Annual Report 2020-2021

NEW BEGINNINGS. ENDLESS POSSIBILITIES.



THE THE AVER THE LAK

TOHER.

NORTHERN LAKES

tomo Vinan

+ (198)

Northern Lakes College has the singular Vision to provide the most accessible educational opportunities. No matter where you are, you can start here and go anywhere. Let us inspire your *NeW* beginnings and help create your endless possibilities.



Northern Lakes College respectfully acknowledges that we are located on Treaty 8 territory and Métis Nation of Alberta Regions 4, 5 and 6, traditional lands of First Nations and Métis Peoples.



TABLE OF CONTENTS

Accountability Statement	4
Management's Responsibility for Reporting	4
NLC Board of Governors and Senior Leadership Team	5
Message from the Board Chair and President & CEO	6
Mandate	8
Mission, Vision, Values	10
Public Interest Disclosure (Whistleblower Protection) Act	11
Operational Overview	14
Full Load Equivalent by Program	16
Enrolment Trends by Program Area and Key Changes to Enrolment	19
Goals and Performance Measures	26
Regional Stewardship, Foundational Learning, and Underrepresented Learners	48
Capital Report	56
Financial Information	58
Consolidated Financial Statements	64

Photos in this publication without physical distancing were taken prior to the pandemic.

ACCOUNTABILITY STATEMENT

The Northern Lakes College Annual Report for the year ended June 30, 2021 was prepared under the Board's direction in accordance with the *Fiscal Planning and Transparency Act* and ministerial guidelines established pursuant to the *Post-Secondary Learning Act*. All material economic, environmental or fiscal implications of which we are aware have been considered in the preparation of this report.

Original Signed by Daniel Vandermeulen 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 *Post-Secondary Learning Act*, performs an annual independent audit of the consolidated financial statements which are prepared in accordance with Canadian public sector accounting standards.

<u>Original Signed by Dr. Glenn Mitchell</u> President & CEO



BOARD of GOVERNORS

Daniel Vandermeulen, Public Member (Chair)
Dr. Glenn Mitchell, President & CEO
Barb Hatch, Public Member
Darrell Ghostkeeper, Public Member
Ivan Sawan, Public Member
Lucille Labrecque, Public Member
Lana Daniels, Public Member
Nancy Giese, Faculty Member
Kyle Paulson, Staff Member
Lynette Lambert, Student Member

SENIOR LEADERSHIP TEAM

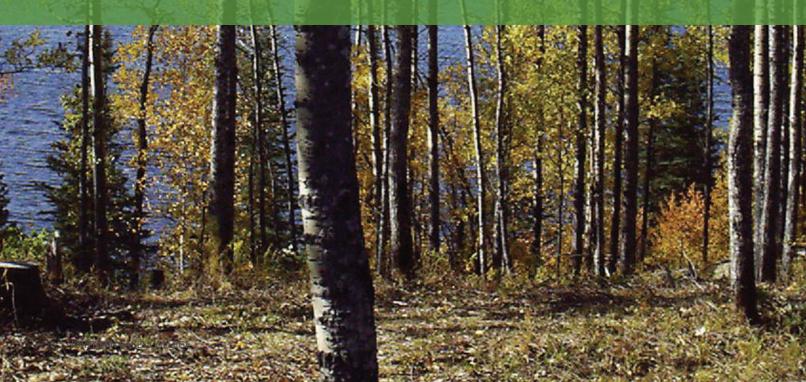
Dr. Glenn Mitchell, President & CEO

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

Sergey Semagin, Executive Director, Finance Services



MESSAGE from the BOARD CHAIR and PRESIDENT & CEO







Daniel Vandermeulen Board Chair

Dr. Glenn Mitchell President & CEO

Accessibility is important to Northern Lakes College. Our vision is to be recognized as the first-choice, communitybased college with the most accessible programs and services in Alberta. Accessibility is one of our key values, alongside collaboration, community, excellence, lifelong learning, and respect. Our focus on accessibility, combined with our Supported Distance Learning (SDL) model, meets the needs of rural and remote learners across the province. Our enrolment trends indicate students throughout Alberta are taking advantage of our accessibility. While the majority of our students reside within our service region, in 2019-2020, well over 30% of NLC students indicated they lived outside of our service region, and just one year later, this percentage grew to 46.

Our unique, innovative, Supported Distance Learning (SDL) model ensures programs and services are accessible to students in rural and remote regions. Our students do not have to relocate to pursue their post-secondary goals. They do not have to move away from familial or community support systems, and can access our courses and programs from anywhere, as long as they are connected to the Internet. Students in programs with practical requirements can often complete the theory portion of their program from their home community, and attend practical labs onsite.

In 2020-2021, Northern Lakes College operated 25 campuses and Community Access Point (CAP) sites, including a new campus in Fox Creek. Our new High Prairie facility welcomed students for the first time in August 2021. We also expanded delivery to the communities of Drayton Valley and Hinton. The incredibly successful partnership with the University of Calgary's Werklund School of Education resulted in enrolment growth in our University Studies program. We continued delivery of programs at two CampusAlberta partner institutions, Lakeland College and Medicine Hat College. Northern Lakes College operated eight Community Adult Learning Programs (CALPs) and partnered with 24 school divisions on dual credit programming, offering College credits to high school students. These are some examples of our commitment to increasing post-secondary participation rates by being accessible to students from their home communities, or wherever they are.

Northern Lakes College is deeply committed to our stewardship region, which includes four Métis Settlements and 15 First Nations. The College is committed to operations and programming grounded in deep respect for Indigenous learners and communities, and to providing opportunities that enable students to continue their education, improve their employment opportunities, and enhance their quality of life.

Northern Lakes College contributes to community development, leadership capacity, and vibrant communities through a unique partnership with a network of Community Education Committees (CEC). Each community with an NLC campus has a CEC, and these committees work to provide local residents with access to the education and training suitable to their needs and goals. Committee members serve as liaisons between the College, reserves, settlements, and communities. Together, we are able to meet the unique needs of our region and our learners.

In spite of the challenges posed by the COVID-19 pandemic, Northern Lakes College was able to increase the Full Load Equivalent count by 5.6% from 2019-2020 to 2020-2021 and achieved a retention rate of 86%. Our innovation and support promoted the success of our students. During this time, the College operated within its budget, met all financial reporting requirements, and achieved three "greens" by the Auditor General of Alberta.

At Northern Lakes College, we count our success one student at a time.

<u>Original Signed by Daniel Vandermeulen</u> Chair, Board of Governors

<u>Original Signed by Dr. Glenn Mitchell</u> President & CEO

MANDATE

Type of Institution, Sector, and Governance

Northern Lakes College is a board-governed public postsecondary institution operating in Alberta as a comprehensive community college under the authority of the PSLA.

Outcomes

Northern Lakes College provides access to students in rural and remote regions of Alberta through our Supported Distance Learning model that enables students to participate in post-secondary education regardless of their location. Northern Lakes College places a high value on collaboration with our Campus Alberta partners to ensure we are providing accessible programs and services to students. Northern Lakes College embraces dual credit programming and has numerous partnerships with School Boards throughout the province. The College also values our working relationship with Community Adult Learning Programs (CALP) to ensure we are working together to provide pathways for students into post-secondary programs.

Clients/Students

Northern Lakes College students are adult learners, lifelong learners, and dual credit students. The College has a mandate region that encompasses four Métis Settlements and 15 First Nations and the majority of our students are of Indigenous heritage. Northern Lakes College is committed to providing incremental educational opportunities enabling students to progress through all levels of the learning continuum.

Many students are not able to relocate to pursue their postsecondary goals. The ability to pursue learning in their home communities is key to being able to serve such a broad geographic region of the province. Northern Lakes College accepts students from across Alberta.

Geographic Service Area and Type of Delivery

Northern Lakes College serves a vast region of Northwestern Alberta and in 2019-2020 approximately 30% of our students originated external to our geographic stakeholder region. Currently, we have 25 campuses and Community Access Point (CAP) sites, and two additional sites where the College delivers programs at other institutions (Lakeland College and Medicine Hat College). Agreements are in place with Norquest College to offer programming in Drayton Valley and Whitecourt. To ensure our students have access to a wide variety of programs, and understanding the difficulty of adult learners to relocate to pursue educational goals, Northern Lakes College has developed Supported Distance Learning and Supported Distance Teaching models that ensure our students have access to all programs offered regardless of their location. Our Supported Distance Learning model accompanied by local supports for students has proven to be effective and efficient in providing access to programs and services for the purpose of upskilling, re-skilling or pursuing further education without compromising on quality.

Program Mandates and Credentials Offering

Northern Lakes College offers Foundational programming including literacy and numeracy, Career Preparation programs, post-secondary certificates and diplomas in a range of Health Science programs, Human Service programs, Business, Administrative, and Technology programs, Resource Technology Programs, and Journeyman certificates in a number of trades, and various upskilling and reskilling opportunities. Northern Lakes College also provides access to two collaborative degree opportunities within our University Studies department, Bachelor of Education and the Bachelor of Social Work.

Northern Lakes College enjoys a proud history of collaboration and currently has numerous collaborative agreements with other CampusAlberta institutions, an active collaboration with the Woodland Operations Learning Foundation, 16 transfer agreements for degree or diploma completion with CampusAlberta institutions, active dual credit agreements with 24 School Boards throughout the province, and numerous collaborations with business, industry, and other entities.

Northern Lakes College actively collaborates with CALPs in our region, operating eight CALPs and hosting five CALPs on our campuses.

Northern Lakes College also offers programs at the Peace River Correctional Centre and partners with the Rupertsland Institute, the Alberta Rural Development Network, the Northern Alberta Development Council and our regional Economic Development Committees.

Northern Lakes College also provides access to non-credit programming through our Continuing Education and Corporate Training Department.

Special Program Areas/Areas of Specialization

Northern Lakes College offers a broad range of programming that is reflective of the employment opportunities and needs of our communities. Adult Basic Education, including literacy and numeracy, and High School (Academic Upgrading) are key program areas for our service region as they provide accessible pathways. We are seeing strong growth in our University Studies program and there is continued demand for health programming in the region, including the development of a Registered Nurse program. In addition, our Trades and Resource Technology programs are of key importance to our region. All of our programs are accessible throughout Alberta via our Supported Distance Learning model.

System Collaboration and Partnerships

Northern Lakes College has a long history of collaboration that is encouraged by our Board of Governors. Existing agreements enable the College to deliver programs in other regions and other institutions to deliver programming in our region. Many of these collaborative agreements have been long standing, some are new, while others are in development. The College continues to provide and enhance student accessibility to programs and services through collaborative partnerships.

Northern Lakes College has numerous partnerships with School Boards to offer a broad range of access to high school students to obtain dual credits. We partner with CAREERS: The Next Generation, the Rupertsland Institute, economic development groups, First Nations and Métis Settlements and our Community Education Committees to support the educational needs of their communities.

We have co-located one of our campuses with Athabasca University and we offer the Practical Nurse and Academic Upgrading programs at the Vermilion campus of Lakeland College. We partner with the Woodland Operations Learning Foundation to provide forestry related programming throughout the province. We share three of our facilities with Northlands School Division, Kee Tas Kee Now Tribal Council Education Authority, and Kapawe'no First Nation. We are collaborating with Norquest College to offer our programming in the Town of Drayton Valley and the Town of Whitecourt and also Grande Prairie Regional College to offer programming in the Town of Hinton.

Northern Lakes College is actively engaged in regional stewardship through a number of initiatives and innovations. We have an active Community Education Committee in every campus community. The Chairs of each of those Committees comprise the Council of Community Education Committees that meets regularly with our Board of Governors. We have active and engaged partnerships with our CALPs and have initiatives intended to assist learners to achieve their goals.

The College meets with municipal councils, Chiefs and Chairpersons and their respective councils, and other key stakeholders in our service region providing information on the College and encouraging feedback related to community needs.

