GROW
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ACHIEVE

Lethbridge College Annual Report • 2008-09

Lethbridge College

Dr. Tracy L. Edwards
Lethbridge College President & CEO

Quality is in the air

Quality is in the air at Lethbridge College these days and I, as president, have the opportunity to brag about it. It's one of the pleasures of my position, and one I take every opportunity to indulge in. Here goes:

In April, the Association of Canadian Community Colleges chose our Wind Turbine Technician program as its 2008-2009 **Program Excellence Award** winner. The honour was propitious: we planted the seed for this program 2005, nurturing it to become the first of its kind in North America to receive international certification and recognition.

Then the Canadian Home Builders' Association recognized our Living Home Project as a finalist in the Green Vision category. The project also received an **Award of Merit** for the Lethbridge region, and won a 2009 Minister's Award for Municipal Excellence from Municipal Affairs.

We showed our mettle in growing our enrolments in several programs during the year, implementing several tools to reach our goals. We have long realized students don't just show up; they must be engaged and encouraged to choose Lethbridge College for their post-secondary education. The downturn in the economy forced many young workers to reconsider their career choices and add a diploma or trades training to their resumes for the future.

We also know traditional classroom learning, while still the backbone of our institution, must be complemented by other delivery methods. We have diligently grown our distance learning/blended learning component and anticipate its further development in the coming months.

Lethbridge College has been **enhancing its role in applied research**, a field we will be expanding. In each endeavour, we have included a strong student component to ensure each project contains a unique learning element; for instance, the School of Agriculture and Natural Sciences has a working relationship with the Southern Applied Research Association.

Students, of course, are our reason for being and we continually strive to enhance their experience at Lethbridge College. We completed an online system this year, giving them one more option for making changes to their registration.

We have formed several **quality relationships** with organizations and institutions off campus, strengthening our role in the community we serve. Many of those agreements are detailed later in this report.

And as president of Lethbridge College, I am also permitted a moment to boast of **our athletic prowess.** Our athletes and teams are regularly mentioned in dispatches within the Alberta Colleges Athletics Association. This past year, we had our moments on the national stage. Ranked number one among Canadian colleges for much of the 2008-09 basketball season, our women's team wound up as bronze medalists at the national finals in Quebec City in March 2009. The previous November, our men's cross-country team dominated at the national championships in Kingston, Ont.

So, in the last full academic year of the decade, **Lethbridge College has set a standard for quality** by which we will measure our successes in the coming one.

We remain a vibrant, relevant learning institution, in tune with our stakeholders and poised to remain at the forefront of educational endeavour.

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Accountability Statement

The Lethbridge College's Annual Report for the year ended June 30, 2009 was prepared under the Board's direction in accordance with the Government Accountability Act and ministerial guidelines established pursuant to the Accountability Act. All material economic, environmental or fiscal implications of which we are aware have been considered in the preparation of this report.

Keith Dys
Chair, Board of Governors
Lethbridge College

Board of Governors

Keith Dys - Board Chair
Douglas Stroh
Dawna Coslovi
Jennifer Stark
Mark Lencucha
John C. Jacobson
Dr. Douglas Myhre
Daicya Quinn
Scott Lehbauer
Todd Bowden
Dr. Tracy Edwards

Our vision

To be recognized as one of Canada's finest comprehensive colleges providing world-class education and training through its commitment to excellence and innovation.

Our mission

Lethbridge College provides high quality, innovative programs and services, enabling learners to achieve their educational and career goals.

Values

People

We value people by:

… promoting trust and respect among stakeholders
… supporting their professional development
… celebrating their accomplishments.

Excellence

We do things well by:

… providing exceptional instruction
… offering effective learner support services
… remaining responsive and innovative.

Success

We promote learner success by:

… offering current and relevant programs
… using instructional technology creatively
… employing flexible delivery systems.

Goals

Sustainability: To cultivate a College environment that is positive, collaborative and sustaining.

Accessibility: To create and maintain flexible learning pathways that enable students to achieve their educational and career goals.

Quality: To ensure the highest standards of performance and innovation in all areas of the institution, including programs, services, applied research and scholarly activity.

Diversity: To provide educational opportunities for a diverse population of learners, including Aboriginal and international students.

Collaboration: To develop strategic alliances with business, industry, government, agencies and other post-secondary institutions to enhance student learning, mobility and employment.

*The Lethbridge College mandate, which can be found at **lethbridgecollege.ca**, sets out the parameters for the institution. It outlines program categories, educational delivery methods, geographical area served and its many benefits to the community.*

Grow and Maintain Enrolments

- The Centre for Teaching and Learning Innovation received ecampus funding to begin a project to develop **online learning resources and an online tutoring model**, to be completed by December 2010 (Learning Cafe).
- The School of Agriculture and Natural Sciences grew first-year enrolments to **almost full capacity.**
- The School of Environmental Sciences initiated a recruitment campaign resulting in a significantly higher number of confirmed applicants in 2009 than in the past three years. It also showed **growth and success** in its student retention project.
- The School of Human Services was the pilot project for an institutional Student for a Day event in February, with some 50 participants visiting programs. The school **exceeded its enrolment target** for the Early Childhood Education certificate, Disability and Community Rehabilitation certificate and Fetal Alcohol Spectrum Disorder Education certificate programs for the fall of 2009.
- The Special Needs Educational Assistant program recruited throughout southern Alberta to increase its first-year intake substantially from numbers in early spring.
- The School of Justice Studies is stabilizing enrolment in its Policing diploma program. Various enrolment and retention strategies implemented have been successful. Having the entire Correctional Studies diploma and degree available through distributed learning continues to be attractive to learners throughout Alberta and Canada. distributed learning registrations, growing every year, were **up by 24 per cent** this past year.

Grow and Create Strategic Partnerships

- The School of Agriculture and Natural Sciences developed an agreement of co-operation with the Southern Applied Research Association.
- The Living Home Project, conceived as an **applied research study** to improve residential home design to reduce environmental impacts and enhance life quality, was completed. The project was a co-operative venture with Cedar Ridge Quality Homes and the City of Lethbridge. Ongoing research is being done on its performance.
- The Early Childhood Education program facilitated training for Resources for Infant Educarers (RIE) demonstrators, and continuation of programming for caregivers and their infants in collaboration with Southwest Child and Family Services.
- The Child and Youth Care program continues to expand potential practicum sites by recruiting new sites in Alberta (Okotoks and Cardston), Saskatchewan (Swift Current and Martensville) and British Columbia (Burnaby and Fernie).
- In partnership with Advanced Education and Alberta Council of Disability Services, the Disability and Community Rehabilitation program is working on a pilot project going into Alberta high schools in the fall of 2010 in northwest and central Alberta with Human Service Foundations courses.
- The School of Human Services, in partnership with the Child Care Directors' Association, hosted the annual Child Care Conference, and worked closely with the Parent Preschool Program, R.I.E. Alliance, Child Care Directors Association, Early Childhood programs at other colleges, Family Centre, Alberta Child Care Association, Family and Community Support Services.
- The Special Needs Educational Assistant Program continued **expansion of practicum sites**, both locally and across Canada, to facilitate learning for both on campus and Distributed Learning students.
- The SPHERE lab developed and maintained strategic partnerships with the Lethbrdge Fire Department, Alberta Health Services and surrounding community facilities, and the University of Lethbridge. Participants in simulation include health care professionals, partner groups, student groups and family practice residents.
- The Early Childhood Education program sent faculty and students to the National Association for the Education of Young Children's national conference, the Parent Preschool Program demonstration site and the R.I.E. demonstration site.

