-55.4%
Human Resource Management	13.1	4.5	8.0	1.9	-2.6	-57.8%
Office Administration	24.9	25.9	31.0	13.2	-12.7	-49.1%
Business and Administrative Totals	67.3	57.5	73.0	41.0	-16.5	-28.7%
Health						
Advanced Care Paramedic	37.5	46.4	65.0	44.0	-2.4	-5.3%
Community Health Promotion	6.4	1.4	2.0	0.3	-1.1	-76.1%
Emergency Medical Responder	1.3	2.8	0.0	N/A	N/A	N/A
Health Care Aide	87.4	89.2	87.0	85.6	-3.6	-4.0%
Practical Nurse	209.2	180.0	253.0	219.1	39.1	21.7%
Primary Care Paramedic	25.2	49.0	52.0	22.8	-26.2	-53.4%
Health Totals	367.0	368.8	459.0	371.9	3.0	0.8%
Human Services						
Addiction Services Worker	5.7	1.3	5.0	N/A	N/A	N/A
Addictions Counselling	13.7	17.8	26.0	29.3	11.5	64.6%
Early Learning and Child Care Certificate	22.4	29.3	34.0	34.7	5.4	18.5%
Early Learning and Child Care Diploma	11.3	21.8	16.0	7.4	-14.4	-66.1%
Educational Assistant	25.3	28.8	25.0	43.2	14.4	49.8%
Social Work	53.4	57.5	75.0	79.3	21.8	37.9%
Human Services Totals	131.7	156.6	181.0	193.9	37.3	23.8%

FULL LOAD EQUIVALENT BY PROGRAM	2017-18 Actuals	2018-19 Actuals	2019-20 Projected	2019-20 Actuals	Change in FLEs from 2018-19	Change in FLEs from 2018-19
Trades and Resource Technology						
Boom Truck	6.3	6.4	0.0	N/A	N/A	N/A
Carpenter 1st, 2nd, 3rd, and 4th Year	5.3	2.4	2.0	4.5	2.1	88.9%
Electrician 1st, 2nd, 3rd, and 4th Year	9.6	5.1	3.5	3.6	-1.5	-28.9%
Introduction to Surveying	1.3	0.3	2.4	1.9	1.6	598.9%
Mobile Crane	6.6	1.6	0.0	N/A	N/A	N/A
Oilfield Operator Training	3.7	3.3	8.6	4.7	1.4	41.5%
Power Engineering 3rd, 4th, and 5th Class	83.8	60.2	73.7	52.8	-7.4	-12.3%
Pre-Employment: Carpenter, Electrician, Industrial Mechanic (Millwright), Welder, Heavy Equipment Technician	5.2	11.5	17.2	13.7	2.2	19.3%
Survey Theory and Calculations	18.1	13.2	17.2	8.0	-5.2	-39.4%
Welder 1st, 2nd, and 3rd Year	8.0	8.5	6.7	2.7	-5.9	-68.8%
Trades and Resource Technology Totals	148.0	112.4	131.3	91.8	-20.6	-18.3%
University Studies						
College and Career Preparation	11.3	13.3	12.0	7.3	-6.0	-45.1%
Open Studies	2.3	2.5	2.0	2.9	0.4	17.4%
University Studies	62.3	50.8	68.0	62.8	12.0	23.6%
University Studies Totals	75.9	66.6	82.0	73.0	6.4	9.7%
Total Official Full Load Equivalent (FLE)	1339.6	1268.5	1494.3	1269.8	1.3	0.1%
International Students (Headcount)	3.0	5.0	10.0	8.0	3.0	60.0%

Source: Advanced Education Data Collection and Reporting – LERS and Northern Lakes College's 2019-22 Comprehensive Institutional Plan. Columns have been rounded.

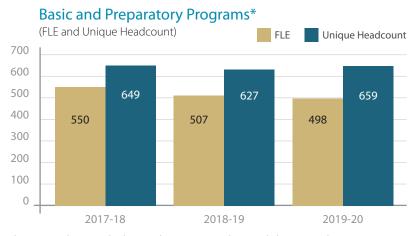
ENROLMENT TRENDS BY PROGRAM AREA AND KEY CHANGES TO ENROLMENT

Overall, NLC's enrolment experienced a 0.1% increase in Full Load Equivalents (FLEs) from 2018-2019 to 2019-2020. While the College anticipated greater FLE growth, NLC did experience a slight decline in student headcount by 0.3%. Two factors contributed to this outcome: the northern Alberta wildfires in the spring of 2019 and the COVID-19 pandemic in early 2020. Student enrolments for September 2019 were impacted in a number of Northern Lakes College communities due to wildfires, including Chateh, High Level, Peerless Trout First Nation, and Wabasca-Desmarais. Enrolments recovered in the second term, only to be affected by the COVID-19 pandemic in early 2020, which affected completions. Additional FLE changes are reflective of ongoing shifts in the economy and labour market demands. Overall, University Studies and Human Service programs were growth areas for the College, Health Careers were steady, and Academic Upgrading, Business and Administrative Studies, and Trades and Resource Technology experienced decline. Of note, the College experienced an increase in the fulltime student population, and a decrease in part-time student enrolment. We also saw an increase in diploma program enrolments. There were also increases, year over year, in Dual Credit, international students, and Indigenous learners. Collaborative partnerships with other institutions have allowed the College to graduate students across the province, completing foundational learning and both certificate and diploma programs.



ACADEMIC UPGRADING

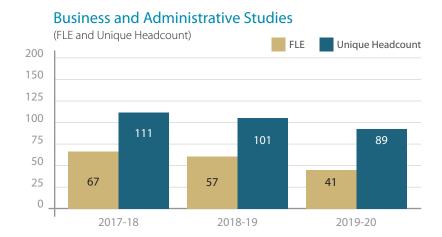
After year over year increases leading to a peak of approximately 550 FLEs in 2017-2018, FLEs in Academic Upgrading and Adult Basic Education decreased in 2018-2019 and 2019-2020. In the 2019-2020 academic year, Academic Upgrading and Adult Basic Education recorded just under 500 FLEs. This program area was hardest hit by the wildfires in the spring of 2019 and the COVID-19 pandemic in early 2020, which heavily affected anticipated FLE growth overall. Students in foundational learning were disproportionately disadvantaged by the COVID-19 pandemic, when all students were asked to study from home in March 2020. A higher percentage of foundational learning students reported not having access to broadband and/or computer devices that were necessary to transition from on-campus to at home learning. Various initiatives to support students included Drive-Up Wi-Fi and the distribution of laptops preloaded with learning materials. In order to recover enrolments, Northern Lakes College is exploring Open Educational Resources (OERs) and new delivery models like the 'quadmester' system in order to reduce barriers and promote accessibility.



*These numbers include Academic Upgrading, Adult Basic Education, Advanced Care Paramedic Upgrading, and Primary Care Paramedic Upgrading.

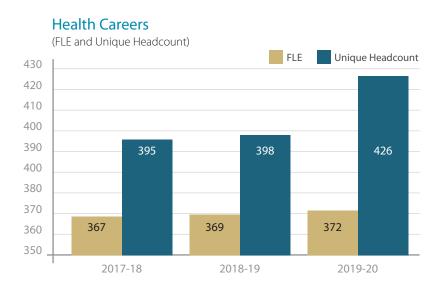
BUSINESS AND ADMINISTRATIVE STUDIES

In response to declining FLEs in Business and Administrative Studies, the decision was made to discontinue the Business Administration - Accounting program. To respond to labour market trends and meet the needs of the changing workplace, a Computer Network Specialist program was launched in September 2020. The program, developed with industry input and offered via NLC's Supported Distance Learning model, will make it possible for rural and remote learners everywhere to join the ever-expanding information technology sector.



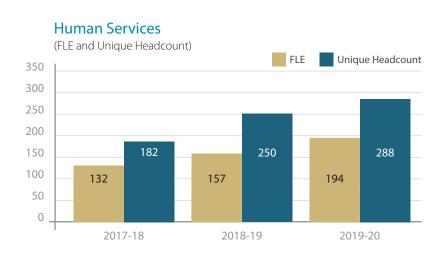
HEALTH CAREERS

Overall, there is strong demand for the College's Health Careers programs. Enrolment in the Practical Nurse program increased and demand is high. The College assessed the feasibility of expanding this in-demand program, noting that it is not possible due to a lack of clinical placement availability in the north. The Advanced Care Paramedic program was offered in Grande Prairie for the first time, but there was no significant increase in FLEs as it was determined that adding additional seats to the program would make securing sufficient practicum placements challenging. Community Health Promotion was discontinued in September 2019, with ongoing students completing the program in the 2019-2020 academic year.



HUMAN SERVICES

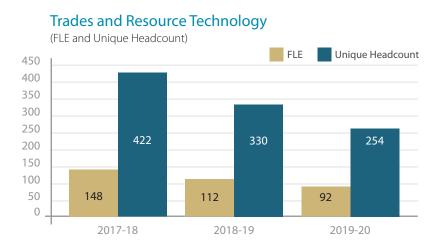
Enrolments across Human Services programs were strong with growth in all but the Early Learning and Child Care Diploma. A significant increase was experienced in the Addictions Counselling and Educational Assistant programs. Additionally, FLEs in the Social Work program showed a healthy increase as the decision was made to double the intake numbers to 60 students accepted into the program in 2019-2020.





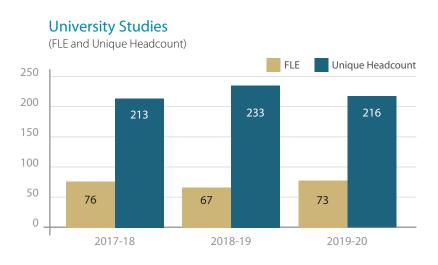
TRADES AND RESOURCE TECHNOLOGY

Economic trends and the resulting reduced demand for industry-based programs have had a negative impact on our overall Trades and Resource Technology FLEs. This was compounded by the requirement to cancel spring 2020 trades intake dates due to COVID-19. Although apprenticeship training is experiencing challenges, opportunities are increasing for Dual Credit and Pre-Employment programs. This is reflective of industry demand for students who have completed in-class training prior to the start of on-the-job apprenticeships. Power Engineering 4th Class offerings continued to be well accepted as Dual Credit and Pre-Employment options, which may lead to demand in 3rd Class offerings.



UNIVERSITY STUDIES

Overall FLEs in this category increased in 2019-2020. FLEs in College and Career Preparation decreased and Open Studies increased. University Studies FLEs increased, largely due to the September 2019 announcement of the Northern Lakes College partnership with the University of Calgary for the Community-Based Bachelor of Education program. With the first intake of NLC students into the UofC program starting in July 2020, enrolments rose in 2019-2020 as students sought to complete their non-education course requirements to be eligible for the intake.





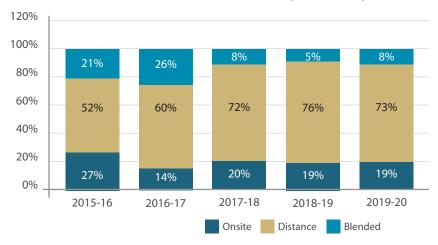


Priority Initiatives	Status	Expected Outcomes	Performance Measures	Progress made in the last 12 months	Revised Timeline
Enhance faculty and staff professional development opportunities. 2019-2021	In Progress	Offer employee workshops related to cultural activities and general professional development.	Increase in the number of internal professional development courses and workshops.	Maintained Education Talk professional development sessions three times per month and Coffee Shop sessions quarterly. Additional five sessions offered to prepare for transition to the new Learning Management System, and workshops on digital signatures and approval workflows, Microsoft Teams, and various enterprise applications.	
	In Progress	Increased access to advanced credentialing opportunities.	Increased professional development applications supported.	Supported 235 professional development applications and 13 employees pursuing advanced credentials.	
	In Progress	Broadened employee engagement for succession planning purposes.	Increased opportunities for term and acting assignments.	Implemented cross training within departments to prepare employees to advance. Opportunities for acting assignments considered for all vacancies.	
Integrate new programs to meet regional demand. 2020-2022	In Progress	Expanded programming to meet regional labour market demands.	Delivery of new programs including computer networking programs, an industry operations program, Advanced Emergency Transport Medicine, and new models of apprenticeship.	Advanced Emergency Transport Medicine program has been approved by Alberta Advanced Education. Computer Network Specialist program development completed; offerings begin September 2020. All theory portions of trades offerings transitioned to online as a result of the pandemic.	
	In Progress	Enhanced capacity of graduates to address mental health issues encountered in their professions.	Inclusion of mental health curriculum in Allied Health, Social Work, and Addictions programming.	Developed and integrated a mental health module into Paramedic programs, Social Work, Addictions Counselling and Educational Assistant programs; will be integrated into the Practical Nurse program in 2020-2021.	
Pilot and implement a faculty mentorship program to support faculty with the transition to post- secondary teaching and to teaching online. 2019-2020	In Progress	Improved learner experience that meets learners' educational needs.	Continued increase in student satisfaction.	Provided faculty mentorship following the <i>Instructional Skills Workshop</i> to support faculty transition to post-secondary teaching. This initiative remains in progress.	2022