Research and Scholarly Activities

Northern Lakes College is not actively engaged in discovery research however, a number of our faculty and staff have undertaken research initiatives that focus on our model of teaching and learning specifically to provide insight into how we can better serve our students through active engagement in a distance-learning environment.

We have assisted a number of other institutions in their research endeavours.

System Mandate

Northern Lakes College region is geographically large and comprised of mostly small rural and remote communities. The College also provides access to programs and service to many students across Alberta. The impact that Northern Lakes College has on a community, and on students, can be profound. The social impact is significant, as many of our students would not have the opportunity to pursue an education if we did not make our programs accessible. The enrolment growth over the past several years is testament to the demand for accessible programs. Our Community Education Committees and our Municipal governments are continually requesting that new programs be added to meet employment demands in their region. In collaboration with CampusAlberta partners, Northern Lakes College is also servicing towns and communities outside of our service region at their request.

Our economic impact is also significant as our graduates have the opportunity to find employment in their communities without having to leave. This is particularly significant in that our University of Alberta Bachelor of Education graduates are employed in School Boards throughout our region, which are constantly challenged to find qualified teachers. The same is true for many of our graduates from other programs. We have recently expanded access to Bachelor of Education through a collaborative agreement with the University of Calgary. In one year, we have increased specializations/teachable areas to include, Early Childhood Education, and Revitalization of Indigenous Languages. Mathematics and sciences will start in the 2021-2022 academic year.

MISSION, VISION, VALUES

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.

1 20

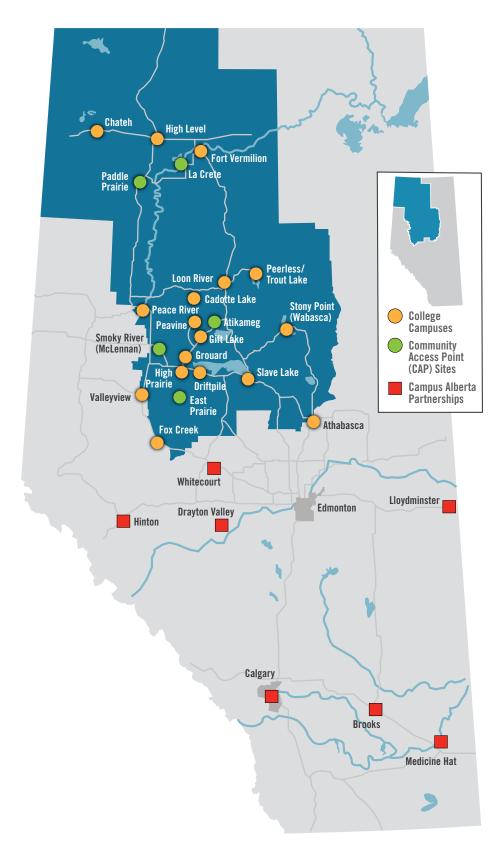
PUBLIC INTEREST DISCLOSURE (Whistleblower Protection) ACT

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 2020-2021 the College received zero (0) safe disclosure policy complaints.

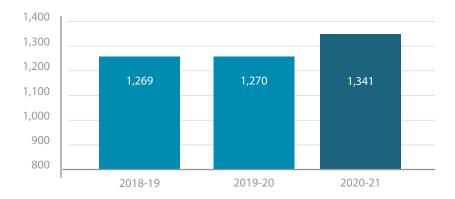
CAMPUSES, COMMUNITY ACCESS POINTS, AND CAMPUS ALBERTA PARTNERSHIPS



PROGRAMS AND COURSES: 2020-2021

ACADEMIC UPGRADING	Adult Basic Education Academic Upgrading					
	Business Administration					
BUSINESS and	Computer Network Specialist					
ADMINISTRATIVE	Human Resource Management					
STUDIES	Office Administration					
	Advanced Care Paramedic					
	Advanced Care Paramedic – Upgrading Health Care Aide					
HEALTH CAREERS						
	Practical Nurse					
	Primary Care Paramedic					
	Primary Care Paramedic Upgrading					
	Addictions Counselling					
HUMAN SERVICE	Early Learning and Child Care					
CAREERS	Early Learning and Child Care Diploma					
CANEENS	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					
	Power Engineering 3rd Class					
TRADEC	Power Engineering 4th Class					
TRADES and	Power Engineering 4th Class Lab Certification					
RESOURCE	Pre-employment Carpenter					
TECHNOLOGY	Pre-employment Electrician					
	Pre-employment Heavy Equipment Technician					
	Pre-employment Industrial Mechanic (Millwright)					
	Pre-employment Welder					
	Survey Theory and Calculations					
	Welder Apprenticeship (1st, 2nd, 3rd periods)					
UNIVERSITY	College and Career Preparation					
STUDIES	University of Calgary Community-Based Bachelor of Education					
STUDIES	University Studies					

OPERATIONAL OVERVIEW



Full Load Equivalent (FLE)

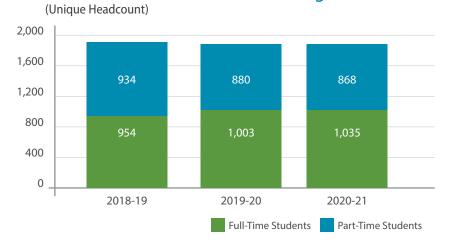
From 2019-2020 to 2020-2021, the College increased FLEs by 5.6%.

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.



	2018-19	2019-20	2020-21
FLE	1,269	1,270	1,341
Headcount	1,888	1,883	1,903

Number of Students in Credit Programs



An increase in full-time students and decrease in part-time students was experienced from 2018-2019 through to 2020-2021.

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



Student Enrolments

From 2019-2020 to 2020-2021, the College increased FLEs by 5.6% and headcount by 1.1%.

Employment Rate of Northern Lakes College Program Completers

	2015-16	2016-17	2017-18	2018-19	2019-20
Employment Rate	91%	96%	95%	97%	98%

Source: Northern Lakes College Employment Outcomes Interviews 2019-2020.

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	2018-19 Actuals	2019-20 Actuals	2020-21 Actuals	Change in FLEs from 2019-20	% Change in FLEs from 2019-20
Basic and Preparatory					
Academic Upgrading					
(HS and ABE Combined)	502.7	494.9	383.9	-111.0	-22.4%
Advanced Care Paramedic Upgrading	2.0	1.7	1.8	0.1	5.9%
Primary Care Paramedic Upgrading	1.9	1.6	1.9	0.3	18.8%
Basic and Preparatory Totals	506.6	498.2	387.6	-110.6	-22.2%
Business and Administrative					
Business Administration	21.5	23.4	25.8	2.4	10.1%
Business Administration - Accounting	5.6	2.5	N/A	N/A	N/A
Computer Network Specialist	N/A	N/A	12.7	N/A	N/A
Human Resource Management	4.5	1.9	3.7	1.8	96.5%
Office Administration	25.9	13.2	23.6	10.4	79.0%
Business and Administrative Totals	57.5	41.0	65.7	24.8	60.5%
Health					
Advanced Care Paramedic	46.4	44.0	74.4	30.5	69.2%
Community Health Promotion	1.4	0.3	0.2	-0.1	-40.1%
Emergency Medical Responder	2.8	N/A	N/A	N/A	N/A
Health Care Aide	89.2	85.6	90.5	4.8	5.7%
Practical Nurse	180.0	219.1	267.8	48.6	22.2%
Primary Care Paramedic	49.0	22.8	29.2	6.4	28.2%
Health Totals	368.8	371.9	462.1	90.2	24.3%
Human Services					
Addiction Services Worker	1.3	N/A	N/A	N/A	N/A
Addictions Counselling	17.8	29.3	43.1	13.8	47.1%
Early Learning and Child Care Certificate	29.3	34.7	64.9	30.2	86.9%
Early Learning and Child Care Diploma	21.8	7.4	15.2	7.8	104.9%
Educational Assistant	28.8	43.2	31.2	-12.0	-27.9%
Social Work	57.5	79.3	105.5	26.2	33.1%
Human Services Totals	156.6	193.9	259.8	65.9	34.0%
Haman Scivices iotais	150.0	155.5	239.0	05.5	JT.U/0

FULL LOAD EQUIVALENT BY PROGRAM	2018-19 Actuals	2019-20 Actuals	2020-21 Actuals	Change in FLEs from 2019-20	% Change in FLEs from 2019-20
Trades and Resource Technology					
Boom Truck	6.4	N/A	N/A	N/A	N/A
Carpenter 1st, 2nd, 3rd, and 4th Year	2.4	4.5	3.7	-0.8	17.6%
Electrician 1st, 2nd, 3rd, and 4th Year	5.1	3.6	4.3	0.7	18.5%
Introduction to Surveying	0.3	1.9	2.6	0.8	41.0%
Mobile Crane	1.6	N/A	N/A	N/A	N/A
Oilfield Operator	3.3	4.7	3.8	-0.9	-18.6%
Power Engineering 3rd, 4th, and 5th Class	60.2	52.8	43.8	-9.0	-17.1%
Pre-Employment: Carpenter, Electrician, Industrial Mechanic (Millwright), Welder, Heavy Equipment Technician	11.5	13.7	5.3	-8.4	-61.6%
Survey Theory and Calculations	13.2	8.0	7.1	0.8	-10.5%
Welder 1st, 2nd, and 3rd Year	8.5	2.7	3.7	1.1	40.0%
Trades and Resource Technology Totals	112.4	91.8	74.3	-17.4	-19.0%
University Studies					
College and Career Preparation	13.3	7.3	7.7	0.4	5.5%
Open Studies	2.5	2.9	0.4	-2.5	-86.4%
University Studies	50.8	62.8	83.4	20.6	32.8%
University Studies Totals	66.6	73.0	91.5	18.5	25.3%
TOTAL OFFICIAL FULL LOAD EQUIVALENT (FLE)	1268.5	1269.8	1341.1	71.3	5.6%
International Students (Headcount)	5	8	14	6	75.0%

Source: Advanced Education Data Collection and Reporting - LERS. Columns have been rounded.



ENROLMENT TRENDS BY PROGRAM AREA AND KEY CHANGES TO ENROLMENT

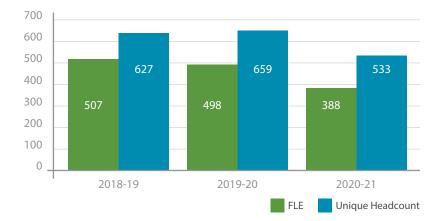
Overall, Northern Lakes College experienced enrolment growth of 5.6% in Full Load Equivalents (FLEs) from 2019-2020 to 2020-2021. Business & Administrative, Health, Human Service, and University Studies programming were growth areas for the College, while Academic Upgrading and Trades & Technology programming experienced declining enrolment. Specifically, Advanced Care Paramedic, Early Learning & Child Care Certificate, Practical Nurse, Social Work, and University Studies fueled overall growth. Of note, the College has experienced three consecutive years of growth in the ratio of the full-time student population to the part-time student population. International student enrolment increased from eight (8) to 14, as many of our international students were in our service region and we were able to continue to support them through the COVID-19 pandemic. We were able to robustly support those located outside of Canada through our Supported Distance Learning model. There was a significant decline in Dual Credit programming. There was a slight decline, from 54% to 52%, in learners self-identifying as Indigenous.

Variances between planning estimates, which projected 1,551 FLEs by 2020-2021¹, versus actuals, 1,341 FLEs, are attributed primarily to declining enrolment in Academic Upgrading (580 projected vs 388 FLEs) and Trades & Technology (141 projected vs 74 FLEs). Academic Upgrading enrolments have been disproportionately affected by the COVID-19 pandemic and by forest fires throughout the service region in 2019. For Foundational Learning and CALP students, the inability to attend a campus to receive in-person support, during stretches of the COVID-19 pandemic, resulted in significant challenges. Another factor, and external to Northern Lakes College, is that applications for Learner Income Support Office (LISO) funding in September 2020 and February 2021 were delayed and resulted in a number of withdrawals. In the Trades, the requirement for onsite labs was also a significant factor, with some students opting to delay training due to the health pandemic.