GROW

Enhance the Student Experience

- The Educational Enhancement Team (EET) implemented Angel, a **new learning management system**, in 2009. Some 400 instructors participated in orientation.
- The EET has **more than 200 courses available in flexible delivery formats** (blended, online, and through video conference).
- General Studies (psychology) and Criminal Justice, with funding and co-operation from Weatherford Canada, have teamed up on a collaborative Applied Research project investigating a radical new approach to driver safety.
- Civil Engineering Technology upgraded and replaced critical equipment for materials testing and asphalt design.
- The English Language Centre received $300,000 from the Alberta government to create an on-line English as a Second Language (ESL) Bridge to Nursing Program. It also created a multilingual micro-website geared specifically for international students.
- Central Sterile Processing and Cellular-Molecular Technology programs will be wholly delivered in an online/blended format beginning in the fall of 2010.
- The School of Environmental Sciences launched **a Natural Resource Compliance diploma with first year at almost full capacity.**
- The Centre for Teaching and Learning has more than 200 courses available in flexible delivery formats (blended, online, and video conference).
- Enrolment Management initiated an online registration program to give students one more option for making changes to their registration, and the flexibility to make those changes at their convenience. Learners may still choose to make changes in person or with an advisor.
- The **Kodiaks women's basketball team was ranked first in Canada** during the 2008-09 season, and won the Canadian Colleges Athletics Association bronze medal in March.
- The School of Liberal Arts received approval for a physical education major, showed growth in its psychology and sociology major, and created courses in Spanish, archeology and leadership.
- The **Kodiaks men's cross-country team won gold** at the Canadian Colleges Athletic Association's national championships in November, led by individual gold medalist Willy Kimosop. Kodiak Gladys Kochei won gold in the women's race. It capped a dream season for the Kodiaks cross-country program in which coaches Bertil Johansson and Kip Kangogo also guided their runners to three of four gold medals at the ACAC Conference Championships in October.
- The Child and Youth Care program participated in a program review and is exploring curriculum changes to benefit students, such as moving the CYC172/272 Family Violence course to second year where students will be more emotionally prepared to handle the content, reducing the academic load by redesigning courses, and incorporating learning methods to address varied learning styles of students.
- The Disability and Community Rehabilitation program and the Fetal Alcohol Spectrum Disorder Education Program completed course development using the e-campus Alberta format that includes new and innovative technical supports such as videos, websites and other interactive tools. The

enhance

programs received $6,700 in e-campus Alberta funding for course development.

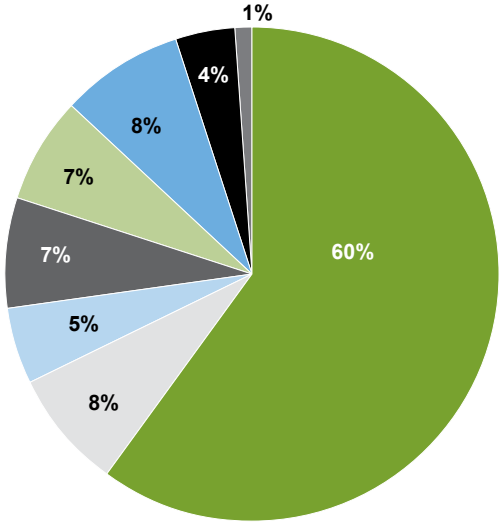
- The Special Needs Educational Assistant program completed curriculum development of second-year courses with e-campus Alberta. One course - EDU 266 - was used as a demo for other colleges to consider using as a model.
- The School of Justice Studies completed a major review/revision to its Policing, Correctional Studies, Commercial Vehicle Enforcement Program and Police Recruit Training programs, approved by Alberta Advanced Education and Technology. The new version aligns with the goal of providing high quality, current and relevant programming. Implementation of the online version is 70 per cent complete.
- Courses within Correctional Studies are now being offered in a variety of formats including on-campus, on-line, through video conferencing and in a week-long seminar format. **The third year of the Bachelor of Arts Applied Degree in Correctional Studies is now being delivered on-campus at the Saskatchewan Institute of Applied Science and Technology campus in Prince Albert, Sask.**

Achieve Operational Excellence

- The Educational Enhancement Team put 34 instructors through its Instructional Skills Workshop, while 14 instructors completed the Instructional Certificate Program, both in 2009.
- Civil Engineering Technology successfully completed a biennial accreditation review.
- **The Living Home Project, acknowledged by The Canadian Home Builders' Association as a finalist in the Green Vision category**, was the recipient of an Award of Merit for the Lethbridge region, and won a 2009 Minister's Award for Municipal Excellence from Municipal Affairs.

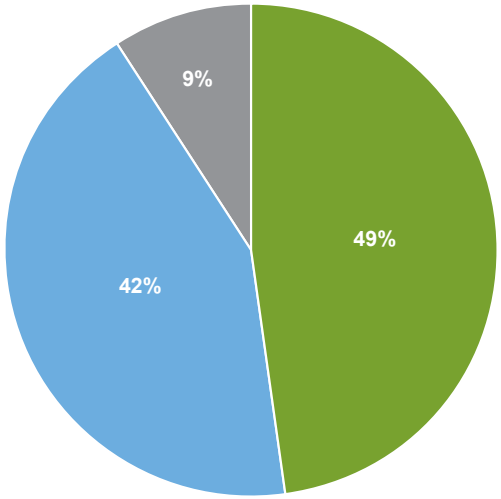
Operational Overview

Enrolment by Area of Study



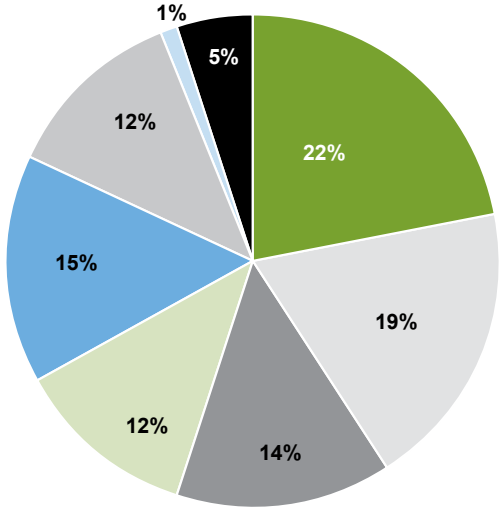
Diploma	60%
Apprenticeship	8%
No credential	5%
Certificate	7%
College & University Preparation	7%
University Level Nursing	8%
Applied Degree	4%
Certificate - Post Diploma	1%

Human Resource Profile



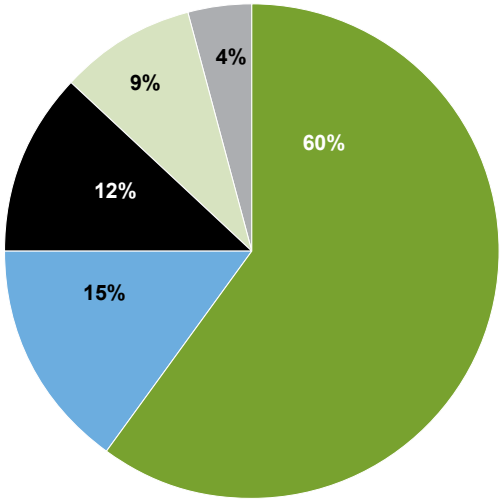
Non-Academic Support	49%
Academic/Instructional	42%
Administrative/Managerial	9%