Priority Initiatives	Status	Expected Outcomes	Performance Measures	Progress made in the last 12 months	Revised Timeline
Review all courses to ensure academic quality standards are met. 2019-2021	In Progress	Improved learner experience.	Continued increase in student satisfaction.	Conducted academic quality standards reviews in all Human Services and University Studies programming; external review of Primary Care Paramedic and Advanced Care Paramedic; all programs undergo annual program review.	
Develop a Strategic College Indigenization Plan. 2019-2021	In Progress	Increased access to Indigenous learning resources and language programming, and integration of Indigenous topics into curricula.	Provision of Elders' program, Cree courses in the Academic Upgrading programming, and inclusion of Indigenous content in programs.	Offered the Elders-in-Residence program at Wabasca and High Level campuses. Though delivery was impacted by COVID-19, program expansion plans will be developed in 2020-2021. Two Cree Language and Culture courses developed for online delivery in Academic Upgrading and Adult Basic Education, as well as two Cree Language courses in University Studies.	
	In Progress	Foster an understanding of the TRC's Calls to Action, intercultural competency, conflict resolution, human rights, and anti-racism.	Participation of staff, faculty, and students in intercultural professional development or training initiatives.	All employees completed the Engaging Indigenous Learners at Northern Lakes College course, and it is mandatory for all new staff. The College presented at the Community Learning Network's Literacy & Learning Symposium on inter-cultural competency in education.	
Increase access to assistive technology and supports for students with disabilities. 2019-2021	In Progress	Increased student access to learning accommodations.	5% increase in retention.	Provided learning accommodations to 91 students, academic learning strategies for 169 students, placement testing for 748 prospective students, and learning strategy workshops to 469 students. Consolidated the student referral system to include Accessibility Services to support the early identification of student need during the admissions process. Support available for inclusion of Universal Design in course delivery. The Essential Guide to Student Services provides students a comprehensive	
				provides students a comprehensive overview of Student Services departments, programs, and services.	

Priority Initiatives	Status	Expected Outcomes	Performance Measures	Progress made in the last 12 months	Revised Timeline
Create a centralized approach for student services and student engagement, where students are supported through	In Progress	Increased institutional capacity to respond to students' service and support needs.	5% increase in retention and continued increase in student satisfaction.	Continued development of an online Student Services hub; expected launch in 2020-2021. Online payment functionality added and online application services updated on the College website.	
their transition from application to registration and through to graduation. 2019-2021				A writing tutor supported Academic Upgrading students and the College's WriteAway subscription provides tutoring access for students enrolled in post-secondary programs. The Community Education Committees in various communities sponsored student tutors.	
				During the campus closures (due to COVID-19) NLC deployed 200+ laptops and mobile devices to support student access from home and established a tutoring hotline for Academic Upgrading students without broadband service.	
Develop a framework of information and digital literacy competencies. 2019-2021	In Progress	Improved student competency in the use of digital technology.	Information and digital literacy learning objectives incorporated into programs.	Library Services implemented initiatives in support of increased information and digital literacy competencies, such as: Live tutorials; video tutorials on the departmental YouTube page; information displays; in-class training sessions; inclusion of content in student orientation sessions; contests to encourage students to use information and digital literacy skills; celebrated Media Literacy Week.	

Percent of Student Contact Hours by Delivery Method



Priority Initiatives	Status	Expected Outcomes	Performance Measures	Progress made in the last 12 months	Revised Timeline
Expand the comprehensive student care framework to ensure students at risk are identified and supported. 2019-2020	Extend	Increased institutional capacity to recognize and respond to students' service and support needs.	Implementation of Student Wellness program, including 'Early Alert' system to identify students at risk.	Student Services implemented an improved student referral system and launched a renewed Student Incident Reporting framework that includes referral options to Student Wellness & Counselling services. Student Wellness program expanded services to include the <i>Take 10</i> Webinar series and Wellness Check Ups. In March 2020, the program focus shifted to COVID-19 supports and resources. As the College increases capacity to respond to students' service and support needs into 2020-2021, the comprehensive student care framework concept will be reevaluated.	
			5% increase in retention	From 2018-2019 to 2019-2020, the retention rate increased from 82% to 87%.	
Provide effective prevention education and outreach services for enhanced intervention, which contributes to a reduction in sexual violence and increased access to supports. 2019-2020	Achieved	Increased access for students, including equitable access for Indigenous, distance, and LGBTQ2I+ students, to sexual violence support services and prevention measures.	Increased student access to Counselling and support services for issues related to sexual violence.	Implemented initiatives to increase student access to sexual violence supports and prevention measures. Provided Safe Space Training (LGBTQ2I+ diversity awareness and inclusion) to staff and students. Developed an awareness campaign to decrease stigma and encourage helpseeking behaviors. Through professional development, enhanced ability of key staff to respond effectively to LGBTQ2I+, sexuality, gender, and sexual violence issues. Communicated the availability of the College's Counselling Services for sexual assault-related support. Integrated distance-based wellness and counselling services to provide equitable access. Worked with <i>Campus Well</i> magazine to promote prevention education and outreach resources. These initiatives will be reviewed and renewed regularly.	
Develop the Strategic Enrolment Management Plan to enhance student retention and perseverance. 2019-2021	In Progress	Implementation of the Strategic Enrolment Management Plan and Student Engagement Plan.	5% increase in conversion and retention rates.	Due to the impact of COVID-19, development of the Strategic Enrolment Management and Student Engagement plans has been delayed to the 2020-2021 academic year.	

Student Satisfaction	2017-18	2018-19	2019-20
Quality of Instruction	95%	95%	94%
Overall Satisfaction	96%	97%	97%
Recommend Northern Lakes College	95%	96%	95%

Conversion Rates	2015-16	2016-17	2017-18	2018-19	2019-20
Acceptance Rate	52%	50%	51%	54%	51%
Registration Rate	66%	68%	68%	57%	55%

Acceptance Rate: number of acceptances / number of applications. **Registration (Conversion) Rate:** number of registrations / number of acceptances.

Retention Rate	2015-16	2016-17	2017-18	2018-19	2019-20
Retention Rate (year to year)	82%	84%	85%	82%	87%

Retention Rate: (total registrations - withdrawals) / total registrations.

LOIL



THRIVING IN A SUPPORTED DISTANCE LEARNING ENVIRONMENT

Ashley Sturgeon has accessed her Academic Upgrading courses while travelling. She has accessed them from home. However, her favourite place from which to access her courses is from the Northern Lakes College campus in Peace River. The flexibility of the NLC LIVE Online™ delivery model, which allows her to access her courses from wherever she may be, is part of NLC's unique Supported Distance Learning (SDL) environment.

Ashley lives in Grimshaw and travels to the Peace River Campus, about a twenty-minute commute. At the time of writing this story, she is in her second year of Academic Upgrading. Upon completion, she intends to enrol in the College's Educational Assistant Certificate program. "I worked as an Educational Assistant for a year or so and I loved it. In order to continue to work in that capacity, I need a credential." Ashley intends to stay in the Grimshaw and Peace River area and work for a local school upon graduation.

Of returning to school, Ashley says, "It has been a great experience. I am glad that I had the opportunity to come back when I did. I appreciate it more. When I was a teenager, I disliked school, even though I did not struggle academically. The difference is that I now enjoy the learning process. For example, I love chemistry – I enjoy the mixture of math and science and how understanding chemistry helps to make sense of the world around you."

"I had my daughter when I was 17 and left school to raise her," explains Ashley. Ashley now has three daughters. Over the years, she kept pushing her desire to finish her studies into the future. When she did come back, she had been out of school for 14 years. "I am very grateful for the opportunity to finish my high school diploma."

While it took Ashley time to adjust to the online delivery model, she thoroughly appreciates the flexibility it affords. "The fact that I can review the class recordings is really

helpful. Upon second viewing, I catch things that I missed in class." Having once tried a correspondence course, Ashley explains that NLC's SDL model is worlds apart from the correspondence learning model. "Correspondence did not work for me. There was nobody checking up on me, no support, nobody to motivate me. I knew when I came back to school that [the correspondence] model of learning would not work for me. SDL holds me accountable to progress."

One of the most important aspects of the SDL model is access to a campus resource person whose primary function is to ensure student success. For Ashley, that person is Campus Instructor, Marty Fullerton. "Marty is always checking in with students. He is so friendly and understanding of the struggles an adult learner might face. If you need anything, he will facilitate that as best he can. If he can't answer a question, he will find someone who can."

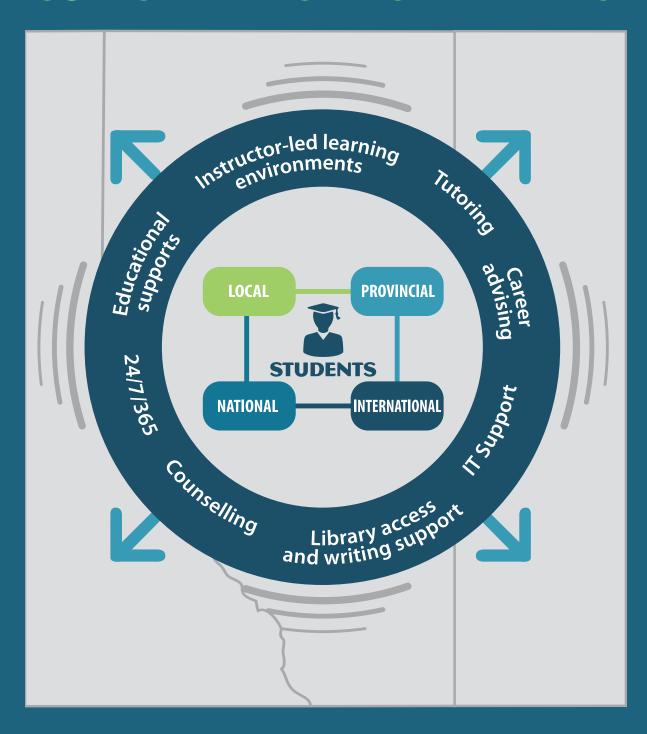


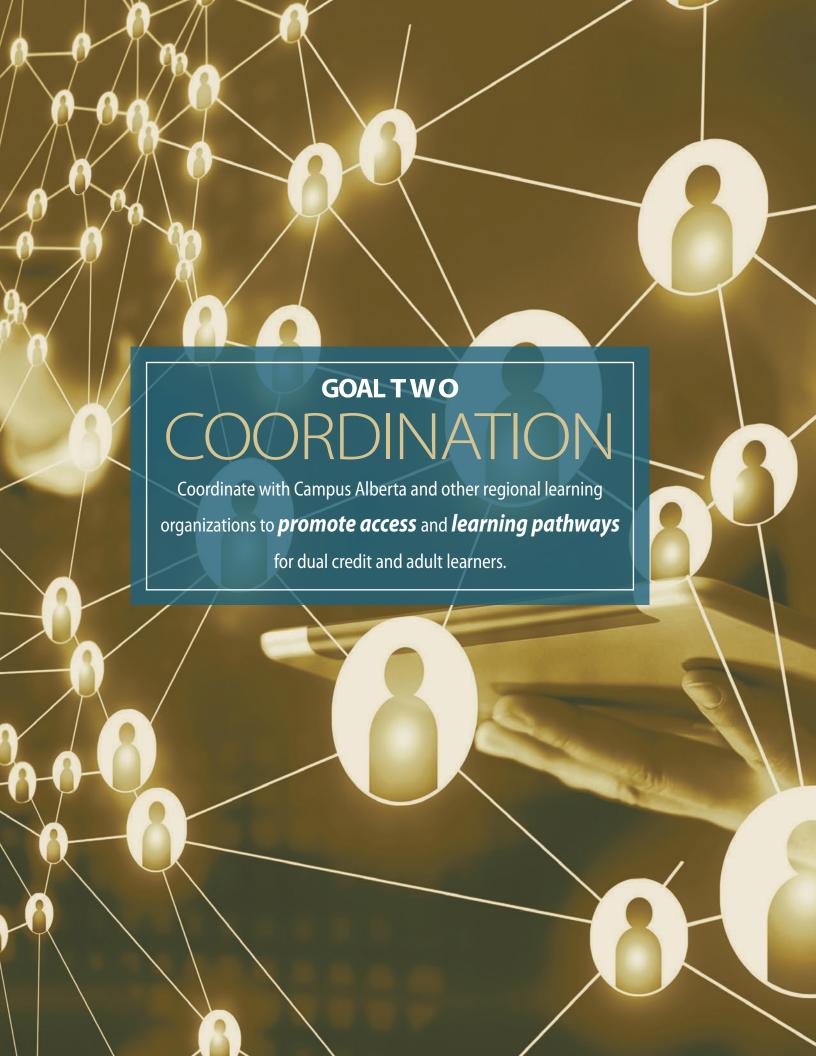
Marty is always checking in with students. He is so friendly and understanding of the struggles an adult learner might face."