¹Northern Lakes College Comprehensive Institutional Plan 2019-2022

ACADEMIC UPGRADING

Academic Upgrading enrolments have suffered three consecutive years of decline. As noted in the introductory comments, this program has been disproportionately affected by the COVID-19 pandemic, and by forest fires experienced throughout the service region in the spring of 2019. For Academic Upgrading students, the inability to attend a campus during intervals of restrictions due to the pandemic, posed significant challenges. Though local campuses remained open by appointment, community lockdowns, isolation periods, and other COVID-19 safeguards discouraged students from attending in person. Foundational learners reported not having access to broadband and/or computer devices at a higher rate than students in other program areas. Initiatives to support students with limited availability to broadband and devices continued from 2019-2020 to 2020-2021, including Drive-Up Wi-Fi and a laptop loan program. A further factor to declining Academic Upgrading enrolments, in both September 2020 and February 2021, is that applications for Learner Income Support Office (LISO) funding were delayed and resulted in a number of withdrawals. Additionally, learners were also challenged to follow through on completing funding applications due to reduced access to campus supports, and by not having connectivity at home. Initiatives to recover enrolments include implementing the mobile device project with Open Educational Resources (OERs) to all Adult Basic Education students. As well, in-person attendance was reinstated in September 2021. We anticipate that increased access to LISO funding for home-based learners, beginning in September 2021, will have a positive effect on enrolment. Enrolments remained low in both Advanced Care Paramedic Upgrading and Primary Care Paramedic Upgrading, which led to the decision to reduce intakes from each term to the fall term only.

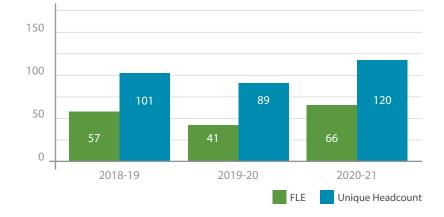


Basic and Preparatory Programs*

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

BUSINESS AND ADMINISTRATIVE STUDIES

Business and Administrative programs saw an overall FLE increase of 61%, driven by the addition of a new program, Computer Network Specialist, and a resurgence in Office Administration enrolment. The Computer Network Specialist program, launched in September 2020 to respond to labour market trends and meet the needs of a changing workplace, added 12.7 FLEs to this program category. The Office Administration program recovered enrolments after experiencing a decline in 2019-2020. The Business Administration Certificate maintained enrolment numbers. The College has partnered with Portage College to offer students in the service region broader options for those interested in business diplomas.



Business and Administrative Studies



HEALTH CAREERS

Health programs experienced overall FLE growth of 24%, primarily as a result of significant growth in Advanced Care Paramedic and continued growth in Practical Nurse. The Practical Nurse program experienced FLE growth of 22% and had 85 graduates in spring 2021, the highest number of graduates in the history of the program. Program growth was primarily the result of the implementation of a distance offering cohort to accommodate students not attached to a location. Advanced Care Paramedic FLEs increased by 69%, as a result of the addition of new cohort. Though demand for Northern Lakes College Health programs remains very high, the feasibility of expanding seats is not possible due to the ongoing lack of clinical placement availability in the north. The College offered the new, and longer, ten-month Health Care Aide curriculum, moving from multiple intakes to one intake per academic year. This led to increased FLEs but reduced the headcount and number of graduates. This change has also impacted international students who were working and attending the Health Care Aide – Prior Learning Assessment and Recognition (HCA – PLAR) program, because they could not hold both a work and study permit.

Health Career Programs



HUMAN SERVICES

Human Services experienced an overall FLE increase of 34%, fueled primarily by a near doubling of enrolment in the Early Learning & Child Care Certificate, along with continued growth in the Social Work program. A large surge in Early Learning & Child Care Certificate FLEs of 87% seems driven by a significant increase in urban enrolment in the program, attesting to the value of accessibility our Supported Distance Learning model provides. From 2019-2020 to 2020-2021 there was a 41% increase in enrolment of Edmonton and Calgary-based students. We anticipate this will translate to increased enrolment in the Early Learning & Child Care Diploma in the future, coupled with a partnership to provide the program to a local daycare and First Nation. Social Work program FLEs increased by 33%, primarily in Year Two enrolments, as a result of doubling seats in Year One in 2019-2020. Addictions Counselling continued to experience FLE growth for a third consecutive year, for an FLE increase of 47%.

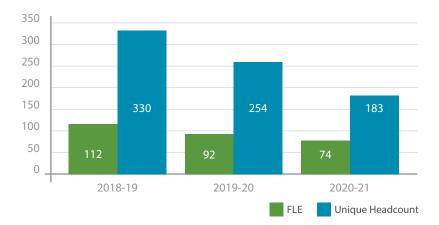


Human Service Programs



TRADES AND RESOURCE TECHNOLOGY

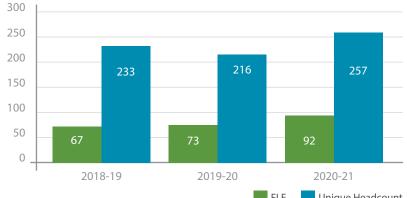
The Trades and Resource Technology program category experienced an overall FLE decline of 19%. Enrolments in Trades and Resource Technology programming have not yet recovered from the economic fallout experienced at the onset of the pandemic, and is consistent with the experience of trades programming across the province. Electrician and Welder program enrolment remained similar to 2019-2020, but did not recover to pre-pandemic figures, while Carpenter dipped slightly, but remained higher than pre-pandemic numbers. The demand for home renovation and construction projects may have been a factor in the increase in Carpenter. In the Trades, the requirement for onsite labs was also a significant factor, with some students opting to delay training until the pandemic situation resolves. Pre-employment FLEs have experienced a similar trajectory, overall. In Resource Technology programming, demand for Power Engineering has remained relatively high, though not at pre-pandemic levels. Introduction to Surveying and Oilfield Operator Training remain low overall. Survey Theory & Calculations has not recovered to pre-pandemic levels.



Trades and Resource Technology Programs

UNIVERSITY STUDIES

Overall growth was experienced in the University Studies program category, with the University Studies program itself experiencing a 33% increase in FLEs. This is largely attributed to the Community-Based Bachelor of Education partnership with the University of Calgary, which allows Northern Lakes College students to complete their degree while remaining in their home community. This program has experienced three consecutive years of FLE growth. Specializations in Revitalization of Indigenous Languages and Early Childhood Education were introduced in 2020-2021, increasing the appeal of the program to an even larger audience. Northern Lakes College successfully filled its allocation of seats provided by the University of Calgary program. As a 'feeder program' for other Northern Lakes College post-secondary programs, such as Social Work and a number of Health programs, when those programs experience growth, University Studies does as well. Also, students who are waitlisted for Health programs are advised to enrol in University Studies courses to complete their elective courses.



University Studies Programs



GOAL 1: ACCESSIBILITY

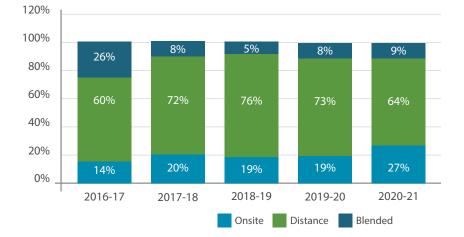
Enhance our learners' experience through relevant, *high quality* and *affordable* distance delivery programs and *learner support services*.



	Priority Initiatives	Status	Expected Outcomes	Performance Measures	Progress made in the last 12 months
1.	Enhance faculty and staff professional development opportunities.	Achieved	Offer employee workshops related to cultural activities and general professional development.	Increase in the number of internal professional development courses and workshops.	Created a customized course, <i>Engaging</i> <i>Indigenous Learners</i> , which was completed by 203 employees. Completion of the course is a requirement for all employees. Maintained <i>EducationTalk</i> sessions three times per month on topics directly related to teaching and learning. <i>Coffee Shop</i> sessions were held quarterly with a focus on new research in teaching and learning.
		Achieved	Increased access to advanced credentialing opportunities.	Increased professional development applications supported.	Supported 147 employees to complete professional development courses and workshops and 16 employees to pursue advanced credentials.
		Achieved	Broadened employee engagement for succession planning purposes.	Increased opportunities for term and acting assignments.	Twelve employees had the opportunity for either a promotion or acting assignment.
2.	Integrate new programs to meet regional demand.	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.	Renewed delivery of Power Engineering 3rd class and Oilfield Operator Training labs, with Power Engineering 3rd class offerings resuming fall 2021. Successfully completed the first offering of the Computer Network Specialist program with 10 completers. Current enrolment for 2021-2022 is 13 students. Applied and obtained approval for the new Integrated Foundational Pathways – Stepping Forward program.
		Achieved	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.	Mental Health programming is mandatory in Addictions Counselling, Educational Assistant, Paramedic, and Social Work programs.

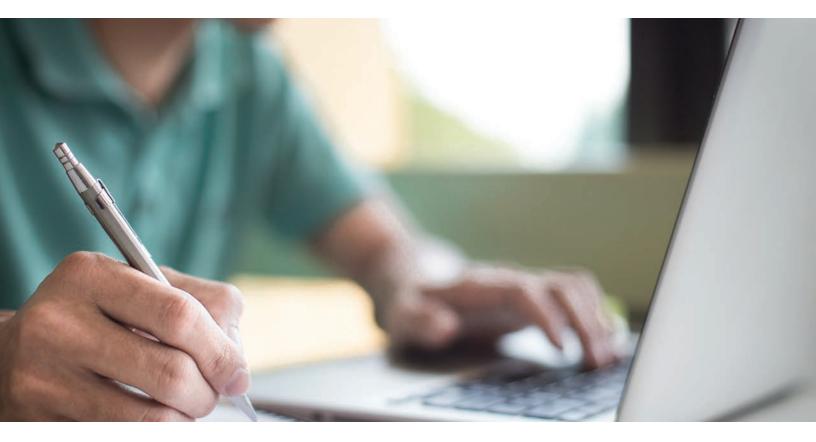
	Priority Initiatives	Status	Expected Outcomes	Performance Measures	Progress made in the last 12 months
3.	Pilot and implement a faculty mentorship program to support faculty with the transition to post- secondary teaching and to teaching online.	Achieved	Improved learner experience that meets learners' educational needs.	Continued increase in student satisfaction.	Mentorship program has been implemented. All new faculty are paired with a mentor to support their transition to online teaching.
4.	Review all courses to ensure academic quality standards are met.	Achieved	Improved learner experience.	Continued increase in student satisfaction.	All Adult Basic Education Level courses were reviewed and redesigned. University Studies courses were reviewed for quality, and redeveloped accordingly, (i.e. ENGL1000, DRAM1020), as well as Advanced Care Paramedic. Course reviews will be ongoing.
5.	5. Develop a Strategic College Indigenization Plan.	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.	Elders-in-Residence program continues at High Level and Wabasca campuses; adding five additional locations (Grouard, Slave Lake, Peace River, High Prairie, Chateh). Library Services highlighted Indigenous authors' works at both Grouard and Slave Lake library locations. Cree courses and Indigenous content are included in Foundational Learning programs.
		Achieved	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	Book packages highlighting Indigenous authors sent to students, upon request, in the <i>Refresh Your</i> <i>Bookshelf</i> initiative. All employees participated in the <i>Engaging</i> <i>Indigenous Learning</i> training.
6.	Increase access to assistive technology and supports for students with disabilities.	In Progress	Increased student access to learning accommodations.	5% increase in retention.	Provided learning accommodations for 52 students and academic learning strategies to 83 students. Accessibility Services expanded ability to connect with and support students virtually, during COVID-19 pandemic closures. Increased awareness of the role of Accessibility Services (i.e. distribution of Student Services handbook).

