

LEADERSHIP AND TRANSFORMATION



LETHBRIDGE COLLEGE
ANNUAL REPORT
2016-17



LEADERSHIP AND TRANSFORMATION



TABLE OF CONTENTS

Accountability Statement	2
Board of Governors	4
Management's Responsibility for Reporting	6
Message from the Board Chair	8
Message from the President	10
Public Interest Disclosure (Whistleblower Protection) Act	14
Operational Overview	16
Strategic Framework	22
Goals, Priority Initiatives, Expected Outcomes and Performance Measures	26
Access and Quality	28
Enrolment Plan	44
International Enrolment	46
Applied Research and Scholarly Activities	47
Community and Regional Stewardship	52
Indigenous Peoples	54
Financial and Budget Information	60
Internationalization	68
Information Technology	72
Capital Plan	76
Appendix A: Audited Financial Statements	80
Appendix B: Lethbridge College 2016-17 Performance Measures	112

ACCOUNTABILITY STATEMENT

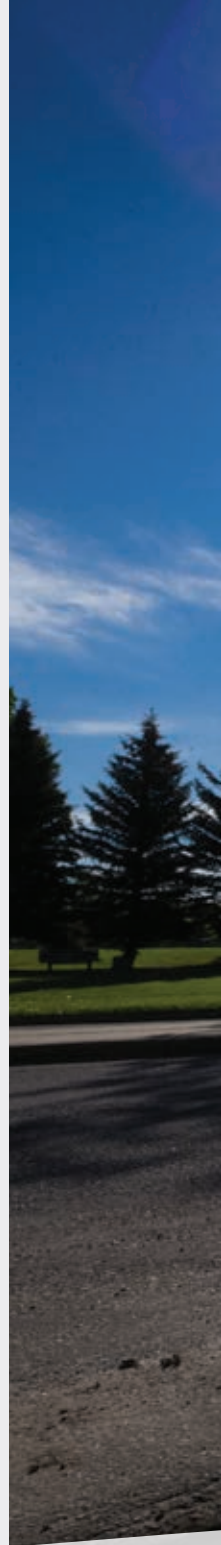
Lethbridge College's Annual Report for the year ended June 30, 2017, was prepared under the board's direction in accordance with the Fiscal Planning and Transparency Act and ministerial guidelines established pursuant to the Post-Secondary Learning Act. All material economic, environmental or fiscal implications of which we are aware have been considered in the preparation of this report.

[Original signed by Kristin Ailsby, Nov. 30, 2017]

Kristin Ailsby, BA, MA, LL.B

Chair, Board of Governors

Lethbridge College





BOARD OF GOVERNORS



**Kristin Ailsby,
Board Chair**

Kristin is an accredited mediator, collaborative lawyer and experienced litigator who runs her own Lethbridge law firm, Clarity Law. She was appointed to the board in February 2017 and brings an open, collaborative and energetic approach to her leadership role.



**Dr. Paula Burns,
President and CEO**

Dr. Paula Burns has served as the eighth president and CEO of Lethbridge College since February 2013. Her leadership style is highly collaborative and she currently serves on the Board of Directors for Colleges and Institutes Canada and Economic Development Lethbridge.



Kari (Holmes) Bird

Kari Bird is the non-academic representative on the board and was appointed for a two-year term in June 2016. Kari is the alumni relations coordinator at Lethbridge College, a position filled with many responsibilities and a lot of proud moments.



Brenda Brindle

Brenda Brindle, appointed to the board for a three-year term in February 2015, has an extensive background in agriculture. Retiring in 2013, she has most notably worked for Alberta Agriculture and Rural Development as executive director and the Alberta Grain Commission as general manager.



Randy Dunlop

Randy is President of Dunlop Western Star and is a co-owner of Dunlop Ford Sales Limited; he has served on the board since January 2012.



Rita Halma

Rita Halma, chair of the college's School of Business, is the academic representative on the board and was appointed for a two-year term in June 2016. She is a graduate of the college's Business Administration program, and she has been an instructor in that program since 1989.



Tom McKenzie

Recently retired as chief of police from the Lethbridge Police Service, Tom McKenzie was appointed to a three-year term on the board in November 2014. Tom is a 2008 Distinguished Alumnus of the college (Criminal Justice '76).



Calvin Scott

Calvin Scott, who was appointed to a three-year term to the board in November 2014, serves as board vice chair and as chair of the Finance, Audit and Risk Committee. Calvin is a chartered professional accountant, chartered accountant and partner with Avail Chartered Professional Accountants.



Richard Stamp

Richard Stamp, appointed to the board for a three-year term in February 2015, is a first generation, award-winning farmer (Canada's Outstanding Young Farmer '98). He owns and operates Stamp Farms and Stamp Seeds, which he established with his wife, Marian, in 1978.



Zachary Wigand

Zachary Wigand is the student representative on the board. He is a General Studies student who is focusing on business and political science. He is active in a number of campus organizations, including the LCSA LGBTQ Club and the Cor Van Raay Agribusiness Case Competition.



Tracy Zappone

Tracy, who was appointed to the board for a three-year term in April 2014, serves as board vice chair and as chair of the Governance and Human Resources Committee. Tracy has practiced family law in Lethbridge for the past 25 years and is a partner and senior associate at MacLachlan McNab Hembroff.



MANAGEMENT'S RESPONSIBILITY FOR REPORTING



Lethbridge 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, and are executed in accordance with all relevant legislation, regulations and policies, reliable financial records are maintained and assets are properly accounted for and safeguarded.

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

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

[Original signed by Paula Burns, Nov. 30, 2017]

Dr. Paula Burns
President and CEO

MESSAGE FROM THE BOARD CHAIR

What a year!

I feel so fortunate to have started my term as chair of the Lethbridge College Board of Governors during the college's 60th anniversary year.

I have been impressed with the incredible energy and excitement at the college as students, alumni, friends and partners have come together to celebrate the institution's past, and I am thrilled to be a part of the team who is helping make plans for its future.

When you look back to the beginning days of the college, the story really centres on the role of community, on partnerships and on unflagging commitment by so many important individuals and groups who worked together to create Canada's first publicly-funded community college. We still count on and value these partnerships today – whether it is with a local business person who is offering practicum experiences for students, a southern Alberta company that has decided to extend its philanthropy to the college, or local and provincial government leaders who make sure the college has the stability and support as it moves ahead with its important work. There are so many amazing individuals and groups who helped and still help ensure that the college is doing all it can to lead and transform education in Alberta – and we are grateful for them all.



Lethbridge College Board Chair Kristin Ailsby and President Paula Burns present an honorary degree to the Right Honourable Beverley McLachlin, P.C., Chief Justice of Canada, at the 2017 Convocation.

Looking back at the college's history also gives us a chance to appreciate how one of the primary reasons that led to the creation of the college more than 60 years ago – wanting a place in southern Alberta to provide the education and training employers needed – still inspires the work we do today. In recent years, we have heard from the community that more skilled graduates are needed in the areas of irrigation, agriculture business risk management, plumbing and ecosystem management, and so the college has responded – as it always has – by working with industry to create these new programs. Watching these new programs launch and thrive has been one of the great pleasures I have had in these first months in my new position.

With students engaged in hands-on learning, led by talented instructors who are not only skilled teachers but experienced in the industries they teach, the campus is always a vibrant, energetic place to be. But this past year has had some exceptional moments, too, whether it was watching our new Mueller Chair in Applied Research, Dr. Willemijn Appels, present her important work to community members, listening to business students compete in (and win!) the Alberta Deans of Business Case Competition here on campus, or cheering as our women's basketball team secured the conference championship in our own Val Matteotti Gymnasium (and then went on to win the national championships, too).

In ways large and small, my first months as chair of the Board of Governors have provided me with a wealth of exceptional moments where I really got to see and experience the work the campus is doing to inspire and facilitate learning and innovation to meet economic and social needs. On behalf of the Board of Governors, it is my true pleasure to share some of those moments in this 2016-17 Lethbridge College Annual Report.

[Original signed by Kristin Ailsby, Nov. 30, 2017]

Kristin Ailsby, BA, MA, LL.B

Chair, Board of Governors

Lethbridge College



MESSAGE FROM THE PRESIDENT

Sixty years ago, a group of committed citizens, educators and civic-minded leaders came together in southern Alberta to launch something Canada had never seen before – a publicly-funded community college.

There were great risks in founding what was then called Lethbridge Junior College. Would the new school give students the training and hands-on learning opportunities they needed? Would the students – just 38 in that first class – be able to leverage their education into the kind of work that makes a difference and shapes communities? Would it work? Would enough students choose to come? And if they did, would their education prepare them for success, whether they transferred to other post-secondary institutions or went looking for their first jobs?

Dr. Paula Burns is active in the community and serves on the Board of Directors for Economic Development Lethbridge, on the Council of Post-Secondary Presidents of Alberta and on the Board of Directors for Colleges and Institutes Canada (CICan).

We are proud that the answer to these questions was a resounding “yes,” and that the great risk the founders took was rewarded with great achievement that has endured to this day. We have enjoyed celebrating and sharing the story of Lethbridge College’s founding 60 years ago during the 2016-17 period, and we are thrilled with the plans and opportunities available to the college in the decades to come.

And what a year it’s been. Some of the highlights include:

- celebrating the conclusion of our most ambitious fundraising campaign ever by announcing we raised \$27.8 million for capital projects, student awards and emerging priorities, well exceeding our goal of \$25 million
- committing energy, expertise and resources to our work on competency-based education
- beginning the commemoration of our 60th anniversary
- launching our three-year Indigenization Plan and three-year Health and Wellness Plan
- revelling in the thrill of a national championship, which our women’s basketball team won in March
- building partnerships and connections with industry and community partners
- awarding an honorary degree to Canada’s Chief Justice, Beverley McLachlin, and introducing the new college’s Honour Song at Convocation
- watching workers – many of them alumni – put the finishing touches on our new Trades, Technologies and Innovation Facility
- nurturing the important applied research work in a variety of areas, including that overseen by our two new research chairs as well as aquaponics research funded by an NSERC grant
- and so much more

At the core of all of these great moments and memorable events is our commitment to providing relevant, high-quality education in a changing world. We have also remained focused on our other overarching goals – promoting an inclusive, healthy learning and work environment; improving the lives of learners and communities through the recognition and respect for the distinct cultures, languages, histories and contemporary perspectives of Indigenous people and Indigenous-centred education; supporting the development of our people to align their strengths, passions, purpose, skills and capabilities with the needs of a shifting and changing educational landscape; and ensuring that Lethbridge College continues to be relevant and sustainable in a transforming environment.

At the core of all of these great moments and memorable events is our commitment to providing relevant, high-quality education in a changing world.

I like to think those founders, early leaders and first students would be pleased to see all that has been accomplished over these past six decades and how much their little college has grown. I am confident they would be proud of the students who have walked through our doors and all they have gone on to accomplish. I know I am. And it is my pleasure to respectfully submit this year's Annual Report, which captures the work and achievements that took place during the 2016-17 period at Lethbridge College, to you.

[Original signed by Paula Burns, Nov. 30, 2017]

Dr. Paula Burns
President and CEO
Lethbridge College

Dr. Paula Burns congratulated each of the nearly 650 convokes at the annual ceremony in 2017.



PUBLIC INTEREST
DISCLOSURE
(WHISTLEBLOWER
PROTECTION) ACT

The Public Interest Disclosure (Whistleblower Protection) Act applies to provincial government departments, offices of the Legislature and to public entities. Public entities include any agency, board, commission, Crown Corporation or other entity designated in the regulations.

The purposes of the Act are to:

- facilitate the disclosure and investigation of significant and serious matters an employee believes may be unlawful, dangerous or injurious to the public interest;
- protect employees who make a disclosure;
- manage, investigate and make recommendations respecting disclosures or wrongdoings and reprisals; and
- promote public confidence in the administration of the departments, Legislated offices and public entities.

As per Section 32(1)(3) of the Act, the following is a report from the Lethbridge College chief officer on all disclosures that have been made to the designated officer during the 2016-17 year:

1. The number of disclosures received, acted on and not acted on.

- There were no disclosures received, acted on or not acted on during the 2016-17 year.

2. The number of investigations commenced.

- There were no investigations commenced.

3. A description of any wrongdoing found and any recommendations made or corrective measures taken regarding the wrongdoing or the reasons why no corrective measure was taken.

- As there were no investigations commenced nor any investigations in progress, there is nothing to report.

[Original signed by Paula Burns]

Dr. Paula Burns

Chief Officer

OPERATIONAL OVERVIEW

Lethbridge College enjoyed many successes during the 2016-17 academic year that supported our commitment to service excellence and student success. Like other post-secondary institutions in Alberta, we faced challenges that required honest discourse and thoughtful leadership to make adjustments to our strategic course without compromising our end objectives. As a result, the college engaged in organizational restructuring, filled vacant leadership positions and worked to improve communication channels between leadership, faculty and staff. In addition, the college re-evaluated many of its strategic activities to help alleviate some of the capacity pressure on employees and to allow us to focus more energy towards team building and service excellence.

Lethbridge College recognizes that our people are our greatest asset. To ensure Lethbridge College continues to be a great place to work and study, significant effort was made to foster employee engagement and create a positive, healthy work and learning environment that nurtures employee and student health and wellness. Initiatives included the development of the Student Health and Wellness Plan, as well as activities focused on the Employee Health and Wellness Plan which support the institutional framework and vision for a healthy campus.

Mental health is increasingly recognized in post-secondary as being crucial to student success and employee productivity and engagement. Through extensive education, awareness and training opportunities, the college made great strides in 2016-17 towards removing the stigma of mental health and encouraging all members of the college community to be pro-active in maintaining their health and wellness.





Welding students working in the new Trades, Technologies and Innovation Facility can now practice all operations they are learning without having to change booths. This is just one of many technical and functional improvements students benefit from in the new state-of-the-art building.



Civil Engineering Technology student Pier-Luigi Lucca is studying for a career where he will help build society's infrastructure, including roads, urban subdivisions and storm-water systems. As a student in the college's nationally-accredited Civil Engineering Technology program, he is turning his strong mathematical and science skills into the creative yet logical mind of a civil engineering technologist.

INSTITUTIONAL ENVIRONMENT

College administration is impacted by social, economic and political factors that affect everything from programming mix to infrastructure improvements and operations to student enrolment. Our goals and priority initiatives are a direct reflection of strategic consideration given to all three factors in determining what our institutional priorities are. Further consideration is given to how our goals align with provincial priorities but also what makes sense for our region.

While southern Alberta is somewhat insulated from the effects of energy price fluctuations due to its diversified economy – including a thriving agriculture industry – a projected energy price recovery should support growth in the region's significant manufacturing, transportation and other energy-related industries. Due to its geography and climate, southern Alberta also has a unique opportunity to be at the forefront of the new energy economy.

A strengthening economy provides opportunities for the college to explore new and innovative credit and non-credit programming that aligns with the needs of industry and non-traditional students. To position ourselves to be responsive to industry, the college engaged in a number of program development activities in 2016-17, including:

- To respond to potentially significant regional growth in solar energy, in 2016-17 the college worked with industry to explore opportunities in both the commercial and residential solar industries. As a result, we are working towards developing non-credit training that will provide efficient, flexible and hands-on learning experiences for those wishing to enter this exciting new industry.
- Agriculture has always been a cornerstone of the southern Alberta economy, and is an important area of focus for Lethbridge College. Thanks to a generous donation from Cor Van Raay, in 2016-17 college staff worked closely with colleagues at the University of Lethbridge to develop an integrated Agricultural Enterprise Management program. This innovative program addresses industry trends towards larger and more efficient operations spanning both upstream and downstream aspects of the agriculture value chain, and will provide students with the skills needed to manage these complex enterprises. The program combines management, economics and science with a focus on the business of agriculture and food.
- A recent study conducted by the college identified the transportation industry as a potential regional economic opportunity and area of growth for the college. The college responded in 2016-17 by working closely with government and industry groups to explore the development of industry relevant non-credit programs in transportation safety. This work has laid the foundation for continued consultation on how to design quality safety programs to meet the needs of the industry and the busy schedules of its professionals.