 Ashley Sturgeon of Campus Instructor, Marty Fullerton



NORTHERN LAKES COLLEGE MODEL SUPPORTED DISTANCE LEARNING



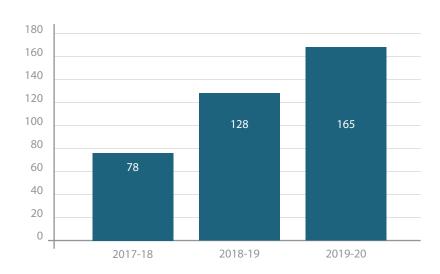


Priority Initiatives	Status	Expected Outcomes	Performance Measures	Progress made in the last 12 months	Revised Timeline
Collaborate with Campus Alberta partners on a new delivery model to enhance access to programs 2019-2021	In Progress	Increased access to the College's Foundational Learning and Academic Upgrading program to partner institutions.	Establishment of new foundational Learning/Academic Upgrading delivery partnerships.	Access to the College's foundational learning program is extended through partnerships with Community Adult Learning Programs, the Inmate Education Program at Peace River Correctional Centre, and the Campus Alberta partnership with Lakeland College that supports approximately 50 FLEs per year in Lloydminster. Delivered Health Preparation training in partnership with the Wabasca & Region Atoske Action Group.	
	In Progress	A broader range of degree completion opportunities through partnerships with Athabasca university and other degreegranting institutions.	Delivery of five (5) new collaborative agreements with Campus Alberta partners, including delivery of two (2) additional degree completion opportunities.	In collaboration with the University of Calgary, the Bachelor of Education program is available to students within the service region. A proposal for a Bachelor of Arts degree will be submitted to Alberta Advanced Education in 2020-2021. A partnership with Medicine Hat College provides access to NLC programs at the Brooks campus.	
Expand Dual Credit offerings to include all relevant programs as Dual Credit, and provide offerings to	Achieved	Increased awareness and mobility of high school students to the College.	5% increase in Dual Credit enrolments.	NLC added six new Dual Credit agreements for a total of 22 school divisions.	
new school divisions, to increase student transition from high school to post- secondary. 2019-2020	Achieved	A wider variety of Dual Credit courses available.		Access to courses in four new programs were added to Dual Credit offerings: Addictions Counselling, Practical Nurse, Primary Care Paramedic, and Social Work.	
Provide career and postsecondary experiential learning opportunities for youth. 2019-2022	In Progress	Enhanced opportunities for youth to participate in College programming.	Offer an increased variety of career and post-secondary experiential learning camps for youth.	The College's Dual Credit offerings provide high school students with post-secondary learning opportunities. COVID-19 concerns led the College not to offer summer camps such as Mind over Metal.	

Dual Credit	2017-18	2018-19	2019-20
Unique Headcount	78	128	165
% Change:		64%	29%

Dual Credit Students

(Unique Headcount)



DUAL CREDIT PROGRAMS FOR 2019-2020

Business Administration

Early Learning and Child Care

Educational Assistant

Health Care Aide

Introduction to Surveying

Office Administration

Oilfield Operator Training Program

Open Studies (courses from the following programs are available)

- Addictions Counselling
- Practical Nurse
- Primary Care Paramedic
- Social Work Diploma
- University Studies

Power Engineering 4th Class

Power Engineering 5th Class

Pre-Employment Carpenter

Pre-Employment Electrician

Pre-Employment Heavy Equipment Technician

Pre-Employment Industrial Mechanic (Millwright)

Pre-Employment Welder

Water and Wastewater Operator Preparation Level 1



NORTHERN LAKES COLLEGE AND THE UNIVERSITY OF CALGARY PARTNER FOR

Bachelor of Education Degree

With a cornerstone value of accessibility, Northern Lakes College has partnered with the University of Calgary's Werklund School of Education. The partnership will allow University Studies students to transfer courses towards the fulfilment of a Bachelor of Education degree at the University of Calgary. The course of studies prepares students to teach at the elementary and secondary levels, ensuring the NLC service region will have qualified teachers to meet the demand from kindergarten to Grade 12.

"Northern Lakes College is thrilled to enter into this agreement with the University of Calgary. Providing our students with local access to opportunities, such as the Bachelor of Education degree, is at the foundation of our core values, that include accessibility, community, and collaboration," stated Ann Everatt, President and CEO of Northern Lakes College.

NLC students are able to transfer courses from NLC in partial fulfillment of UCalgary's Community-Based Bachelor of Education program. This provides students living in rural or remote areas with an opportunity to

complete the majority of their program requirements in their home community. Courses are completed through in-person and online offerings, enabling students to take courses at home or at any NLC campus. Field placements are completed in and around students' local communities.

As part of a blended program where students are connected to the Werklund School of Education from the beginning of their studies, students will complete a twoweek summer residency on-campus at the University of Calgary in each of the four years that they are enrolled.

"The Werklund School values deeply the educational community across the province and this partnership is a stellar example of the accessibility, collaboration and innovation that comes of working together," said Dr. Amy Burns, the Associate Dean of Undergraduate Programs at the Werklund School. "We're dedicated to ensuring teacher education programs that are built on a foundation of excellence and innovation and we are excited to learn alongside Northern Lakes College."





Priority Initiatives	Status	Expected Outcomes	Performance Measures	Progress made in the last 12 months	Revised Timeline
Support Community Education Committees to identify and promote educational opportunities needed in their communities 2019-2021	In Progress to non-credit programming, which increases employability and community capacity.		Successful offerings of community— sponsored courses such as Chainsaw Safety, H2S, and First aid.	Community Education Committees (CEC) meet routinely and the Council of Community Education Committees (CCEC) meets with the Board of Governors' Chair and the President & CEO regularly to identify training and economic development opportunities. CECs partnered with the College to offer 23 courses to students and the public throughout the service region.	
Identify economic development and labour market trends through participation in economic development organizations and Chambers of Commerce throughout the service region. 2019-2021	In Progress	Enhanced relationships and partnership with business and potential customized training opportunities are identified.	Continued increase in graduate employment rates.	The College holds positions on economic alliances and Chambers of Commerce throughout the service region, is a partner in the Labour Education Applied Research North (LEARN), and advocates for improved regional broadband in collaboration with Cybera and the Northern Alberta Development Council (NADC).	
Collaborate with regional economic development alliances to support local entrepreneurs and small and medium-sized enterprises 2019-2020	Achieved	Training partnerships with businesses, industry, and Community Education Committees.	Ten (10) courses offered via these partnerships.	Partnered with REDI (Regional Economic Development Initiative for Northwest Alberta) and the CCEC to offer six Business Bootcamp courses across the region. In partnership with the Wabasca & Region Atoske Action Group, delivered Health Preparation training and the Health Care Aide program. Partnered with CECs on 23 course offerings.	



Priority Initiatives	Status	Expected Outcomes	Performance Measures	Progress made in the last 12 months	Revised Timeline
Strengthen Community Education Committee membership 2019-2020	Achieved	Strong Community Education Committees representative of local business, industry, and government (i.e. Municipal, First Nations, Métis Settlement, CALP).	Active committee engagement in each campus location.	Seventeen campuses have a CEC with meetings held once per year at a minimum. Membership is comprised of representation from municipalities, First Nations, Métis Settlement, and a variety of stakeholders and community organizations.	
Implement the Northern Lakes College - Community Adult Learning Program (CALP) Partnership Plan to provide additional learner supports. 2019-2020	Achieved	Enhanced access to foundational learning.	Increased percentage of CALP students continuing into Academic Upgrading programming.	The College supported 54 foundational learning students in 2019-2020 through the CALP grant and increased by three CALP locations for a total of eight in the communities of: Atikameg Cadotte Lake Chateh Driftpile Grouard Loon River Peerless Lake Wabasca.	

Employment Rate	2014-15	2015-16	2016-17	2017-18	2018-19
Employment Rate	89%	91%	96%	95%	97%

CALP Students Continuing into Academic Upgrading	2018-19	2019-20
CALP Students	48	54
Enrolled into another program after CALP	17	5
% Transition	35%	9%

CALP students from 2018-19 and 2019-20 may still apply to be enrolled in the 2020-21 academic year. As such, the 2019-20 transition rate may change. 2018-19 data includes two academic years (2019-20 and the first half of 2020-21).





Priority Initiatives	Status	Expected Outcomes	Performance Measures	Progress made in the last 12 months	Revised Timeline
Implement a new enterprise resource management system. 2019-2021	In Progress	Improved learner experience that meets learners' educational needs.	Continued increase in student satisfaction.	Collaborative IT system prototyping workshops with two other PSIs supported the successful selection of a new Student Information System (SIS). The SIS project, initiated in 2019-2020, continues, with implementation ongoing throughout 2021.	
Launch a Student Portal to enhance the student experience and staff efficiency through service excellence in online self-service and the digital learning experience. 2019-2021	In Progress	Enhanced student experience and quality of service from application to registration through to graduation.	5% increase in conversion and retention rates and continued increase in student satisfaction.	Once fully operational, the SIS will include a comprehensive, self-serve student portal that will contribute to an improved student service experience.	
Explore and implement a new Learning Management System to enhance student engagement, communication, and academic quality. 2019-2021	In Progress	Improved communication and engagement with students and faculty.	Improved student experience and reduced faculty and staff training time.	A new Learning Management System was piloted in 2019 and migration of all credit programs will be complete in September 2020. The pilot of a new synchronous platform has been expanded for 2020-2021.	



Northern Lakes College

Mumni Jean Mp in K-4 Classroom

This is how it started. "I just wanted to drop you a note and tell you how great life is. I am the K-4 pre-Kindergarten teacher at Driftpile School. I have two educational assistants (EAs) in my room, and they are NLC alumni as well. We are excited to be a team and have our own class. We are grateful for the wisdom you have imparted and we are drawing on that knowledge as we set up our classroom. Thank you and hopefully you can come visit us."

This note from Early Learning and Child Care (ELCC) alumni, Gloria Fierro, to her instructors, starts it all. On a lovely, sunny winter day, instructors Alisha David and Renée Tissink take a road trip to Driftpile Cree Nation to visit with their former students at Mihtatakaw Sipiy School (Driftpile School).

Born and raised in Driftpile Cree Nation, Georgina Bellerose is an EA with the fifth and sixth grades. She started with

NLC as an Academic Upgrading student in 1996. After achieving her high school diploma, she began work at the elementary school as an EA, returning to NLC to get her ELCC diploma. Georgina graduated in 2019. "The fact that I did not have to leave my community to access the program made all the difference," she comments, regarding NLCs model of making programs accessible via Supported Distance Learning (SDL).

Gloria Fierro is the lead instructor in the K-4 classroom, supported by her colleagues Michelle Isadore and Wanda Alice Giroux. Gloria, an alumni of the ELCC Certificate and Diploma programs, was the valedictorian of her graduating class in 2019, and was the student representative on the NLC Board of Governors. "We have aligned what we learned in our NLC program with the goals and mandates of Mihtatakaw Sipiy School. The mandate calls for the



inclusion of culture in the classroom, which includes daily Cree instruction. The goal to have students reading by third grade means K-4 students need to develop pre-reading and pre-writing skills, so we have them trace their names, identify colours, and learn to sound out parts of words.

Michelle Isadore is a graduate of the College's ELCC Certificate program and is on course to complete her ELCC Diploma. She is also Georgina's daughter, and has lived her entire life in Driftpile Cree Nation. "I remember when Michelle started Kindergarten right in this exact classroom where she now teaches," exclaims Georgina. "I remember bringing her here on her first day of school!"

ELCC alumni Wanda Alice Giroux is also an EA in Gloria's classroom. Other commitments prevented her from being present for the reunion of the alumni with their instructors, but it is clear from the way her colleagues speak of her that she is a key member of the team.

As they tour the classroom, Gloria explains, "We have collectively agreed on a combined Reggio and Montessori approach. We have main areas of development that we focus on: social and emotional development and selfregulation, language development, with a focus on preliteracy skills and phonics, and incorporating Cree culture through bilingual signage, Elder oral storytelling, and crafts. We have broken up our room into learning centers which encourage learning and discovery, and make observation easier."

After the visit, instructor Renée Tissink observes, "These ladies are such a dynamic team. They have successfully applied the theory in the ELCC program to their practice. I remember during their practicum how many ideas they had and could hardly wait to implement someday in their own programs and here they are doing just that - this time as a whole team. I am so pleased they were able to chase this dream and make it a reality, offering high-quality early childcare education for the community."

Instructor Alisha David notes, "The strong connections that have been created is apparent. The relationships amongst these alumni is what has helped them bring what they learned into action in their classroom. The connections they have built with us, their instructors, allow them to have lasting professional support as they continue their journey as educators. Whether it is to include us during times of celebration or reaching out to us for support and ideas during times of struggle, these relationships will always act as a trusted resource they feel comfortable utilizing as they establish themselves and continue to grow."