	Priority Initiatives	Status	Expected Outcomes	Performance Measures	Progress made in the last 12 months
7.	Create a centralized approach for student services and student engagement, where students are supported through their transition from application to registration and through to graduation.	In Progress	Increased institutional capacity to respond to students' service and support needs.	5% increase in retention and continued increase in student satisfaction.	Collaborative processes initiated between Student Success and program areas to provide comprehensive support for students including educational planning, goal setting, assistance with funding support applications, and readiness for studies.
8.	Develop a framework of information and digital literacy competencies.	In Progress	Improved student competency in the use of digital technology.	Information and digital literacy learning objectives incorporated into programs.	Library Services offered six targeted, in-class sessions on library use and research basics, which encompassed information and digital literacy components. Media Literacy Week activities occurred October 26-30, 2020. Planned a Mobile Device Project to
					enhance digital literacy in courses such as Information Processing and Employability Skills.
					Implemented a laptop loan program and distributed over 200 units to learners in need due to COVID-19 restrictions.
9.	Expand the comprehensive student care framework to ensure students at risk are identified and supported.	In Progress	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.	Created the Student Services Handbook, which offers student support information and resources. Virtual suicide training completed by 129 faculty, staff, and students. Offered <i>Wellness Check-ups</i> for students as a self-awareness tool and to increase knowledge of available resources and support.
				5% increase in retention.	From 2018-2019 to 2019-2020, the retention rate increased by 5%, from 82% to 87%. In 2020-2021, the rate dropped slightly to 86%.
10.	Develop the Strategic Enrolment Management Plan to enhance student retention and perseverance.	In Progress	Implementation of the Strategic Enrolment Management Plan and Student Engagement Plan.	5% increase in conversion and retention rates.	The Strategic Enrolment Management team will be established and strategies created in the 2021-2022 academic year.



Percent of Student Contact Hours by Delivery Method

The increase to onsite delivery for 2020-2021 is due to some onsite components from the previous year being extended, or canceled and rescheduled into 2020-2021, due to the pandemic. A few programs saw higher enrolment in 2020-2021, resulting in more onsite practicums. A new program for 2020-2021, Computer Network Specialist, included an onsite practicum, and a curriculum change in another program resulted in an increase to onsite hours.



Conversion Rates	2016-17	2017-18	2018-19	2019-20	2020-21
Acceptance Rate	50%	51%	54%	51%	56%
Registration Rate	68%	68%	57%	55%	64%

Acceptance Rate: number of acceptances / number of applications.

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

Retention Rate	2016-17	2017-18	2018-19	2019-20	2020-21
Retention Rate (year to year)	84%	85%	82%	87%	86%

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

Student Satisfaction Survey	2018-19	2019-20	2020-21
Quality of Instruction	95%	94%	91%
Overall Satisfaction	97%	97%	93%
Recommend Northern Lakes College	96%	95%	91%





ENGAGING INDIGENOUS LEARNERS

With a service region that includes 15 First Nations and four (4) Métis Settlements, and more than half of the student body self-identifying as Indigenous, Northern Lakes College is committed to programming and operations which are grounded in profound respect for Indigenous cultures.

To support this commitment, NLC has created *Engaging Indigenous Learners*, an in-house, custom course designed to help those in the educational field to work effectively with Indigenous learners. Northern Lakes College created the course in response to the *Truth and Reconciliation Commission of Canada's Calls to Action* for post-secondary institutions.

All Northern Lakes College faculty and staff are required to complete this course, which includes five learning modules and four case studies. Course modules include the *NLC Context, Becoming Aware, Building Trust, Embracing Diversity,* and *Indigenous Arts & Design.* The case studies include topics such as unconscious bias, learner preconceptions, community involvement, culturally-inclusive learning environments, assessing barriers, cultural relatability, and inclusiveness. All new hires complete the course as part of their orientation and onboarding.



In order to build an inclusive learning environment, it is important to understand Indigenous history, experiences, and traditional ways of knowing. Northern Lakes College is committed to creating a learning environment that respects and engages Indigenous learners. – President & CEO, Dr. Glenn Mitchell



GOAL 2: COORDINATION

Coordinate with Campus Alberta and other regional learning organizations to *promote access and learning pathways* for dual credit and adult learners.



	Priority Initiatives	Status	Expected Outcomes	Performance Measures	Progress made in the last 12 months
1.	Collaborate with Campus Alberta partners on a new delivery model to enhance access to programs.	Achieved	Increased access to the College's Foundational Learning and Academic Upgrading program to partner institutions.	Establishment of new foundational Learning/ Academic Upgrading delivery partnerships.	Renewed the Campus Alberta partnership with Lakeland College to provide foundational learning program services. The Community Adult Learning Program (CALP) grant was approved for a further three years with one new NLC location added in High Level for fall 2021.
		Achieved	A broader range of degree completion opportunities through partnerships with Athabasca university and other degree-granting institutions.	Delivery of five (5) new collaborative agreements with Campus Alberta partners, including delivery of two (2) additional degree completion opportunities.	Developed four additional specialization options for students interested in taking the Community- Based Bachelor of Education in partnership with the University of Calgary. Entered agreement with Portage College to increase program opportunities for Business Diploma Specializations at both institutions.
2.	Provide career and post-secondary experiential learning opportunities for youth.	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.	Dual Credit offerings provide high school students post-secondary learning opportunities. Due to concerns regarding COVID-19, the College did not offer any summer camps.

INCREASING POST-SECONDARY ACCESS AND PARTICIPATION

Northern Lakes College is committed to enhancing access to post-secondary education in rural and remote communities in Alberta, and has a proven model that works. With accessibility as a cornerstone value, the College provides flexible and quality educational programs and services that allow learners to access educational opportunities from their home community. In 2020 – 2021, a number of new partnerships were established with communities throughout Alberta.



Northern Lakes College is excited about the partnerships with the towns of Drayton Valley, Fox Creek, and Hinton, and welcomes the opportunity to provide post-secondary programming to these communities. NLC seeks to provide the most accessible community-based learning opportunities and endeavours to find collaborative ways to support the provincial goal of increased participation in post-secondary education.

- President & CEO, Dr. Glenn Mitchell

Drayton Valley

Enhancing access to post-secondary education in rural Alberta is a common goal shared by both the Town of Drayton Valley and Northern Lakes College. It was with great excitement that the community and NLC announced a new education partnership in November 2020. Community members are able to access their courses at home, work, or at the Drayton Valley Clean Energy Technology Centre.

"It has been our pleasure to serve the Drayton Valley region, and we are confident that Northern Lakes College is the right partner to continue providing access to high quality education for the community and region." - **NorQuest President & CEO, Carolyn Campbell**

Fox Creek

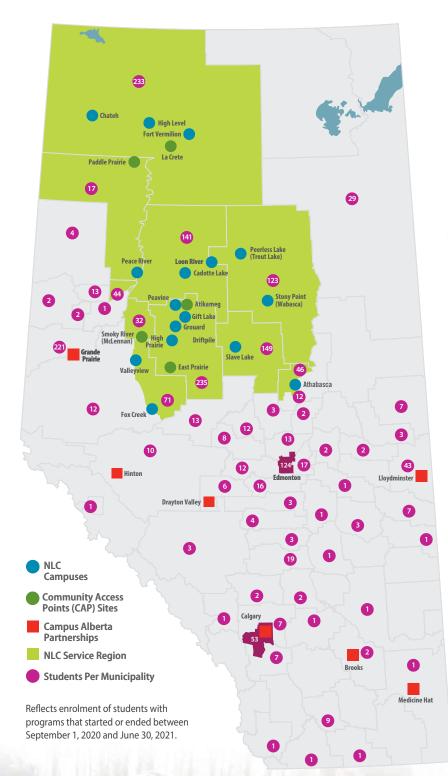
In January 2021, Northern Lakes College opened a campus in the Town of Fox Creek. For the first time in its history, the community of Fox Creek has a post-secondary institution right at its doorstep. Residents are no longer be required to travel to further their education.

Hinton

Northern Lakes College and the Town of Hinton were pleased to announce a new education partnership in May 2021. Starting in September, Northern Lakes College began offering services to residents of the community.

"It's extremely exciting to see partnerships that are adapting to the delivery of post-secondary education. This will give students a chance to gain essential skills while staying in Hinton."

- Mayor of the Town of Hinton, Marcel Michaels



CREDIT STUDENTS ALBERTA September 1, 2020 to June 30, 2021*

0

R

GOAL 3: QUALITY

Enhance community and industry **partnerships** throughout our service region to **ensure accessibility** to quality post-secondary education.

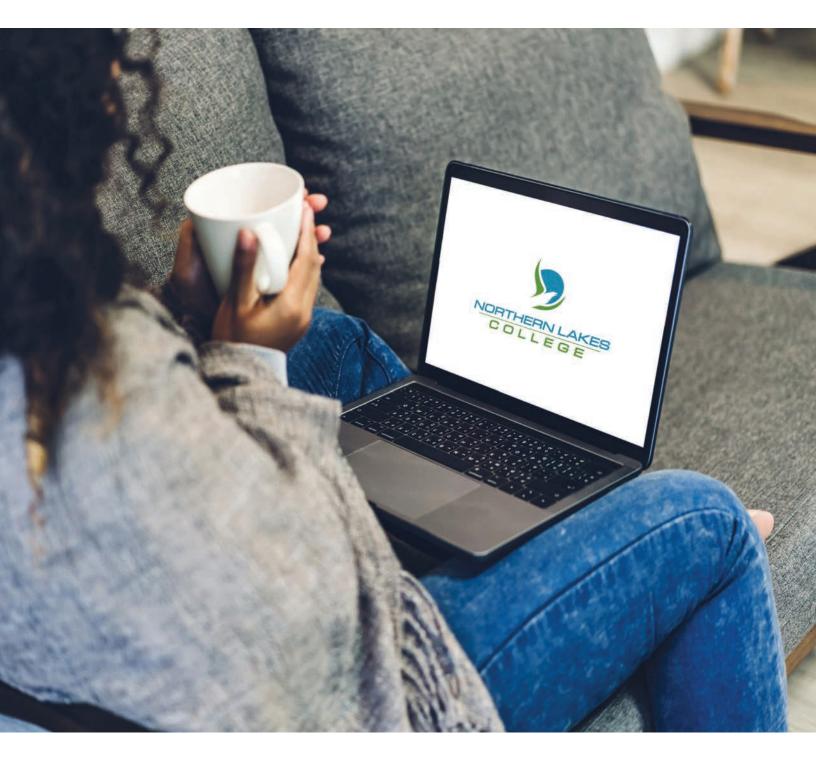


	Priority Initiatives	Status	Expected Outcomes	Performance Measures	Progress made in the last 12 months
1.	Support Community Education Committees to identify and promote educational opportunities needed in their communities.	Achieved	Increased access to non-credit programming, which increases employability and community capacity.	Successful offerings of community– sponsored courses such as Chainsaw Safety, H2S, and First aid.	Community Education Committees (CEC) partnered with the College to offer virtual suicide training to 50 community members, provided 154 people with individual training opportunities, and sponsored eight private courses. Council of Community Education Committees workshop series included presentations to staff, students, and community members, featuring speakers such as Chief Clarence Louie and Kendall Netmaker.
2.	Identify economic development and labour market trends through participation in economic development organizations and Chambers of Commerce throughout the service region.	In Progress	Enhanced relationships and partnership with business and potential customized training opportunities are identified.	Continued increase in graduate employment rates.	College representatives attend regional community and economic alliance meetings, including Atoske Action Group, Peace Regional Economic Development Alliance, Regional Economic Development Initiative, and Chamber of Commerce meetings in multiple communities. Participate in conferences such as the Alberta Water Wastewater Operators' Association and PEMAC's (Plant Engineering and Maintenance Association of Canada) Main Train.