Facility Usage Profile



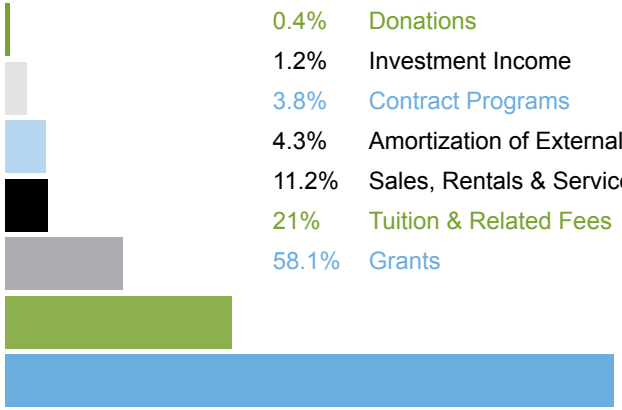
Lab & Service	22%
Circulation	19%
Central Support	15%
Special Use	14%
Classroom & Service	12%
Office & Related	12%
Library & Student Related	5%
General Use	1%

Geographic Source of Students

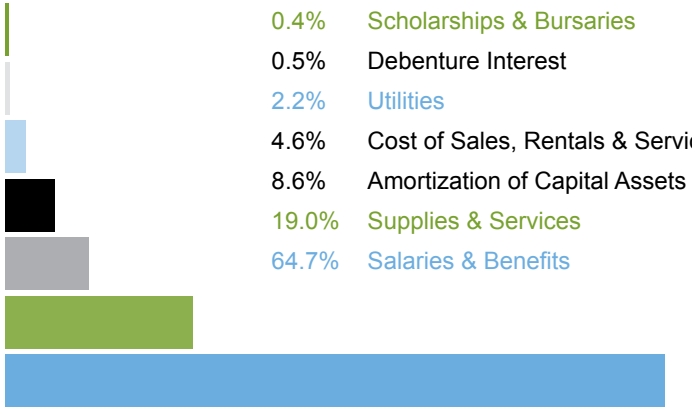


Southern Alberta	60%
Other Provinces	15%
Central Alberta	12%
Northern Alberta	4%
Outside Canada	9%

Sources of Revenue



Sources of Expense



Schedule of Student Tuition and Related Fees

(as defined by The Alberta Advanced Education and Technology Regulation)

DESCRIPTIONS	2005-06	2006-07	2007-08	2008-09
Tuition & Related Fees	$15,574,836	$14,639,975	$14,968,376	$15,648,612
Less: Fees not Subject to Tuition Policy	4,561,910	4,472,804	4,517,270	5,399,316
Tuition Fees Subject to Tuition Policy	$11,012,926	$10,167,171	10,451,106	10,249,296
Total FLE Students	3,954	3,726	3,669	3,815
Less: FLE s not applicable to Tuition Policy	293	308	373	562
Adjusted FLE Under Tuition Policy	3,661	3,418	3,296	3,253
Credit Hour Rate	$68.00	$68.00	$70.25	$73.45
Total Operating Expenses	$55,718,885	$64,002,410	$65,598,016	$72,016,847
Less: Expenses not applicable under Tuition Policy	13,956,458	15,701,393	16,669,530	18,388,281
Net Operating Expenses	$41,762,427	$48,301,017	$48,928,486	53,628,566
Tuition Policy Revenue/Expense Ratio	26.4%	21.1%	21.4%	19.1%

Consolidated Financial Statements

LETHBRIDGE COLLEGE

JUNE 30, 2009

Auditor's Report

Consolidated Statement of Financial Position

Consolidated Statement of Revenue and Expense

Consolidated Statement of Changes in Net Assets

Consolidated Statement of Cash Flows

Notes to the Consolidated Financial Statements

AUDITOR GENERAL
Alberta

Auditor's Report

To the Board of Governors of Lethbridge College

I have audited the consolidated statement of financial position of Lethbridge College as at June 30, 2009 and the consolidated statements of revenue and expense, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the College's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the College as at June 30, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

"Original signed by Fred J. Dunn, FCA"

Auditor General

Edmonton, Alberta
October 27, 2009

LETHBRIDGE COLLEGE
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2009

	2009	2008
ASSETS		
Current:		
Cash and cash equivalents (Note 3)	$ 9,731,671	$ 5,561,059
Accounts receivable (Note 4)	2,440,320	2,607,525
Inventories (Note 5)	632,428	617,739
Prepaid expenses	1,123,993	532,834
	13,928,412	9,319,157
Non-current cash and investments (Note 3)	30,731,931	30,594,446
Capital assets (Note 6)	58,927,016	58,995,549
	$ 103,587,359	$ 98,909,152
LIABILITIES AND NET ASSETS		
Current:		
Accounts payable and accrued liabilities	$ 3,693,970	$ 3,744,299
Accrued vacation pay	1,066,551	955,037
Unearned revenue (Note 7)	2,050,078	1,587,397
Deferred contributions (Note 8)	2,499,431	3,958,857
Current portion of debenture payable (Note 11)	192,389	188,873
	9,502,419	10,434,463
External capital contributions (Note 9)	11,709,928	8,463,808
Debenture and capital lease payable (Note 11)	5,254,571	5,446,960
Unamortized external capital contributions (Note 12)	43,395,332	43,413,384
	60,359,831	57,324,152
	69,862,250	67,758,615
Net assets:		
Operating:		
Unrestricted		
Accumulated excess of revenue over expense	8,805,077	12,240,268
Accumulated net unrealized (loss) on investments (Note 13)	(1,399,130)	(796,921)
Internally restricted (Note 14)	9,430,976	3,713,254
	16,836,923	15,156,601
Investment in capital assets	10,084,724	9,946,332
Endowments (Note 15)	6,803,462	6,047,604
	33,725,109	31,150,537
	$ 103,587,359	$ 98,909,152

Commitments and contingencies (Note 23)

The accompanying notes are part of these consolidated financial statements.

LETHBRIDGE COLLEGE
CONSOLIDATED STATEMENT OF REVENUE AND EXPENSE
FOR THE YEAR ENDED JUNE 30, 2009

	2009		2008
	Budget	Actual	Actual
	(Note 24)		
Revenue:			
Grants (Note 16)	$ 42,708,772	$ 43,170,568	$ 40,303,279
Tuition and related fees	16,519,909	15,648,612	15,036,458
Sales, rentals and services (Note 17)	7,546,406	8,408,541	8,213,419
Contract programs	2,024,065	2,735,936	2,655,880
Investment income (Note 18)	1,245,527	877,691	1,412,480
Donations	231,400	307,731	254,835
Amortization of external capital contributions (Note 12)	3,172,707	3,169,684	2,827,209
	73,448,786	74,318,763	70,703,560
Expense (Note 19):			
Salaries and benefits (Note 20)	46,936,960	46,582,496	42,139,094
Supplies and services	14,590,527	13,663,598	12,645,767
Cost of sales, rentals and services (Note 17)	3,058,172	3,340,884	3,368,939
Utilities	1,717,950	1,556,742	1,341,007
Scholarships and bursaries	261,650	314,257	244,614
Debenture interest	340,879	341,697	352,154
Amortization of capital assets	6,005,448	6,217,173	5,506,441
	72,911,586	72,016,847	65,598,016
Excess of revenue over expense	$ 537,200	$ 2,301,916	$ 5,105,544

The accompanying notes are part of these consolidated financial statements.