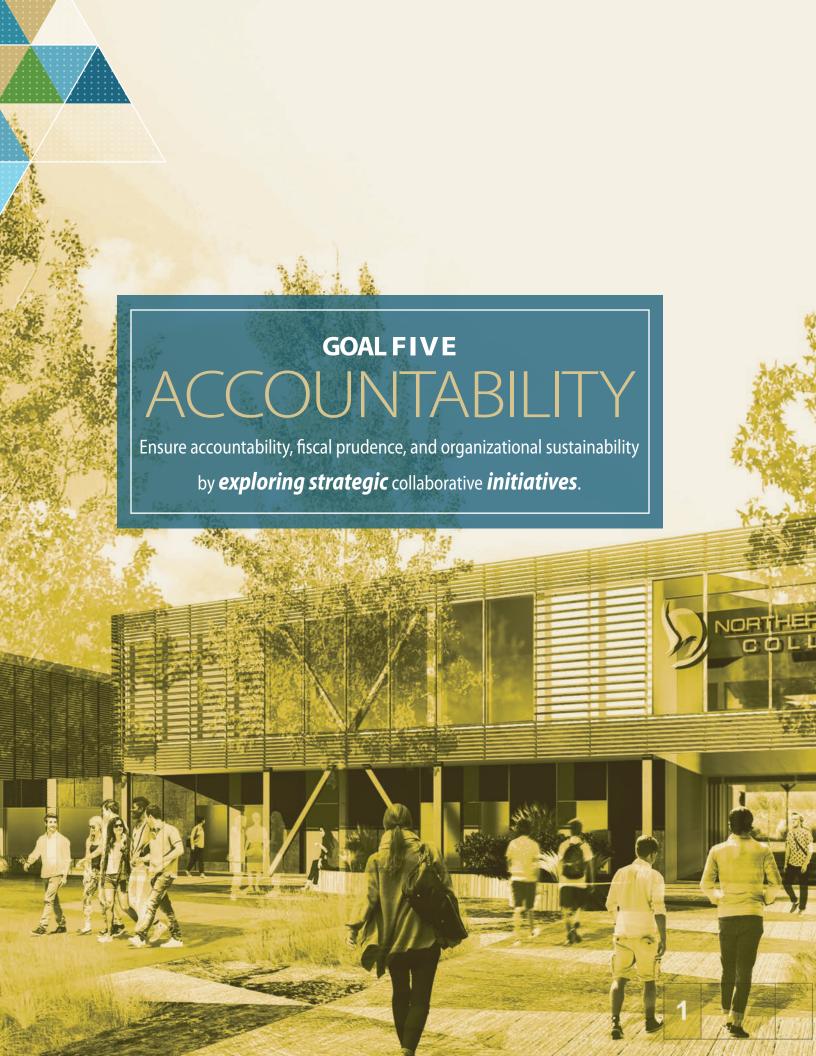
As we prepare to leave, Gloria asks, "Is there anything you would change with how we've set up our classroom?" It is obvious that much care, attention, and thought have gone into the preparation of the classroom. As both instructors glance around the classroom, the pride on their faces makes it clear that they think the alumni have definitely scored a home run!



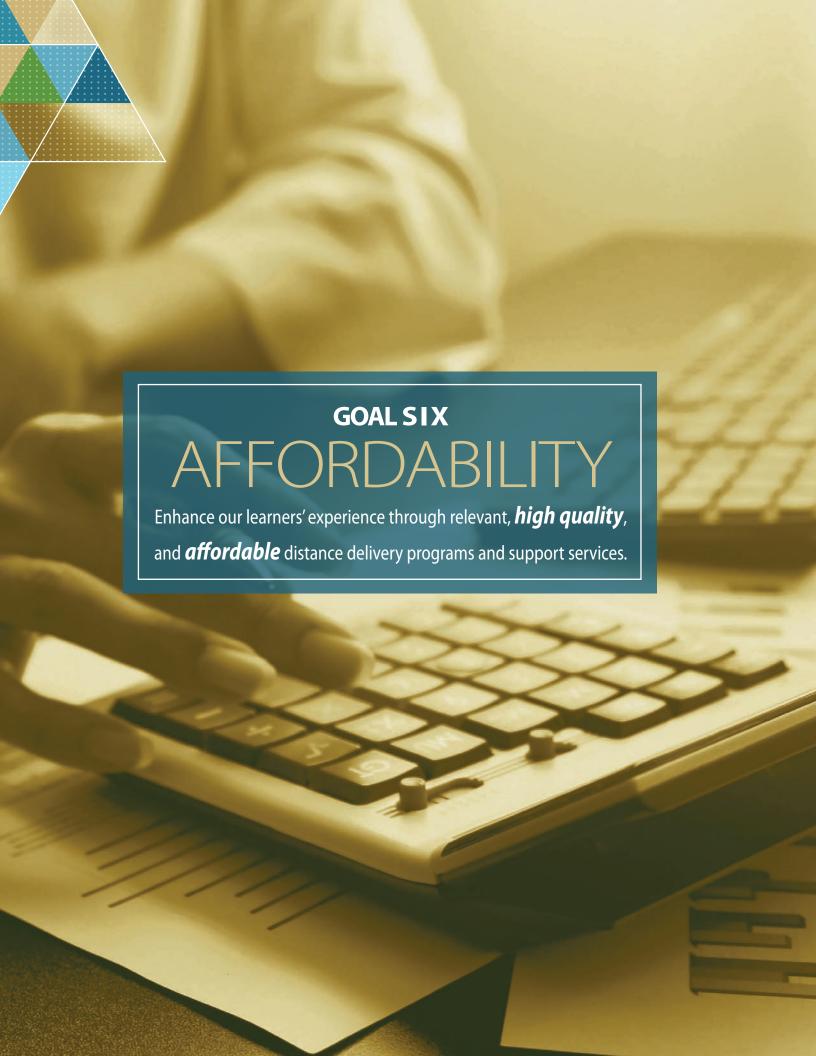
The strong connection that has been created is apparent. The relationship amongst these alumni is what has helped them bring what they learned into action in their classroom.

Instructor Alisha David



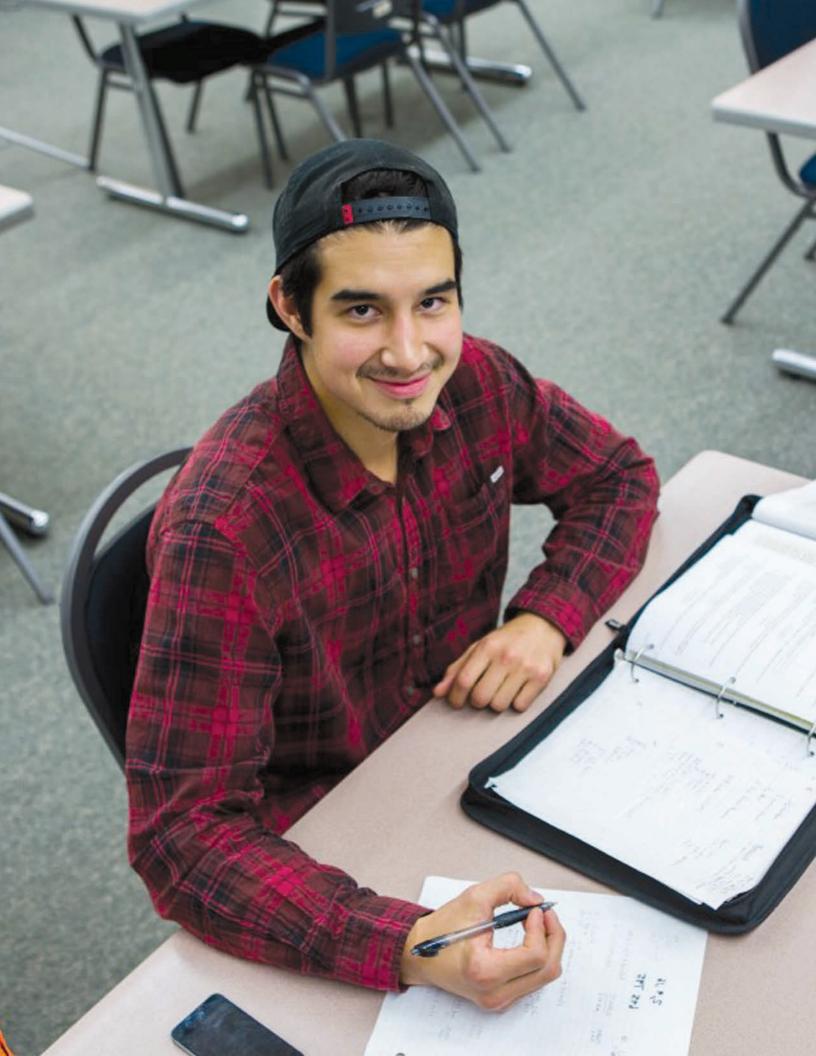


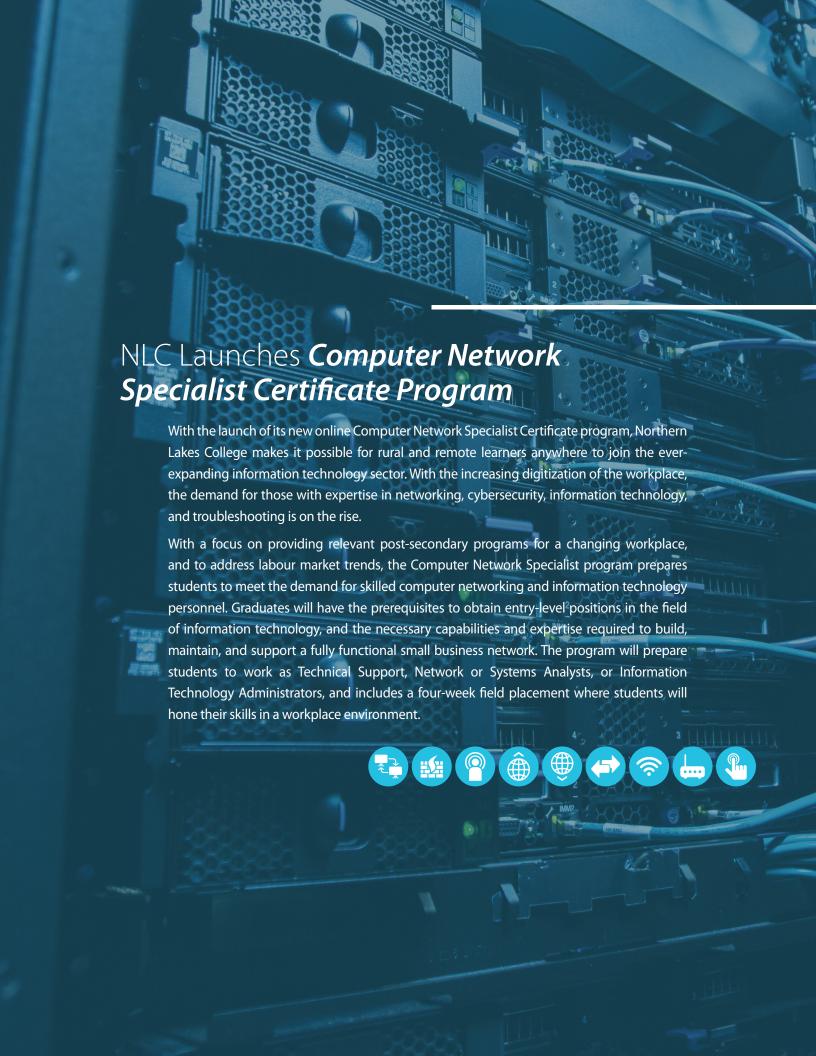
Priority Initiatives	Status	Expected Outcomes	Performance Measures	Progress made in the last 12 months	Revised Timeline
Build additional revenue through entrepreneurial activities and fundraising events.	In Progress	Raise 1\$ Million for High Prairie Campus project.	Successfully closed capital campaign.	As of September 2020, over \$200,000 in support has been secured.	
Maintain effective and efficient financial processes with controls to generate timely, accurate reporting.	In Progress	Unqualified financial statements.	Annual audits completed on time, are accurate, and without recommendations.	Implemented a new budgeting and planning software, trained all budget officers, and refinements to the use of the software and processes continue.	
Ensure timeliness and accuracy of facilities Asset Reporting. 2019-2021	In Progress	Government of Alberta building maintenance inventory system is complete and accurate.	Survey of all buildings is completed and deferred maintenance balance is reduced.	Deferred maintenance remained at manageable levels and are below historical values. VFA (building inventory software) updates are an annual, ongoing occurrence.	
Ensure facilities are safe and regularly maintained and teaching and learning equipment is current. 2019-2021	In Progress	Implementation of occupational health and safety software that provides ongoing and accurate information and monitoring.	Issues are identified and addressed in a timely manner.	Continued to enhance the Occupational Health and Safety (OH&S) software for incident reporting, inspections, and hazards. Safety issues are identified, addressed, and entered into the software with applicable deadlines. Staff have been trained in the use of the software. Enhanced the College's OH&S training program, developed a customized	
				WHMIS course, and established a revised OH&S committee that aligns with new legislation. Annual renewal of equipment certification is ongoing. Key staff safety retraining occurs as certifications approach expiry.	