In 2016-17, the college also implemented services to help students better understand regional and provincial labour markets, and to help them make informed career choices within the context of the southern Alberta economy. October 2016 marked the launch of Career Coach on the Lethbridge College website. Between October 2016 and June 2017, Career Coach received over 4,000 visits from prospective students from our region and around the world, and we expect that number to grow as the service features prominently on the college's new website in the coming year.

To help achieve our goals of providing high quality education that is relevant to our economy, in 2016-17 the college also refined its program development and review processes. These process changes ensure close consideration is given to economic and labour market trends that may impact current and future programs, as well as further integrate an industry focus into our curriculum development. The college has deepened and expanded its analytical capacity to conduct this work, and the new processes encourage collaboration between departments and with industry stakeholders.

PROGRAMMING INITIATIVES

Lethbridge College is continually collaborating with stakeholders, including industry and community partners as well as current and potential students, to develop and/or enhance programming that builds on the strengths of the college and that increases access, affordability and quality within the Campus Alberta learning system. These goals are inherent in the following programming initiatives and achievements, which are outlined in greater detail under Goals, Priority Initiatives and Performance Measures:

Agriculture Business Risk Management certificate

Status: Approved by Advanced Education July 2016.

Policing Competency-Based Education (CBE)

Status: Approved for certificate status by Advanced Education.

Ecosystem Management (Bachelor of Applied Science)

Status: Enrolment is successfully meeting targets and the program continues to be in demand.

Community Health Promotion (certificate and diploma)

Status: CHP Certificate is transitioning to Red Crow Community College as previously arranged.

Agricultural Enterprise Management diploma

Status: Submitted for approval to Advanced Education in June 2017.

Leadership by Design non-credit program (Corporate and Continuing Education)

Status: First offering will be Fall 2017.

ACCREDITATION INITIATIVES

i. Massage Therapy

Status: In May 2017, the Lethbridge College Massage Therapy program submitted the CMTCA accreditation application. Currently, the Massage Therapy program team is working on gathering information to complete accreditation guideline requirements to submit by end of April 2018.

ii. Therapeutic Recreation – Gerontology

Status: Currently seeking self-regulation status under the Canada's Health Professions Act.

In addition to the above, there are many more highlights and accomplishments that contribute to our goal of providing high-quality, accessible and affordable post-secondary education that can be found in the following sections of the report.

Hands-on learning is one of the hallmarks of a Lethbridge College education, whether in the lab or in the field.





STRATEGIC FRAMEWORK

Lethbridge College's goals, priority initiatives and expected outcomes are founded within the strategic framework that was approved by the Board of Governors in June 2013. The vision, mission and strategies for the college are grounded in the college's values, principles and strengths.



VISION

Leading and transforming education in Alberta.

STRATEGIES

Academic Transformation

We will collaboratively create innovative and creative learning experiences that meet the diverse and integrated needs of learners, the economy and society.

Collaborative Partnerships

We will be model collaborators focused on achieving unprecedented levels of collaboration in education.

Resource Innovation

We will create entrepreneurial business models and expand revenue sources.

People Development

We will develop our people to realize their highest potential.

VALUES

People - We value people by:

- promoting trust and respect among all 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

MISSION

Lethbridge College inspires and facilitates learning and innovation to meet economic and social needs.

PRINCIPLES

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

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

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.

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

INSTITUTIONAL LEVEL OUTCOMES

The Lethbridge College strategic plan is driven by our mission of inspiring and facilitating learning and innovation to meet economic and social needs and our vision of leading and transforming education in Alberta. Lethbridge College endeavours to achieve the following strategic outcomes that have been endorsed by the respective stakeholder groups:

Learner perspective:

- Employment/employability
- Access to relevant, timely, transportable, affordable learning
- Outstanding learning experience

Employer perspective:

- Competent, productive employees

Community partner perspective:

- Enhanced viability and desirability of southern Alberta

Business, community and industry perspective:

- Best-of-class value proposition

Government of Alberta perspective:

- Economic growth and diversification in Alberta
- Leadership in culture and practice of collaboration
- Optimal use of resources

FIVE OVERARCHING GOALS

1. Provide relevant, high quality education through excellence in teaching and learning, applied research, strategic enrolment management and collaborative partnerships.
2. Promote an inclusive healthy learning and work environment that nurtures the health and well-being of all students and employees.
3. Improve the lives of learners and communities through the recognition and respect for the distinct cultures, languages, histories and contemporary perspectives of Indigenous people and Indigenous-centred education.
4. Support the development of our people to align their strengths, passions, purpose, skills and capabilities with the needs of a shifting and changing educational landscape.
5. Ensure that Lethbridge College continues to be relevant and sustainable in a changing environment.





GOALS PRIORITY INITIATIVES EXPECTED OUTCOMES AND PERFORMANCE MEASURES

The Lethbridge College Performance Measures – 2016-17 as identified in the Comprehensive Institutional Plan 2016-19 is a framework that translates strategic directions and other priority initiatives into key outcomes. While most outcomes will be discussed in this section, some such as financial and capital projects will be discussed in the relevant sections of the report. The complete Lethbridge College 2016-17 Performance Measures and associated performance measures can be found in Appendix B.

The 2016-17 Kodiaks women's basketball team completed a perfect season by winning the CCAA national championship tournament.

ACCESS AND QUALITY

Guided by the principles of quality, access, diversity, collaboration and sustainability, the college is firmly grounded in providing high quality experiences for today's learners. In addition, we continually strive to be future focused and responsive to the emerging and shifting needs of learners, the economy and society. During the year, the college focused its efforts on achieving the following goals and outcomes as identified in the Comprehensive Institutional Plan 2016-19.

OVERARCHING GOAL 1: Provide relevant, high quality education through excellence in teaching and learning, applied research, strategic enrolment management and collaborative partnerships.

Outcome 1.1: Excellence in Teaching and Learning

- Create and facilitate high quality, flexible, experiential and relevant learning experiences that open pathways for students to employment, career advancement, further post-secondary education and lifelong learning.
- Meet industry needs with relevant, high quality graduates.

Description of initiative		Area	Progress Report (July 1, 2016 – June 30, 2017)	Status
Excellence in Teaching and Learning Council				
i.	Teaching and Learning Council	Academic	The council was formed in 2016 and includes representation from the students' association, faculty, chairs, deans and academic support staff. Through extensive consultation, the council developed the 2017-2020 Academic Plan, "Academic Transformation Through Excellence in Teaching and Learning."	Meets monthly
ii.	Academic Plan	Academic	The Academic Plan has five major focus areas: (1) high quality curriculum and pathways, (2) emerging practices and innovations in teaching and learning, (3) exemplary learning environments, (4) scholarship of teaching and learning (SoTL) and applied research, (5) academic staff professional development, and systems and processes.	Completed February 2017 with initiatives proceeding

Description of initiative		Area	Progress Report (July 1, 2016 – June 30, 2017)	Status
Foster collaborative partnerships with external stakeholders and industry to establish educational pathways				
i.	Farming Smarter	Agriculture	An executed memorandum of understanding with AAFC and University of Lethbridge allows students to participate in a variety of activities from tours, practicums, guest speakers, demonstrations and harvest operations.	Consideration for integrating best practices into agricultural programming
ii.	Ozone wash-down system (prototype)	Agriculture	The National Research Council of Canada engaged both college and provincial agriculture and forestry staff with a small to medium size enterprise to test a prototype of an ozone wash-down system for livestock and field trucks.	Work continues into the 2017-18 academic year
iii.	Alberta Deans of Business Case Competition	Applied Management	In a competition designed to put the province's top young business minds into a pressure-packed, real-world scenario, Lethbridge College placed first.	March 2017
iv.	Ventus geospatial partnership	Engineering	This endeavour provides students in the Geomatics program with an opportunity to participate with the acquisition of aerial data using an unmanned aerial vehicle (UAV) and the processing of the information for a specific application.	Complete
v.	SURrender event	Interior Design	This internal initiative brought the design industry to campus to experience interior design walk-throughs in virtual reality (VR) and highlighted the immersive learning environment offered to students within the program.	Resulted in approval of a VR applied research project
vi.	Wind Turbine	Trades	The Wind Turbine program continues to partner with the Canadian Wind Energy Association and hosted the Western OEM Operators forum to continue to build bridges with industry.	Fall 2016
Explore, research and evaluate emerging practices and innovations in teaching and learning including pedagogies, assessment of learning, digital learning and learning environments				
i.	Proposed internship – Ag Sciences	Agriculture	Development of a new learning style into Ag Sciences that integrates industry partners to assist with student training that will also encourage employers to access students as future employees.	Currently in the exploration phase
ii.	Digital learning	CTLI	A number of initiatives have been undertaken to support the integration of digital learning techniques in the classroom, including a pilot project on display technologies, instructor survey, design of virtual reality enabled learning experiences including numerous developed prototypes, and the testing of innovative media development utilizing emerging technologies.	Initiatives will proceed into 2018
iii.	Mock disaster event	Digital Communication	An interdisciplinary event coordinated with Emergency Management Services, Criminal Justice and Nursing using 360-degree video capture to create a unique learning experience.	Complete
iv.	Child and Youth Care accreditation	Human Services	Child and Youth Care program was accredited by the Child and Youth Care Educational Accreditation Board of Canada.	February 2017

Description of initiative		Area	Progress Report (July 1, 2016 – June 30, 2017)	Status
Design, deliver and evaluate relevant, stimulating, accessible and sustainable exemplary programming and student experiences				
i.	Agriculture Business Risk Management certificate	Agriculture	This fully online program was developed in collaboration with industry experts to identify, analyze and manage various potential risks and opportunities associated with agribusiness.	Approved by Advanced Education July 2016
ii.	Police Cadet Training	Justice Studies	The first Competency-Based Education (CBE) model Police Cadet Training took place in the winter 2017 semester and work will start on moving the Commercial Vehicle Enforcement certificate program to a CBE model. The Solicitor General's office commented that the program could be "the standard for police training in the province."	Approved for certificate status by Advanced Education
iii.	Ecosystem Management (Bachelor of Applied Science)	Applied Science	The Ecosystem Management Bachelor of Applied Science has almost doubled its first-year enrolment, while maintaining a very high retention rate of students as the first intake moved into the fourth year of the program. Over 95 per cent of the students in the program are graduates from the Environmental Science programs here at the college, confirming that laddering opportunities are important to students.	Enrolment is successfully meeting targets and the program continues to be in demand
iv.	Community Health Promotion (certificate and diploma)	Allied Health	Lethbridge College continues to support and nurture this inclusive and diverse program that was established in partnership with Northern Lakes College and Red Crow Community College.	CHP certificate is transitioning to Red Crow Community College
v.	Agricultural Enterprise Management diploma	Applied Management	This is an industry-responsive integrated learning pathway designed and developed in partnership with the University of Lethbridge. The program goes beyond theory to include blended and experiential learning, as well as applied research. Students work with the agricultural industry to solve real-world problems.	Submitted for approval to Advanced Education in June 2017
vi.	Leadership by Design program	Continuing Education CTLI	Initiated at industry request, we developed this program using human-centred design thinking principles to ensure the content met the diverse and integrated leadership needs of the intended learner, the economy and society.	First offering will be Fall 2017
Integration of 21st Century (complex) Skills and the Universal Design for Learning into programming				
i.	Teaching and Learning Toolkit	CTLI	The Teaching and Learning Toolkit was developed to help support 21st Century Skill Development for instructors in their learning environments.	Integrated into all program mapping and alignment processes
ii.	21st Century Learning Environment Initiative	CTLI	This three-year project is complete, resulting in the creation of a Learning Spaces Guide with a complimentary evaluation tool that provides a standardized, objective instrument to assess quality of classroom space as a learning environment.	Formal report with recommendations pending; guide and evaluation tool complete
Professional Development to meet the changing needs of the educational landscape				
i.	Service Excellence training	Student Services CTLI	Creating a culture of customer service excellence is everyone's responsibility. This three-day training session was offered institution wide and supported by College Leadership Council as a way to consult and collaborate with all employees on what service excellence means to Lethbridge College. The first two-day training had 243 participants with 72 participants in the managers' training on day three.	Offered June 2017 and Team Action Groups (TAG) were created to continually explore new ways to provide service excellence

Performance measures	Target	Achievement
Percentage of graduates satisfied with the overall quality of the learning experience (Source: Alberta Graduate Outcomes Survey)	90 per cent or greater	95.5 per cent of graduates satisfied or very satisfied
Percentage of students satisfied with the quality of the learning experience (Source: Student Satisfaction Inventory 2017)	Under development	78 per cent of students satisfied or very satisfied
Percentage of employers satisfied with the quality of the graduates they hire	Under development	No data available

Outcome 1.2: Applied Research and Scholarly Activity

- Leverage internal resources and strengths, and external partnerships, including the Regional Innovation Network of Southern Alberta (RINSA), to provide exemplary learning experiences and address real-world problems leading to innovative solutions that benefit students, industry and community partners.
- Provide students and employees opportunities to engage in applied research.

Description of initiative		Area	Progress Report (July 1, 2016 – June 30, 2017)	Status
Integration of Applied Research and Scholarship of Teaching and Learning (SoTL) into teaching and learning				
i.	Citizen Society Research Chair	Applied Research	The Citizens Society Research Lab (CSRL) is part of Lethbridge College's Centre of Applied Arts and Science and is supported by the Centre of Applied Research and Innovation. A public opinion service provider, CSRL uses omnibus surveys conducted by college students each semester to measure public opinion on a variety of issues.	Research Chair established November 2016
ii.	Outdoor play research (Lawson Foundation)	Human Services	Outdoor play research with the Lawson Foundation secured in 2016 has resulted in the delivery of an outdoor play course for early childhood educators.	Completed: Spring 2017
iii.	The Student Bias project	Justice Studies SoTL	The research was funded through the internal Centre for Applied Research and Innovation Fund (CARIF). Instructor Terry Dready applied the results of his research titled "Toward Understanding and Reciprocity among Indigenous and Non-Indigenous People: The Impact of the Lethbridge College Experience on Student Bias," to modify how bias awareness is taught in his Justice Studies classes.	Complete
Applied Research Skills Development program				
i.	Skills Development program	Applied Research	In collaboration with the Centre for Teaching, Learning and Innovation (CTLI), the Centre for Applied Research and Innovation (CARI) provided several workshops for new researchers.	Program revision planned for 2018

Description of initiative		Area	Progress Report (July 1, 2016 – June 30, 2017)	Status
Research facility and space capacity enhancements				
i.	Multi-disciplinary teams	Applied Research	Developing research capacity is an important focus for CARI. Support was provided to the following areas for the purchase of equipment: (1) Integrated Fish and Plant Systems – microplate reader, oxygen generators, (2) Irrigation Science – drone with sensors, (3) Interior Design Technology – Oculus rift and VR headsets.	Funding fully allocated
ii.	Greenhouse	Applied Research	The construction of a new research greenhouse will expand the programming and research needs for multiple disciplines and stakeholders.	Grant applications are under development
iii.	Innovation Space/ Makerspace	Applied Research	The creation of a space or spaces that is designed to allow industry and the community to engage and interact with research activities. New Way Irrigation and the Virtual Reality Centre of Excellence are clients.	Innovation space will integrate a makerspace
iv.	Citizen Society Research Lab expansion (CSRL)	Applied Arts and Science	Financial support was provided to purchase new equipment to expand the operational capabilities of the CSRL. New program participation included Massage Therapy, Therapeutic Recreation – Gerontology and Criminal Justice.	CSLR continues to seek new polling opportunities internally and with external partners
Develop and foster external research partnerships				
i.	Regional Innovation Network Southern Alberta (RINSA)	Applied Research	In collaboration with Innovate Calgary and NAIT, the 3Day Start-up program and Discover/Validate series was delivered in 2016-17. A Lethbridge College student, Guillermo Aceytuno, won the Chinook Challenge business plan competition in June.	RINSA initiatives will continue in 2018 to support entrepreneurial advancement
ii.	Irrigation Science program	Irrigation Research	The Mueller Research Chair has established a broad research that includes collaboration with Potato Growers Association (VRI), Farming Smarter and GrowTec.	Future irrigation research projects will be cultivated in collaboration with partners
iii.	Integrated Fish and Plant Systems (IFPS)	Aquaponics	The NSERC IFPS project continues to generate numerous partnerships, including Current Prairie Fisherman, Aquaterra, Sirocco Food and Wine Consulting, Okanagan College, Fort Macleod Community Greenhouse Initiative, Alberta Agriculture (Bill Hirsche and Dan Watson), and 1722497 Alberta Ltd.	CASBE NSERC Engage grant for \$50,000 was submitted in June 2017 and successfully granted in August 2017
iv.	Safe Families Intervention Team program	Justice Studies	Collaboration with the Medicine Hat Police Service and Medicine Hat Women's Shelter Society to develop a program evaluation tool for Medicine Hat's Safe Families Intervention Team (SFIT).	Creation of the program evaluation tool is complete
v.	Outdoor play demo site	Early Childhood Education (ECE)	The ECE program is collaborating with Okanagan College to develop and evaluate an outdoor play curriculum. The long-term goal is to remodel the current outdoor play space to reflect the natural environment and function as a "research classroom."	Designs and budget estimate are complete; currently pursuing funding

Applied research and scholarly activity metrics are being refined to consistently measure success, which makes it difficult to provide accurate achievement during this reporting period. Although we are pleased with our existing research partnerships with industry, community and internal stakeholders, the college is currently redefining the parameters of how to measure applied research activity.