Employment Rate of Northern Lakes College Program Completers

	2015-16	2016-17	2017-18	2018-19	2019-20
Employment Rate	91%	96%	95%	97%	98%





COUNCIL OF COMMUNITY EDUCATION COMMITTEES HOSTS FREE WORKSHOP SERIES

Over the course of the winter and spring of 2021, the NLC Council of Community Education Committees (CCEC) hosted a series of online workshops and training opportunities, free of charge, to community members throughout the Northern Lakes College service region. Responding to the unique needs of the region, the CCEC sponsored over 17 events.

In partnership with the ACHIEVE Centre for Leadership, a series of workshops focusing on leadership, workplace culture, conflict, and communication were offered. The series included workshops such as *Mental Health Awareness and Support, Stress Management,* and *Trauma-Informed Leadership.*

Teaming up with Kendal Netmaker, founder and CEO of Saskatoon-based Neechie Gear, author of Driven to Succeed, and a leading Canadian entrepreneur, participants enjoyed workshops such as *Indigenous Economic Development and Prosperity* and *Storytelling Secrets: Speak Like a Leader*. From the Sweetgrass First Nation in Saskatchewan, Kendal speaks professionally to thousands of people each year on his mission to empower entrepreneurs.

Partnering with the Regional Economic Development Initiative of Northwest Alberta (REDI) and Community Futures Northwest Alberta, the CCEC hosted online workshops with Chief Clarence Louie, Chief of the Osoyoos Indian Band located in British Columbia. Drawing from his extensive knowledge and decades of experience as Chief of the Osoyoos Indian Band, Chief Louie shared lessons learned on leadership, economic development, and cross-cultural collaboration. A recipient of the Order of Canada in 2017 and inductee into the Canadian Business Hall of Fame in 2019, Chief Louie is a sought-after speaker with engagements throughout Canada and internationally. His message is one of empowerment through work, education, and building community, with a focus on socio-economic development.



The Council of Community Education Committees plays a key role at Northern Lakes College. The Council is the indelible link between the College and the communities we serve. Capacity-building through key educational initiatives, such as this workshop series, ensures community members throughout the NLC service region have the opportunity to develop the skills required to participate in Alberta's recovering economy. - President & CEO, Dr. Glenn Mitchell

GOAL 4: QUALITY

Update and enhance our Student Information System and Learning Management Systems to **ensure quality program** and **service deliver**y.

	Priority Initiatives	Status	Expected Outcomes	Performance Measures	Progress made in the last 12 months
1.	Implement a new enterprise resource management system.	In Progress	Improved learner experience that meets learners' educational needs.	Continued increase in student satisfaction.	A new Student Information System (SIS) has been selected. Despite unexpected challenges and delays, the project continues with anticipated implementation in 2022.
2.	Launch a Student Portal to enhance the student experience and staff efficiency through service excellence in online self-service and the digital learning experience.	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.	The anticipated SIS will provide self-serve options through a student portal for an improved student experience.
3.	Explore and implement a new Learning Management System to enhance student engagement, communication, and academic quality.	Achieved	Improved communication and engagement with students and faculty.	Improved student experience and reduced faculty and staff training time.	A new Learning Management System was implemented in Human Services, Health, University Studies, Academic Upgrading, and Business & Administrative programs.

Conversion Rates	2016-17	2017-18	2018-19	2019-20	2020-21
Acceptance Rate	50%	51%	54%	51%	56%
Registration Rate	68%	68%	57%	55%	64%

Student Satisfaction Survey	2018-19	2019-20	2020-21
Quality of Instruction	95%	94%	91%
Overall Satisfaction	97%	97%	93%
Recommend Northern Lakes College	96%	95%	91%

GOAL 5: ACCOUNTABILITY

Ensure accountability, fiscal prudence, and organizational sustainability by *exploring strategic collaborative initiatives*.



	Priority Initiatives	Status	Expected Outcomes	Performance Measures	Progress made in the last 12 months
1.	Build additional revenue through entrepreneurial activities and fundraising events.	Completed	Raise 1\$ Million for High Prairie Campus project.	Successfully closed capital campaign.	In total, \$250,000 in donor support secured.
2.	Maintain effective and efficient financial processes with controls to generate timely, accurate reporting.	Achieved	Unqualified financial statements.	Annual audits completed on time, are accurate, and without recommendations.	Implemented a Finance calendar to ensure key budget submission, forecasting, and reporting dates are met. Budget Officers receive ongoing training and support.
3.	Ensure timeliness and accuracy of facilities Asset Reporting.	Achieved	Government of Alberta building maintenance inventory system is complete and accurate.	Survey of all buildings is completed and deferred maintenance balance is reduced.	Building inventory (VFA) updates occur annually. Deferred maintenance remains at reasonable and manageable levels and below historical values.
4.	Ensure facilities are safe and regularly maintained and teaching and learning equipment is current.	Achieved	Implementation of occupational health and safety software that provides ongoing and accurate information and monitoring.	Issues are identified and addressed in a timely manner.	Implemented and trained staff in the use of new Occupational Health and Safety software. Health and Safety Committee meetings continued monthly, with committee members trained as per any new or updated legislation. Implemented a detailed relaunch guidelines document for all students, staff, and faculty which included all safety protocols relating to COVID-19.

GOAL 6: AFFORDABILITY

Enhance our learners' experience through relevant, *high quality, and affordable* distance delivery programs and support services.

	Priority Initiatives	Status	Expected Outcomes	Performance Measures	Progress made in the last 12 months
1.	Enhance affordability and access for students.	Achieved	Increased access to, and distribution of, awards, bursaries, scholarships, and emergency grants.	Increased student access to financial support.	Emergency Bursary increased from \$200 to \$300 and offered through an online application, increasing access and decreasing processing time. Distributed 362 CEC Student Awards totaling approximately \$36,000.
2.	Promote student financial literacy.	Achieved	Enhanced student financial wellness through partnership initiatives.	Financial literacy initiatives offered.	Financial literacy presentations created to help increase awareness and promote financial literacy offered twice per year and promoted on social media, the website, and student emails. A financial literacy brochure was created for distribution.

REGIONAL STEWARDSHIP, FOUNDATIONAL LEARNING, AND UNDERREPRESENTED LEARNERS

COMMUNITY EDUCATION COMMITTEES

Northern Lakes College contributes 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 & CEO, Senior Management, and Managers to discuss local business opportunities, educational training needs, regional trends, and community development opportunities. The CECs 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 & CEO appoints members to the CECs, who are nominated by local entities and organizations. These organizations include First Nations, Métis Settlements, municipalities, counties, 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 CEC.

In 2020-2021, the CCEC hosted a series of online workshops and training opportunities, free of charge, to community members throughout the Northern Lakes College service region. Responding to the unique needs of the region, the CCEC sponsored many learning opportunities, including ten (10) courses, six (6) webinars, and two (2) live events. The opportunities dealt with the themes of leadership, economic development, and mental health, and were selected based on needs expressed by CCEC representatives throughout the region. Approximately 671 attendees participated in the initiative. Featured speakers included Chief Clarence Louis and Kendal Netmaker.

Individual Community Education Committees also requested and sponsored private Continuing Education & Corporate Training (CE&CT) opportunities to meet the specific training needs of their community, including Basic Security Guard, Safe Food Handling, and Mental Health. Many CECs provided the opportunity for individual community members to enrol in the particular CE&CT courses they needed for professional or personal development. In total, 154 people were provided support for these individual training opportunities.





PARTNERSHIP WITH COMMUNITY ADULT LEARNING PROGRAMS

In 2020-2021, Northern Lakes College operated eight (8) Community Adult Learning Programs in the First Nation communities of Atikameg, Cadotte Lake, Chateh, Driftpile, Grouard (Kapawe'no First Nation is located next to the hamlet of Grouard), Loon River, Peerless Lake, and Wabasca. Furthermore, the College continued to provide campus space for literacy and adult learning programming in a number of communities. Northern Lakes College has a close connection with the CALPs in our communities. CALP coordinators routinely serve as CEC members, and the College recommends CALP opportunities to applicants who may not qualify for NLC programming. Through the NLC/CALP Partnership Plan, which outlines initiatives to enhance literacy, computer literacy, and foundational skills, the College has been approved for a three-year grant term, 2021-2024, to continue operating seven (7) existing CALPs, and includes a grant increase of \$70,000 and the addition of a new CALP in High Level. Through the CALP grant, in 2020-2021, the College provided 4,497 instructional hours and 7,020 total hours of student support and instruction despite COVID-19 measures and restrictions.

COMMUNITY ENGAGEMENT

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

The College engages regularly with a broad set of stakeholders including school divisions, Community Adult Learning Programs (CALPs), community organizations, and business and industry representatives. College personnel represent NLC on a variety of community organizations, including the Peace Region Economic Development Alliance (PREDA), the Rural Economic Development Initiative (REDI), Wabasca & Region Atoske Action Group, and multiple Chambers of Commerce. The College is a partner in the Labour Education Applied Research North (LEARN), and participated in the report, "Micro-credentialing in Northern Alberta", released in March 2021.

Northern Lakes College hosted a virtual open house in April 2021, which included representation from all credit program areas, Continuing Education & Corporate Training, Dual Credit, Student Awards, Student Success, and the Students' Association. One-on-one sessions were available with Admission Specialists.

DUAL CREDIT

Northern Lakes College added two new Dual Credit agreements in 2020-2021, for a total of 24 partner school divisions. We experienced Dual Credit enrolments in Business Administration, Early Learning and Child Care Certificate, Educational Assistant, Health Care Aide, Introduction to Surveying, Office Administration, Oilfield Operator, Open Studies, Power Engineering 4th Class, and University Studies. Enrolment declined significantly, from a headcount of 165 in 2019-2020 to 65 in 2020-2021, primarily due to a change in the funding model for schools participating in Dual Credit programming. In response, early in the academic year, the Board of Governors provided a tuition incentive for dual credit students.

Changes to the Health Care Aide program resulted in less Dual Credit opportunities, as well. Enrolment declined by 55% from a headcount of 40 in 2019-2020 to 18 in 2020-2021. The lengthened curriculum makes is difficult for high school students to accommodate the program in their high school schedules. Furthermore, the program is now regulated through the College of Licensed Practical Nurses of Alberta (CLPNA), which increases the challenge to adding locations to accommodate Dual Credit students.

A bright note for Dual Credit enrolments was the interest in University Studies by high school students, where the headcount increased from zero (0) in 2019-2020 to nine (9) in 2020-2021.

Dual Credit	2018-19	2019-20	2020-21
Unique Headcount	128	165	75

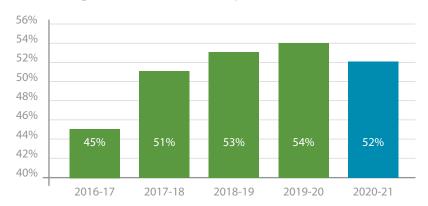
INDIGENOUS LEARNERS

In 2020-2021, 52% of the Northern Lakes College student body self-declared as Indigenous. NLC operates in a service region including four (4) Métis Settlements and 15 First Nations, and is committed to programming and operations which are grounded in a profound respect for Indigenous learners, communities, and cultures. To support this commitment, all Northern Lakes College employees participate in a custom-designed course, *Engaging Indigenous Learners*, created in response to the *Truth and Reconciliation Commission of Canada's Calls to Action* for post-secondary institutions.

Programming initiatives included the addition of the Revitalization of Indigenous Languages specialization to the Community-Based Bachelor of Education (in partnership with the University of Calgary). A portion of this specialization is completed through enrolment in Northern Lakes College University Studies courses, and the U of C refers their students to these NLC courses. University Studies engaged an Indigenous guest speaker and author who hosted a session for students, faculty, and staff. Cree Language and Culture courses are included in Academic Upgrading, Adult Basic Education, and University Studies.