Priority Initiatives	Status	Expected Outcomes	Performance Measures	Progress made in the last 12 months	Revised Timeline
Enhance affordability and access for students. 2021-2022	In Progress	Increased access to, and distribution of, awards, bursaries, scholarships, and emergency grants.	Increased student access to financial support.	Disbursed nearly \$450,000 in student awards, including dispersals in August 2020, with 78 emergency needs bursaries awarded. Initiated a strategic review of the Student Awards framework, including an assessment of award criteria, marketing, communication, and disbursement process. The goal of the strategic review is to optimize student access to scholarships, bursaries, and other awards, and continues in 2020-2021.	
Promote student financial literacy. 2020-2022	In Progress	Enhanced student financial wellness through partnership initiatives.	Financial literacy initiatives offered.	Created two podcasts with financial literacy content, Financial Tips & Tricks for Students.	







REGIONAL STEWARDSHIP, FOUNDATIONAL LEARNING, UNDERREPRESENTED LEARNERS

COMMUNITY EDUCATION COMMITTEES

For 50 years, NLC has contributed to community development, leadership capacity, and vibrant communities through a unique partnership with a network of local Community Education Committees(CECs). Each CEC selects a member to form the Council of Community Education Committees (CCEC). The Board of Governors recognizes the CCEC, a registered society, as the principal advisory body of the College. The CCEC meets quarterly with the Board of Governors, President, Senior Management, and Regional Managers to discuss local business opportunities, educational training needs, regional trends, local business and community development opportunities, and to have open dialogue with the Board Chair and President. The CEC's 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 President appoints members to CECs nominated by local entities and organizations. These organizations include First Nations, Métis Settlements, municipalities, and various organizations with mandates ranging from education, economic development, health, forestry, oil and gas, and small business. The local NLC students' union also nominates a student representative to the committee.

In 2019-2020, the CCEC continued its partnership with local organizations to host the Business Bootcamp series, sponsoring courses which were made available to students and residents across the NLC service region at a minimal cost. A wide variety of courses were offered, such as basic bookkeeping, customer service, and minute taking. As well, individual CEC's supported students through various needs-based initiatives and innovative delivery of programming by partnering with local businesses to help students thrive during COVID-19. CECs partnered with the College to offer 23 Continuing Education & Corporate Training courses to students and the public throughout the service region.

PARTNERSHIP WITH COMMUNITY ADULT I FARNING **PROGRAMS**

The College values the collaboration of Community Adult Learning Programs (CALPs) and often provides campus space for literacy and adult learning programming. CALP coordinators routinely serve as CEC members. Through the NLC/CALP Partnership Plan, which outlines initiatives to enhance literacy, computer literacy, and foundational skills, the College opened CALPs in communities where none previously existed. This included eight (8) First Nations communities including Atikameg, Cadotte Lake, Chateh, Driftpile, Grouard, Loon River, Peerless Lake, and Wabasca. The College supported 54 foundational learning students in 2019-2020 through the CALP grant.



COMMUNITY ENGAGEMENT

The College President & CEO consults with municipal councils and districts, counties, First Nations, and Métis Settlements within the service region. The consultations provide occasion for two-way dialogue about key accomplishments and the strategic direction of the College, as well as an opportunity for community leaders to provide feedback about NLC.

NLC also regularly engages in community consultation with a broad set of stakeholders including school divisions, Community Adult Learning Programs (CALPs), community organizations, business, and industry. College personnel represent NLC on a variety of community organizations, including the Peace Region Economic Development Alliance, the Rural Economic Development Initiative, Wabasca & Region Atoske Action Group, and multiple Chambers of Commerce. The College is a partner in the Labour Education Applied Research North (LEARN), and advocates for improved regional broadband in collaboration with Cybera and the Northern Alberta Development Council (NADC).

The NLC Open House Roadshow, an annual key community engagement event, had to be cancelled in the spring of 2020 due to the COVID-19 pandemic. The Open House Roadshow provides an opportunity for communities to participate in a BBQ and wellness activities, learn about College programs, and tour the community campus.

DUAL CREDIT

NLC added six (6) new Dual Credit agreements, for a total of 22 school divisions, and access to courses in four (4) new programs to Dual Credit offerings: Addictions Counselling, Practical Nurse, Primary Care Paramedic, and Social Work. A total of 165 students were involved in Dual Credit programming during the 2019-2020 year at Northern Lakes College. This is a 29% increase over 2018-2019 enrolment figures. From 2017-2018 to 2018-2019, NLC saw a 64% increase from 78 to 128 students participating in Dual Credit.





INDIGENOUS LEARNERS

Northern Lakes College programming and operations are grounded in profound respect for diverse cultures. In 2019-2020, 54% of Northern Lakes College students self-declared as Indigenous. In response to the *Truth and Reconciliation Commission of Canada's Calls to Action* for post-secondary institutions, all employees completed the *Engaging Indigenous Learners at Northern Lakes College* course. The College presented at the Community Learning Network's Literacy & Learning Symposium on inter-cultural competency in education. NLC offered the Elders-in-Residence program at the Wabasca and High Level campuses. Two Cree Language and Culture courses were developed for online delivery in Academic Upgrading and Adult Basic Education, as well as two Cree Language courses in University Studies.

Indigenous Student Population



CULTURAL LEARNING AND CELEBRATION

NLC demonstrated a commitment to local Indigenous cultures through the ongoing operation of the Native Cultural Arts Museum located at the Grouard Campus. NLC hosted Métis Week celebrations from November 10 to 16, 2019. This included flag-raising ceremonies with Regions 5 and 6 of the Métis Nation of Alberta, free traditional meal lunches, a Métis Awareness presentation, and a variety of musical and dance performances. The College sponsored public swim times in a number of communities to mark the event. In partnership with Rupertsland Institute: Métis Centre of Excellence, NLC created an informational video titled, *The Colours of the Métis Sash: Stories of Identity, Culture, and Reconnection*, which discusses aspects of Métis heritage and identity. Unfortunately, the College's 18th Annual Round Dance had to be cancelled in March 2020 due to the COVID-19 pandemic. The event brings together over 300 people from across the province to celebrate Indigenous cultures and recognize the significant role of Indigenous peoples in the area.

RURAL LEARNERS

Northern Lakes College serves a vast rural region in north central Alberta, comprised of over 164,000 square kilometers. NLC maintains campuses in these rural communities to ensure quality post-secondary education is accessible. Many students in these rural communities do not have access to internet connectivity or, if they do, it is very poor access. These students can go to the local campus to access online classes, counselling, and other learner supports. Access for rural learners is essential in ensuring quality education is available to all. In the spring of 2020, NLC offered a Drive-Up Wi-Fi program. This allowed students and community members access to the internet from the safety of their car, while campuses were closed to the public as a result of the COVID-19 pandemic.

ACADEMIC UPGRADING AND ADULT BASIC EDUCATION

Since its inception in 1970, Northern Lakes College has offered foundational learning programs such as Academic Upgrading and Adult Basic Education. These programs are foundational and fundamental components of NLC programming. Often, a complexity of social and systemic dynamics in northern communities creates barriers for adolescents in the K-12 system. NLC is committed to filling this gap and laddering programming to provide opportunities at all levels of the learning continuum. Through the Supported Distance Learning (SDL) model, the College's foundational learning programs are made accessible to students in rural and remote communities throughout the Northern Lakes College service region and beyond. Access to the College's foundational learning program is extended through partnerships with Community Adult Learning Programs (CALPs), the Inmate Education Program at Peace River Correctional Centre, and the Campus Alberta partnership with Lakeland College that supports approximately 50 FLEs per year in Lloydminster. Customized foundational learning programs also meet specific sector or community needs, such as the Health Preparation training delivered in partnership with the Wabasca & Region Atoske Action Group.



INFORMATION TECHNOLOGY REPORT

The past year has heralded a period of dynamic transformation at Northern Lakes College, with many shifts in the operating environment for the post-secondary sector compounded by the disruptive impacts of the COVID-19 pandemic. The College's Information Technology (IT) Services has played a critical role in ensuring service continuity to students during this period of dramatic change, while delivering on planned projects, and enabling and sustaining a seamless transition to remote work for many College staff.

Northern Lakes College's strategic IT focus remains on improving student access, experience and outcomes with the College's Supported Distance Learning model. This primary focus is supported by a continuous drive to improve the effectiveness of the College's enterprise systems and processes. Post-secondary collaboration is an integral part of the College's digital services strategy and underpins the approach to the planning and delivery of IT services, as well as proactive cybersecurity threat management.

SPOTLIGHT ON COLLABORATION

Northern Lakes College, Portage College and Lakeland College have conducted a series of joint IT strategic planning sessions that surfaced many opportunities to innovate, generate value and to be more responsive to dynamically shifting requirements. The colleges also discussed ways to share best practices, increase control over existing resources, and improve the efficiency and effectiveness of digital service delivery.

This series of highly interactive online workshops took place weekly through the summer of 2020 and were attended by approximately 30 staff and management from the three (3) partner institutions. This pioneering initiative, supported by Cybera, Alberta's non-profit innovation accelerator, also helped develop a collaborative, reusable approach to IT strategic planning which will be shared with the broader Alberta post-secondary community. Cybera, as part of their ShareIT mandate, will continue to work with the partners to develop joint capability sets and broaden the scope of strategic collaboration.

The College continues to collaborate with other Alberta post-secondary institutions directly, through SharelT partnerships and other programs facilitated by the Government of Alberta, wherever feasible. Other collaboration opportunities under exploration at this time include Al-based services such as robotic process automation and chatbots to enhance student support, online proctoring, digital credentials and virtual lab facilities.



PROGRESSIVE IMPROVEMENTS TO STUDENT DIGITAL EXPERIENCE

The College has completed the implementation of its new Brightspace Learning Management System from Desire2Learn. The new platform delivers an improved learning experience with support for many new features such as mobile learning, badges and digital credentials.

As part of the College's ongoing student wellness, counselling and accessibility service enhancements, a new case management system, Coyote CaseWORKS was introduced in March 2020, with full on-boarding expected to be completed by June 2021. Through integrated digital case management, the new system will facilitate a coordinated approach to the provision of student support services, as well as help to simplify reporting on the progress of the College's student services programs. The new system is complementary to the College's occupational health and safety management system that was introduced in 2019, and reinforces Northern Lakes College's focus on offering student support services that are responsive to student needs.

Northern Lakes College's "NLC Connect" mobile application, first launched in 2018, has continued to grow in popularity with students and staff with over 2,400 downloads over the last year. The mobile app has improved student experience and engagement by providing a unified mobile login facility, discussion forums and access to a variety of features including the email system, learning management systems, academic calendars, cultural connections, wellness services, library services and book swap.

In December 2019, Northern Lakes College signed a contract with Unit4 Systems to deliver a new online Student Information System. The agreement was a result of a thorough evaluation process and a joint prototyping process in partnership with Portage College and Athabasca University. The new system will deliver online self-service functionality for students, workflow and productivity enhancements and analytical capabilities that help improve the delivery of student services. The transition to the new system has commenced and is expected to continue through 2021-2022.

BRIDGING GAPS IN STUDENT ACCESS TO ONLINE SERVICES

Reliable broadband access in Northern Alberta is a critical requirement for the success of online learning delivery, and Northern Lakes College proactively works with local communities, the Northern Alberta Development Council, Cybera and other stakeholders to advocate and support the improvement of broadband access in the region.

The shift to cloud-based architectures and the proliferation of internet-based voice and video streaming services have influenced dramatic shifts in user and traffic patterns, as well as increased bandwidth requirements for online access. Poor internet availability in the College's coverage area has a direct impact on students' ability to access the College's services and affects the ability of staff to work from home. During the COVID-19 pandemic, performance of internet services in residential areas has been negatively impacted as more people access the internet from home, increasing contention for available capacity. Many of the College's students live in remote locations with poor or no broadband internet access and rely on the College's oncampus internet access to complete their courses.

To support learning needs during campus closures, and help address gaps in internet connectivity, Northern Lakes College equipped over 200 students with mobile tablets and laptop devices and implemented unique Drive-Up Wi-Fi access at various campuses. The College also broadened its support for user owned laptops and tablets and has introduced several ways for students to access course material on their devices offline. These improvements have been well received, and the College expects to expand availability of such facilities over the next two years.

IT INFRASTRUCTURE AND ENTERPRISE SYSTEM ENHANCEMENTS

In April 2020, Northern Lakes College shifted to electronic approvals and digital signatures for all administrative processes. This shift continues and builds on a series of digitalization initiatives such as the deployment of the new financial planning and forecasting system and the shift to digital archives for student records, both completed in 2019.

Many improvements have since been made to improve resiliency within the College's core network architecture, including the enhancement of wireless range and capacity at many College locations. The planning and preparation of IT facilities for the new High Prairie Campus has also been underway. Desktop phone systems have been enhanced with web accessible soft-phones, and Microsoft Teams has been introduced to allow rapid deployment of virtual office and collaboration spaces. Capacity on the College's existing Blackboard Collaborate and Zoom system has also been reinforced to support increasing demand for online features during the pandemic.