LETHBRIDGE COLLEGE
CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2009

	2009						2008
	Unrestricted	Cumulative net unrealized gain (loss) on investments (Note 13)	Internally Restricted (Note 14)	Investment in Capital Assets	Restricted for Endowment Purposes (Note 15)	Total	Total
Balance at beginning of year	$ 12,240,268	$ (796,921)	$ 3,713,254	$ 9,946,332	$ 6,047,604	$ 31,150,537	$ 26,788,846
Excess of revenue over expense	2,301,916	-	-	-	-	2,301,916	5,105,544
Transfer to net assets internally restricted	(5,717,722)	-	5,717,722	-	-	-	-
Contributed assets	-	-	-	171,165	-	171,165	-
Capital assets acquired from internal funds	(2,830,459)	-	-	2,830,459	-	-	-
Amortization of internally funded capital assets	3,052,104	-	-	(3,052,104)	-	-	-
Repayment of debenture related to capital assets	(179,872)	-	-	179,872	-	-	-
Payments on capital lease	(9,000)	-	-	9,000	-	-	-
Transfer to endowments	(52,158)	-	-	-	52,158	-	-
Endowment contributions received	-	-	-	-	-	-	57,423
Increase in Endowments externally funded	-	-	-	-	703,700	703,700	-
Net unrealized loss on available-for-sale investments arising during the year	-	(831,092)	-	-	-	(831,092)	(801,276)
Transfer of net realized loss on investments to revenue [Note 2 (b)]	-	228,883	-	-	-	228,883	-
Balance at end of year	$ 8,805,077	$ (1,399,130)	$ 9,430,976	$ 10,084,724	$ 6,803,462	$ 33,725,109	$ 31,150,537

The accompanying notes are part of these consolidated financial statements.

LETHBRIDGE COLLEGE
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2009

	2009		2008
	Budget (Note 24)	Actual	Actual
Cash flows generated from operating activities:			
Excess of revenue over expense	$ 537,200	$ 2,301,916	$ 5,105,544
Amortization of capital assets	6,005,448	6,217,173	5,506,441
Amortization of external capital contributions	(3,172,707)	(3,169,684)	(2,827,209)
	3,369,941	5,349,405	7,784,776
Changes in non-cash working capital:			
Accounts receivable	-	156,854	38,374
Accrued investment income	-	10,351	73,116
Inventories	-	(14,689)	(142,818)
Prepaid expenses	-	(591,159)	(198,718)
Accounts payable and accrued liabilities	-	(50,329)	(1,789,697)
Accrued vacation pay	-	111,514	85,611
Unearned revenue	-	462,681	(520,214)
Deferred contributions	-	(1,258,792)	1,941,664
Increase in unrealized loss on available-for-sale investments - deferred contributions	-	(200,634)	(309,330)
	-	(1,374,203)	(822,012)
	3,369,941	3,975,202	6,962,764
Cash flows used by investing activities:			
Acquisition of capital assets:			
From internal funds	(2,000,000)	(2,830,459)	(1,552,391)
From external funds	(2,700,000)	(3,151,632)	(5,578,010)
Proceeds from disposal of capital assets	-	4,615	-
Increase in unrealized loss on available-for-sale investments - other net assets	-	(602,209)	(796,921)
Increase in non-current cash and investments	-	(137,484)	(11,192,111)
	(4,700,000)	(6,717,169)	(19,119,433)
Cash flows generated from financing activities:			
Capital contributions received	50,000	6,776,156	11,387,443
Transfer to deferred contributions	-	(207,239)	(237,677)
Capital assets transferred	-	(171,165)	(86,297)
Debenture principal repayment	(179,872)	(182,873)	(169,491)
Obligations on capital lease, net of repayments	-	(6,000)	10,500
Endowment contributions received	250,000	703,700	57,423
	120,128	6,912,579	10,961,901
Increase (Decrease) in current cash and cash equivalents	(1,209,931)	4,170,612	(1,194,768)
Current cash and cash equivalents, beginning of year	4,689,355	5,561,059	6,755,827
Current cash and cash equivalents, end of year	$ 3,479,424	$ 9,731,671	$ 5,561,059

The accompanying notes are part of these consolidated financial statements.

LETHBRIDGE COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2009

Note 1 Authority and Purpose

Lethbridge College was established as a board governed institution on April 17, 1957. The College operates under the authority of the Post Secondary Learning Act, Chapter P19.5, Statutes of Alberta 2003. The College provides educational programs to serve the career education and training needs of students and employers and to respond to personal and community development needs through an extensive offering of general interest courses and public service outreach activities. The College is a registered charity and is exempt from payment of income tax.

The Lieutenant Governor in Council of the Province of Alberta approved an Order in Council changing the name of Lethbridge Community College to Lethbridge College, effective February 14, 2007.

Note 2 Significant Accounting Policies and Reporting Practices

(a) Consolidated Statements

These consolidated financial statements include the accounts of Lethbridge College Foundation ("the Foundation"), which operates under the Companies Act of Alberta. The Foundation is a registered charity and is exempt from payment of income tax. Certain administrative services are provided by the College without charge to the Foundation.

The accounts of the two organizations have been consolidated to reflect the financial position and results of operations as though they were a single economic entity, since the Foundation solicits, receives and administers donations for the advancement of the College. Inter-entity balances and transactions have been eliminated on consolidation.

(b) Financial Instruments

The College has classified its financial assets and financial liabilities as follows:

Financial Assets and Liabilities	Classification
Cash and cash equivalents	Held for trading
Investments	Available for sale
Accounts receivable	Loans and receivables
Accounts payable	Other financial liabilities
Long-term debt	Other financial liabilities

Initial measurement of financial instruments is at fair value and subsequent measurement and recognition changes in value depend upon the classification. Financial assets "held for trading" are recorded at fair value with changes in fair value recorded through the excess of revenue over expenses in each period. Financial assets classified as "available for sale" are measured at fair value with changes in fair values recognized in the Statement of Changes in Net Assets or deferred contributions until realized, at which time the cumulative changes in fair value are recognized in the Statement of Operations. "Loans and receivables", and financial liabilities classified as "other financial liabilities" are measured at amortized cost using the effective interest method.

The College does not use hedge accounting and accordingly, is not impacted by the requirements of Section 3865 Hedges. The College as a Not-for-Profit Organization has elected not to apply the standards for embedded derivatives in non-financial contracts.

When it is determined that an impairment of a financial instrument classified as available for sale is other than temporary, the cumulative loss that had been recognized directly in the net assets or deferred contributions is removed and recognized in the Statement of Operations even though the financial asset has not been derecognized. Impairment losses recognized in the Statement of Operations for a financial instrument classified as available for sale are not reversed.

The carrying values of current cash, cash equivalents and investments, accounts receivable and accounts payable approximate their value because of the short term nature of these items. It is managment's opinion that the College is not exposed to significant interest, currency or credit risks arising from its financial instruments.

The College has also opted to apply the CICA Handbook Section 3861 Financial Instruments - Disclosures and Presentation in place of CICA Handbook Section 3862 Financial Instruments – Disclosures and 3863 Financial Instruments – Presentation as allowed under generally accepted accounting principles.

Transaction costs associated with the acquisition and disposal of investments are expensed when incurred. The purchase and sale of investments are accounted for using the trade date.

Note 2 Significant Accounting Policies and Reporting Practices (continued)

(c) Revenue Recognition

Operating contributions, including grants from the Province of Alberta, are recognized as revenue in the period when they become receivable. Operating contributions received for a future period are reported as deferred contributions and recognized as revenue in the subsequent period.

Capital contributions, including capital grants from the Province of Alberta, are recorded as external capital contributions until the amount is invested in capital assets. Amounts invested representing funded capital assets are then transferred to unamortized external capital contributions. Unamortized external capital contributions are recognized as revenue in the periods in which the related amortization expense of the funded capital asset is recorded. The related portion of amortization expense and the external capital contributions revenue are matched to indicate that the related amortization expense has been funded. Capital contributions invested in capital assets that will not be amortized are recognized as direct increases in net assets.