Performance measures	Target	Achievement
The number of employees engaged in applied research (2016-17)	42 employees	New parameters under development
The number of students engaged in applied research (2016-17)	367 students	New parameters under development
The number of industry and community partners (2016-17)	35 partners	New parameters under development
The number of collaborative projects (2016-17)	16 projects	New parameters under development

Outcome 1.3: Strategic Enrolment Management (SEM)

- Grow and optimize traditional and non-traditional enrolments.
- Enhance student success through high quality learning experiences.
- Ensure the college continues to be relevant and sustainable into the future.

Description of initiative	Area	Progress Report (July 1, 2016 – June 30, 2017)	Status
Develop and foster a culture of evidence-informed decision making that helps establish a programming mix based on college strengths, regional needs and system efficiencies			
i.	Program data matrix	Academic Institutional Planning initiated the development of a tool to be used by Dean's Council and SEM Council to assist in the assessment of program vitality; the four components for measurement are operational cost, capacity, targets and retention.	Under development with approval anticipated in October 2017

Description of initiative		Area	Progress Report (July 1, 2016 – June 30, 2017)	Status
Establish integrated and aligned recruitment and marketing activities				
i.	New brand campaign	Marketing	A new brand campaign will inform the future marketing strategy at Lethbridge College. The process will include extensive stakeholder engagement and community research.	Selection of McKim Communications to consult on the project; completion slated for 2018
ii.	Student awards strategy	Registrar's Office	The development of a student awards strategy designed specifically to respond to learners financial and academic needs, which is also intended to support the established strategic program mix.	Dean's Council approval slated for October 2018
iii.	Recruitment plan	Recruitment	"Relationship Building and Prospect Generation 2016-18" recruitment plan outlines annual goals and objectives for Recruitment and Student Services and is designed to factor in strategic enrolment management (SEM) recommendations.	Finalized in 2016
Develop enrolment plans that maximize the college's capacity, optimize resources and are responsive to labour market need				
i.	Career Coach	Academic Advising	Career Coach is an online service that prospective students can utilize to explore regional job market trends, salary projections, and gain a better understanding of the types of occupations that are relevant to their programs of interest.	Launched October 2016
Improve core processes to facilitate accessibility				
i.	Customer Relationship Management (CRM) system	Information Technology	Understanding the unique learner requires collecting relevant data that can be measured and analyzed resulting in customized recruitment strategies. The CRM will assist in the collection of information that will be appropriately used to help SEM Council understand the student population.	Recruitment is fully operational; full implementation begins in Fall 2017

Performance measures	Target	Achievement
The number of full-load equivalents - enrolment plan targets	3,851	3,869
Percentage of graduates satisfied with the overall quality of the learning experience (Source: Alberta Graduate Outcomes Survey)	90 per cent or greater	95.5 per cent satisfied or very satisfied
Percentage of students satisfied with the learning experience (Source: 2016 Student Satisfaction Inventory)	Improvement over 2015-16 in targeted areas (under development)	77 per cent satisfied or very satisfied
Percentage of employers satisfied with the supply of graduates	Under development	Data not available

Outcome 1.4: International Education Initiatives

- Enrich the global learning experience for all learners leading to enhanced employability.
- Support economic growth and development by attracting and educating international students who stay in Alberta after graduation, addressing the need for skilled workers.
- Generate consistent net revenue (positive contribution) to promote fiscal sustainability.

Description of initiative		Area	Progress Report (July 1, 2016 – June 30, 2017)	Status
Identify and implement fiscally responsible opportunities for increased globalization and understand the cost/benefits of the college's current international activities				
i.	International manager	CTLI	This new position was created to develop an International Student Plan that focuses on activities such as student recruitment, semester exchanges for faculty, staff and students, internationalization of curriculum and events to support an inclusive campus, and will identify fiscally responsible opportunities for increased internationalization.	Position to be filled Fall 2017
ii.	Recruiting initiatives to Japan and China	Applied Arts and Science	A delegation was sent to China and Japan from the City of Lethbridge. The interim dean of the Centre for Applied Arts and Science accompanied this delegation to support educational connectivity between partners.	February 2017
iii.	International student agent manual	English Language Centre	In constructing and refining an internal protocol, we intend to make interactions with international recruiting agencies more efficient.	Complete

Performance measures	Target	Achievement
The number of international students (unique student heads)	6 per cent increase from 2015/16 (Actual: 270 student heads)	6 per cent increase achieved 2016-17 (Actual: 294 student heads)
Other measures are expected with the final development of the International Plan	International Plan developed	International Plan currently being developed for 2017-18

OVERARCHING GOAL 2: Promote an inclusive healthy learning and work environment that nurtures the health and well-being of all students and employees.

Outcome 2.1: Organizational Health and Wellness Plan

- Enhance student success.
- An inclusive healthy learning environment that nurtures the health and well-being of all employees and students and positively influences key organizational health and performance drivers.

Description of initiative		Area	Progress Report (July 1, 2016 – June 30, 2017)	Status
Promote a proactive and inclusive data-informed approach to holistic health and well-being through education, awareness and integration into our management practices				
i.	Sexual Violence Policy	Human Resources Student Services	Development of Sexual Violence Prevention and Response Policy and Procedures including an implementation and distribution plan utilizing marketing and communications to develop resources.	Approved April 2017
Promotion and development of support services that encourage health and wellness for students and employees				
i.	Mental Health and Wellness training	Health Services	Mental Health initiatives include Mental Health First Aid training, overdose prevention and Naloxone training, and LGBTQ+ Awareness and How to be an Ally training.	Complete
ii.	Sexual Violence First Responder training	Health Services	First responder training educates individuals about social, cultural and legal aspects of sexual violence, which will enable them to recognize, define and respond appropriately to the continuum of behaviours that constitutes sexual violence.	Appropriate individuals trained including College Leadership Council members
Partnerships with existing local, regional and provincial organizations and services that promote health and wellness				
i.	Association of Alberta Sexual Assault Services (AASAS)	Health Services	Two-year licence agreement for trainers to deliver training of First Responder to Sexual Assault and Abuse training.	Established March 2017

Performance measures	Target	Achievement
Students – 2016 participation in the National Colleges Health Assessment survey will inform measures and targets	Improvement from baseline survey (in progress)	81.1 per cent described their health as good, very good or excellent
Improvement in employee engagement metrics with respect to health and wellness (Source: Pulse Employee Engagement Survey 2017)	Improvement from baseline survey (in progress)	Increases in every driver category ranging from 1-10 points ¹

1. Driver categories are Job Engagement and Organizational Engagement.

OVERARCHING GOAL 3: Improve the lives of learners and communities through the recognition and respect for the distinct cultures, languages, histories and contemporary perspectives of Indigenous people and Indigenous-centred education.

Outcome 3.1: Niitsitapi – Indigenization Plan

- Cultivate awareness, understanding and acceptance for the distinct cultures, languages, histories and contemporary perspectives of Indigenous people.
- Improve the lives of learners and communities through accessible, affordable and Indigenous-centred education.

Description of initiative		Area	Progress Report (July 1, 2016 – June 30, 2017)	Status
Development and implementation of the three-year Niitsitapi – Indigenization Plan				
i.	Plan development	Indigenous Services	The Niitsitapi Indigenization Plan 2016-19 outlines annual goals and objectives for Indigenous Services and provides recommendations for consideration for internal departments.	Plan approved in 2016 and year one complete
Commitment to making Indigenous education a priority and to create governance structures that respect Indigenous people				
i.	Indigenous Education Protocol	Indigenous Services	Lethbridge College utilizes CICA's Indigenous Educational Protocol and the Truth and Reconciliation Calls to Action as the guiding posts in the formulation of the goals and objectives as outlined in the Niitsitapi Indigenization Plan 2016-17.	Adoption and integration complete
ii.	President's Indigenous Advisory Council	Indigenous Services	Comprised of the college's Indigenous stakeholders, this council provides leadership, direction and guidance to the internal Indigenous Committee with both groups ensuring the inclusive Niitsitapi Indigenization Plan is implemented and annual goals are met.	Council meets three times per year
iii.	Indigenous Committee	Indigenous Services	An internal group that provides operational advice on the integration of the Indigenous Education Protocol, the Truth and Reconciliation Calls to Action and the Niitsitapi Indigenization Plan into college processes.	Committee meets twice a semester

Description of initiative		Area	Progress Report (July 1, 2016 – June 30, 2017)	Status
Integrate intellectual and cultural traditions into curriculum				
i.	Grandparents program	Indigenous Services	Successfully delivered for the 2016-17 academic year.	Complete
ii.	FNMI Career Pathway review	Applied Arts and Science CTLI	A comprehensive program review to ensure that the pathway is meeting the needs of the learner and achieving student outcomes.	In progress with completion slated for Fall 2017
iii.	Aakaaksikowataayaawa: We'll Give Them Life-Learning Advice Research Project	Indigenous Services	Funds secured for Aakaaksikowataayaawa – We'll Give Them Life-Learning Advice: Lethbridge College Indigenous Student Success Project.	Research to begin Fall 2017
Enhance Indigenous student supports and services				
i.	Indigenization of Campus	Indigenous Services	Indigenization of Campus, Phase One includes the newly renovated Niitsitapi Gathering Place, Indigenous art and artifact displays in Founders' Square and drum seating and renovations in Centre Core. Phase Two includes completion of art and artifacts in Centre Core and the Niitsitapi Gathering Place Corridor display.	Phase One: complete Phase Two to begin Winter 2018
ii.	Circle of Services	Indigenous Services	Indigenous Services continues to provide a "Circle of Services" to Indigenous students including the following programming: (1) Indigenous Recruitment, (2) Indigenous Career and Academic Advising, (3) Indigenous Student Advising, (4) Cultural Support Program (Elders/Grandparents), (5) Grandparents Program, (6) Indigenous Calendar of Events, including the Indigenous Services Student Welcome, Indigenous Celebration Day, Winter Feast and Poiskinnaksin, and Honour Night. Additions for the 2016-17 year included: the inclusion of talking circles, Lethbridge College Honour Song and cultural training (Learning from Place).	Complete

Performance measures	Target	Achievement
Increase in the number of Indigenous learners	1 per cent increase from 2015-16 (Actual: 454 unique learners)	1 per cent increase over 2015-16 (Actual: 470 unique learners)
Further the Indigenization of the college campus	Under development	Phase One of Indigenization of Campus complete

OVERARCHING GOAL 4: Support the development of our people to align their strengths, passions, purpose, skills and capabilities with the needs of a shifting and changing educational landscape.

Outcome 4.1: Organizational Learning Plan

- Create a comprehensive Organizational Learning Plan that ensures we attract, develop and retain employees whose values, passions, strengths, purpose and talents are in strong alignment with the college's values, strengths and purpose.

Description of initiative		Area	Progress Report (July 1, 2016 – June 30, 2017)	Status
Create a customized learning plan that meets the needs of employees and supports student success				
i.	<i>Growing Ourselves: Growing Our People</i> report	Human Resources	This report presents a high-level strategic plan for building stronger internal learning and development for employees in areas of individual growth, manager training and leadership. It establishes principles to align internal training with our People Development vision and considers how to fully realize People Development as a Centre of Excellence at Lethbridge College.	Approved April 2017 (College Leadership Council)
ii.	Organizational Learning and Development	Human Resources CTLI	Organizational learning and development was moved to the Centre of Teaching, Learning and Innovation (CTLI) as per the recommendation outlined in the <i>Growing Ourselves: Growing Our People</i> report.	Approved June 2017 (College Leadership Council)
iii.	Communications Plan	Communications	Accurate, consistent and timely internal communications are essential to the college's overall effectiveness and improving and supporting others as we build up and maintain excellent internal relations within the college community. Our members are dedicated to supporting the facilitation, creation, operation and elevation of conversation and communication inside the college.	Completed Fall 2016

Performance measure	Target	Achievement
Improvement in employee engagement (Source: Pulse Employee Engagement Survey 2017)	Improvement in engagement from baseline survey (in progress)	Increases in every driver category ranging from 1-10 points ¹

1. Driver categories are Job Engagement and Organizational Engagement.

OVERARCHING GOAL 5: Ensure that Lethbridge College continues to be relevant and sustainable in a shifting academic and technological environment.

Outcome 5.1: Trades, Technologies and Innovation Facility (TTIF)

- Complete the new trades, technologies and innovation facility to provide a high quality, highly functional, flexible and sustainable learning facility for teaching, learning and scholarly activities.
- Expand the college's capacity for trades and technologies programming and applied research activity.

Description of initiative		Area	Progress Report (July 1, 2016 – June 30, 2017)	Status
Construction on schedule and on budget				
i.	TTIF Construction	Facilities Management	The facility was originally designed to achieve LEED Silver status. However, due to innovative design and construction methods, Gold status is now being targeted.	On track with occupancy scheduled for August 2017
ii.	TTIF Budget	Facilities Management	The project commenced in a challenging construction environment and a significant value engineering process was employed to remain on budget.	Approved budget for construction costs is \$70.7 million and as of June 2017, the project is on budget

Performance measure	Target	Achievement
Completion of the TTIF project and open to students	On schedule (September 2017), budget and scope (+> 50 LEED points)	Project is on schedule and on budget with occupancy slated for August 2017

Outcome 5.2: Campus Planning and Future Renewal

- Complete development of a Campus Master Plan that incorporates the changing landscape in teaching and learning such as digital learning, learning spaces, assessment, the reallocation of space as the new trades and technologies facility comes on stream and other capital priorities.