The College has completed a redesign of its internal Intranet site and has started work on the transition of legacy applications for vehicle management and room bookings. The new Intranet features improved integration with the College's Microsoft based collaborative services and security infrastructure and will be deployed in late 2020.

CYBERSECURITY FOCUS

Northern Lakes College continues to see significant increases in targeted phishing, vishing and other forms of electronic attacks. To address cybersecurity threats, the College implements a variety of security and monitoring systems, an internal cybersecurity and Freedom of Information and Protection of Privacy (FOIP) user training program, and regular review, audit and testing of the College's cybersecurity measures and controls. College staff also participate in provincial and national IT and information security working groups to stay up to date with evolving cybersecurity trends.

The shift to online and hybrid working arrangements has placed a greater emphasis on the College's information security management program. Capacities of security systems such as the College's Virtual Private Network systems have been reinforced and the College's cybersecurity training, monitoring and information management processes are constantly being reviewed and adjusted to cater to the evolving environment.

IT TRAINING AND DEVELOPMENT

Approximately 8,000 IT user service requests were completed over the last year, in addition to regular project, maintenance and pandemic response activities. Information and communications technologies are rapidly evolving, and the College provides a variety of continuing education and professional development options to its staff to address needs as appropriate.





CAPITAL REPORT

Type: Proposed New Pro Expansion Maintenance	med Description	al Project Cost	Funding Sources: % GoA % GoC % PSI funds % Donation % Foundation % Industry	Funding Received to Date and Source	Revised Funding Sources
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Priority Projects (Top 3 Capital Priorities)

New	New High Prairie Campus		90% GoA 10% PSI	The amount committed by GOA received in full. College restricted accumulated surplus \$2.4 million.	No change
Community Learning New Centre Replacements Phase 1		\$5,000,000	100% PSI	Board of Governors restricted funds.	No change
New	Information Technology Upgrades	\$2,500,000	100% PSI	Board of Governors restricted funds.	No change

Other

New	Peace River Campus Land	\$400,000	100% PSI	Project is on hold.	Subject to Board approval
Renewal	Building Envelope - Various Campuses	\$3,270,000	100% GoA	Government of Alberta \$3,270,000 grant received.	No change
Renewal Infrastructure Upgrade		\$178,000	100% PSI	Funded by the College.	Internal college funding
Renewal	IMP - HVAC Replacement	\$946,000	70% GoA 30% PSI	\$659,000 funded by GOA; \$288,000 was funded by the College.	IMP not funded in 2019-2020, the College used contingency funding to finish the project.



CAPITAL REPORT

Project Timelines and Status

Project Description	Project Timelines	Expected Project Start	Expected Project Completion	Project Status	Progress Made in Lasts 12 Months
High Prairie Campus	Spring 2017 – December 2020	2017	December 2020	Construction continued. Expected completion December 2020.	The project is near completion. \$13,459,000 was spent in 2019-2020.
Community Learning Centre Replacements Phase 1	July 2018 – December 2021	July 2018	December 2021	In progress	This year, construction work started on the Driftpile project. \$70,000 spent in 2019-2020. It is expected that most of the work will be completed in 2020-2021.
Information Technology Upgrades	July 2018 – June 2022	July 2018	June 2022	In progress	Planner was substantially complete. Some progress on SIS.
Peace River Campus Land Acquisition			June 2021	On hold	The project is subject to Board approval.
Building Envelope - Various Campuses	March 2018 - June 2021	March 2018	June 2021	In progress	There are various campuses under this project at varied states of progress. \$1,958,000 spent in 2019-2020.
Infrastructure Upgrade	July 2019 – June 2020	July 2019	June 2020	Completed	Individual projects were completed. \$162,000 spent on such projects.
IMP - HVAC Replacement	November 2018 – June 2020	November 2018	June 2020	Completed	Under this project boilers in Grouard were replaced. \$623,000 spent on this replacement.

SELF-GENERATED REVENUE

Northern Lakes College recognizes the importance of institutional self-generated revenue. Categories for such revenue include Auxiliary/Ancillary Services, Academic Enterprises, and Commercial Enterprises. Though location and geography limit the number of self-generated revenue opportunities, Northern Lakes College will continue to seek to generate revenue as identified below.

AUXII IARY/ANCII I ARY SFRVICES

Student residences are the primary revenue generation opportunity in this category. Northern Lakes College operates student residences in two (2) of its 24 locations, Grouard and Slave Lake. With the vast majority of campuses located in communities with small populations, the operation of student residences is not financially feasible. In spite of limitations, in 2020 the College was able to generate residence revenue of gross \$368,000 for a \$15,000 loss, net of expenses.

Other avenues of revenue in this category that might be possible for urban institutions such as parking, cafeterias, catering services, and bookstores, are not possible in our region. Only a small number of campuses have the foot traffic to support a cafeteria, and even those have proven to not be profitable.

ACADEMIC ENTERPRISES

Northern Lakes College operates a very active Continuing Education and Corporate Training department, with programming ranging from one-day safety training to longer certificates. In fiscal 2019-2020, the department experienced gross revenue of \$1.7 million, realizing a net profit of \$89,067. The effect of COVID-19 on the revenue generation of the department is substantial, and a significant reduction in revenue is expected for fiscal 2020-2021.

COMMERCIAL ENTERPRISES

Due to Northern Lakes College's rural and remote region, commercial enterprise activity is not a viable stream of revenue generation.

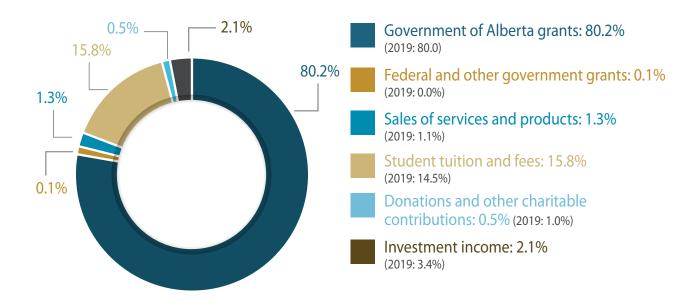


FINANCIAL RESULTS

1. Revenue (in 000's)

Total revenue decreased by \$3,560 (7.7%) from \$46,374 in 2019 to \$42,814 in 2020.

The distribution of total revenue between revenue sources for the 2020 fiscal year is presented in the chart below. A comparative percentage for the previous year is also shown.



Government of Alberta grants Federal and other government grants Sales of services and products Student tuitions and fees Donations and other contributions Investment income **Total**

REVENUE								
	Budget		2020		2019			
\$	36,660	\$	34,364	\$	37,110			
	14		22		4			
	607		551		506			
	8,374		6,754		6,723			
	537		234		473			
	789		889		1,558			
\$	46,981	\$	42,814	\$	46,374			

FINANCIAL STATEMENT DISCUSSION AND ANALYSIS

Government of Alberta grants (GoA) represent the College's single largest source of funding for College activities. GoA funding decreased by \$2,746 or 7.4% from \$37,110 in 2019 to \$34,364 in 2020. The main reason for this is a reduction in the Campus Alberta operating grant by \$1,532.

Federal and other government grants were not materially different from the budget. The College does not receive a large number of federally-funded grants.

Sales of services and products are generated by Ancillary Services. In providing services to the communities, students and staff, the College continued to develop funding for College operations and strategic initiatives. Sales of services were comparable to the prior year.

Student tuition and fees. Revenue from tuition and fees of \$6,754 was comparable to the prior year, however it was lower than budget. The main reason for this is not materialized plans for student enrollments, mainly due to COVID-19.

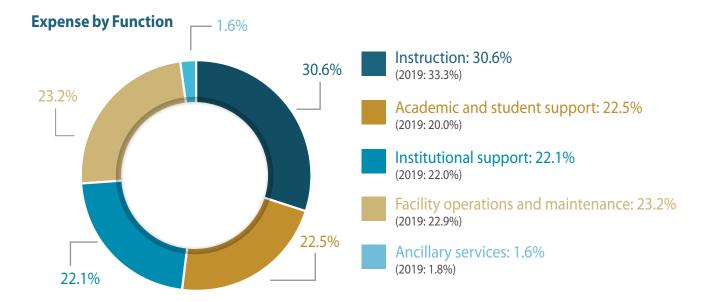
Donations and other contributions support many College activities. Donations and other contribution revenue of \$234 was \$239 lower than prior year and \$303 lower than budget. The main reason for this is less than the expected disbursement of deferred awards.

Investment income revenue of \$889 was \$669 lower than prior year and \$100 higher than budget. The lower actual investment income this year over prior year is due to significant realized gains last year as a result of shifting investment portfolio from mutual funds to bonds. There is no such transition this year. As a result, there are no significant realized gains like last year.

2. Expenses (in 000's)

Total actual expenses decreased by \$1,387 (3.2%), from \$43,211 in 2019 to \$41,824 in 2020.

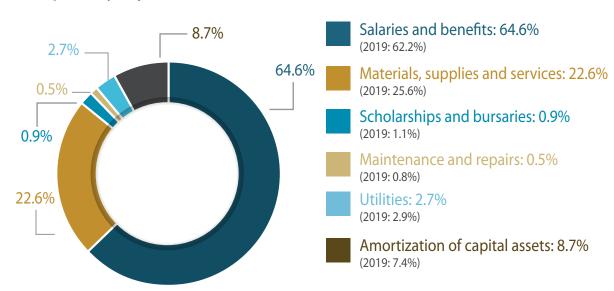
The distribution of total expenses for the 2019-20 fiscal year is presented in the following two charts.



Instruction
Academic and student support
Institutional support
Facility operations and maintenance
Ancillary services
Total

EXPENSES							
Budget		2020		2019			
\$ 14,714	\$	12,795	\$	14,413			
10,497		9,408		8,651			
11,401		9,252		9,498			
9,607		9,714		9,887			
762		655		762			
\$ 46,981	\$	41,824	\$	43,211			

Expense by Object



	EXPENSES					
		Budget		2020		2019
Salaries and benefits	\$	28,775	\$	26,998	\$	26,906
Materials, supplies and services		13,170		9,463		11,043
Scholarships and bursaries		409		380		461
Maintenance and repairs		192		193		337
Utilities		1,207		1,142		1,252
Amortization of capital assets		3,228		3,648		3,212
Total	\$	46,981	\$	41,824	\$	43,211

Salaries and benefits are comparable to the prior year. However, they are \$1,777 lower than budget. The main reason for that is canceled classes due to COVID-19.

Materials, supplies and services represent the second largest expense component. The current year expense of \$9,463 is \$1,580 lower than prior year. The main reason for that is the fact that this year students started buying books directly rather than through the College.

Amortization of capital assets of \$3,648 increased by \$436 (7.4%) from the prior year. The increase from prior year is a result of various capital initiatives.

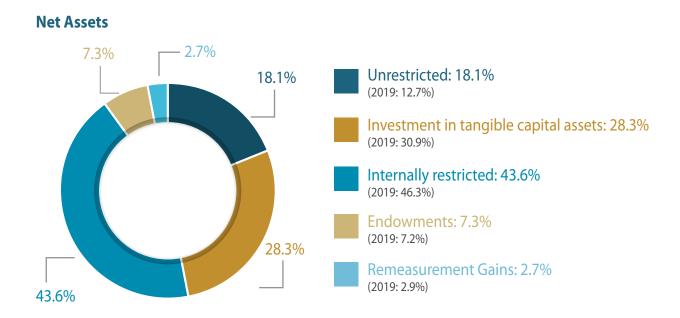
Other remaining expenses are comparable to prior year actuals and the budget.

3. Net Assets (in 000's)

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

	Net Assets				
		2019		Change	2020
Accumulated operating surplus	\$	4,012	\$	1,879	\$ 5,891
Investment in tangible capital assets		9,702		(479)	9,223
Internally restricted surplus		14,588		(410)	14,178
Endowments		2,283		97	2,380
Total accumulated surplus		30,585		1,087	31,672
Accumulated remeasurement gains		924		(46)	878
Total net assets	\$	31,509	\$	1,041	\$ 32,550

Net assets are more fully described in Note 10 to the Consolidated Financial Statements.



4. Net Financial Assets (in 000's)

The College's liquidity needs are met primarily through operating cash flows, working capital balances and capital expansion funding received through grants or long-term debt. Net financial assets is a measure of an organization's 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 \$2,691 of portfolio investments that are restricted for endowments. Endowment restricted investments represent contributions from donors that are required to be maintained intact 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.

Net financial assets (as presented in the consolidated statement of financial position)

Less portfolio investments - restricted for endowments

Adjusted net financial assets

NET FINANCIAL ASSETS						
	2020		2019			
\$	22,854	\$	20,945			
	(2,691)		(2,716)			
\$	20,163	\$	18,229			

The College continues to have sufficient positive Adjusted Net Financial Assets, demonstrating financial strength and commitment to managing the College's financial position.