Externally restricted non-capital contributions and externally restricted investment income earned on non-capital contributions are deferred and are recognized as revenue in the period in which the related expenses are incurred. Externally restricted amounts can only be used for purposes designated by external parties. If the contributors stipulate that the amounts cannot be expended, as is the case with endowments, the contributions are recorded as direct increases in net assets.

Donations, which are not externally restricted, are recognized as revenue when they are received. Donations of materials and services that would otherwise have been purchased are recorded at fair value when a fair value can be reasonably determined.

Pledges are recorded in the year the donation is received.

Amounts received for tuition fees and sale of goods and services are classified as unearned and recognized as revenue at the time the goods are delivered or the services are provided.

The College recognizes dividend and investment income as earned, and investment gains and losses when realized. Realized gains and losses represent the difference between the amounts recognized through sale of investments and their respective cost base. Unrealized gains (losses) on available-for-sale securities are recorded in non-current cash and investments and deferred contributions on the Consolidated Statement of Financial Position and the Consolidated Statement of Changes in Net Assets until recognized in the Consolidated Statement of Revenue and Expense, when realized.

(d) Net Assets Internally Restricted

Net assets internally restricted represent amounts set aside by the College Board of Governors to be used for designated purposes.

(e) Capital

Effective July 1, 2008, Lethbridge College adopted CICA 1535: Capital Disclosures. The new standard requires an entity to disclose information that enables users of its financial statements to evaluate the entity's objectives, policies and processes for managing capital. The new disclosure is as follows:

Lethbridge College defines its capital as the amounts included in deferred contributions and capital contributions, endowment net assets, internally restricted and unrestricted net assets. A significant portion of the College's capital is externally restricted and the College's unrestricted capital is funded primarily by Alberta Advance Education and Technology. Lethbridge College has investment policies, spending policies and cash management procedures to ensure the College can meet its capital obligations.

(f) Inventories

In June 2007, the Canadian Institute of Chartered Accountants (the "CICA") issued a new accounting standard, Section 3031 Inventories which provides guidance on the recognition, measurement and disclosure of inventories. The standard provides specific direction for not-for-profit organizations to record inventories held for consumption or distribution at no charge at the lower of cost or current replacement cost.

The College adopted this new standard as of July 1, 2008, but did not adjust opening balances or restate prior periods because the adoption did not have a material impact.

Inventories held for resale are valued at the lower of cost and net realizable value. Inventories held for consumption are valued at the lower of cost (defined as moving average) and current replacement cost. Cost is determined using the weighted average method for the Bookstore and the first in, first out method for all other inventories.

Note 2 Significant Accounting Policies and Reporting Practices
(continued)

(g) Capital Assets

Capital assets and work in progress are recorded at cost. Donated assets are recorded at fair value at the time of the donation.

Capital assets except for land, construction in progress and art are amortized over their estimated useful lives on a straight-line basis as follows:

	Useful Life
Buildings and site improvements	40 years
Furnishings and equipment	10 years
Library	10 years
Motor vehicles	5 years
Computer equipment and systems software	5 years
Audio and visual equipment	2 years

The permanent art collection is recorded at the appraised value at the time of donation. The permanent art collection is not amortized. The collection is made up of numerous pieces of art that are held for display at the College.

Capital projects in progress are not amortized until the project is complete.

(h) Employee Future Benefits

The College participates in the Local Authorities Pension Plan. This pension plan is a multi-employer defined benefit pension plan that provides pensions for the College's participating employees, based on years of service and earnings. Defined contribution plan accounting is applied where information is sufficient to apply defined benefit plan accounting. Pension costs comprise the employer's contributions during the year, based on rates expected to provide benefits payable under the pension plan. The College does not record its portion of the plan's surplus or deficit.

(i) Use of Estimates

The preparation of the consolidated financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the dates of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

(j) Asset Retirement Obligations

Lethbridge College is subject to regulations requiring the repair, removal and disposal of asbestos. The obligation under these regulations meets the definition of a conditional asset retirement obligation.

As a result of the longevity of the College's facilities, due in part to the College's maintenance procedures, and the fact that the College does not have plans for major changes that would require the removal asbestos, the timing of the removal of asbestos in the College's facilities is indeterminate as at June 30, 2009. As a result, the College is currently unable to estimate the fair value of its asbestos removal and disposal obligation. Therefore, expenditures are recorded in accounts as they are incurred.

Note 3 Cash and Investments

The Board of Governors has approved an investment strategy with primary investment objectives being the preservation of capital and the generation of a competitive total return. The investment policy provides guidelines on the asset mix, diversification, quality and nature of securities, and the term of the fixed income securities. The guidelines are as follows:

(a) Asset Class

Cash equivalents	from 0% to 60% of total portfolio
Fixed income securities	from 40% to 80% of total portfolio
Equities	from 0% to 50% of total portfolio

To measure investment performance and identify the return attributed to the asset mix and asset selection decisions, the College has established a portfolio benchmark of 5% cash equivalents, 60% fixed income securities and 35% equities. Further, it measures cash equivalent returns against the return from the historical treasury bill rate over a rolling four year period, fixed income returns against the return for the Scotia McLeod Universe Index, and equity returns against the return for the TSX 300 Index and the Morgan Stanley Capital International, Europe, Australia and Far East Index.

(b) Diversification

No more than 10% of the total portfolio will be invested in any one money market issuer other than investments in issuers with a minimum BBB rating as defined by a recognized bond rating service or those guaranteed by the Government of Canada or the Province of Alberta. With these conditions, the maximum investment may be extended to 20% of the total portfolio. No more than 10% of the portfolio will be invested in any one government bond issue other than the Government of Canada or the Province of Alberta. A 30% maximum is placed on any single industry investment and a 4% maximum on any single issuer in the private sector.

Note 3 Cash and Investments (continued)

(c) Quality and Nature of Securities

All money market securities will be rated "R-1" or equivalent by the Canadian Bond Rating or the Dominion Bond Rating Services. All corporate and government bonds will carry a rating of a minimum equivalent BBB rating by a recognized bond rating service.

	2009			2008	
	Carrying Value	Temporary Gain/(Loss)	Fair Value[i]	Carrying Value	Fair Value[i]
Cash and temporary investments:					
Cash	$ 10,116,364	$ -	$ 10,116,364	$ 5,895,190	$ 5,895,190
Short term investments	6,177,592	(16,902)	6,160,690	6,497,299	6,494,424
	16,293,956	(16,902)	16,277,054	12,392,489	12,389,614
Fixed income:[i]					
Federal guaranteed bonds	5,125,190	166,333	5,291,523	5,964,091	5,994,094
Provincial guaranteed bonds	2,373,986	34,066	2,408,052	582,276	591,748
Corporate bonds	3,864,009	(54,141)	3,809,868	5,517,214	5,292,801
	11,363,185	146,258	11,509,443	12,063,581	11,878,643
Equities:					
Canadian	8,070,627	(1,001,935)	7,068,692	6,956,912	6,769,145
Foreign	6,644,927	(1,036,514)	5,608,413	5,848,774	5,118,103
	14,715,554	(2,038,449)	12,677,105	12,805,686	11,887,248
	42,372,695	(1,909,093)	40,463,602	37,261,756	36,155,505
Less amounts not available for current purposes	32,641,024	(1,909,093)	30,731,931	31,700,697	30,594,446
Cash and cash equivalents	$ 9,731,671	$ -	$ 9,731,671	$ 5,561,059	$ 5,561,059

(i) At June 30, 2009 management determined that an impairment of investments classified as available for sale were temporary declines in value not permanent in nature.

(ii) The terms of the bond portfolio range from 1 year to 9 years with an average term to maturity of 5 years (2008 - 5 years). The average effective yield on the bond portfolio is 5.09% (2008 – 5.31%).