Description of initiative		Area	Progress Report (July 1, 2016 – June 30, 2017)	Status
Develop a Campus Master Plan that incorporates operational efficiencies, sustainable energy opportunities and environmental stewardship				
i.	Campus Master Plan	Facilities Management	Facilities Management is completing validation audits of all campus space through consultation with centres and departments. Once all validation audits are completed, Facilities Management will review, prioritize and cost all necessary work to address deficiencies identified during the audit process.	Approved by College Leadership Council in June 2017
ii.	Energy sustainability opportunities audit	Facilities Management	The audit report contains a number of recommendations that are being evaluated.	Audit is complete and findings are being reviewed with the consultant
iii.	Environmental stewardship	Facilities Management	Facilities is tracking optimal operations of mechanical and electrical systems on campus, including ongoing review of retrofitting systems and lighting products for efficiency gains and ongoing renewal of campus Building Management Systems (BMS) in select buildings and key areas.	Year one of the three-year BMS is complete
iv.	Capital priority projects	Facilities Management	All projects are Government of Alberta (GoA) funding dependent. Currently the college updates each project in the Building and Land Information Management System (BLIMS) registry and maintains ongoing communication with the GoA on the priority of each initiative.	See Capital Plan
Future renewal through a continued focus on obtaining funding for capital priority projects				
i.	Possibilities are Endless campaign	Advancement	The largest fundraising campaign in college history raised \$27.8 million in private donations for the college building project, student awards and new programming. The completion of the Possibilities are Endless campaign exceeded its goal by more than 10 per cent.	\$27.8 million in private donations Launched 2013 and concluded November 2016
ii.	Founders' Square	Advancement	Future students, staff and visitors to Lethbridge College will soon be able to immerse themselves in the story of the land where the college now sits and the institution's lasting legacy, thanks in part to \$75,000 in funding from the Government of Alberta's Community Initiatives Program (CIP).	Founders' Square planned to be opened September 2017 in conjunction with the Trades, Technologies and Innovation Facility grand opening

Performance measures	Target	Achievement
Completion of Campus Master Plan	February 2017	Completed June 2017
Completion of feasibility work on priority projects	Ongoing (2016-17 to 2018-19)	Ongoing
Completion of an Energy Sustainability Opportunities Audit	Fall 2016	Completed July 2016

Outcome 5.3: Leverage technology to support and/or enable operational processes

- Enable the development and/or improvement of streamlined business processes and communication.
- Enable enhanced communications and connectivity with the broader college community.

Description of initiative		Area	Progress Report (July 1, 2016 – June 30, 2017)	Status
Utilizing technology to create operational efficiencies and enhance student success				
i.	One Experience website	Information Technology	The Lethbridge College website is not only the easiest way for students and potential students to access important information, but it also functions as a useful communication tool for all college members to access information. The new website has been designed for optimal functionality both internally and externally.	Launch expected for October 2017
ii.	Customer Relationship Management (CRM) system	Information Technology	Target-X is a CRM application targeted to post-secondary education and is a crucial component to ensuring service excellence to our students as well as facilitating strategic enrolment management strategies. Planning for implementation of the CRM has been completed for admissions and retention.	Recruitment is fully operational and full implementation begins in Fall 2017
iii.	Talent Management system	Human Resources	Efficiently managing our human resources at all stages of employment sets employees up for success. Talent Management system is a full complete talent management suite that addresses all aspects of the employee life cycle from recruitment, onboarding to development and training. The implementation of People Admin has transformed both the hiring/recruitment process as well as the onboarding of new employees.	Phase one implemented August 2016 and phase two scheduled for 2018
iv.	Lumens Registration system	Continuing Education	Moving away from manual and paper-centric processes, Lumens will allow more accurate, accessible and convenient registration for continuing education and non-credit programming learners.	Full launch in Fall 2017

Performance measures	Target	Achievement
Implementation of the One Experience website	December 2016	Full website launch expected for October 2017
Implementation of a Customer Relationship Management system	June 2017	Phase one successfully implemented Spring 2017
Balancing the budget while meeting or exceeding the mission, mandate and expectations of the college	End 2016-17 fiscal year with a balanced budget	2016-17 fiscal year ended with a surplus of \$1.5 million



ENROLMENT PLAN

Full-load equivalents by credential	Actual 2014-15	Actual 2015-16	Actual 2016-17	Target 2016-17
Apprenticeship				
Agricultural Service Technician - Apprentice	1	1	2	5
Automotive Service Technician - Apprentice	17	20	20	19
Carpenter - Apprentice	38	31	32	31
Cook - Apprentice	11	12	11	11
Electrician - Apprentice	95	109	97	95
Heavy Equipment Technician - Apprentice	60	55	44	46
Parts Technician - Apprentice	10	11	10	10
Plumber - Apprentice	-	3	9	6
Welder - Apprentice	55	44	30	35
Apprenticeship total	287	286	255	258
Certificate				
Administrative Office Professional	31	31	39	35
Agriculture Business Risk Management	-	-	6	6
Agricultural and Heavy Equipment Technician	22	21	21	24
Automotive Systems	24	22	24	25
Medical Device Reprocessing	8	7	8	7
Commercial Vehicle Enforcement	19	28	13	15
Community Health Promotion	0	0	0	11
Early Childhood Education	80	74	71	75
Educational Assistant	43	65	54	41
General Studies - FNMI Career Pathways	16	14	19	17
Health Care Aide Training	43	34	28	21
Perioperative Nursing	3	3	4	4
Unit Clerk Training	18	12	11	12
Wind Turbine Technician	44	35	39	40
Certificate programming no longer offered	30	8	0	0
Certificate total	381	354	337	333
Degree				
Conservation Enforcement	56	30	44	38
Ecosystem Management	-	7	20	29
Justice Studies	71	92	131	95
Degree total	127	129	195	162

Full-load equivalents by credential	Actual 2014-15	Actual 2015-16	Actual 2016-17	Target 2016-17
Diploma				
Agriculture Sciences	98	98	103	104
Business Administration	329	284	308	281
Child and Youth Care	74	63	67	65
Civil Engineering Technology	56	57	61	53
Digital Communications and Media	40	55	49	68
Computer Information Technology	76	76	69	74
Correctional Studies	115	100	101	97
Criminal Justice	364	390	370	364
Culinary Careers	43	43	41	43
Early Childhood Education	20	21	22	19
Educational Assistant	7	5	10	8
Engineering Design and Drafting Technology	53	49	51	54
Environmental Assessment and Restoration	48	46	43	48
Exercise Science	45	39	47	45
Fashion Design and Sustainable Production	11	18	22	27
General Studies	439	450	475	456
Geomatics Engineering Technology	34	30	39	32
Interior Design Technology	23	23	25	29
Massage Therapy	41	41	49	43
Multimedia Production	47	48	45	49
Natural Resource Compliance	77	77	75	74
Practical Nursing	196	193	174	183
Renewable Resource Management	47	69	73	64
Therapeutic Recreation - Gerontology	73	76	83	78
Diploma programming no longer offered	29	0	0	0
Diploma total	2385	2351	2402	2358
Non-credential				
College and University Preparation	221	199	184	220
English as a Second Language	187	173	174	203
Open Studies	51	54	54	50
Lakeshore – Supplemental Credit	34	31	33	24
Pre-Employment	10	30	27	24
Nursing Collaborative Baccalaureate	243	214	208	219
Non-credential total	746	701	680	740
Total full-load equivalents	3926	3821	3869	3851

INTERNATIONAL ENROLMENT

International full-load equivalents by credential	Actual 2014-15	Actual 2015-16	Actual 2016-17	Target 2016-17
Certificate				
Early Childhood Education	1	4	8	4
Administrative Office Professional	1	1	4	1
Other certificate programming (less than three FLEs)	4	3	1	3
Certificate total	6	8	13	8
Diploma				
Business Administration	24	19	23	20
Computer Information Technology	10	11	7	11
Criminal Justice	2	4	3	4
Culinary Careers	2	5	7	6
Engineering Design and Drafting Technology	5	7	4	7
General Studies	56	65	62	69
Geomatics Engineering Technology	4	3	1	3
Massage Therapy Diploma	0	1	3	0
Multimedia Production	2	4	3	4
Practical Nursing	18	15	15	15
Renewable Resource Management	0	2	4	0
Therapeutic Recreation - Gerontology	0	3	4	3
Other diploma programs (less than three FLEs)	7	9	14	11
Diploma total	130	148	150	153
Non-credential				
College and University Preparation	2	4	3	4
English as a Second Language	25	25	29	23
Other non-credential programs (less than three FLEs)	6	7	7	4
Non-credential total	33	36	39	31
Total international full-load equivalents	169	192	202	192
International FLEs as a percentage of total FLEs	5%	5%	6%	5%

APPLIED RESEARCH AND SCHOLARLY ACTIVITIES

Applied research is a key component of our Academic Transformation Strategy. Our integrated approach optimizes learning by providing students and faculty with opportunities to address immediate real-world problems, leading to innovative solutions that benefit our industry and community partners.

Lethbridge College's key research objectives are:

- providing an environment that facilitates applied research and scholarly activities;
- improving the educational experience of our students through the integration of applied research into the teaching and learning experience;
- delivering applied research that is built upon our existing and emerging strengths and aligning those to benefit our external community, including industry and society; and
- leveraging internal resources and external partnerships, including the Regional Innovation Network of Southern Alberta (RINSA).

The college's Centre for Applied Research and Innovation (CARI) enables and supports the growth of applied research by working directly with academic centres to implement their respective applied research plans and the Centre for Teaching, Learning and Innovation (CTLI) to provide training in applied research skills.

CARI also pursues resource acquisition through funding opportunities and industry engagement to ensure sustainability, and manages an internal innovation fund to build capacity in applied research and scholarly activities. Scholarly activity is strongly encouraged and supported as a means of enhancing professional development, sharing knowledge and strengthening our academic capabilities regionally, nationally and internationally. Strategic collaborations with Campus Alberta institutions, Alberta Innovates (RINSA network) and other organizations help maximize the benefits of applied research relationships and outcomes. Collaborative partnerships also enhance learning opportunities and serve as a catalyst for knowledge transfer within and beyond our college community. The following are highlights and key accomplishments:

Applied research is a key component of our Academic Transformation Strategy.

Irrigation science

Lethbridge College is developing a deliberate and intentional path forward regarding agricultural programming and applied research strategies. Dr. Willemijn Appels (Mueller Applied Research Chair in Irrigation Science) has quickly established a broad research program, and she is currently collaborating with the Potato Growers Association on Variable Rate Irrigation (VRI) technology, as well as with Farming Smarter and GrowTec.

Integrated Fish and Plant Systems (IFPS)

Our Aquaculture Centre of Excellence continues to be successful in providing opportunities for students to engage in research activities while meeting industry needs in Integrated Fish and Plant Systems (IFPS) research. Now in its third year, the Natural Sciences and Engineering Research Council – College and Community Innovation (NSERC-CCI) award of \$2.2 million supports several projects, including bioreactor technology that converts solid fish effluents into marketable, stable nutrient solutions for use in plant production; sensory testing of fish and plant products grown in IFPS; and an economic simulator prototype that will allow commercial producers to make evidence-based decisions on a variety of business models. In addition to existing industry partnerships, the college recently leveraged outcomes of the IFPS program to collaborate with an Okotoks based company, 1722497 Alberta Ltd., on a successful NSERC-CASBE (Campus Alberta Small Business Engagement) Engage Grant worth \$50,000. This partnership will enable the company to commercialize a vertical aquaponics production system.

Innovation Space/Makerspace

The new Trades, Technologies and Innovation Facility includes a space where innovators from the community and college can rent space to develop and incubate their business ideas. The steering committee finalized the process and application form for clients to access the facility, and the Facilities department is working on infrastructure for the Makerspace.

Environmental sciences

Expertise in environmental sciences is a known strength at Lethbridge College, and opportunities for engaged, hands-on learning are abundant. For example, students enrolled in the Bachelor of Applied Science in Conservation Management degree program are exposed to research in their fourth year through an independent study project. Students pursue a research topic encompassing one or more of the goals of conservation law enforcement that provides them with the opportunity to apply research methodology to the real-life situations they could encounter in the field.

Criminal Justice program assessment and evaluation

Lethbridge College has emerging expertise in conducting program assessments and evaluations to determine best practices in fields related to justice studies. For example, with the assistance of Dr. Chad Nilson, an alumnus and recognized experience in this area of research, the college partnered with Medicine Hat Police Service and Women's Shelter Society to determine the efficiency of its Safe Families Intervention Team program.

Outdoor play

The Lethbridge College Early Childhood Education program is collaborating with Okanagan College to develop and evaluate an outdoor play curriculum. The long-term goal is to remodel the current outdoor play space to reflect the natural environment and function as a research classroom. The designs for the space and budget estimate are complete and the college is pursuing avenues for funding. The college plans to hold a symposium in November to bring together the academicians and industry on one platform in the area of Early Childhood Education.

Citizen polling and analysis

Each year, the Citizen Society Research Lab (CSRL) provides omnibus polling and analysis services to industry and community partners. Students acquire applied research skills and are actively engaged in the polling process. The results of this impressive work help inform industry, governments and community groups with understanding public opinions leading to the development of more effective and relevant policies that benefit our society.



The Early Childhood Education lab transforms daily from a traditional classroom to an infant lab to a preschool setting, always meeting the needs of the college students and children who attend.

The Centre for Applied Research and Innovation Fund (CARIF)

The following applied research and Scholarship of Teaching and Learning (SoTL) projects received CARIF funding in 2016-17:

- Willemijn Appels, Mueller Applied Research Chair in Irrigation Science: *Feel the Heat*
- Jim Urasaki, School of Justice Studies: *The Transition of the Practitioner to Instructor*
- Sophie Kerneis-Golsteyn, Biological Sciences, and Leanne DuMontier, Agriculture: *The Antibiotic Alberta Plant Project*
- Terry Dreddy, School of Justice Studies: *Toward understanding and reciprocity among Indigenous and non-Indigenous people: the impact of the Lethbridge College experience on student bias*

CARIF is an internal funding program at Lethbridge College that is open to all employees and provides funding to successful applicants to engage in applied research and SoTL activities. The fund is designed to develop and build internal capacity by providing funding for release or backfill time for applicants, student stipends and associated project costs.

Research skills development and mentoring

Applied research, SoTL, and scholarship are integral activities that support college programming, industry partnerships, community engagement and student employability. To build capacity in these activities, CARI and CTLI collaborated to provide faculty and staff opportunities to access professional development, training and mentoring resources to:

- develop research skills required to conduct applied research, SoTL and scholarship
- increase the capacity of college faculty, staff and students to conduct research
- increase the output and quality of research activity at the college
- support and encourage the submission of proposals for both internal and external funding organizations

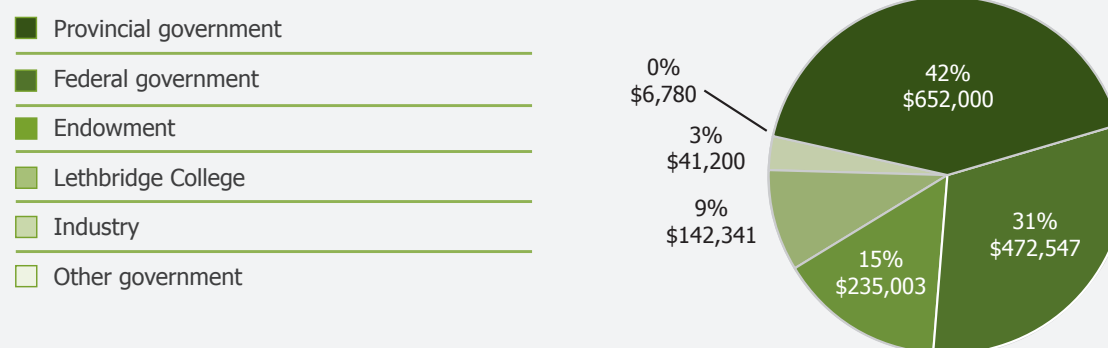
Entrepreneurship

The Regional Innovation Network of Southern Alberta (RINSA) continues to offer training opportunities for entrepreneurs. In collaboration with Innovate Calgary and NAIT, Lethbridge College delivered the Three-day Start-up program and Discover/Validate series in 2016-17.