5. Area of significant Financial Risk

A. Alberta 2030 review

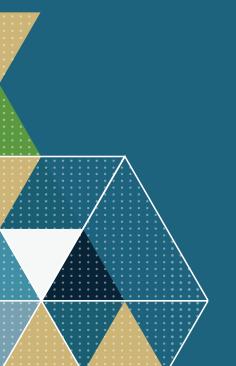
This year the Government of Alberta initiated the Alberta 2030 review. The results of this review will transform the adult learning system to focus on providing the high quality education, skills and training needed by Albertans. There is a possibility that this initiative may transform the post-secondary education sector substantially. The results of this initiative are going to be published in the near future and exact implications are going to be known at that time.

B. Government Funding

Provincial funding represents the largest source of the College's funding. This year this source of funding was reduced by \$2,746 or 7.4%. There are expectations that this source of funding is going to be reduced in the future years. The global COVID-19 pandemic adds complexity and may further impact the College funding directly through tuition fees or indirectly through government funding. Any further government funding reduction will make program delivery across the north region of Alberta highly challenging.

CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2020



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, 2020 and the results of its operations, remeasurement gains and losses, changes in net financial assets and cash flows for the year then ended.

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

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

The Board of Governors carries out its responsibility for review of the consolidated financial statements principally through its Audit and Finance Committee. With the exception of the President and CEO, all 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 Glenn Mitchell] President & CEO

[Original signed by Sergey Semagin] Executive Director, Finance Services



Independent Auditor's Report

To the Board of Governors of Northern Lakes College

Report on the Consolidated Financial Statements

Opinion

I have audited the consolidated financial statements of Northern Lakes College (the Group), which comprise the consolidated statement of financial position as at June 30, 2020, and the consolidated statements of operations, remeasurement gains and losses, change in net financial assets, and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at June 30, 2020, and the results of its operations, its remeasurement gains and losses, its changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for opinion

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

Other information

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

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

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

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

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

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

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

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

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

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

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

[Original signed by W. Doug Wylie FCPA, FCMA, ICD.D] **Auditor General** October 21, 2020 Edmonton, Alberta

Consolidated Statement of Financial Position

As at June 30, 2020 (thousands of dollars)

	2020		2019
Financial assets excluding portfolio investments restricted for endowments			
Cash and cash equivalents (Note 3)	\$ 11,72	7	\$ 10,385
Portfolio investments - non-endowment (Note 4)	29,53	5	27,400
Accounts receivable	1,189	9	724
Inventories held for sale	13	3	19
	42,46	1	38,528
Liabilities			
Accounts payable and accrued liabilities	6,78	1	4,940
Employee future benefits liabilities (Note 6)	358	3	430
Deferred revenue (Note 7)	15,159	9	14,929
	22,30	1	20,299
Net financial assets excluding portfolio investments restricted			
for endowments	20,163		18,229
Portfolio investments - restricted for endowments (Note 4)	2,69	1	2,716
Net financial assets	22,854	1	20,945
Non-financial assets			
Tangible capital assets (Note 8)	53,39	5	40,689
Inventories of supplies	322	2	773
Prepaid expenses	129	9	88
	53,84	5	41,550
Net assets before spent deferred capital contributions	76,70)	62,495
Spent deferred capital contributions (Note 9)	44,150)	30,986
Net assets (Note 10)	\$ 32,550)	\$ 31,509
Net assets comprised of:			
Accumulated surplus	31,672	2	30,585
Accumulated remeasurement gains	878		924
•	\$ 32,550)	\$ 31,509

Contingent liabilities and contractual obligations (Notes 11 and 12)

Approved by the Board of Governors

[Original signed by Daniel Vandermeulen] Chair, Board of Governors

[Original signed by Marie Dyck] Chair, Audit and Finance Committee

Consolidated Statement of Operations

For the year ended June 30, 2020 (thousands of dollars)

	В	Budget	20	020	2019
Revenues					
Government of Alberta grants (Note 16)	\$	36,660	\$ 34,	364	\$ 37,110
Federal and other government grants (Note 16)		14		22	4
Sales of services and products		607		551	506
Student tuition and fees		8,374	6,	754	6,723
Donations and other contributions		537		234	473
Investment income		789		889	1,558
		46,981	42,	814	46,374
Expenses					
Instruction		14,714	12,	795	14,413
Academic and student support		10,497	9,	408	8,651
Institutional support		11,401	9,	252	9,498
Facility operations and maintenance		9,607	9,	714	9,887
Ancillary services		762		655	762
		46,981	41,	824	43,211
Annual operating surplus		-	,	990	3,163
Endowment capitalized investment income (Note 10)		-		23	106
Endowment contribution		-		74	375
Annual surplus		-	1,	087	3,644
Accumulated surplus, beginning of year		-	30,	585	26,941
Accumulated surplus, end of year	\$	-	\$ 31,	672	\$ 30,585

Consolidated Statement of Change in Net Financial Assets

For the Year Ended June 30, 2020 (thousands of dollars)

Annual surplus
Acquisition of tangible capital assets
Proceeds from sale of tangible capital assets
Amortization of tangible capital assets
Revaluation of tangible capital assets
Loss on disposal of tangible capital assets
Change in inventories of supplies
Change in prepaid expenses
Change in spent deferred capital contributions
Change in accumulated remeasurement (losses)
Increase in net financial assets
Net financial assets, beginning of year
Net financial assets, end of year

2020	2019
\$ 1,087	\$ 3,644
(16,517)	(7,330)
115	240
3,648	3,212
21	-
27	193
451	(359)
(41)	111
13,164	2,759
(46)	(26)
1,909	2,444
20,945	18,501
\$ 22,854	\$ 20,945

Consolidated Statement of Remeasurement Gains and Losses

For the Year Ended June 30, 2020 (thousands of dollars)

	2020	2019
Accumulated remeasurement gains at beginning of year	\$ 924	\$ 950
Unrealized gains (losses) attributable to:		
Quoted in active market financial instruments: Portfolio investments - non-endowment	(643)	(774)
Designated fair value financial instruments: Portfolio investments - non-endowment	502	(99)
Amounts reclassified to the consolidated statement of operations:		
Quoted in active market financial instruments: Portfolio investments - non-endowment	84	438
Designated fair value financial instruments: Portfolio investments - non-endowment	11	409
Accumulated remeasurement gains at end of year	\$ 878	\$ 924

Consolidated Statement of Cash Flows

For the Year Ended June 30, 2020 (thousands of dollars)

	2020	2019
OPERATING TRANSACTIONS		
Annual surplus	\$ 1,087	\$ 3,644
Add (deduct) non-cash items:		
Amortization of tangible capital assets	3,648	3,212
Loss on disposal of tangible capital assets	27	193
Expended capital recognized as revenue	(2,601)	(2,307)
(Decrease) increase in employee future benefit liabilities	(72)	23
(Increase) decrease in accounts receivable	(465)	1,357
Decrease in inventories held for resale	6	14
Increase in accounts payable and accrued liabilities	1,844	511
Increase in deferred revenue	230	2,192
Revaluation of tangible capital assets	21	-
Decrease (increase) in inventory of supplies	451	(359)
(Increase) decrease in prepaid expenses	(41)	111
Cash provided by operating transactions	4,135	8,591
INVESTING TRANSACTIONS		
Purchase of portfolio investments	(7,876)	(38,870)
Proceeds on sale of portfolio investments	5,720	31,803
Cash applied to investing transactions	(2,156)	(7,067)
FINANCING TRANSACTIONS		
Debt repayment	-	(931)
Increase in spent deferred capital contributions, less expended capital recognized as revenue	15,765	5,066
Cash provided by financing transactions	15,765	4,135
CAPITAL TRANSACTIONS		
Acquisition of tangible capital assets, less in-kind donations	(16,517)	(7,330)
Proceeds on sale of tangible capital assets	115	240
Cash applied to capital transactions	(16,402)	(7,090)
and applied to explore stationessoris	(10,702)	(7,050)
Increase (decrease) in cash and cash equivalents	1,342	(1,431)
Cash and cash equivalents at beginning of year	10,385	11,816
Cash and cash equivalents at end of year	\$ 11,727	\$ 10,385

June 30, 2020 (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

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 tangible capital assets and the revenue recognition for expended capital are the most significant items based on estimates. In management's opinion, the resulting estimates are within reasonable limits of materiality and are in accordance with the significant accounting policies summarized below. These significant accounting policies are presented to assist the reader in evaluating these consolidated financial statements and, together with the following notes, should be considered an integral part of the consolidated financial statements.

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	Cost
Portfolio investments	Fair value and amortized cost
Inventories held for resale	Lower of cost or net realizable value
Accounts receivable	Lower of cost or net recoverable value
Accounts payable and accrued liabilities	Cost

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

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

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

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.

June 30, 2020 (thousands of dollars)

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

Revenue Recognition

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

Government grants, non-government grants and donations

Government transfers are referred to as government grants.

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

Government grants without terms for the use for the grant are recognized as revenue when the College is eligible to receive the funds. Unrestricted non-government grants and donations are recognized as revenue in the year received or in the year the funds are committed to the College if the amount can be reasonably estimated and collection is reasonably assured.

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

Grants and donations related to land

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

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

iii. Endowment donations

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

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

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 accumulated capitalized investment income. However, for individual endowment funds without sufficient accumulated 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.

June 30, 2020 (thousands of dollars)

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

iv. Investment income

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

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

d. Inventories Held for Sale

Inventories for sale 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.

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.

Leases of tangible capital assets which transfer substantially all the benefits and risks of ownership are accounted for as leased tangible capital assets. Capital lease liabilities are recorded at the present value of the future minimum lease payments at the inception of the lease, excluding executor costs (e.g. insurance, maintenance costs, etc.). The discount rate used to determine the present value of 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 10 - 40 years Land improvements 5 - 10 years Furniture and equipment Computer hardware and software 4 - 5 years

Tangible capital assets are written down when conditions indicate that they no longer contribute to the College's ability to provide 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 expense.

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

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.

June 30, 2020 (thousands of dollars)

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

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 recognized for the PSPP or MEPP is comprised of employer contributions to the plan that are required for its employees during the year, which are calculated based on actuarially pre-determined amounts that are expected to provide the plan's future benefits.

ii. Long-term disability

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

h. Basis of Consolidation

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

i. Expense by Function

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

Instruction

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

Academic and student support

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

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, amortization, 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.

June 30, 2020 (thousands of dollars)

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

j. Funds and Reserves

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

k. Future Accounting Changes

In August 2018, the Public Sector Accounting Board issued PS 3280 Asset retirement obligations. This accounting standard is effective for fiscal years starting on or after April 1, 2022. Asset retirement obligations provides guidance on how to account for and report a liability for retirement of a tangible capital asset.

In November 2018, the Public Sector Accounting Board approved PS 3400 Revenue. This accounting standard is effective for fiscal years starting on or after April 1, 2023 and provides guidance on how to account for and report on revenue, specifically addressing revenue arising from exchange transactions and unilateral transactions.

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

3. Cash and Cash Equivalents

Cash

Money market funds, short-term notes and treasury bills

2020	2019
\$ 7,779	\$ 8,077
3,948	2,308
\$ 11,727	\$ 10,385

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

June 30, 2020 (thousands of dollars)

4. Portfolio Investments

Portfolio investments - non-endowment

Portfolio investments - restricted for endowments

2020	2019
\$ 29,535	\$ 27,400
2,691	2,716
\$ 32,226	\$ 30,116

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

Portfolio investments at fair value
Bonds
Canadian Bonds
Equities
Mutual funds
Total portfolio investments

			20	20			
Le	Level 1		Level 2		Level 3		Total
\$	-	\$	24,143	\$	-	\$	24,143
	7,923		160		-		8,083
\$	7,923	\$	24,303	\$	-	\$	32,226
	25%		75%		- %		100%

Portfolio investments at fair valu
Bonds
Canadian Bonds
Equities
Mutual funds
Total portfolio investments

	2019									
Le	Level 1		evel 2	Le	vel 3	Total				
\$	-	\$	21,990	\$	-	\$	21,990			
	8,039		87		-		8,126			
\$	8,039	\$	22,077	\$	-	\$	30,116			
	27%		73 %		- %		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).

June 30, 2020 (thousands of dollars)

5. Financial risk management

The College is exposed to the following risks:

Market price risk

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

The College assesses its portfolio sensitivity to a percentage increase or decrease in the market prices. The sensitivity is determined by the College's investment advisor using the historical annualized standard deviation for the entire portfolio over a three year period. At June 30, 2020, if the market prices had a 4.76% (2019 - 4.74%) increase or decrease with all other variables held constant, the increase or decrease in accumulated remeasurement gain and losses and endowment net assets for the year would have been increase or decrease of \$1,337 (2019 - \$1,297).

Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The College is exposed to foreign exchange risk on investments that are denominated in foreign currencies. The College does not use foreign currency forward contracts or any other type of derivative financial instruments for trading or speculative purposes. The College's exposure to foreign exchange risk is very low due to minimal business activities conducted in a foreign currency.

Liquidity risk

Liquidity risk is the risk that the College will encounter difficulty meeting obligations associated with its financial liabilities. The College maintains a short-term line of credit that is designed to ensure that funds are available to meet current and forecasted financial requirements in the most cost effective manner. At June 30, 2020, the College has committed a borrowing facility of \$2,000 (2019 - \$2,000) none of which has been drawn.