Note 4 Accounts Receivable

	2009	2008
Contract programs	$ 1,159,276	$ 1,056,470
Province of Alberta:		
Alberta Advanced Education	118,602	110,098
Alberta Infrastructure and Transportation	5,400	1,058
Other Alberta Government departments	65,427	113,859
Government of Canada - Goods and Services Tax	148,554	96,585
Tuition fees	815,242	734,665
Accrued investment income	67,138	77,489
Other	60,681	417,301
	$ 2,440,320	$ 2,607,525

Note 5 Inventories

	2009	2008
Bookstore	$ 448,011	$ 518,534
Cafeteria	70,412	69,485
Distance Education Centre	2,836	9,167
Other	111,169	20,553
	$ 632,428	$ 617,739

Note 6 Capital Assets

	2009 Net Book Value	2008 Net Book Value
Land	$ 475,994	$ 475,994
Building and site improvements	49,317,275	47,786,506
Furnishings and equipment	5,164,660	4,447,363
Library	296,466	290,780
Motor vehicles	179,345	166,173
Computer equipment and systems software	921,230	2,376,345
Audio and visual equipment	98,759	107,582
Permanent art collection	501,734	439,634
Capital projects in progress [i]	1,971,553	2,905,172
	$ 58,927,016	$ 58,995,549

	Cost				
	Balance July 1,2008	Transfers	Additions	Disposals	Balance June 30, 2009
Land	$ 475,994	$ -	$ -	$ -	$ 475,994
Building and site improvements	99,733,404	2,616,823	1,491,725	-	103,841,952
Furnishings and equipment	13,272,326	130,761	1,436,874	40,187	14,799,774
Library	1,287,115	-	62,231	36,184	1,313,162
Motor vehicles	1,095,080	-	94,931	-	1,190,011
Computer equipment and systems software	13,072,415	132,836	847,703	-	14,052,954
Audio and visual equipment	903,330	-	210,891	-	1,114,221
Permanent art collection	439,634	-	62,100	-	501,734
Capital projects in progress [i]	2,905,172	(2,880,420)	1,946,801	-	1,971,553
	$ 133,184,470	$ -	$ 6,153,256	$ 76,371	$ 139,261,355

	Accumulated Amortization			
	Balance July 1,2008	Current year amortization	Amortization on Disposals	Balance June 30, 2009
Building and site improvements	$ 51,946,898	$ 2,577,781	$ -	$ 54,524,679
Furnishings and equipment	8,824,963	845,721	36,946	9,633,738
Library	996,335	56,543	34,809	1,018,069
Motor vehicles	928,907	81,759	-	1,010,666
Computer equipment and systems software	10,696,070	2,435,654	-	13,131,724
Audio and visual equipment	795,748	219,715	-	1,015,463
	$ 74,188,921	$ 6,217,173	$ 71,755	$ 80,334,339

Note 6 Capital Assets (continued)

(a) Capital projects in progress:

These projects are summarized as follows:

New student residence	$ 947,695
Wind turbine project	138,778
Buildings upgrades	414,178
Computer hardware	120,829
Reporting software projects	137,438
Other projects	212,635
	$ 1,971,553

(b) Capital Acquisitions

Capital acquisitions during the year included certain donations in kind at fair value of $81,350 (2008 - $143,143).

Note 7 Unearned Revenue

	2009	2008
Contract programs	$ 288,072	$ 254,712
Tuition fees	1,731,324	1,284,884
Other	30,682	47,801
	$ 2,050,078	$ 1,587,397

Note 8 Deferred Contributions

Deferred contributions represent unspent operating funds externally restricted.

	2009	2008
Contributions received		
Grants, Province of Alberta	$287,300	$2,144,809
Other contributions	808,831	991,301
Restricted endowment investment income	268,248	304,638
	1,364,379	3,440,748
Transferred to revenue:		
Grants, Province of Alberta	(1,894,522)	(675,200)
Other contributions	(570,564)	(397,861)
Restricted endowment investment income	(69,750)	(339,726)
	(2,534,836)	(1,412,787)
Transferred to deferred capital contributions (Note 9)	(88,336)	-
Transfers to unamortized external capital contributions (Note 12)	-	(86,297)
Increase (decrease) during the year	(1,258,793)	1,941,664
Deferred contributions relating to operating funding, beginning of year	3,958,857	2,326,523
Deferred contributions relating to operating funding, end of year	2,700,064	4,268,187
Deferred contributions, relating to unrealized gains and losses on investments		
Unrealized gain (loss) on investments, beginning of year, as restated (Note 3 (c) and 12)	-	(6,330)
Change in unrealized gain (loss) on investments relating to deferred contributions	(200,633)	(303,000)
Unrealized gain (loss) on investments, end of year	(200,633)	(309,330)
Deferred contributions, end of year	$2,499,431	$3,958,857

The Balance at end of year is restricted for the following purposes:

Scholarships, awards and bursaries	$2,269,896	$1,884,508
Grants, Province of Alberta	614,741	2,297,265
Unrealized (loss) on investments allocated to deferred contributions	(509,963)	(309,330)
Investment income	49,687	52,544
Other	75,070	33,870
	$2,499,431	$3,958,857

Note 9 External Capital Contributions

External capital contributions represent unspent funds externally restricted for capital purposes.

	2009	2008
Contributions received:		
Grants, Province of Alberta	$ 6,606,470	$ 11,116,719
Other contributions	81,350	270,724
Transferred form deferred contributions (Note 8)	88,336	-
	6,776,156	11,387,443
Transferred from (to):		
Grants, Province of Alberta	(119,809)	(320,750)
Donations	(87,430)	(3,224)
Unamortized external capital contributions (Note 12)	(3,322,797)	(5,578,010)
	(3,530,036)	(5,901,984)
Increase (decrease) during the year	3,246,120	5,485,459
Deferred capital contributions, beginning of year	8,463,808	2,978,349
Deferred capital contributions, end of year	$ 11,709,928	$ 8,463,808

The balances at end of year represent funds held for the following purposes:

Building	$ 10,734,665	$ 7,419,010
Equipment replacement	442,307	345,965
Enrollment planning envelope	532,956	698,833
	$ 11,709,928	$ 8,463,808

Note 10 Pension Costs

The College participates in the Local Authorities Pension Plan which is a multi-employer defined benefit plan. The pension expense recorded in these financial statements is equivalent to the College's annual contributions payable of $2,817,546 for the year ended June 30, 2009 (2008 - $2,499,164). At December 31, 2008, the Local Authorities Pension Plan reported a deficiency of $4,413,971,000 (2007 - deficiency of $1,183,334,000).

The College is required to make service contributions to the Local Authorities Pension Plan of 7.75% of pensionable earnings up to Canada Pension Plan Year's Maximum Pensionable Earnings $44,900 and 10.64% for the excess up to the salary cap of $130,137. The rate changed effective January 1, 2009 to 8.46% and 11.66% respectively. The Canada Pension Plan year's maximum pensionable earnings increased in January 2009 to $46,300 and the salary cap to $136,112. The employees' contributions were calculated at 1% lower than the Colleges' contribution rate.

Note 11 Debenture and Capital Lease Payable

The College Board received approval of the Lieutenant Governor in Council to borrow funds from the Alberta Capital Finance Authority (the "ACFA"), an authority controlled by the Province of Alberta, to finance the campus residence expansion project. A $6,625,000 debenture (the "debenture") dated February 23, 2001, was issued by the College in favor of ACFA. The debenture is secured by a security agreement dated February 23, 2001 between the College and ACFA pursuant to which the College granted, in favor of ACFA, a security interest in all present and after acquired intangible accounts, monies, book debts, instruments, claims or rights and insurance proceeds related to the residence.