Lethbridge College student Guillermo Aceytuno won the Chinook Challenge business plan competition in June. RINSA also enabled industry collaboration by funding the purchase of a drone equipped with IR sensors and other capabilities for Dr. Willemijn Appels.

Metrics

Applied Research Contributions



Continued alignment with institutional goals, the outcomes and priorities articulated in the Alberta Research and Innovation Plan and the Advanced Learning System Outcomes Framework will guide us as we evolve our applied research strategy to enhance the social, cultural and economic well-being of our community.

COMMUNITY AND REGIONAL STEWARDSHIP

As a Comprehensive Community Institution (CCI) under the authority of the Post-secondary Learning Act of Alberta, Lethbridge College plays a stewardship role for adult learning within our geographic service region. As a member of Campus Alberta, the college works with other post-secondary institutions, community organizations, school districts, employers and other partners to enhance access to programs and services throughout the region. Through our commitment to a variety of educational delivery methods, including face-to-face, online and blended learning, Lethbridge College strives to address diverse learning styles and needs to increase access for students. In addition, a broad range of student support services is designed to enhance learner success for both on- and off-campus learning.

Regional stewardship at Lethbridge College is administered and resourced centrally through the Regional Stewardship department. The department provides coordination of regional plans and initiatives in collaboration with the various academic and service areas of the college.

Community engagement

Following a successful project to pilot a new model of learner support services within three of our regional communities, in 2016-17 the college moved forward with plans to extend this model of learner services. As a result, a collaborative community agreement was signed in November 2016 to create the Pincher Creek campus. The partner organizations of the Pincher Creek campus include Pincher Creek Adult Learning Council, Pincher Creek Parent Link Family Centre, the Town of Pincher Creek, Pincher Creek Municipal Library and Matthew Halton High School. These organizations will work closely with Lethbridge College to identify and serve the educational needs of the local community, and to establish and deliver programs and services throughout several community locations.

In addition, Community Advisory Councils for Claresholm, Pincher Creek and Vulcan County were established. These councils provide advice and input on regional and community access issues, and strengthen linkages and enhance collaboration across a diverse range of community stakeholders. A key first initiative of each council was to conduct an assessment of the educational needs of adult learners within the community. Claresholm's assessment was completed and the information gathered was used to guide the direction of programming and services in that community. Pincher Creek and Vulcan County assessments are still underway.

Adult basic education

In 2016-17, Regional Stewardship worked closely with the School of Developmental Education to apply for grant funding to develop new programming in the area of adult basic education and essential skills. Unfortunately, this funding application was not successful and meeting the region's adult basic education needs remains a challenge.

Dual credit initiatives

The college continues to work with regional school divisions to explore dual credit opportunities. Dual credit courses provide learning experiences that can help ease the transition from high school to post-secondary. In addition to providing credits that can give students a head start when they come to the college, it provides students with a window into what they can expect when they continue on to post-secondary. Dual credit activities of note in 2016-17 include:

- Online course delivery provides an excellent opportunity to deliver programs to rural communities, including dual credit courses. In 2016-17 several courses in the agriculture and environmental science programs were chosen to develop for online delivery to provide additional opportunities for dual credit development. These are program areas of interest and importance to the rural communities within our region.
- The college participated in both provincial and regional planning on dual credit programming and discussions around system improvement.
- Although not specifically dual credit, a group of students from Livingstone Range School Division received high school CTS credit for their participation in a week-long experiential learning program held at the college's main campus. Students lived in residence while attending classes in one of four program areas: Agriculture, Culinary Arts, Environmental Sciences, and Justice and Public Safety. This was the second time the college offered the experience and doubled its participation rate over the previous year to a total of 43 students.

While there is interest in dual credit among school divisions, community members and the college, funding for these programs is a major hurdle. The college will continue to work with our regional and provincial partners to overcome this challenge.



Indigenous cultural support – including Indigenous celebrations with dancing and music on campus each year – is part of the Circle of Services the college has developed to support Indigenous students at every step on their post-secondary journey.

INDIGENOUS PEOPLES

Lethbridge College is a signatory institution supporting the Indigenous Education Protocol developed by College and Institutes Canada (CICan). As a signatory institution to this protocol, the college recognizes that Indigenous people include First Nations, Métis and Inuit peoples, and that they have distinct cultures, languages, histories and contemporary perspectives. Indigenous education emanates from the intellectual and cultural traditions of Indigenous peoples in Canada.

Indigenous education will strengthen colleges' and institutes' contributions to improving the lives of learners and communities. In agreement with the CICan Indigenous Education Protocol, Lethbridge College has applied the following seven principles, as evidenced by the work completed in the development of the Niitsitapi Indigenization Plan (2016-19). The seven principles were used as overarching goals within the plan aligned with the Truth and Reconciliation Calls to Action.

Indigenous education will strengthen colleges' and institutes' contributions to improving the lives of learners and communities.

1. Commit to making Indigenous education a priority.

- Included in Lethbridge College's Comprehensive Institutional Plan goals for 2016-19 is the goal to improve the lives of learners and communities through the recognition and respect for the distinct cultures, languages, histories and contemporary perspectives of Indigenous people and Indigenous-centred education. Indigenous grandparents (Elders) and community stakeholders have been and continue to be a critical perspective in the college's strategic planning process.

2. Ensure governance structures recognize and respect Indigenous peoples.

- In the development of the Niitsitapi Indigenization Plan (2016-19), two committees were formed: the President's Indigenous Advisory Council and the Indigenous Committee. The importance of consultation and collaboration is at the forefront of these discussions and includes the recommendations that Indigenous representation is included in structures and in participation of committees, boards and college leadership. The President's Indigenous Advisory Council, comprised of Indigenous grandparents (Elders), leaders and community partners, meets three times a year to provide advice, guidance and direction. The Indigenous Committee is an internal committee with grandparent (Elder) engagement and inter-departmental representation that will action recommendations from the Niitsitapi Indigenization Plan and from the President's Indigenous Advisory Council.
- Currently Indigenous representation is included on the college's Alumni Advisory Council and on the Regional Access Advisory Council. Indigenous representation will also be included on Lethbridge College's Board of Governors commencing Fall 2017.
- There are additional Niitsitapi Indigenization Plan recommendations for greater inclusion and engagement at many levels within the college for future strategic directions and initiatives.



Music is a significant part of Lethbridge College's Indigenous Celebration Day held on campus each fall.

3. Implement intellectual and cultural traditions of Indigenous peoples through curriculum and learning approaches relevant to learners and communities.

- The college continues to offer Indigenous-specific recruitment and career and academic advising services to educate and assist prospective Indigenous learners about the programs and support services offered at the college.
- Recommendations for indigenizing the curriculum have been conducted and discussions have begun to determine what programs will begin to incorporate Indigenous history, culture and content.
- Kainai High School dual credit partnerships continue within the Early Childhood Education program.
- The FNMI Career Pathways certificate program is offered to assist Indigenous learners in the transition to the post-secondary learning environment and help them to be successful. A program review has been implemented; results of the research and findings will proceed with a multi-disciplinary approach with numerous stakeholders, including community members, grandparents (Elders), students, support services and funding agency representatives. The goal is to enhance the program and to increase student enrolment and student retention through a great student experience.

4. Support students and employees to increase understanding and reciprocity among Indigenous and non-Indigenous peoples.

- Lethbridge College continues to acknowledge that we reside on traditional Blackfoot territory and integrates the use of Blackfoot language at events, ceremonies and meetings.
- Additional funding has been received from an external provider enabling plans to be made to include Indigenous representation on campus. Phase One is complete with Phase Two to begin in Winter 2018. Plans include displaying Indigenous art and artifacts across campus.
- Lethbridge College continues to include traditional ways of doing and being in the processes associated with institutional functioning (i.e. opening prayer at institutional events, Indigenous Calendar of Events including grandparent (Elder) visits, Indigenous scholar speaker series and talking circles).
- Staff and faculty are beginning to be offered training on Indigenous history and intercultural perspectives including experiential, hands-on learning activities, and land and place-based learning.

5. Commit to increasing the number of Indigenous employees with ongoing appointments throughout the institution, including Indigenous senior administrators.

- Additional funding has been received from an external provider to allow continued access for students and staff to our Cultural Support Program (Elders and grandparents).

6. Establish Indigenous-centred holistic services and learning environments for learner success.

- The college's Indigenous Services continues to offer and enhance our "Circle of Services" to assist our Indigenous learners and support them on their journey of successfully pursuing a post-secondary education.

7. Build relationships and be accountable to Indigenous communities in support of self-determination through education, training and applied research.

- Lethbridge and Red Crow Community College signed a revised Memorandum of Understanding in March 2017. It builds on a shared desire to grow a strategic partnership based on mutual commitment to facilitating learning and innovation to meet economic and social needs, and developing and fostering a community through enhanced understanding of the Kainai First Nation People and its culture.
- Lethbridge College Business Development has partnered with both Red Crow Community College and Blood Tribe Human Resources to provide Customer Service Training.
- Lethbridge College Business Development has also collaborated with Blood Tribe Social Development to run four programs in December 2017: Frontline Cook Culinary Program, Retail Industry Professional, Hospitality and Tourism Professional, and Administration Services.

Circle of Services

Lethbridge College offers a "Circle of Services" to assist our Indigenous learners and help them be successful on their journey of pursuing a post-secondary education.

Recruiter -
Indigenous
Focus

Career &
Academic
Advising –
Indigenous
Focus

Indigenous
Campus
Visits

Indigenous
Services
Student
Welcome

Niitsitapi
Gathering
Place

Cultural
Support
Program

Indigenous
Calendar of
Events

Honour
Night

FINANCIAL AND BUDGET INFORMATION

2017 financial highlights

Lethbridge College's financial statements as presented are in accordance with Public Sector Accounting Standards (PSAS) and approved by the Board of Governors. The financial highlights should be read in conjunction with the audited financial statements and related notes for the year ended June 30, 2017.

For further information on the college's goals and objectives, please refer to the following document: 2016-19 Comprehensive Institutional Plan (CIP), Leadership and Transformation.

Financial results

Throughout the 2017 year, the college continued to focus on the goals and objectives set out in the *Leadership and Transformation CIP* for 2016-19, with a focus on providing relevant, high quality education. Another area of focus was the promotion of an inclusive and healthy learning environment for our students and staff through initiatives to support and create the best learning and working environment for our entire community. This year also marked the 60th anniversary of the college.

The college ended the year with a surplus of \$1.5 million. This amount includes \$400,000 in endowment contributions and endowment capitalized investment income.

The annual operating surplus of \$1.1 million (2016 - \$1.6 million) was achieved against a budgeted operating surplus of \$700,000. The increased surplus is as a result of staff vacancies and prudent spending of resources.

Net financial assets

The college remains in a strong net financial asset position as of June 30, 2017, with net financial assets of \$30.9 million (2016 - \$30.1 million). Net financial assets is a measure of the college's ability to use its financial assets to cover liabilities and fund future operations.

Net assets

The college's net assets increased by \$2.3 million over the previous year. This increase is made up of the annual surplus of \$1.5 million and the increase in accumulated remeasurement gains on portfolio investments of \$0.75 million. Net assets are comprised of the following:

Net assets	\$000s
Accumulated surplus from operations	18,769
Investment in tangible capital assets	19,333
Internally restricted accumulated surplus	5,551
Endowments	12,066
Accumulated remeasurement gains	3,678
Total net assets	59,397

The following table shows the composition of internally restricted accumulated surplus funds restricted by the Board of Governors for specific purposes:

Internally restricted accumulated surplus	\$000s
Faculty professional development	1,450
Trades, Technologies and Innovation Facility project	3,058
Other	1,043
Total	5,551

Revenues

Revenues by source

Total 2017 revenues of \$87.8 million increased slightly from \$87.7 million in 2016. The following table shows the composition of the college's total revenues in \$000s for the 2017 fiscal year with comparative information for actual 2016 and budget 2017:

Revenues by source	Budget 2017 \$000s	Actual 2017 \$000s	Actual 2016 \$000s
Government of Alberta grants	52,503	53,533	53,841
Federal and other government grants	1,423	1,566	1,849
Sales of services and products	9,482	9,255	9,640
Contract programs	2,304	1,554	1,973
Student tuition and fees	18,928	18,988	18,411
Donations and other grants	1,188	1,544	1,049
Investment income	1,120	1,325	975
Total revenue	86,948	87,765	87,738

Government of Alberta grants

The college receives 61 per cent of its revenue from the Government of Alberta. The base operating grant increased by two per cent in 2017. The 2017 grants are less than the prior year due to the one-time amortization revenue recognition relating to the demolition of the trades building in 2016. An equal amount was recorded as amortization expense under facility operations and maintenance. Actual 2017 revenues are higher than budget as more amortization revenue on the externally funded portion of the Trades, Technologies and Innovation Facility project (TTIF) building was recognized, along with a corresponding expense reported under facility operations and maintenance expense. Other increases include revenue from special purpose funding from external resources for operational initiatives, which have matching expenses reported in various expense categories.

Contract programs

The prolonged economic decline resulting in reduced demand has hampered the ability of business development and corporate training to earn revenue from non-credit programming. These areas also reflect lower expenses in staffing and supplies. New course offerings and registration enhancements have been added with the outlook of increasing activity in this area.

Student tuition and fees

Student tuition and fees for 2017 remained at 2015 rates as regulated by the Government of Alberta. Increased enrolments in several programs compared to 2016 resulted in increased revenue in 2017 and are comparable to budget.

Expenses***Expenses by Function***

Total expenses increased from \$86.2 million in 2016 to \$86.6 million in 2017 and were slightly higher than budget. The college continues to strategically align expenditures with the CIP. The following table shows the composition of the college's total expenses, in \$000s, for 2017 with comparative information for actual 2016 and budget 2017:

Expense by function	Budget 2017 \$000S	Actual 2017 \$000S	Actual 2016 \$000S
Instruction	36,644	36,154	34,640
Academic and student support	16,480	17,136	15,937
Institutional support	13,640	13,011	13,152
Sponsored research	641	532	655
Facility operations and maintenance	11,533	12,780	14,402
Ancillary operations	7,298	7,031	7,387
Total expenses	86,236	86,644	86,173

Instruction

Instruction costs represent 42 per cent of total costs. Included in this category are costs related to programming and training within the college. The current year is reflecting higher costs than 2016 due to negotiated increases to collective bargaining units, early retirement incentives and gifts in kind for apprenticeship programming. Instruction costs tracked less than budget as the college continues to find efficiencies and at the same time ensure delivery of quality programs. Business development and corporate training non-credit programming continues to face challenges of lower demand resulting in reduced expenses in the areas of staffing and supplies.

Academic and student support

These costs include centralized functions such as student services administration, student recruitment, records and admissions, counselling and career services, financial awards and student awards. Expenses were higher than 2016 as a result of the cost of negotiated increases to collective bargaining units, early retirement incentives and externally funded activities. A number of these increases are offset by revenue reported.

Institutional support

Staff vacancies, interim positions and the reclassification of positions resulted in reduced expenditure in 2017.