The NLC Library has a large collection of resources by Indigenous authors. Over the course of 2020-2021, Library personnel created a robust Indigenous resources page on the Library website, dedicated to Truth & Reconciliation, Canadian Treaties, The Métis, and Indigenous Women.

In 2020-2021, the Student Success department reached out to community members and other postsecondary institutions regarding their best-practices for establishing an Elders-in-Residence program. The relaunch of this service will be well-rounded and informed by input from multiple stakeholders.



Indigenous Student Population

CULTURAL LEARNING AND CELEBRATION

In 2020-2021, Northern Lakes College continued its commitment to celebrating culture through a variety of virtual events. Online promotion of Orange Shirt Day, September 30, included contests for students to participate and win Orange Shirts, along with a social media campaign of senior leaders and executive assistants wearing their Orange Shirts. Métis Week was celebrated by collaborating with Rupertsland Institute to create an educational video, *The Colours of the Sash*, which was heavily promoted through social media channels. Alberta Culture Days were celebrated through a series of online events, including #FeatureFriday which showcased local cultural information and history through social media. We partnered with the Slave Lake Ukrainian Cultural Society to create short videos on Ukrainian culture, including dance, food, and traditional costume. We hosted *Exploring Indigenous Traditions and Teachings* with Stan Isadore, a two-part web series. Stan Isadore is a Treaty 8 Cultural Resource Worker, First Nations actor, and motivational speaker. He shared his wisdom and knowledge of Indigenous practices including hunting, traditional face paint, connection with fire, and more. The Social Work program hosted a two-day, intensive workshop focused on Indigenous learning and content. Library Services created onsite and virtual showcases of authors, works, and resources to highlight during cultural celebrations such as Métis Week.

RURAL AND REMOTE LEARNERS

Northern Lakes College is committed to enhancing access to post-secondary education in rural and remote communities in Alberta, and has a proven model that works. With accessibility as a cornerstone value, the College provides flexible, quality educational programs and services that allow learners to access educational opportunities from their home community. In 2020 – 2021, a number of new partnerships were established with communities throughout Alberta. Northern Lakes College began offering programs and services to the Town of Drayton Valley and the Town of Hinton, and opened a campus in the Town of Fox Creek. Discussions were held with stakeholders to begin offering programming to the Town of Whitecourt in September 2021, as well.

The COVID-19 pandemic provided opportunities for the College to further enhance how services are provided to rural and remote students. For example, Accessibility Services transitioned to providing a virtual placement testing option to students, along with a similar option for additional assessment services. Overall, this increased access for all learners, especially rural and remote learners. Similarly, we developed robust methods to continue providing students with counselling support and services. The NLC Library supports student access to a host of resources through the NEOS Library Consortium, which includes access to a host of provincial post-secondary library collections. The Library has an effective courier system to ensure books get to students, regardless of their location. Drive-Up Wi-Fi continued to be a valuable support for learners in communities with little to no broadband availability. The laptop loan program also enabled students to continue in their program of study when community restrictions were in place.

FOUNDATIONAL LEARNING: ACADEMIC UPGRADING AND ADULT BASIC EDUCATION

Foundational learning programs, such as Academic Upgrading and Adult Basic Education, are a cornerstone of programming at Northern Lakes College. NLC is committed to supporting learners who have been unsuccessful in the K-12 system. Our Supported Distance Learning model provides access to foundational learning programming in rural and remote communities, throughout the Northern Lakes College service region and beyond. Access to foundational learning is extended through partnerships with Community Adult Learning Programs (CALPs), the Inmate Education Program at the Peace River Correctional Centre, and the Campus Alberta partnership with Lakeland College that supported 24.6 FLEs in Lloydminster in 2020-2021. Additionally, in response to delayed student funding applications in fall 2020, the College added an intake for a condensed term, enabling 27 learners to successfully complete courses in the fall term.

Support service departments at Northern Lakes College work closely with foundational learning students to provide guidance and assistance as required. Counsellors work closely with Accessibility Services to ensure students in foundational learning programs receive timely access to testing and to appropriate accommodations to ensure the greatest chance of success. Online workshops support learners to improve their study, test-taking, and time-management skills. These sessions are included in Learning Management System (LMS) course shells and are always accessible to students. Counsellors and Educational Support personnel provide support to Adult Basic Education-level learners in navigating their Learner Income Support Office (LISO) funding applications.

CAPITAL REPORT										
Type: Proposed New Expansion Maintenance			Funding Received to Date and Source	Revised Funding Sources						
Priority Projects (Top 3 Capital Priorities)										
New	High Prairie Campus	\$ 24,000,000	90% GoA 10% PSI	The amount committed by GOA received in full. The Board restricted \$2.4 million.	No change					
New	Community Learning 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	Canada Infrastructure Program	Canada Infrastructure 50% GoC		GoC funding will be provided on a reimbursement basis. The College's portion is restricted by the Board.	No change					
Renewal	Building Envelope – Various Campuses	\$3,270,000	100% GoA	Government of Alberta \$3,270,000 grant received.	No change					
New	Peace River Campus Land	\$300,000	100% PSI	Board approved land puchase in the amount \$300,000.	Board approved					

CAPITAL REPORT

Project Timelines and Status

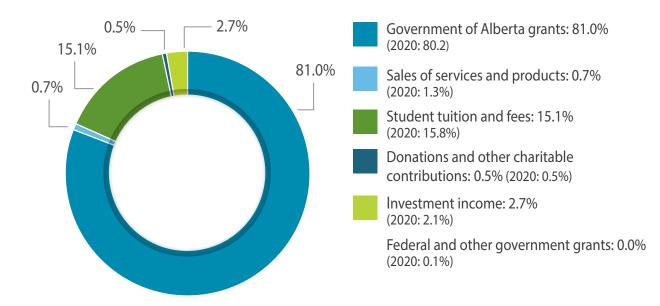
Project Description	Project Timelines	Expected Project Start	Expected Project Completion	Project Status	Progress Made in Last 12 Months
High Prairie Campus	Spring 2017 – July 2021	2017	July 2021	Completed	The project was 100% complete in July 2021.
Community Learning Centre Replacements Phase 1	July 2018 – March 2023	July 2018	March 2023	In progress	Driftpile project is subject to Government of Canada land lease approval. Peavine project site selection is in progress.
Information Technology Upgrades	Tada ructure October 2021 – October March 2025 – July 2018 De		December 2022	In progress	The priority Information Technology project is the Student Information System. The implementation of this project was paused and is expected to resume in fall 2021.
Canada Infrastructure Program			March 2025	In progress	The College entered into cost sharing grant agreement with Government of Canada to complete work in various locations. Active phase is expected to start in October 2021.
Building Envelope – Various Campuses	March 2018 – November 2021	March 2018	November 2021	Completed	High Level, Valleyview and Grouard campuses were upgraded under this project. All the work was completed in October 2021.
Peace River Campus Land Acquisition	March 2021	March 2021	March 2021	Completed	The Board approved land acquisition and land was purchased.

FINANCIAL RESULTS

1. Revenue (in 000's)

Total revenue decreased by \$2,043 (4.8%) from \$42,814 in 2020 to \$40,771 in 2021.

The distribution of total revenue between revenue sources for the 2021 fiscal year is presented in the chart below. A comparative percentage for the previous year is also shown.



		EVENUE			
	Budget		2021		2020
Government of Alberta grants	\$ 33,845	\$	33,029	\$	34,364
Sales of services and products	566		273		551
Student tuition and fees	6,765		6,144		6,754
Donations and other contributions	710		207		234
Investment income	1,504		1,113		889
Federal and other government grants	14		5		22
Total	\$ 43,404	\$	40,771	\$	42,814

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

Government of Alberta grants (GoA) represent the College's single largest source of funding for College activities. GOA revenue decreased by \$1,335 or 3.9% from \$34,364 in 2020 to \$33,029 in 2021. The main reason for this is a reduction of the Campus Alberta operating grant by \$924.

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 decreased from \$551 last year to \$273 in the 2020-2021 fiscal year. The decrease from the prior year is mainly due to a decrease in housing rent revenue which happened due to COVID-19.

Student tuition and fees. Revenue from tuition and fees of \$6,144 was \$610 lower than the prior year. The main reason for that is discontinued direct book sales to the students.

Donations and other contributions support many College activities. Donations and other contribution revenue of \$207 was comparable to the prior year. However, it was much lower than the budget. The main reason for this is less than the expected disbursement of deferred awards, mainly due to COVID-19.

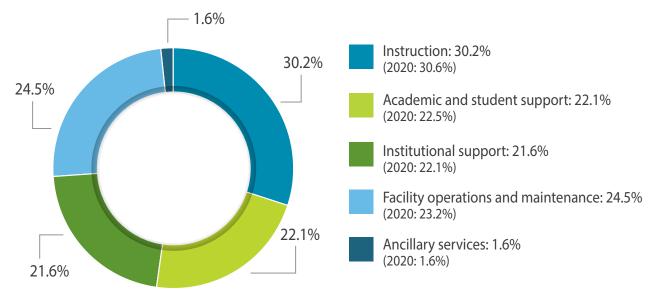
Investment income of \$1,113 was \$224 higher than the prior year. The variance is due to higher income from realized income earned on investments and higher than expected income from bonds.

2. Expenses (in 000's)

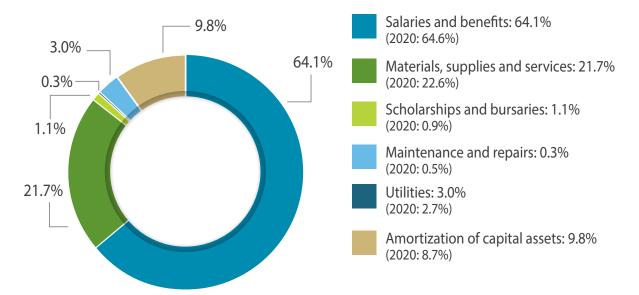
Total actual expenses decreased by \$4,821 (11.5%), from \$41,824 in 2020 to \$37,003 in 2021.

The distribution of total expenses for the 2020-2021 fiscal year is presented in the following two charts.

Expense by Function



	EXPENSES					
		Budget		2021		2020
Instruction	\$	12,241	\$	11,196	\$	12,795
Academic and student support		9,254		8,160		9,408
Institutional support		9,992		8,001		9,252
Facility operations and maintenance		10,167		9,066		9,714
Ancillary services		575		580		655
Total	\$	42,229	\$	37,003	\$	41,824



Expense by Object

		E/	PENSES	
	Budget		2021	2020
Salaries and benefits	\$ 25,267	\$	23,723	\$ 26,998
Materials, supplies and services	10,817		8,014	9,463
Scholarships and bursaries	586		403	380
Maintenance and repairs	111		113	193
Utilities	1,148		1,119	1,142
Amortization of capital assets	4,300		3,631	3,648
Total	\$ 42,229	\$	37,003	\$ 41,824

EXDENISES

Salaries and benefits of \$23,723 decreased by \$3,275 over the prior year. The main reason for that is various vacancies throughout the year. This, in turn, was mainly due to COVID-19.

Materials, supplies and services represent the second largest expense component. The current year expense of \$8,014 is \$1,449 lower than the prior year. The decrease is mainly due to COVID-19 and the related requirement to work from home.

Amortization of capital assets of \$3,631 is comparable to the prior year. However, it is \$669 less than the budget. The main reason is the delay to the construction of the High Prairie Campus.

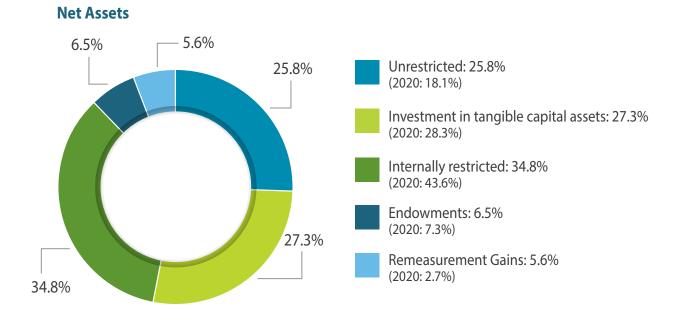
Other remaining expenses are comparable to prior year actuals and the budget.