The debenture, bearing interest at the rate of 6.125% per annum, is to be repaid in annual installments of $524,424, principal and interest. The debenture is due March 1, 2027.

	2009	2008
Debenture payable	$ 5,445,460	$ 5,625,333
Capital lease payable	1,500	10,500
	5,446,960	5,635,833
Less current portion	192,389	188,873
	$ 5,254,571	$ 5,446,960

Note 11 Debenture and Capital Lease Payable (continued)

The aggregate maturities of principal required over the next five years and to maturity are as follows:

	Debenture	Capital Lease	Total
2010	$ 190,889	$ 1,500	$ 192,389
2011	202,581	-	202,581
2012	214,989	-	214,989
2013	228,157	-	228,157
2014	242,131	-	242,131
Thereafter	4,366,713	-	4,366,713
Total payable	$ 5,445,460	$ 1,500	$ 5,446,960

Note 12 Unamortized External Capital Contributions

Unamortized external capital contributions represent the external funds invested in capital assets which will be recognized as revenue in future periods. Changes in the unamortized external capital contributions balance are as follows:

	2009	2008
Balance at beginning of year	$ 43,413,384	$ 40,576,286
Add amount transferred from external capital contributions	3,322,797	5,578,010
Add amount transferred from deferred contributions	-	86,297
Less amount transferred to investment in capital assets	(171,165)	-
Less amount amortized to revenue	(3,169,684)	(2,827,209)
Balance at end of year	$ 43,395,332	$ 43,413,384

Note 13 Net Unrealized Gain (Loss) on Available-for-Sale Investments

	2009			2008
	Endowment Net Assets, recorded in deferred contributions (Note 8)	Other Net Assets	Total	Total
Net unrealized gain (loss) on available-for-sale investments, beginning of year	$ (309,330)	$ (796,921)	$ (1,106,251)	$ (1,975.00)
Net unrealized gain (loss) on available-for-sale investments during the year	(200,633)	(831,092)	(1,031,725)	(1,104,276)
Transfer of net realized loss on investments to revenue [Note 2(b)]	-	228,883	228,883	-
	(200,633)	(602,209)	(802,842)	(1,104,276)
Net unrealized gain (loss) on available-for-sale investments, end of year	$ (509,963)	$ (1,399,130)	$ (1,909,093)	$ (1,106,251)

Note 14 Net Assets Internally Restricted

Net assets internally restricted are held for the following purposes:

	Balance at Beginning of Year	Transfers to and from Unrestricted Net Assets: Deduct Funds Expended	Transfers to and from Unrestricted Net Assets: Add Funds Appropriated	Balance at End of Year
Staff and program development	$ 1,405,056	$ 358,107	$ 377,097	$ 1,424,046
Foundation general reserve	(6,395)	917,630	924,715	690
College funded scholarships endowment earnings	154,459	7,688	12,291	159,062
Other endowment earnings	101,568	96,042	101,801	107,327
Kodiak Team fund	46,492	143,014	111,161	14,639
Student residence	-	-	5,214,000	5,214,000
Student emergency loans	-	734	2,120	1,386
	1,701,180	1,523,215	6,743,185	6,921,150
Capital replacement	2,012,074	635,674	1,133,426	2,509,826
	$ 3,713,254	$ 2,158,889	$ 7,876,611	$ 9,430,976

The net transfer from Unrestricted Net Assets for the year ended June 30, 2009 comprises:

Funds returned	$ 2,158,889
Funds appropriated	7,876,611
	$ (5,717,722)

Note 15 Endowments

Endowments consist of restricted donations to the College and internal allocations by the Board of Governors, the principal of which is required to be maintained intact. The investment income generated from endowments must be used in accordance with the various purposes established by the donors or the Board of Governors. Endowments comprise the following:

	2009			2008
	Externally Funded	Internally Funded	Total	Total
Ronald Tiffin Agricultural Endowment Fund	$ 1,115,115	$ 404,892	$ 1,520,007	$ 1,484,426
Scholarships	4,540,121	72,681	4,612,802	3,911,994
Kodiak Athletics Fund	215,968	104,482	320,450	309,574
Talbot Education Fund	115,564	59,594	175,158	171,043
Industrial Technology Fund	62,500	41,604	104,104	101,621
Native Canadian Fund	28,200	25,171	53,371	52,157
Environmental Fund	9,104	8,466	17,570	16,789
	$ 6,086,572	$ 716,890	$ 6,803,462	$ 6,047,604

Note 16 Grants

Grant revenue consists of amounts received from the following sources:

	2009		2008
	Budget (Note 24)	Actual	Actual
Alberta Advanced Education	$ 40,159,975	$ 41,516,665	$ 38,153,023
Alberta Infrastructure and Transportation	832,600	129,225	325,840
Other Alberta Government departments	789,183	731,353	801,297
Government of Canada sources	739,251	660,597	766,576
Other sources	187,763	132,728	256,543
	$ 42,708,772	$ 43,170,568	$ 40,303,279

Note 17 Sales, Rentals and Services

Sales, rentals and services revenue and direct expense are summarized as follows:

	2009					2008
		Direct Expense				
	Revenue	Cost of Sales	Other	Total Direct Expense	Net	Net
Sales, rentals and non-ancillary services	$ 1,045,426	$ 454,977	$ -	$ 454,977	$ 590,449	$ 671,684
Ancillary services (Note 19):						
Bookstore	3,022,693	2,263,302	464,427	2,727,729	294,964	315,353
Cafeteria	1,137,941	607,636	598,031	1,205,667	(67,726)	(52,545)
Residence	2,042,990	-	1,757,749	1,757,749	285,241	(26,397)
Parking	501,228	3,894	155,494	159,388	341,840	323,641
Daycare centre	286,548	-	303,876	303,876	(17,328)	10,621
Physical Education building	215,108	11,075	415,156	426,231	(211,123)	(167,551)
Health services	147,432	-	213,793	213,793	(66,361)	(24,699)
Athletics - special events	9,175	-	20,329	20,329	(11,154)	(2,936)
	7,363,115	2,885,907	3,928,855	6,814,762	548,353	375,487
	$ 8,408,541	$ 3,340,884	$ 3,928,855	$ 7,269,739	$ 1,138,802	$ 1,047,171

Note 18 Investment Income

	2009	2008
Investment income	$ 1,181,178	$ 1,522,413
Transferred to deferred contributions	(49,687)	(52,544)
Transferred to capital contributions	(201,642)	-
Transferred to endowments	(52,158)	(57,389)
Total investment income recognized as revenue	$ 877,691	$ 1,412,480

Note 19 Expense by Function

Instruction encompasses all formal educational and instructional program elements. Academic support includes all activities that directly support the educational and instructional elements such as academic administration, library and audio-visual services. Student services include all scholarships, bursaries and activities or services to the student body of the College. Institutional support includes all activities that provide institution-wide support to other programs.