Facility operations and maintenance

This category of expenditure includes utilities, facilities administration, building maintenance, custodial services and grounds keeping as well as repairs and renovations. During the year, several maintenance and renovation projects were carried out around the campus to facilitate student learning and create gathering places. The amortization expense for 2017 was higher than budget due to the capitalization of TTIF project, offset by an equal amount reported under Government of Alberta grants. In 2016 a one-time amortization expense occurred relating to the demolition of a portion of the old trades building. An equal amount was reported under revenue – Government of Alberta grants, as the funds were originally provided by the Government of Alberta.

Capital acquisitions

The college expended \$29.3 million on construction and other tangible capital assets (2016 - \$20.9 million). The most significant capital acquisition in 2017 was expenditure of \$27.5 million on TTIF. Other acquisitions included expenditures relating to the infrastructure maintenance program projects and equipment renewal.

TTIF is home to the Crooks School of Transportation, which houses programs such as Automotive Service Technician, Heavy Equipment Technician, Parts Technician and Agriculture/Heavy Equipment certificate programs. Phase Two of TTIF will be completed in August 2017.

Areas of significant financial risk

The college operates in a dynamic and changing environment subject to a variety of risks that are managed through its integrated enterprise risk management framework. Some areas of significant financial risk are as follows:

1. Provincial funding

The Campus Alberta base grant increased by two per cent in 2017. Provincial funding represents 61 per cent of our revenue source, and any future reductions will present greater budgetary pressures. The college recognizes the need to generate revenue from other sources and is continuing to pursue initiatives in the non-credit area and expand its international enrolment initiatives. Furthermore, the college is continually exploring cost efficiencies.

2. Deferred maintenance

Although Infrastructure Maintenance Program funding has increased in recent years, the maintenance and upgrading of older existing facilities remains challenging.

3. Information technology

As the demands for information technology to support students and staff increase, the cost of and risks associated with these demands rise as information technology infrastructures need to be expanded and replaced. The prevalence of attempted cyber security breaches of college systems continue to represent a significant risk that requires effective mitigation.



Staff members volunteer throughout the year to help out at events like New Student Orientation and Convocation, taking part in these important rites of passage while making sure the events run smoothly for all involved.

Employees

Pension

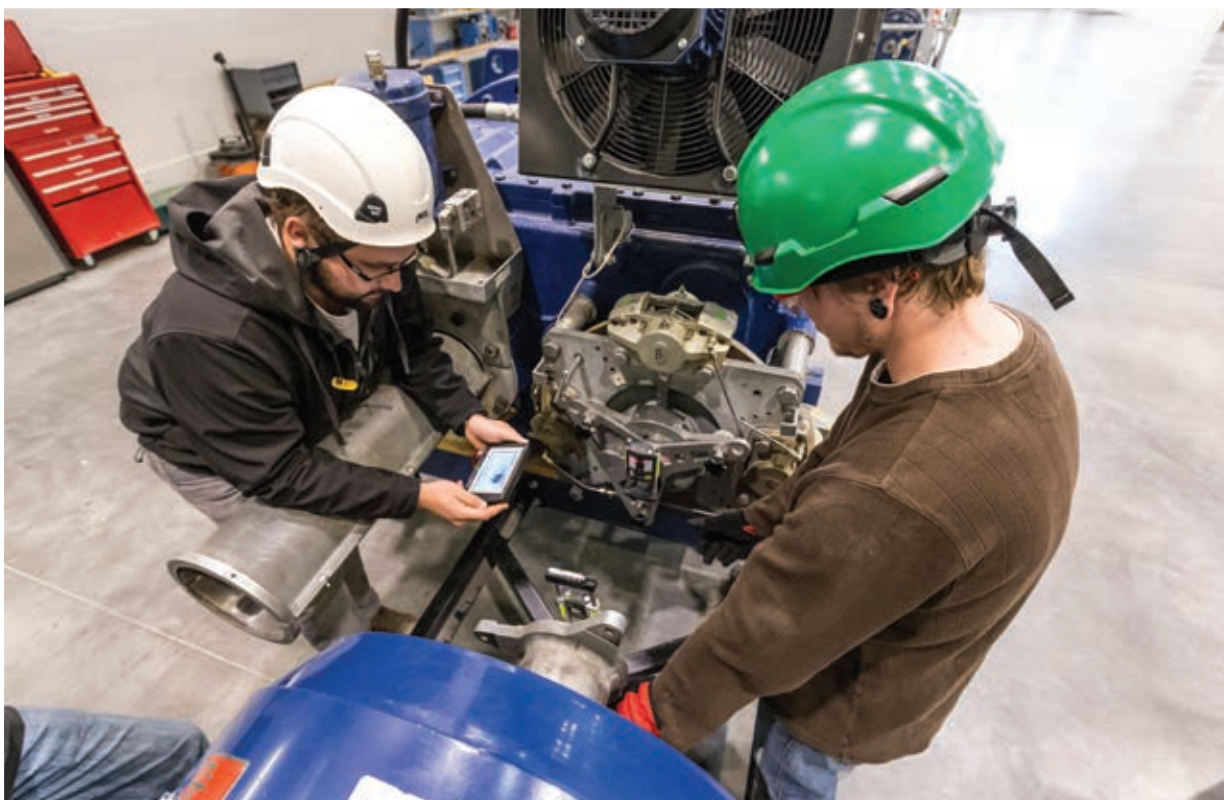
Employees of the college participate in the Local Authorities Pension Plan (LAPP). Due to a large number of employers participating in LAPP and the complexities in calculating accurate information relating to each participant's share of any unfunded liability, employers are unable to identify their portion of the total actuarial deficiency at Dec. 31, 2016, of \$637.4 million (2015 - \$923.5 million). This unfunded liability represents a risk that both employer and employee contribution rates could increase in the future.

Bargaining units

The province has passed legislation (Bill 7: An Act to Enhance Post-Secondary Academic Bargaining and Bill 4: An Act to Implement a Supreme Court Ruling Governing Essential Services) to provide all academic and non-academic employees the right to strike and the employer the right to lock out. It also includes a requirement to negotiate an essential service agreement prior to entering into a collective agreement. Designated faculty are also now subject to the Labour Relations Code, which grants the Lethbridge College Faculty Association all rights and remedies granted to unions under the Code. This new legislation will have an impact on future negotiations.

Students

As the demand for education continues to grow and learners needs change due to increased diversity in student demographics and cultures, offering a variety of delivery methods is essential. The need for job-specific skills gives rise to the demand for new program offerings, staff and technological improvements. Mental health and the affordability of post-secondary education are concerns. The government is committed to ensuring quality, affordable and accessible post-secondary education and is in the process of determining a new tuition fee model. In the shorter term, the Government of Alberta introduced an initiative to hold tuition and mandatory non-instructional fees at the 2014-15 rates.



Students put the theory learned in the classroom into practice in the labs of the new Trades, Technologies and Innovation Facility.



The annual Bridging Cultures event draws campus and community groups to the Val Matteotti Gymnasium for a day of celebration, music, performances, food and more.

INTERNATIONALIZATION

Lethbridge College is strongly committed to campus internationalization, and staff is continuously working towards fostering an inclusive and culturally diverse campus for the benefit of all students. We welcomed nearly 300 international students to our institution in 2016-17, which represents about five per cent of the total enrolment. Our top international markets included Japan, Kenya, South Korea, the United States, Nigeria and Brazil.

A key goal outlined in the college's 2016-17 Comprehensive Institutional Plan was the development of an International Plan. While some progress was made towards the development of a plan in 2016-17, a strategic decision was made to delay its finalization until the 2017-18 academic year. This decision provided the college time to hire an International Services manager, who would then be responsible for both the development and execution of the International Plan. A manager was successfully found, and the college is on-track to develop a plan in 2017-18.

Although the development of an International Plan was delayed, the college engaged in numerous activities in 2016-17 to support internationalization. These activities contributed to the college exceeding its international enrolment target by six per cent. Activities included:

- **Conference participation.** This included conferences hosted by the International Consultants for Education and Fairs (ICEF), which are major networking events for institutions to meet and hire international recruitment agents. We also attended a Canadian Bureau for International Education (CBIE) conference in Ottawa. Participation at these conferences directly resulted in significant new enrolments and tuition revenues, as well as the development of industry contacts.
- **Special recruiting initiatives.** The college participated in a delegation led by the City of Lethbridge to China and Japan.
- **Process improvement initiatives.** An International Student Agent Manual was written, which outlines procedures that make interactions with recruitment agents more efficient. International Student Agents are critical resources for attracting students, particularly to smaller and less well-known markets like Lethbridge.
- **English as a Second Language (ESL) and cultural exchange programs.** The college welcomed groups of students (high school and university) from Japan to provide English language training and cultural learning experiences.

The college's English Language Centre continues to be an important part of the college's internationalization, welcoming 181 students from 51 countries. The Centre engaged in a number of initiatives in 2016-17 to promote a welcoming and culturally rich learning experience for students, including:

- organizing and promoting Global Night in conjunction with the University of Lethbridge
- organizing and hosting the Bridging Cultures event, which celebrates the cultural mosaic at Lethbridge College and welcomes both domestic and international students
- designing a new student orientation for international students
- offering culturally significant field trips and other activities

The college is very proud of our efforts to create a welcoming and rewarding learning environment for our international students, who have expressed a high degree of satisfaction with their experience at Lethbridge College. In 2016-17, the college conducted a survey of student satisfaction. Satisfaction results for our overall student population were higher than the survey's benchmark in every category, as were the results for our international students. More importantly, they gave the college high marks for making students feel welcome on campus and for their overall experience. We believe these strong international student satisfaction results are attributable to our welcoming environment and small class sizes, which foster engagement between students and their instructors. Our data collection efforts in 2016-17 will help the college further understand our international students and markets and support the development of an International Plan so that we can continue to enhance our services and attract international students to our institution and to the region.



The college is very proud of our efforts to create a welcoming and rewarding learning environment for our international students, who have expressed a high degree of satisfaction with their experience at Lethbridge College.

INFORMATION TECHNOLOGY

During the 2016-17 year, the Information Technology Services department worked closely with several business units to complete three key enterprise projects. These projects were focused on providing services with an anywhere, any time, any device philosophy. The goal was to build robust and scalable tools that would allow users to turn data into knowledge for evidence informed decision making.

Lethbridge College has invested in several cloud-based systems for collaboration, data analytics and infrastructure. They include:

Customer Relationship Management (CRM)

The college undertook an exhaustive process for choosing a Customer Relationship Management tool that would meet specific requirements for student recruitment, admissions and retention. Salesforce is highly rated with advanced reporting capabilities. However, this system did not meet the college's specific needs, so a vendor partner called Target X was chosen to manage the student lifecycle. This platform was designed in collaboration with key business units and the Salesforce/Target X teams to ensure the tool had optimal functionality for our strategic purposes.

The primary goal of the project was to provide a streamlined communication approach with prospects, applicants and enrolled students via the mobile devices they most commonly use. As well, the business needs within other departments such as Advancement, Business Development, Applied Research and Institutional Reporting were strongly considered during the decision-making process. Implementation of the tool began with a focus on student recruitment, which is now complete. The second phase of implementation will include admissions and retention with a strong focus on using this tool to support strategic enrolment management (SEM).





Students at Lethbridge College benefit by learning from instructors who have real life experience in the industries where they teach, as well as industry partners who support the work happening in the classroom and labs.



Talent management

The college selected a talent management system as a component of the People Development strategy and ensuring human resources was not only attracting the right candidates but giving new employees the tools to successfully integrate into the organization. Managing the employee life cycle is not just about checking off boxes and meeting requirements; true employee engagement requires understanding the unique needs of each employee and aligning those with the overarching organizational needs. The use of technology allows this customized approach to be both efficient and effective. This new tool provides for an efficient job application process (Applicant Tracking) along with a mechanism for onboarding new employees to acquire important information they need to perform their roles effectively. Installation began in the 2015-16 year with completion in 2016-17.

Digital Communications and Media student Adam Tremblay works with state-of-the-art equipment and programs to put into practice the lessons he learns in the classroom.

One Experience (new website)

Information Technology Services and Web Services are in the final stages of the One Experience project, which will result in the launch of a new website at lethbridgecollege.ca in October. The college recognizes that website performance and functionality are crucial for managing communications and connecting with the broader college community. It is a common asset all departments use and is critical to the success of stakeholders reaching their business objectives. The website is arguably the most important marketing, recruitment, communications and customer service asset the institution possesses and its use transcends the entire college. There will be immediate strategic and technical benefits from upgrading the Lethbridge College website with a new responsive design.

Competency-Based Education (CBE)

CBE is the mastery of skills and knowledge for a specific course or module. Lethbridge College continues to pilot this delivery method to understand all the benefits and challenges it provides. While the vendor landscape for developing suitable CBE systems is truly in its infancy, recent work is showing that the institutional learning management system, Canvas, shows promise of meeting CBE course design requirements.

Digital learning

As part of an international research initiative, Lethbridge College completed a three-year student and technology research project that investigated students' usage of and their expectations for technology in relation to their college experience, and more specifically in relation to learning. Thus far, research deliverables have been disseminated both internally and externally to increase awareness. Additional future directions are being determined and incorporated into a digital learning strategy.

CAPITAL PLAN

Lethbridge College has an ongoing facility evaluation program that monitors the condition of its facilities and identifies maintenance issues and the cost of remedial work. The result is a multi-year project priorities plan. In keeping with the college Campus Development Plan and the identified metrics and opportunities arising out of the college Space Utilization Plan and in alignment with the college's Academic Transformation Strategy, we continue to seek funding for the following priority projects:

New trades and technologies facility: A major focus for the college is the renewal and expansion of the existing Trades 1900/2900 Building. Trades and technologies remain a vital part of southern Alberta's economic success and are a key area of focus and strength for the college. These disciplines have continuously evolved, as has Lethbridge College's delivery of these programs, resulting in an ever-increasing reliance on technological innovation with a focus on sustainability.

The new trades and technologies facility is a critical infrastructure project for the college. The project began with ground breaking in April 2014. Phase one, which includes programs in the Crooks School of Transportation, opened for students in September 2015. Phase two began immediately after and is expected to be complete by September 2017. This important priority for Lethbridge College is one of the outcomes identified in our Goals, Priority Initiatives and Performance Measures.

The priority rating has been adjusted to conform to the government's move to rate capital submissions with either a one or two rating with limitations on the number of priority one submissions.





Carlos Carabantes, a 2015 graduate of Lethbridge College's Electrical Apprenticeship program, is one of the hundreds of alumni who played a role in planning and constructing the new Trades, Technologies and Innovation Facility.

Priority projects:

Project title: ***Andrews Building Renewal Project***

Status: Exploring funding options

Project priority: 1

Project budget: \$7.5 million

Progress report: No further progress on this project has occurred in the last 12 months.

Project description and justification:

This project is in the initiation phase. The anticipated scope of work involves modernization of the kitchen, server and food services areas to better support academic teaching and learning in the culinary program and general student body. The culinary academic program has evolved over time to meet the requirements of industry. The kitchen and teaching spaces require renovation to accommodate new equipment that supports new pedagogy as well as support organoleptic sensory testing research. This upgrade will provide a modern teaching and work environment and allow a seamless transition into the work force and work environment for our learners.

Project title: ***Research Greenhouse Project***

Status: Awaiting grant approval and seeking alternative funding sources

Project priority: 1

Project budget: \$2.6 million

Progress report: The architectural firm was selected and the design work completed.

Project description and justification:

The current greenhouse is at the end of its life cycle and does not currently meet the research needs of our expanding applied research activities. The proposed research greenhouse project would build a 12,000 square foot Smart Water Applied Research Centre (SWARC) and has been designed into quadrants that encompass research in multiple distinct areas – irrigation, aquaponics, hydroponics, and agronomy and culinary science.