3. Net Assets (in 000's)

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

	NET ASSETS								
		2020		Change		2021			
Accumulated operating surplus	\$	5,891	\$	3,799	\$	9,690			
Investment in tangible capital assets		9,223		1,052		10,275			
Internally restricted surplus		14,178		(1,083)		13,095			
Endowments		2,380		72		2,452			
Total accumulated surplus		31,672		3,840		35,512			
Accumulated remeasurement gains		878		1,240		2,118			
Total net assets	\$	32,550	\$	5,080	\$	37,630			

Net assets are more fully described in Note 10 of 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 \$3,130 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					
		2020				
Net financial assets (as presented in the consolidated statement of financial position)	\$	26,764	\$	22,854		
Less portfolio investments - restricted for endowments		(3,130)		(2,691)		
Adjusted net financial assets	\$	23,634	\$	20,163		

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

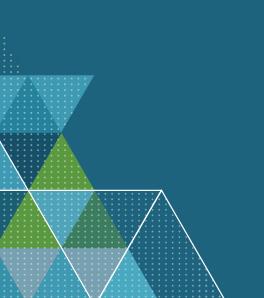
5. Area of significant Financial Risk

Government Funding

In the 2019-2020 fiscal year, the provincial operating grant was reduced by \$1,532 or 5.2%. Subsequently, this grant was reduced further in the 2020-2021 fiscal year by \$923 or 3.2%. It is a possibility that the 2021-2022 fiscal operating grant may be reduced yet again. The global COVID-19 pandemic adds complexity and may further impact the College funding directly through tuition fees or indirectly through government funding. Further government funding reductions will increase the challenge of delivering programs and services to our students.

CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2021



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, 2021 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 Dr. 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, 2021, 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, 2021, 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, 2021 Edmonton, Alberta

Consolidated Statement of Financial Position

As at June 30, 2021 (thousands of dollars)

		2021		2020
Financial assets excluding portfolio investments restricted for endowments				
Cash and cash equivalents (Note 3)	\$	6 205	ć	11,727
Portfolio investments - non-endowment (Note 4)	Ş	6,395 30,180	\$	29,535
Accounts receivable		856		1,189
Inventories held for sale		11		1,109
		37,442		42,464
Liabilities		37,772		42,404
Accounts payable and accrued liabilities		4,180		6,784
Employee future benefits liabilities (Note 6)		381		358
Deferred revenue (Note 7)		9,247		15,159
		13,808		22,301
		-,		,
Net financial assets excluding portfolio investments restricted				
for endowments		23,634		20,163
Portfolio investments - restricted for endowments (Note 4)		3,130		2,691
Net financial assets		26,764		22,854
Non-financial assets				
Tangible capital assets (Note 8)		59,650		53,395
Inventories of supplies		280		322
Prepaid expenses		311		129
		60,241		53,846
Net assets before spent deferred capital contributions		87,005		76,700
Spent deferred capital contributions (Note 9)		49,375		44,150
Net assets (Note 10)	\$	37,630	\$	32,550
Net assets comprised of:				
Accumulated surplus		35,512		31,672
Accumulated remeasurement gains		2,118		878
	\$	37,630	\$	32,550
Contingent liabilities and contractual obligations (Notes 11 and 13)				

Contractual rights (Note 12)

Approved by the Board of Governors

[Original signed by Daniel Vandermeulen] Chair, Board of Governors [Original signed by Kyle Paulson] Chair, Audit and Finance Committee

Consolidated Statement of Operations

For the year ended June 30, 2021 (thousands of dollars)

	Budget	2021	2020
Revenues			
Government of Alberta grants (Note 17)	\$ 33,845	\$ 33,029	\$ 34,364
Federal and other government grants (Note 17)	14	5	22
Sales of services and products	566	273	551
Student tuition and fees	6,765	6,144	6,754
Donations and other contributions	710	207	234
Investment income	 1,504	 1,113	889
	43,404	40,771	42,814
Expenses			
Instruction	12,241	11,196	12,795
Academic and student support	9,254	8,160	9,408
Institutional support	9,992	8,001	9,252
Facility operations and maintenance	10,167	9,066	9,714
Ancillary services	 575	 580	 655
	 42,229	37,003	41,824
Annual operating surplus	1,175	3,768	990
Endowment contribution (Note 10)	.,	51	74
Endowment capitalized investment income (Note 10)		21	23
Annual surplus		3,840	1,087
Accumulated surplus, beginning of year		31,672	 30,585
Accumulated surplus, end of year	 	\$ 35,512	\$ 31,672

Consolidated Statement of Change in Net Financial Assets

For the Year Ended June 30, 2021 (thousands of dollars)

	Budget	2021	2020
Annual surplus	\$ 1,175	\$ 3,840	\$ 1,087
Acquisition of tangible capital assets	(8,094)	(10,158)	(16,517)
Proceeds from sale of tangible capital assets		179	115
Amortization of tangible capital assets	4,300	3,631	3,648
Revaluation of tangible capital assets		-	21
Loss on disposal of tangible capital assets		93	27
Change in inventories of supplies		42	451
Change in prepaid expenses		(182)	(41)
Change in spent deferred capital contributions		5,225	13,164
Change in accumulated remeasurement gains (losses)		 1,240	(46)
Increase in net financial assets		3,910	1,909
Net financial assets, beginning of year		22,854	20,945
Net financial assets, end of year		\$ 26,764	\$ 22,854

Consolidated Statement of Remeasurement Gains and Losses

For the Year Ended June 30, 2021 (thousands of dollars)

	2021	2020
Accumulated remeasurement gains at beginning of year	\$ 878	\$ 924
Unrealized gains (losses) attributable to:		
Quoted in active market financial instruments:		
Portfolio investments - non-endowment	1,486	(643)
Designated fair value financial instruments: Portfolio investments - non-endowment	(515)	502
Amounts reclassified to the consolidated statement of operations:		
Quoted in active market financial instruments: Portfolio investments - non-endowment	290	84
Designated fair value financial instruments: Portfolio investments - non-endowment	(21)	11
Accumulated remeasurement gains at end of year	\$ 2,118	\$ 878

Consolidated Statement of Cash Flows

For the Year Ended June 30, 2021 (thousands of dollars)

		2021	2020
Operating transactions			
Annual surplus	\$	3,840	\$ 1,087
Add (deduct) non-cash items:			
Amortization of tangible capital assets		3,631	3,648
Loss on disposal of tangible capital assets		93	27
Expended capital recognized as revenue		(2,469)	(2,601)
Increase (decrease) in employee future benefit liabilities		23	(72)
Revaluation of tangible capital assets		-	21
Change in non-cash items		1,278	1,023
Decrease (increase) in accounts receivable		333	(465)
Decrease in inventories held for resale		2	6
(Decrease) increase in accounts payable and accrued liabilities		(2,604)	1,844
(Decrease) increase in deferred revenue		(5,912)	230
Decrease in inventory of supplies		42	451
(Increase) in prepaid expenses		(182)	(41)
Cash (applied to) provided by operating transactions		(3,203)	4,135
Capital transactions			
Acquisition of tangible capital assets, less in-kind donations	(10,158)	(16,517)
Proceeds on sale of tangible capital assets		179	115
Cash applied to capital transactions		(9,979)	(16,402)
Investing transactions			
Purchases of portfolio investments	(12,744)	(7,876)
Proceeds on sale of portfolio investments		12,900	5,720
Cash provided by (applied to) investing transactions		156	(2,156)
Financing transactions			
Increase in spent deferred capital contributions, less expended capital recognized as revenue		7,694	15,765
Cash provided by financing transactions		7,694	15,765
(Decrease) increase in cash and cash equivalents		(5,332)	1,342
Cash and cash equivalents at beginning of year		11,727	 10,385
Cash and cash equivalents at end of year	\$	6,395	\$ 11,727

June 30, 2021 (thousands of dollars)

1. Authority and Purpose

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

2. Summary of Significant Accounting Policies and Reporting Practices

a General - Public Sector Accounting Standards and Use of Estimates

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards (PSAS).

The measurement of certain assets and liabilities is contingent upon future events; therefore, the preparation of these consolidated financial statements requires the use of estimates, which may vary from actual results. The College's management uses judgment to determine such estimates. Employee future benefit liabilities, amortization of 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.

b. Valuation of Financial Assets and Liabilities

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

Financial Statement Component	Measurement
Cash and cash equivalents	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

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 that is other than temporary 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, 2021 (thousands of dollars)

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

c. Revenue Recognition

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

i. Government grants, non-government grants and donations

Government transfers are referred to as government grants.

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

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

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

ii. Grants and donations related to land

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

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

iii. Endowment contributions

Endowment contributions 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.

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.

June 30, 2021 (thousands of dollars)

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

d. Endowments

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

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

e. 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.

f. 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
Land improvements	10 - 40 years
Furniture and equipment	5 - 10 years
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.

June 30, 2021 (thousands of dollars)

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

g. 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.

h. 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.

i. 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"). All inter-entity accounts and transactions between the College and CCEC are eliminated upon consolidation. The CCEC is incorporated under the *Societies Act* of Alberta and is a registered charity under the *Income Tax Act*.

j. 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.

June 30, 2021 (thousands of dollars)

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

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.

k. Funds and Reserves

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

I. Future Accounting Changes

In August 2018, the Public Sector Accounting Board (PSAB) issued PS 3280 Asset retirement obligations. This accounting standard has been deferred by PSAB, and 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, PSAB approved PS 3400 Revenue. This accounting standard has been deferred by PSAB, and is effective for fiscal years starting on or after April 1, 2023. Revenue provides guidance on how to account for and report on revenue, specifically addressing revenue arising from exchange transactions and unilateral transactions.

Management has not yet adopted these standards, and is currently assessing the impact of this new standard on the consolidated financial statements.

3. Cash and Cash Equivalents

	2021	2020
Cash	\$ 2,040	\$ 7,779
Money market funds, short-term notes and treasury bills	4,355	 3,948
	\$ 6,395	\$ 11,727

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

June 30, 2021 (thousands of dollars)

4. Portfolio Investments

	2021	2020
Portfolio investments - non-endowment	\$ 30,180	\$ 29,535
Portfolio investments - restricted for endowments	3,130	2,691
	\$ 33,310	\$ 32,226

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

	2021									
	Level 1		Level 2		Level 3			Total		
Portfolio investments at fair value Bonds Canadian Bonds	\$	-	\$	18,123	\$	-	\$	18,123		
Equities Mutual funds		10,888		4,299		-		15,187		
Total portfolio investments	\$	10,888	\$	22,422	\$	-	\$	33,310		
		33 %		67 %		- %		100 %		

	2020									
	Level 1		Level 2		Level 3			Total		
Portfolio investments at fair value Bonds Canadian Bonds Equities	\$	-	\$	24,143	\$	-	\$	24,143		
Mutual funds		7,923		160		-		8,083		
Total portfolio investments	\$	7,923	\$	24,303	\$	-	\$	32,226		
		25 %		75 %		- %		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, 2021 (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, 2021, if the market prices had a 7.81% (2020 - 4.76%) 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 be \$2,948 (2020 - \$1,337).

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.

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	2021	2020
Bonds		
AAA	13.00 %	23.15 %
AA	63.70 %	63.73 %
А	20.70 %	13.12 %
BBB	2.60 %	- %
	100.00 %	100.00 %

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, 2021, the College has committed a borrowing facility of \$2,000 (2020 - \$2,000) none of which has been drawn.

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 \$1,193 of total fixed income portfolio (2020: \$700).