Credit risk

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

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

Credit Rating	2020	2019
Bonds		
AAA	23.15 %	31.00 %
AA	63.73 %	24.20 %
Α	13.12 %	44.80 %
	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. If interest rates increased by 1.0%, and all other variables are held constant, the potential loss in fair value to the College would be approximately \$700 of total fixed income portfolio (2019: \$787).

June 30, 2020 (thousands of dollars)

5. Financial risk management (continued)

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

	Less than 1 year	1 to 5 years	Greater than 5 years	Average effective market yield
Money market funds and GICs	100.00 %	- %	- %	2.05 %
Canadian corporate bonds	19.34 %	39.92 %	40.74 %	1.27 %
Canadian government bonds	32.78 %	33.17 %	34.05 %	0.50 %
Provincial government bonds	- %	42.44 %	57.56 %	0.90 %

6. Employee Future Benefit Liabilities

Employee future benefit liabilities are comprised of the following:

	2020	2019
Long term disability	\$ 358	\$ 430

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, 2020.

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

	2020	2019
Accrued benefit obligation:		
Balance, beginning	\$ 430	\$ 407
Interest cost	10	9
Benefits paid	(77)	(58)
Actuarial (gain) loss	(5)	79
Change in actuarial assumptions	-	(7)
	\$ 358	\$ 430

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

	2020	2019
Accrued benefit obligation:		
Discount rate	2.5 %	2.5 %
Long-term average compensation increase	- %	- %
Estimated average remaining service life (years)	7.6	6.6

June 30, 2020 (thousands of dollars)

6. Employee Future Benefit Liabilities (continued)

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, 2019, the MEPP reported an actuarial surplus of \$1,008,135 (2018 - \$670,700). An actuarial valuation of the MEPP was carried out as at December 31, 2018 and was then extrapolated to December 31, 2019. The pension expense recorded in these financial statements is \$274 (2019 - \$340).

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 \$1,959 (2019 - \$2,039).

An actuarial valuation of the PSPP was carried out as at December 31, 2018 and was then extrapolated to December 31, 2019. At December 31, 2019, the PSPP reported an actuarial surplus of \$2,759,320 (2018 - \$519,218). For the year ended December 31, 2019, PSPP reported employer contributions of \$323,894 (2018 - \$337,390) and employee contributions of \$330,257 (2018 - \$338,742). Other than the requirement to make additional contributions, the College does not bear any risk.

7. Deferred Revenue

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

	2020								2	2019	
	restric	externally cted grants donations	d	Unspent eferred capital contributions		Tuition and other fees		Total		Total	
Balance, beginning of year	\$	8,213	\$	6,433	\$	283	\$	14,929	\$	12,737	
Grants, tuition, donations received during the year		4,407		14,827		6,729		25,963		18,849	
Restricted investment income		141		139		-		280		207	
Unrealized (losses)		(5)		-		-		(5)		(18)	
Transfers to spent deferred capital contributions		-		(15,765)		-		(15,765)		(5,066)	
Recognized as revenue		(3,489)		_		(6,754)		(10,243)		(11,780)	
Balance, end of year	\$	9,267	\$	5,634	\$	258	\$	15,159	\$	14,929	

June 30, 2020 (thousands of dollars)

8. Tangible capital assets

		2020											4	2019
	Land		Ві	uildings	Land Improvements		Equipment ⁽¹⁾		Computer Hardware & Software		Total			Total
Cost Beginning of year Acquisitions Disposals	\$	1,263 - -	\$	54,023 15,981 (21)	\$	849 - (180)	\$	13,929 410 (221)	\$	2,469 126 (31)	\$	72,533 16,517 (453)	\$	66,850 7,330 (1,647)
		1,263		69,983		669		14,118		2,564		88,597		72,533
Accumulated Amortization Beginning of year Amortization expense Effects on disposals	\$	- - -	\$	23,048 1,880	\$	381 38 (134)	\$	7,143 1,402 (125)	\$	1,272 328 (31)	\$	31,844 3,648 (290)	\$	29,846 3,212 (1,214)
		-		24,928		285		8,420		1,569		35,202		31,844
Net book value at June 30, 2020	\$	1,263	\$	45,055	\$	384	\$	5,698	\$	995	\$	53,395	\$	
Net book value at June 30, 2019	\$	1,263	\$	30,975	\$	468	\$	6,786	\$	1,197	\$	-	\$	40,689

Cost include work-in-progress at June 30, 2020 totaling \$18,011 (2019 - \$3,666) comprised of buildings \$17,721 (2019 - \$3,405), computer hardware and software \$100 (2019 - \$254) and equipment \$190 (2019 - \$7), which are not amortized as the assets are not in service.

No interest was capitalized by the College in 2020 (2019 - nil).

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

9. 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).

Spont	Doforrod	Canital	Contributions
Spent	Deterred	Capitai	Contributions

Spent deferred capital contributions, beginning of year Transfers from unspent deferred capital contributions Transfers from unspent externally restricted grants and donations Expended capital recognized as revenue Spent deferred capital contributions, end of year

2019	2020	
28,227	\$ 30,986	\$
1,766	15,765	
3,300	-	
(2,307)	(2,601)	
30,986	\$ 44,150	\$

June 30, 2020 (thousands of dollars)

10. Net assets

The composition of accumulated operating surplus is as follows:

	Accumulated surplus (deficit) from operations		in t	estment angible cal assets	Internally restricted surplus		Endowments		Total accumulated surplus	
Net assets as at June 30, 2019	\$	5,313	\$	8,776	\$	12,000	\$	1,802	\$	27,891
Operating surplus		3,163		-		-		-		3,163
New endowments		-		-		-		375		375
Capitalized investment income		-		-		-		106		106
Acquisition of capital assets		(2,265)		2,265		-		-		-
Amortization of internally funded tangible capital assets		989		(989)		-		-		-
Net book value of tangible capital assets disposals		350		(350)		-		-		-
Net Board appropriation to internally restricted surplus		(3,400)		-		3,400		-		-
Operating expenses funded from internally restricted surplus		812		-		(812)				-
Change in accumulated remeasurement gains		(26)		-		_		-		(26)
Net assets, beginning of year	\$	4,936	\$	9,702	\$	14,588	\$	2,283	\$	31,509
Operating surplus		990		-		-		-		990
Endowment contributions		-		-		-		74		74
Capitalized investment income		-		-		-		23		23
Acquisition of capital assets		(775)		775		-		-		-
Net book value of tangible capital assets disposals		95		(95)		-		-		-
Amortization of internally funded capital assets		1,159		(1,159)		-		-		-
Operating expenses funded from internally restricted surplus		410		-		(410)		-		
Change in accumulated remeasurement gains		(46)		-				-		(46)
Net assets, end of year	\$	6,769	\$	9,223	\$	14,178	\$	2,380	\$	32,550
Net assets is comprised of:										
Accumulated surplus		5,891		9,223		14,178		2,380		31,672
Accumulated remeasurement gains		878		-		-		-		878
J	\$	6,769	\$	9,223	\$	14,178	\$	2,380	\$	32,550

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.

June 30, 2020 (thousands of dollars)

10. Net assets (continued)

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 include:

	lance at ning of year	anges to cted surplus	Spe	nt during the years	Bala	nce at end of the year
Campus replacements	\$ 4,989	\$ -	\$	(70)	\$	4,919
Investing in Canada Infrastructure Program	3,400	-		-		3,400
High Prairie Campus Consolidation	2,470	-		-		2,470
Enterprise Information System	2,229	-		(340)		1,889
Trout/Peerless Campus	1,000	-		-		1,000
New Program Development	 500	-		-		500
	\$ 14,588	\$ -	\$	(410)	\$	14,178

11. 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 College may be required to take appropriate remediation procedures to remove the asbestos. As the College has no legal obligation to remove the asbestos in these facilities as long as the asbestos is contained and does not pose a public health risk, the fair value of the obligation cannot be reasonably estimated due to the indeterminate timing and scope of the removal. The asset retirement obligations for these assets will be recorded in the period in which there is certainty that the capital project will proceed and there is sufficient information to estimate fair value of the obligation.

12. 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	
2021	\$	721	\$	348	\$	34	\$	1,103
2022		362		270		34		666
2023		77		241		21		339
2024		66		242		2		310
2025		61		197		-		258
Thereafter		-		296		-		296
		1,287		1,594		91		2,972
Total at June 30, 2019	\$	615	\$	405	\$	104	\$	1,124

June 30, 2020 (thousands of dollars)

13. Expense by Object

The following is a summary of expense by object.

	2020					2019		
	Budget		Actual		F	Actual		
Salaries and benefits	\$	28,775	\$	26,998	\$	26,906		
Materials, supplies and services		13,170		9,463		11,043		
Scholarships and bursaries		409		380		461		
Maintenance and repairs		192		193		337		
Utilities		1,207		1,142		1,252		
Amortization of capital assets		3,228	\$	3,648	\$	3,212		
	\$	46,981	\$	41,824	\$	43,211		

14. 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.

Northern Alberta Development Council

2020	2019					
\$ 75	\$	85				
\$ 75	\$	85				

15. Related Parties

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

June 30, 2020 (thousands of dollars)

16. Government Transfers

	2020		2019
Grants from Government of Alberta			
Advanced Education:			
Operating	\$ 28,520	\$	30,052
Other	19,348	-	12,088
Total Advanced Education	\$ 47,868	\$	42,140
Other Government of Alberta departments and agencies	21		37
Total contributions received	47,889		42,177
Restricted expended capital recognized as revenue	2,556		2,261
Less: deferred contributions	(16,081)		(7,328)
	34,364		37,110
Federal and other government grants			
Contributions received	22		4
Revenue	\$ 22	\$	4

June 30, 2020 (thousands of dollars)

17. Salary and Employee Benefits

	2020									2019
	Base salary ⁽²⁾		Other cash benefits(3)		Other non-cash benefits ⁽⁴⁾		Total			Total
Governance ⁽¹⁾										
Chair of the Board of Governors	\$	-	\$	11	\$	-	\$	11	\$	10
Members of the Board of Governors		-		23		-		23		27
Executive										
President		232		7		30		269		261
Vice-President Academic(5)		201		89		36		326		204
Vice-President Corporate Services ⁽⁶⁾		99		184		21		304		200
Chief Information Officer		175		1		31		207		208
Executive Director, Human Resources		150		1		30		181		184
Executive Director, Student Services ⁽⁷⁾		145		-		30		175		72
Executive Director, Finance Services ⁽⁸⁾	\$	58	\$	1	\$	11	\$	70	\$	-

- (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.
- (2) Base salary includes pensionable base pay.
- (3) Other cash benefits include wellness pay-outs, health spending accounts, vacation payments, car allowances, honoraria and other lump sum payments, including severance. No bonuses were paid in 2020.
- (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.
- (5) The position was occupied by two individuals at different times during the year. The occupancy of this postion changed on November 12, 2019
- (6) The Vice-President Corporate Services position was eliminated on February 4, 2020
- (7) The Executive Director Student Services commenced February 11, 2019
- (8) The role of Executive Director Finance Services is a new role in fiscal year 2020 effective February 5, 2020.

18. 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. Certain budget numbers were reclassified in comparison with the ones published in the Comprehensive Institutional Plan to conform with current period presentation of actuals. \$3,228 was reclassified from Institutional Support in the original plan to Facility operations and maintenance in the Statement of Operations.

19. Approval of Financial Statements

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

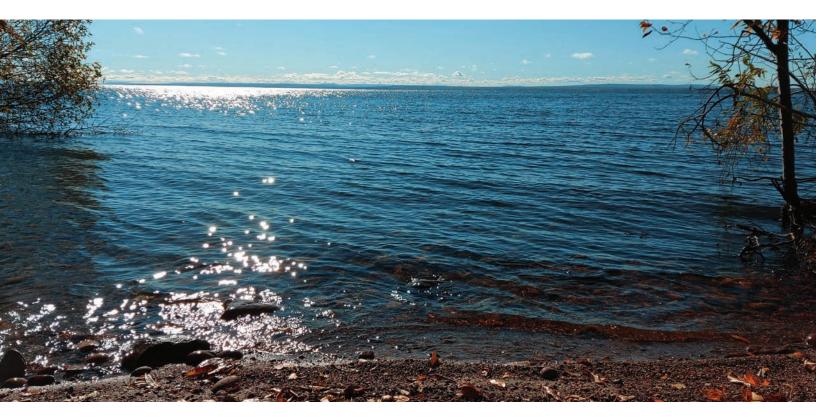
20. Comparative Figures

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

21. Impact of COVID-19

The World Health Organization declared on March 11, 2020 the outbreak of a strain of the novel coronavirus ("COVID-19") as a pandemic which has resulted in a series of public health and emergency measures that have been put in place to combat the spread of the virus and provide financial assistance as necessary. The duration and impact of COVID-19 are unknown at this time and it is not possible to reliably estimate the effect of these developments on College's operations.





NEW BEGINNINGS. ENDLESS POSSIBILITIES.

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