Expansion projects:

Project title: ***The Learning Commons***

Status: Exploring funding options

Project priority: 1

Project budget: \$17.5 million

Progress report: No further progress on this project has occurred in the last 12 months; potential re-evaluation of the scope is being considered to factor in great use of digital learning and technology options.

Project description and justification:

This project is in the initiation phase and is being reviewed in light of the new strategic plan and specifically the Academic Transformation Strategy. The Buchanan Library houses the library, learning commons and the Learning Café. The space is heavily used in support of various academic and learning needs and has not seen renewal work since a major renovation in 1985. This project will transform the Buchanan Library by bringing together library and learning support services and creating a hub for the community to access a wider variety of learning resources. The project supports fundamental shifts in models of learning and research support that necessarily reflect rapidly changing pedagogy, technology, student profiles, patterns of learning and expectations, and how the world accesses, manages and exchanges information.

Renewal projects:

Project title: ***Storm Water Retention Ponds (Campus Wide)***

Renewal Project

Status: Being reviewed

Project priority: 1

Project budget: \$2.2 million

Progress report: Recent new development has altered the location of this project, requiring a review to be conducted.

Project description and justification:

This project will manage the storm water retention system for the campus to meet current environmental legislation and demonstrate accepted sustainability practice.

Project title: ***Paterson Renewal Project***

Status: On hold due to lack of funding

Project priority: 2

Project budget: \$4.5 million

Progress report: No further progress on this project has occurred in the last 12 months.

Project description and justification:

The anticipated scope of work of this project involves renewal of mechanical systems not addressed in the 2008 upgrade. It includes new lighting, ceiling systems, hazardous material removal, curtain wall replacement and redesign of entrances to meet current building code and accessibility needs.

Project title: ***Natural Gas Utility Distribution (Campus Wide)***

Renewal Project

Status: Feasibility study required to determine scope of work

Project priority: 3

Project budget: \$2.2 million

Progress report: Costs associated with the feasibility study have been determined and will be budgeted for in the future.

Project description and justification:

This project will include renewal of the high pressure natural gas distribution system. The existing system is at the front-end of its life cycle replacement. The risk at present is low.

APPENDIX A: FINANCIAL STATEMENTS

LETHBRIDGE COLLEGE YEAR ENDED JUNE 30, 2017

Independent Auditor's Report

Statement of Management's Responsibility

Statement of Financial Position

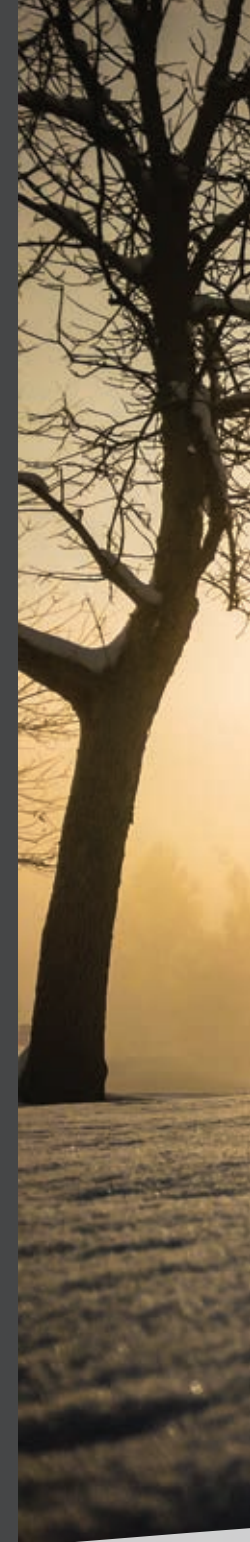
Statement of Operations

Statement of Change in Net Financial Assets

Statement of Remeasurement Gains and Losses

Statement of Cash Flows

Notes to the Financial Statements



The first snow of the season glistens in the morning light and blankets Kodiak House, the most recent residence added to the Lethbridge College campus. The residence opened in 2010 and is home to students from around the province and around the world. The five-story, 109-room, environmentally-innovative space increased on-campus housing by 25 per cent.

Independent Auditor's Report



To the Board of Governors of Lethbridge College

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Lethbridge College as at June 30, 2017, and the results of its operations, its remeasurement gains and losses, its changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

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

Auditor General

October 30, 2017

Edmonton, Alberta

STATEMENT OF MANAGEMENT'S RESPONSIBILITY

For the year ended June 30, 2017

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

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

The Board of Governors carries out its responsibilities for review of the financial statements principally through its Finance, Audit and Risk Committee. With exception of the President and the academic representative, all other members of the Finance, Audit and Risk Committee are not employees of the college. This Finance, Audit and Risk Committee meets with management and external auditors to discuss the results of audit examinations and financial reporting matters. The external auditors have full access to the Finance, Audit and Risk Committee, with and without the presence of management.

The 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 financial statements.

[Original signed by Simon Griffiths]

Simon Griffiths

Vice President Corporate Services
and Chief Financial Officer

[Original signed by Paula Burns]

Paula Burns

President and Chief Executive Officer

LETHBRIDGE COLLEGE
STATEMENT OF FINANCIAL
POSITION AS AT JUNE 30, 2017
(thousands of dollars)

	2017	2016
Financial assets excluding portfolio investments restricted for endowments		
Cash and cash equivalents (note 3)	\$26,415	\$35,821
Portfolio investments – non-endowment (note 4)	30,707	28,712
Accounts receivable	1,894	1,629
Inventories held for resale	592	534
	59,608	66,696
Liabilities		
Accounts payable and accrued liabilities	15,161	12,571
Debt (note 7)	7,684	8,076
Deferred revenue (note 8)	20,169	29,666
	43,014	50,313
Net financial assets excluding portfolio investments restricted for endowments	16,594	16,383
Portfolio investments – restricted for endowments (note 4 and note 11)	14,348	13,673
Net financial assets	30,942	30,056
Non-financial assets		
Tangible capital assets (note 10)	130,821	107,521
Inventories of supplies	9	17
Prepaid expenses	1,428	1,523
	132,258	109,061
Net assets before spent deferred capital contributions	163,200	139,117
Spent deferred capital contributions (note 9)	103,803	81,991
Net assets	\$59,397	\$57,126
Net assets is comprised of :		
Accumulated surplus (note 11)	\$55,719	\$54,196
Accumulated remeasurement gains	3,678	2,930
	\$59,397	\$57,126
Contingent liabilities and contractual obligations (note 12 and note 13)		

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

LETHBRIDGE COLLEGE
STATEMENT OF OPERATIONS
YEAR ENDED JUNE 30, 2017
(thousands of dollars)

	Budget (note 14)	2017	2016
Revenues			
Government of Alberta grants (note 17)	\$52,503	\$53,533	\$53,841
Federal and other government grants	1,423	1,566	1,849
Sales of services and products	9,482	9,255	9,640
Contract programs	2,304	1,554	1,973
Student tuition and fees	18,928	18,988	18,411
Donations and other grants	1,188	1,544	1,049
Investment income	1,120	1,325	975
	86,948	87,765	87,738
Expenses (note 15)			
Instruction	36,644	36,154	34,640
Academic and student support	16,480	17,136	15,937
Institutional support	13,640	13,011	13,152
Sponsored research	641	532	655
Facility operations and maintenance	11,533	12,780	14,402
Ancillary services	7,298	7,031	7,387
	86,236	86,644	86,173
Annual operating surplus	712	1,121	1,565
Endowment contributions (note 11)	-	175	560
Endowment capitalized investment income (note 11)	-	227	142
Annual surplus	-	1,523	2,267
Accumulated surplus, beginning of year	-	54,196	51,929
Accumulated surplus, end of year	-	\$55,719	\$54,196

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

LETHBRIDGE COLLEGE
STATEMENT OF CHANGE IN
NET FINANCIAL ASSETS
YEAR ENDED JUNE 30, 2017
(thousands of dollars)

	2017	2016
Annual surplus	\$1,523	\$2,267
Acquisition of tangible capital assets	(29,333)	(20,885)
Proceeds from sale of tangible capital assets	182	147
Amortization of tangible capital assets	5,885	6,042
(Gain) loss on sale of tangible capital assets	(34)	1,563
Change in inventories of supplies	8	(2)
Change in prepaid expenses	95	(242)
Change in spent deferred capital contributions (note 9)	21,812	13,549
Net accumulated remeasurement gains (losses)	748	(37)
Increase in net financial assets	886	2,402
Net financial assets, beginning of year	30,056	27,654
Net financial assets, end of year	<u>\$30,942</u>	<u>\$30,056</u>

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

LETHBRIDGE COLLEGE
STATEMENT OF REMEASUREMENT
GAINS AND LOSSES
YEAR ENDED JUNE 30, 2017
(thousands of dollars)

	2017	2016
Accumulated remeasurement gains, beginning of year	\$2,930	\$2,967
Unrealized gains attributable to:		
Portfolio investments – non-endowment	658	12
Amounts reclassified to the statement of operations:		
Portfolio investments – non-endowment	90	(49)
Accumulated remeasurement gains, end of year	\$3,678	\$2,930

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

LETHBRIDGE COLLEGE
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2017
(thousands of dollars)

	2017	2016
Operating transactions		
Annual surplus	\$1,523	\$2,267
Add (deduct) non-cash items:		
Amortization of tangible capital assets	5,885	6,042
Gain on sale of portfolio investments	(1,003)	(226)
(Gain) loss on disposal of tangible capital assets	(34)	1,563
Expended capital recognized as revenue	(4,647)	(4,670)
Revenue recognized on externally funded tangible capital asset disposal	-	(1,553)
Unrealized gain (loss) on portfolio investments	748	(37)
Increase in accounts receivable	(265)	(353)
(Increase) decrease in inventories held for resale	(58)	27
Increase (decrease) in accounts payable and accrued liabilities	2,590	(1,595)
(Decrease) increase in deferred revenue	(9,497)	8,633
Increase in spent deferred capital contributions, less expended capital recognized as revenue	26,459	19,772
Decrease (increase) in inventories of supplies	8	(2)
Decrease (increase) in prepaid expenses	95	(242)
Cash provided by operating transactions	21,804	29,626
Capital transactions		
Acquisition of tangible capital assets	(29,333)	(20,885)
Proceeds on sale of tangible capital assets	182	147
Cash applied to capital transactions	(29,151)	(20,738)
Investing transactions		
Purchase of investments	(11,178)	(8,203)
Proceeds on sale of investments	9,511	8,229
Cash (applied to) provided by investing transactions	(1,667)	26
Financing transactions		
Debt – repayment	(392)	(370)
Cash applied to financing transactions	(392)	(370)
(Decrease) increase in cash and cash equivalents	(9,406)	8,544
Cash and cash equivalents, beginning of year	35,821	27,277
Cash and cash equivalents, end of year	\$26,415	\$35,821

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

1 Authority and Purpose

The Board of Governors of Lethbridge College is a corporation that manages and operates Lethbridge 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 (PSAS) and Use of Estimates

These financial statements have been prepared in accordance with Canadian public sector accounting standards. The measurement of certain assets and liabilities is contingent upon future events; therefore, the preparation of these statements requires the use of estimates, which may vary from actual results. Management uses judgment to determine such estimates. Amortization of tangible capital assets and revenue recognition for expended capital are the most significant items based on estimates. In management's opinion, the resulting estimates are within reasonable limits of materiality and are in accordance with the significant accounting policies summarized below. These significant accounting policies are presented to assist the reader in evaluating these financial statements and, together with the following notes, should be considered an integral part of the financial statements.

(b) Valuation of Financial Assets and Liabilities

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

<u>Financial statement component</u>	<u>Measurement</u>
Cash and cash equivalents	Cost or amortized cost
Portfolio investments	Fair value
Accounts receivable	Amortized cost
Inventories held for resale	Lower of cost and net realizable value
Accounts payable and accrued liabilities	Amortized cost
Debt	Amortized cost

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the 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, losses are recognized in the statement of operations, except for the restricted amount, which is recognized as a decrease in deferred revenue or endowment net assets. A write-down of a portfolio investment to reflect a loss in value is not reversed for a subsequent increase in value.

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

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 the 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 financial liabilities. The college does not have any embedded derivatives.

(c) Revenue Recognition

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

Government grants, non-government grants and donations

Government transfers are referred to as government grants.

Restricted grants and donations are recognized as deferred revenue if the terms for the use, or the terms along with the college's actions and communications 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 assets.

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

In-kind donations of services and 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.

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 as revenue at the fair value, when a fair value can be reasonably determined. When the college cannot determine the fair value, it recognizes such in-kind contribution at nominal value.

Endowment donations

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

Investment income

Investment income includes dividends, interest income, and realized gains or losses on the sale of portfolio investments. Unrealized gains and losses on portfolio investments from unrestricted grants and donations are recognized in accumulated remeasurement gains and losses until settlement. Once realized, these gains and losses are recognized as investment income. 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 statement of operations.

(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 by endowments in excess of the amount required for spending allocation is capitalized to maintain and grow the real value of the endowments. Benefactors as well as college policy stipulate that the economic value of the endowments must be protected by limiting the amount of income that may be expended and by 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, generally to regulate the distribution of income earned by the endowments.
- Encroachment on the capital of the endowments to avoid fluctuations in the amounts distributed and generally to regulate the distribution of investment income earned by the endowments if, in the opinion of the Board of Governors, the encroachment benefits the college and does not impair the long-term value of the fund.

In any year, if the investment income earned on endowments is insufficient to fund the spending allocation, the spending allocation is funded from the cumulative capitalized income. However, for individual endowments without sufficient cumulative capitalized income, endowment principal is used in that year and is expected to be recovered by future investment income.

(e) Inventories

Inventories held for resale are valued at the lower of cost and net realizable value, with cost determined using the weighted average method. Inventories held for consumption are valued at cost.

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

(f) Tangible Capital Assets

Tangible capital assets are recognized at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets, and costs associated with asset retirement obligations. Cost includes overhead directly attributable to construction and development. 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.

Capital lease liabilities are recognized at the present value of the minimum lease payments excluding executor costs such as insurance and maintenance costs. The discount rate used to determine the present value of the lease payments is the lower of the college 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:

<u>Asset category</u>	<u>Estimated useful life</u>
Buildings and site improvements	20-40 years
Equipment	2-10 years
Computer hardware and software	5 years

Tangible capital asset write downs are recognized 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. Net write-downs are recognized as expenses.

Works of art, historical treasures and collections are expensed when acquired and not recognized as tangible capital assets.

(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 operations of the assets. The obligations are measured initially at fair value, determined using present value methodology, and the resulting cost is capitalized into the carrying amount of the related assets. 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) Foreign Currency Translation

Transaction amounts denominated in foreign currencies are translated into their Canadian dollar amount at exchange rates prevailing at the transaction dates. Carrying values of monetary assets and liabilities and non-monetary items included in the fair value category reflect the exchange rates at the statement of financial position date. Unrealized gains and losses are recognized in the statement of remeasurement gains and losses.

In the period of settlement, foreign exchange gains and losses are reclassified to the statement of operations, and the cumulative amount of remeasurement gains and losses is reversed in the statement of remeasurement gains and losses.

(i) Employee Future Benefits

Pension

The college participates with other employers in the Local Authorities Pension Plan (LAPP). 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.

The college does not have sufficient plan information on the LAPP to follow the standards for defined benefit accounting, and therefore follows the standards for defined contribution accounting. Accordingly, pension expenses recorded for the LAPP are 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.

(j) Expense by Function

The college uses the following categories as functions on its statement of operations:

Instruction

Expenses relating to all programming and/or training within the institution, whether for credit or non-credit and non-sponsored research.

Academic and student support

Expenses relating to directly supporting the academic functions and students of the institution. This includes libraries and centralized functions including student service administration, student recruitment, records and admissions, counselling and career services, financial aid administration and student awards.