June 30, 2021 (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 %	- %	- %	0.21 %	
Canadian corporate bonds	9.98 %	39.77 %	50.25 %	1.54 %	
Canadian government bonds	- %	100.00 %	- %	0.88 %	
Provincial government bonds	12.36 %	24.61 %	63.03 %	1.24 %	
Bond Pool	12.10 %	31.20 %	56.70 %	2.40 %	

6. Employee Future Benefit Liabilities

Employee future benefit liabilities are comprised of the following:

	2021	2020
Long term disability	\$ 381	\$ 358

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, 2021.

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

		2021		2020
Accrued benefit obligation:				
Balance, beginning	\$	358	\$	430
Interest cost		8		10
Benefits paid		(55)		(77)
Actuarial (gain) loss		70		(5)
	Ś	381	Ś	358

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

	2021	2020
Accrued benefit obligation:		
Discount rate	2.8 %	2.5 %
Long-term average compensation increase	- %	- %
Estimated average remaining service life (years)	5.7	7.6

June 30, 2021 (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. As the College does not have sufficient information to follow the accounting standards for defined benefit plans, it is accounted for on a defined contribution basis. The pension expense recorded in these financial statements is \$191 (2020 - \$274).

At December 31, 2020, the MEPP reported an actuarial surplus of \$809,850 (2019 - \$1,008,135). An actuarial valuation of the MEPP was carried out as at December 31, 2019 and was then extrapolated to December 31, 2020. For the year ended December 31, 2020, MEPP reported employer contributions of \$78,167 (2019 - \$108,615) and employee contributions of \$76,747 (2019 - \$81,924). For the 2020 calendar year, the College's employer contributions were \$201 (2019 - \$346). Other than the requirement to make additional contributions, the College does not bear any risk.

Public Service Pension Plan (PSPP)

The PSPP is a multi-employer contributory defined benefit pension plan for support staff members. As the College does not have sufficient information to follow the accounting standards for defined benefit plans, it is accounted for on a defined contribution basis. The pension expense recorded in these consolidated financial statements is \$1,829 (2020 - \$1,959).

An actuarial valuation of the PSPP was carried out as at December 31, 2019 and was then extrapolated to December 31, 2020. At December 31, 2020, the PSPP reported an actuarial surplus of \$2,223,582 (2019 - \$2,759,320). For the year ended December 31, 2020, PSPP reported employer contributions of \$323,497 (2019 - \$323,894) and employee contributions of \$323,832 (2019 - \$330,257). For the 2020 calendar year, the College's employer contributions were \$1,874 (2019 - \$2,028). 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:

		2021								2020	
	Unspent externally restricted grants and donations			Unspent deferred capital contributions		other fees Total		Total		Total	
Balance, beginning of year	\$	7,002	\$	7,899	\$	258	\$	15,159	\$	14,929	
Grants, tuition, donations received during the year		4,303		80		6,167		10,550		25,963	
Restricted investment income		99		27		-		126		280	
Unrealized gains (losses)		293		-		-		293		(5)	
Transfers to spent deferred capital contributions		(1,729)		(5,965)		-		(7,694)		(15,765)	
Recognized as revenue		(2,902)		(141)		(6,144)		(9,187)		(10,243)	
Balance, end of year	\$	7,066	\$	1,900	\$	281	\$	9,247	\$	15,159	

June 30, 2021 (thousands of dollars)

8. Tangible capital assets

		2021												2020
	I	.and	Buildings		Land Improvements		Equipment ⁽¹⁾		Computer Hardware & Software			Total		Total
Cost Beginning of year Acquisitions Disposals	\$	1,263 305 (64)	\$	69,983 8,632 (139)	\$	669 - -	\$	14,118 1,221 (289)	\$	2,564 - -	\$	88,597 10,158 (492)	\$	72,533 16,517 (453)
		1,504		78,476		669		15,050		2,564		98,263		88,597
Accumulated Amortization Beginning of year Amortization expense Effects on disposals	\$	-	\$	24,928 1,943 (61) 26,810	\$	285 35 - 320	\$	8,420 1,315 (159) 9,576	\$	1,569 338 - 1,907	\$	35,202 3,631 (220) 38,613	\$	31,844 3,648 (290) 35,202
Net book value at June 30, 2021	\$	1,504	\$	51,666	\$	349	\$	5,474	\$	657	\$	59,650		55,202
Net book value at June 30, 2020	\$	1,263	\$	45,055	\$	384	\$	5,698	\$	995			\$	53,395

Cost include work-in-progress at June 30, 2021 totaling \$24,667 (2020 - \$18,011) comprised of buildings \$23,839 (2020 - \$17,721), computer hardware and software \$100 (2020 - \$100) and equipment \$729 (2020 - \$190), which are not amortized as the assets are not in service.

No interest was capitalized by the College in 2021 (2020 - 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).

	2021	2020
Spent Deferred Capital Contributions		
Spent deferred capital contributions, beginning of year	\$ 44,150	\$ 30,986
Transfers from unspent deferred capital contributions	5,965	13,459
Transfers from unspent externally restricted grants and donations	1,729	2,306
Expended capital recognized as revenue	(2,469)	(2,601)
Spent deferred capital contributions, end of year	\$ 49,375	\$ 44,150

June 30, 2021 (thousands of dollars)

10. Net assets

The composition of accumulated operating surplus is as follows:

	: (de	sumulated surplus ficit) from perations	i	nvestment in tangible apital assets	re	nternally estricted surplus	Er	ndowments	Total
Net assets as at June 30, 2020	\$	4,936	\$	9,702	\$	14,588	\$	2,283	\$ 31,509
Annual operating surplus		990		-		-		-	990
Endowments									
New donations		-		-		-		74	74
Capitalized investment income		-		-		-		23	23
Tangible capital assets									
Amortization of tangible capital assets		1,159		(1,159)		-		-	-
Acquisition of capital assets		(775)		775		-		-	-
Net book value of tangible capital asset disposals		95		(95)		-		-	-
Operating expenses funded from internally restricted surplus		410		-		(410)		-	-
Change in accumulated remeasurement (losses)		(46)		-		-		-	(46)
Net assets, beginning of year	\$	6,769	\$	9,223	\$	14,178	\$	2,380	\$ 32,550
Annual operating surplus		3,768		-		-		-	3,768
Endowments									
New donations		-		-		-		51	51
Capitalized investment income		-		-		-		21	21
Tangible capital assets									
Amortization of tangible capital assets		1,142		(1,142)		-		-	-
Acquisition of capital assets		(2,388)		2,388		-		-	-
Net book value of tangible capital asset disposals		194		(194)		-		-	-
Operating expenses funded from internally restricted surplus		1,083		-		(1,083)		-	-
Change in accumulated remeasurement gains		1,240		-		-		-	1,240
Net assets, end of year	\$	11,808	\$	10,275	\$	13,095	\$	2,452	\$ 37,630
Net assets is comprised of:									
Accumulated surplus		9,690		10,275		13,095		2,452	35,512
Accumulated remeasurement gains		2,118		-				-	 2,118
	\$	11,808	\$	10,275	\$	13,095	\$	2,452	\$ 37,630

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

June 30, 2021 (thousands of dollars)

10. Net assets (continued)

Internally restricted accumulated surplus represent amounts set aside by the College'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:

	begi	ance at nning of year	re	anges to estricted surplus	 t during years	nce at end the year
Campus replacements	\$	4,919	\$	-	\$ (22)	\$ 4,897
Investing in Canada Infrastructure Program		3,400		-	(69)	3,331
High Prairie Campus Consolidation		2,470		-	(992)	1,478
Enterprise Information System		1,889		-	-	1,889
Trout/Peerless Campus		1,000		-	-	1,000
New Program Development		500		-	-	500
	\$	14,178	\$	-	\$ (1,083)	\$ 13,095

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 Rights

Contractual rights are right of the College to economic resources arising from contracts or agreements that will result in both assets and revenues in the future when the terms of those contracts or agreements are met.

Estimated amounts that will be received or receivable for each of the next three years are as follows:

	ating ases	Capital Leases	(Other Contracts	Total
2022	\$ 46	\$ -	\$	-	\$ 46
2023	20	-		-	20
2024	 3	-		-	3
	\$ 69	\$ -	\$	-	\$ 69
Total at June 30, 2020	\$ -	\$ -	\$	-	\$ -

June 30, 2021 (thousands of dollars)

13. 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:

	C	vice and other ntracts	Syst	ormation tems and hnology	g-term eases	Total
2022	\$	589	\$	297	\$ 51	\$ 937
2023		77		269	36	382
2024		66		265	19	350
2025		61		198	17	276
2026		-		198	17	215
Thereafter		-		-	 7	 7
	\$	793	\$	1,227	\$ 147	\$ 2,167
Total at June 30, 2020	\$	1,287	\$	1,594	\$ 91	\$ 2,972

14. Expense by Object

The following is a summary of expense by object.

	202		21		2	2020
	В	udget	Actual		A	ctual
Salaries and benefits	\$	25,267	\$	23,723	\$	26,998
Materials, supplies and services		10,817		8,014		9,463
Scholarships and bursaries		586		403		380
Maintenance and repairs		111		113		193
Utilities		1,148		1,119		1,142
Amortization of capital assets		4,300	\$	3,631	\$	3,648
	\$	42,229	\$	37,003	\$	41,824

15. 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.

	2021	2020
Northern Alberta Development Council	\$ 79	\$ 75
	\$ 79	\$ 75

2021

2020

June 30, 2021 (thousands of dollars)

16. Related Parties

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

The College did not have any material transactions with any related parties that would have taken place at a value different than that would have been arrived at if the parties were unrelated. The transactions with related parties were entered into on the same business terms as with non-related parties and have been incorporated into the College's consolidated financial statements.

17. Government Transfers

	2021	2020
Grants from Government of Alberta		
Advanced Education:		
Operating	\$ 30,234	\$ 32,345
Capital	2,174	15,523
Total Advanced Education	\$ 32,408	\$ 47,868
Other Government of Alberta departments and agencies	 45	 21
Total contributions received	32,453	 47,889
Restricted expended capital recognized as revenue	2,545	2,556
Less: deferred revenue	(1,969)	(16,081)
	33,029	34,364
Federal and other government grants		
Contributions received	5	22
Revenue	\$ 5	\$ 22

June 30, 2021 (thousands of dollars)

18. Salary and Employee Benefits

		2021									
	Base salary (2)			er cash nefits ⁽³⁾	Other non-cash benefits ⁽⁴⁾		Total			Total	
Governance ⁽¹⁾											
Chair of the Board of Governors	\$	-	\$	9	\$	-	\$	9	\$	11	
Members of the Board of Governors		-		15		-		15		23	
Executive											
President ⁽⁵⁾		281		3		36		320		269	
Vice-President Academic (6)		109		-		21		130		326	
Chief Information Officer ⁽⁷⁾		112		151		19		282		207	
Executive Director, Human Resources		150		1		28		179		181	
Executive Director, Student Services ⁽⁸⁾		60		14		10		84		175	
Executive Director, Finance Services ⁽⁹⁾		141		3		24		168		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 2021.
- (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 during the year, including the same period of time from September 1, 2020 to December 18, 2020.
- (6) The position was occupied by two individuals at different times during the year. The first incumbent occupied the position untill August 31, 2020, while the second incumbent was appointed on January 4, 2021.
- (7) The Chief Information Officer departed on February 18, 2021.
- (8) The Executive Director Student Services departed on November 27, 2020.
- (9) The role of Executive Director Finance Services is a new role in fiscal year 2020 effective February 5, 2020.

19. Budget Figures

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

20. Approval of Financial Statements

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

21. Comparative Figures

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





NEW BEGINNINGS. ENDLESS POSSIBILITIES.

1201 Main Street SE Slave Lake, AB TOG 2A3 Ph: 780-849-8600 | Fax: 780-849-2570