	2009		2008
	Budget (Note 24)	Actual	Actual
Instruction	$ 29,684,606	$ 30,202,802	$ 28,215,118
Academic support	6,790,031	6,732,748	5,564,622
Student services	4,873,423	5,180,711	4,290,029
Institutional support	13,870,212	12,102,237	10,828,575
Ancillary services (Note 17)	6,698,327	6,814,762	6,642,635
Computer services	5,373,318	5,137,279	4,899,379
Amortization of capital assets	6,005,448	6,217,173	5,506,441
	73,295,365	72,387,712	65,946,799
Less amortization of capital assets - Ancillary services	383,779	370,865	348,783
	$ 72,911,586	$ 72,016,847	$ 65,598,016

Note 20 Salaries and Benefits

	2009					2008	
	Number of Individuals[a]	Base Salary[b]	Other Cash Benefits [c]	Other Non-Cash Benefits [d]	Total	Number of Individuals[a]	Total
Chairman of the Board of Governors	1.0		$ 2,800	$ 48	$ 2,848	1.0	$ 4,844
Board members[e]	9.0		12,580	852	13,432	9.0	13,344
	10.0		15,380	900	16,280	10.0	18,188
President[f]	1.0	$ 214,255	-	29,209	243,464	1.0	199,477
Vice President Corporate and International Services	1.0	169,618	22,834	21,123	213,575	1.0	161,360
Vice President Academic & Chief Learning Officer	1.0	164,677	15,924	7,361	187,962	1.0	174,774
Executive Director Advancement	1.0	149,856	-	21,123	170,979	1.0	157,482
Dean Health, Justice & Human Services	1.0	122,875	-	19,682	142,557	1.0	138,495
Dean Teaching, Learning & Innovation	1.0	115,274	-	19,065	134,339	0.9	110,763
Dean Applied Management	0.9	103,808	-	20,093	123,901	0.6	85,990
Dean Applied Arts & Sciences	0.2	19,213	-	4,057	23,270	1.0	144,046
Vice President Enrolment Management	-	-	-	-	-	0.2	26,020
Directors/Managers (average: 2009 - $104,248 2008 - $94,358)	24.9	2,175,038	17,880	398,697	2,591,615	23.8	2,241,946
Other salaried staff: [j]							
Administration: (average: 2009 - $92,006 2008 - $80,825)	32.0	2,489,540	9,773	443,059	2,942,372	33.8	2,731,894
Academic: (average: 2009 - $92,742 2008 - $89,990)	210.1	16,469,560	84,978	2,931,431	19,485,969	200.4	17,955,623
Support: (average: 2009 - $50, 712 - 2008 - $46,124)	264.5	11,142,014	154,903	2,113,767	13,410,684	243.3	11,223,332
Non-salaried staff: [g] [j]							
Academic		4,519,223	-	277,890	4,797,113		4,632,599
Support		1,888,315	11,822	198,279	2,098,416		2,137,105
	538.6	$ 39,743,266	$ 333,494	$ 6,505,736	$ 46,582,496	509.0	$ 42,139,094

Note 20 Salaries and Benefits (continued)

(a) Except for Board members, the number of individuals is expressed as full-time equivalents. The total actual discrete number of individual employees at June 30, 2009 was 1,539 (2008 – 1,479).

(b) Salary includes regular base pay, shift differential, sick-time payments and any other direct cash remuneration.

(c) Other cash benefits include bonuses, overtime, vacation payouts, lump sum payments and honoraria.

(d) Benefits and allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees including pension plans, Employment Insurance, Workers' Compensation, health care, dental coverage, group life insurance, accidental disability and dismemberment, educational sabbaticals, vehicle allowances, professional memberships, club memberships and remission of tuition fees.

(e) Board members include one representative from each of the academic and support staff. This includes their stipends as Board members, while their salaries and benefits as full-time employees are included under other salaried staff.

(f) An executive compensation package includes an automobile provided to the President. The automobile is not included in the value of benefits disclosed on the schedule.

(g) Non-salaried staff comprises individuals who work less than 29 hours per week; benefits consist of contributions to Employment Insurance, Canada Pension Plan and Workers' Compensation. In addition, for continuing employees working more than 15 hours a week, benefits also include health care, dental coverage, group life insurance, accidental death and dismemberment and vacation payouts.

(h) Early retirement payments include all monies paid, directly or on behalf of an employee, upon termination. During the year, an additional amount of $12,330 was added due to salary adjustments for staff under the retirement plan who will be retiring in the subsequent two years. For the year ended June 30, 2009, 28 employees (2008 – 12 employees) retired and were paid $1,196,898 (2008 - $1,158,129). The balance of $366,595 will be paid to the remaining employees in the next fiscal year, and is included in accounts payable and accrued liabilities on the statement of financial position.

Note 21 Related Party Transactions

(a) The College is a Provincial Corporation as all members of the Board of Governors are appointed by a combination of orders by the Lieutenant Governor in Council and the Minister of Alberta Advanced Education and Technology. Transactions between the College and the Province are described in Notes 4, 8, 10, 15 and 21(d) to the financial statements.

(b) The College accounts for funds of certain associations and clubs related to College activities through Funds Held on Behalf of Others (Note 22). Certain administrative services are provided without charge to these entities.

(c) During the year, the College engaged the services of, and purchased goods from, organizations that are controlled or significantly influenced by members of its Board. Amounts of any such services were determined through fair and open competition in the normal course of operations. For the year ended June 30, 2009, the value of such goods and services was $1,640 (2008 - $2,143).

(d) During the year, the College engaged the services of, and purchased goods from, entities consolidated within the Government of Alberta. Amounts of any such services were determined through fair and open competition in the normal course of operations. For the year ended June 30, 2009, the value of such goods and services purchased was $539,815 (2008 - $538,460). The value of goods and services provided was $1,279,636 (2008 - $1,701,438).

(e) The College administers a program that permits advances to staff members for the specific purpose of acquiring and maintaining technological currency in computer hardware and software developments. Such advances are repaid over a maximum period of two years at the prescribed interest rate. The balance of advances outstanding as at June 30, 2009 was $815 (2008- $11,281).

Note 22 Funds Held on Behalf of Others

Lethbridge College provides administrative services and administers funds on behalf of other organizations. These amounts are held in trust but are not included in the College's statement of financial position and are summarized as follows:

	2009	2008
Lethbridge College Students Association, clubs and activities	$ 1,392,997	$ 1,167,678
Chinook Educational Consortium	893,134	706,114
Associated agencies	25,383	15,267
Other agencies	62,081	80,500
Agricultural and research projects	21,579	18,664
	$ 2,395,174	$ 1,988,223

Note 23 Commitments and Contingencies

(a) The College leases facilities and equipment with lease terms up to four years. The minimum operating lease payments for each of the next four fiscal years are as follows:

2010	$ 749,693
2011	383,368
2012	116,318
2013	10,876

(b) During the year, Lethbridge College continued with the reporting software project, and began two new major projects during the year: a major roofing project and a new student residence. As at June 30, 2009, the College had commitments in relation to these projects as follows:

	Contract	Expended	Commitments
New Student Residence:			
Consulting and Design	$ 1,016,500	$ 947,695	$ 68,805
Construction Costs	11,885,441	-	11,885,441
	12,901,941	947,695	11,954,246
Roofing Project	2,600,546	414,126	2,186,420
Reporting Software Project	292,388	244,154	48,234
Total capital projects	$ 15,794,875	$ 1,605,975	$ 14,188,900

The Lethbridge College owns properties that may contain environmental contamination and require site reclamation, the amount of any such obligations has not been determined.

Note 24 Budget

The 2009 budget was approved by the Board of Governors on May 20, 2008 and submitted to the Minister of Advanced Education and Technology on June 1, 2008.

Note 25 Pledges

As at June 30, 2009, outstanding pledges comprise the following:

Endowments	$ 5,000
Comprehensive fundraising campaign	24,000
Aboriginal Transition Program	80,000
Other	16,500
Total	$ 125,500

These amounts have not been recognized as revenue in the financial statements. The pledges are expected to be collected in 2010.

Note 26 Comparative Figures

Certain comparative figures have been reclassified to conform with the financial statements presentation adopted in the current year.

Note 27 Approval of Consolidated Financial Statements

These consolidated financial statements have been approved by the Board of Governors.

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