Institutional support

Expenses relating to the executive management, public relations, alumni relations/development, corporate insurance premiums, corporate finance, human resources, computing, network, data communications and other centralized institution-wide administrative services.

Sponsored research

Expenses for all sponsored research activities specifically funded by restricted grants and donations.

Facility operations and maintenance

Expenses relating to maintenance and renewal of facilities that house teaching, research, administrative and common areas within the college. These include utilities, facilities administration, building maintenance, custodial services, 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. This function includes the bookstore, student residences, food and parking.

(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.

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

(I) Future Accounting Changes

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

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

Management is currently assessing the impact of these new standards on the financial statements. The college discloses transactions and balances related to the Government of Alberta in note 17.

3 Cash and Cash Equivalents

	2017	2016
Cash	\$26,415	\$28,793
Term Deposits	-	7,028
	<u>\$26,415</u>	<u>\$35,821</u>

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

4 Portfolio Investments

	2017	2016
Portfolio investments – non-endowment	\$ 30,707	\$28,712
Portfolio investments – restricted for endowments	14,348	13,673
	<u>\$45,055</u>	<u>\$42,385</u>

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

	2017			2016		
	Level 1	Level 2	Total	Level 1	Level 2	Total
Fair value						
Equities listed in active markets						
Canadian equity	\$13,919	\$ -	\$13,919	\$12,840	\$ -	\$12,840
Foreign equity	11,008	-	11,008	11,091	-	11,091
Other designated to fair value category						
Bonds	20,115	-	20,115	18,432	-	18,432
Other	-	13	13	-	22	22
Total portfolio investments	<u>\$45,042</u>	<u>\$13</u>	<u>\$45,055</u>	<u>\$42,363</u>	<u>\$22</u>	<u>\$42,385</u>

The fair value measurements are those derived from:

Level 1 – Quoted prices in active markets for identical assets or liabilities.

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

4 Portfolio Investments (continued)

The average effective yields and the terms to maturity are as follows:

- Money market funds, treasury bills, notes, bonds, debentures and other debt obligation securities of Canadian issuers: 1.07 per cent (2016 - .95 per cent); average maturity: 90 days or less.
- Canadian government and corporate bonds: 1.53 per cent (2016 - 1.46 per cent); terms to maturity: average term 4.36 years.

The long-term portfolio investments include endowment assets as well as the portions of non-endowment assets that will not be required for spending in the short-term. The college has policies and procedures in place governing asset mix, diversification, exposure limits, credit quality and performance measurement. Bond investments must have a rating of BBB-plus or better and the short-term portfolio must be rated at least R-1, mid (or equivalent) as per the Dominion Bond Rating Service.

5 Financial Risk Management

The institution 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 these risks, the college has established an investment policy with a target mix that is diversified by asset class with individual issuer limits and is designed to achieve a long-term rate of return that in real terms equals or exceeds total endowment expenditures with an acceptable level of risk.

At June 30, 2017, the impact of a change in the rate of return on the investment portfolio would result in:

- a 1 per cent change in short term GIC's would have an \$88 increase or decrease in fair value (2016 - 1 per cent change of \$86)
- a 2.5 per cent change in fixed income securities would have a \$520 increase or decrease in fair value (2016 - 2.5 per cent change of \$476)
- a 2.5 per cent change in common stocks and equivalents would have a \$623 increase or decrease in fair value (2016 - 2.5 per cent change of \$598)

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, specifically U.S. dollars. The college does not use foreign currency forward contracts or any other type of derivative financial instrument 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.

The impact on excess revenue over expense of a change in value of various foreign currencies is shown below:

	Fair value	Decrease 2.5%	Decrease 1%	Increase 1%	Increase 2.5%
United States dollar	\$3,341	\$(84)	\$(33)	\$33	\$84

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 are as follows:

	2017	2016
Credit rating		
AAA	43.3%	48.1%
AA	32.5%	23.3%
A	14.8%	18.9%
BBB	9.4%	9.7%
	100.0%	100.0%

Liquidity risk

Liquidity risk is the risk that the college will encounter difficulty in 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. In 2017, the line of credit was not drawn upon.

5 Financial Risk Management (continued)

Interest rate risk

Interest rate risk is the risk to the college's earnings that arise from the fluctuation in interest rates and the degree of volatility of these rates. The risk is managed by investment policies that limit the term to maturity of certain fixed income securities that the college holds. Interest rate risk on the college's debt is managed through fixed rate agreements with Alberta Capital Finance Authority (note 7).

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

	Maturity			Average yield to maturity
	Less than 1 year	1 – 5 Years	Greater than 5 years	
Government bonds and corporate bonds	\$623	\$13,608	\$5,884	1.5%

6 Employee Future Benefit Liabilities

The LAPP is a multi-employer contributory defined benefit pension plan for support staff members and is accounted for on a defined contribution basis. At Dec. 31, 2016, the LAPP reported an actuarial deficit of \$637.4 million (2016 – \$923.5 million deficit). The pension expense recorded in these financial statements is \$4,701 (2016 – \$4,627). Other than the requirement to make additional contributions, the college does not bear any risk related to the LAPP deficit.

7 Debt

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

	Collateral	Maturity date	Interest rate %	2017	2016
Alberta Capital Financing Authority					
Debenture 1 – Student Residence	(i)	Mar 1, 2026	6.13	\$3,548	\$3,837
Debenture 2 – Student Residence	(i)	Dec 15, 2039	4.67	4,136	4,239
				<u>\$7,684</u>	<u>\$8,076</u>

(i) Collateral consists of future cash flows generated through the operation of the student residences.

Principal and interest repayments are as follows:

	Principal	Interest	Total
2018	\$414	\$409	\$823
2019	438	385	823
2020	463	360	823
2021	490	333	823
2022	518	305	823
Thereafter	5,361	1,968	7,329
	<u>\$7,684</u>	<u>\$3,760</u>	<u>\$11,444</u>

Interest expense on debt is \$425 (2016 – \$447) and is included in statement of operations. All long-term obligations have fixed interest rates.

The weighted average interest rate is 5.34 per cent (2016 – 5.36 per cent).

8 Deferred Revenue

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

	2017				2016
	Research and other restricted	Unspent deferred capital contributions	Student tuition and other revenue	Total	Total
Balance, beginning of year	\$15,561	\$12,363	\$1,742	\$29,666	\$21,033
Grants, tuition, donations	4,040	16,120	2,193	22,353	33,246
Investment income	970	32	-	1,002	886
Unrealized gains (losses)	103	-	-	103	(18)
Transfer (to) endowments	(227)	-	-	(227)	(667)
Transfers to spent deferred capital contributions	160	(26,619)	-	(26,459)	(19,772)
Recognized as revenue	(4,524)	-	(1,742)	(6,266)	(5,033)
Other	(3)	-	-	(3)	(9)
Balance, end of year	\$16,080	\$1,896	\$2,193	\$20,169	\$29,666

9 Spent Deferred Capital Contributions

Spent deferred capital contributions is comprised of externally restricted grants and donations spent on tangible capital acquisitions (not yet recognized as revenue).

	2017	2016
Balance, beginning of year	\$81,991	\$68,442
Net Change for the year		
Transfers from unspent externally restricted grants and donations	26,619	19,772
Transfers to unspent externally restricted grants and donations	(160)	-
Expended capital recognized as revenue	(4,647)	(4,670)
Revenue recognized on externally funded tangible capital asset disposal	-	(1,553)
Net Change for the year	21,812	13,549
Balance, end of year	\$103,803	\$81,991

10 Tangible Capital Assets

	2017				2016	
	Land	Buildings and site improvements	Equipment (b)	Computer hardware and software	Total	Total
Cost (a)						
Beginning of year	\$432	\$180,070	\$23,806	\$16,917	\$221,225	\$204,776
Additions	-	28,311	920	102	29,333	20,885
Disposals and write downs	-	-	(326)	(38)	(364)	(4,436)
	432	208,381	24,400	16,981	250,194	221,225
Accumulated amortization						
Beginning of year	-	77,141	19,826	16,737	113,704	110,388
Amortization expense	-	4,567	1,218	100	5,885	6,042
Disposal and write down effect	-	-	(202)	(14)	(216)	(2,726)
	-	81,708	20,842	16,823	119,373	113,704
Net book value at June 30, 2017	\$432	\$126,673	\$3,558	\$158	\$130,821	\$107,521

a) Historic cost includes work in progress for buildings, renovations and equipment of \$44,506 (2016 – \$16,962), which is not amortized as the assets are not yet available for use.

b) Equipment includes vehicles, heavy equipment, office furniture and other equipment.

The college holds a collection including works of art, cultural and historical properties and treasures. These collections are expensed and therefore not included in tangible capital assets.

11 Net Assets

The composition of net assets is as follows:

	Accumulated surplus from operations	Investment in tangible capital assets	Internally restricted accumulated surplus	Endowments	Total accumulated surplus
Balance as at 2015	\$15,181	\$17,498	\$8,288	\$10,962	\$51,929
Annual operating surplus	1,565	-	-	-	1,565
Endowments					
New donations	-	-	-	560	560
Capitalized investment income	-	-	-	142	142
Tangible capital assets					
Amortization of internally funded tangible capital assets	1,372	(1,372)	-	-	-
Net book value of tangible capital asset disposals	1,710	(1,710)	-	-	-
Revenue recognized as externally funded tangible capital asset disposal	(1,553)	1,553	-	-	-
Acquisition of tangible capital assets	(506)	1,114	(608)	-	-
Debt repayment	(370)	370	-	-	-
Operating expenses funded from internally restricted surplus	(66)	-	66	-	-
Balance as at 2016	17,333	17,453	7,746	11,664	54,196
Annual operating surplus	1,121	-	-	-	1,121
Endowments					
New donations	-	-	-	175	175
Capitalized investment income	-	-	-	227	227
Tangible capital assets					
Amortization of internally funded tangible capital assets	1,238	(1,238)	-	-	-
Net book value of tangible capital asset disposals	148	(148)	-	-	-
Acquisition of tangible capital assets	(736)	2,874	(2,138)	-	-
Debt repayment	(392)	392	-	-	-
Operating expenses funded from internally restricted surplus	57	-	(57)	-	-
Balance as at 2017	\$18,769	\$19,333	\$5,551	\$12,066	\$55,719

11 Net Assets (continued)

Total value of endowments is comprised of:

Endowment component of accumulated surplus
Endowment component of deferred revenue
Portfolio investments-restricted for endowments

2017	2016
\$12,066	\$11,664
2,282	2,009
\$14,348	\$13,673

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.

Internally restricted accumulated surplus represents the amount 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 accumulated surplus includes:

Capital activities

Trades and technologies renewal and innovation project
Other capital initiatives
Total capital activities

2017	2016
\$3,058	\$5,196
660	660
\$3,718	5,856

Operating activities

Faculty professional development
Billion dollar green challenge
Scholarships
Total operating activities
Total internally restricted accumulated surplus

1,450	1,501
250	250
133	139
1,833	1,890
\$5,551	\$7,746

12 Contingent Liabilities

- (a) The college is a defendant in legal proceedings arising in the normal course of business. While the ultimate outcome and liability of these proceedings cannot be reasonably estimated at this time, the college believes that any settlement will not have a material adverse effect on the financial position or the results of operations of the college. Management has concluded that none of the claims meet the criteria for recording a liability.
- (b) 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.

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 amounts payable for the unexpired terms of these contractual obligations are as follows:

	Service contracts	Capital projects	Information systems and technology	Long-term operating leases	Total
2018	\$439	\$1,678	\$581	\$395	\$3,093
2019	445	-	-	316	761
2020	452	-	-	291	743
2021	-	-	-	144	144
	<u>\$1,336</u>	<u>\$1,678</u>	<u>\$581</u>	<u>\$1,146</u>	<u>\$4,741</u>

Capital projects include the Trades and Technologies Renewal and Innovation Project, which will be completed by fall of 2017.

Additionally, the college entered into a five-year contract to manage its exposure to volatility in the electrical industry at a fixed cost of 5.2 cents per kilowatt hour. The contract expires Jan. 31, 2020. Based on management's estimate, the annual costs for the year ending June 30, 2018, are expected to be approximately \$1,011.

14 Budget Figures

Budgeted figures have been provided for comparison purposes and have been derived from the college's Comprehensive Institutional Plan as approved by the Board of Governors. Certain budget figures from the college's 2016-19 Comprehensive Institutional Plan have been reclassified to conform to the presentation adopted in the 2017 financial statements.

15 Expense by Object

	Budget	2017	2016
Salaries	\$49,257	\$49,083	\$47,923
Employee benefits	9,894	9,818	9,597
Materials, supplies and services	10,813	10,193	9,695
Utilities	1,651	1,672	1,559
Maintenance and repairs	5,574	5,996	5,753
Scholarships and bursaries	601	620	589
Interest on long-term debt	429	425	447
Cost of goods sold	3,025	2,986	3,005
Amortization of tangible capital assets	4,992	5,885	6,042
(Gain) loss on disposal of tangible capital assets	-	(34)	1,563
	<u>\$86,236</u>	<u>\$86,644</u>	<u>\$86,173</u>

16 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 financial statements.

	2017	2016
Lethbridge College Student Association	\$1,786	\$1,689
Other agencies	322	320
	<u>\$2,108</u>	<u>\$2,009</u>

17 Government of Alberta Transactions and Balances

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

	2017	2016
Grants from GoA		
Advanced Education:		
Operating grants	\$46,259	\$45,372
Capital grants	19,599	33,541
Accessibility Services	256	256
Other	1,534	1,481
Total Advanced Education	67,648	80,650
Other GoA departments and agencies:		
Alberta Innovates Corporation	460	-
Culture and Tourism	179	155
Alberta Health Services	-	22
Other	234	241
Total other GoA departments and agencies	873	418
Total contributions received	68,521	81,068
Less: net effect of deferred contributions and spent deferred capital contributions	(14,988)	(27,227)
	\$53,533	\$53,841
Accounts Receivable		
Advanced Education	359	370
Other GoA departments and agencies	194	120
Other post-secondary institutions	9	2
	\$562	\$492
Accounts Payable		
Other post-secondary institutions	11	50
	\$11	\$50

The college has long-term liabilities with Alberta Capital Finance Authority as described in note 7.

During the year, the college conducted business transactions with other public colleges and universities. The revenues and expenses incurred for these business transactions have been included in the statement of operations but have not been separately quantified. These transactions were entered into the same business terms as those with non-related parties and are recorded at fair values.

The Government of Alberta has provided \$nil (2016 – \$500) in matching grants for externally restricted endowment contributions during the year, which is included in endowment net assets.

18 Salaries and Benefits

	Base salary ⁽¹⁾	Other cash benefits ⁽²⁾	Other non-cash benefits ⁽³⁾	Total 2017	Total 2016
Governance ⁽⁴⁾					
Chair of the Board of Governors	-	-	-	-	-
Members of the Board of Governors	16	-	-	16	19
Executive					
President and CEO	348	11	33	392	403
Vice-presidents:					
Academic ⁽⁵⁾	50	-	10	60	450
Corporate Services and CFO	231	4	34	269	281
Executive Directors:					
Advancement and External Relations ⁽⁶⁾	91	89	17	197	220
Human Resources and Planning	190	4	34	228	225
Institutional Planning ⁽⁷⁾	20	-	4	24	222

⁽¹⁾ Base salary includes pensionable base pay.

⁽²⁾ Other cash benefits include earnings such as vacation payouts, bonuses, honoraria, car allowances and other lump sum payments, including severance. No bonuses were paid in 2017.

⁽³⁾ Other non-cash benefits include share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, and professional memberships.

⁽⁴⁾ The chair of the Board of Governors and some other members elected to waive remuneration for participation on the Board.

⁽⁵⁾ Vice-president Academic was vacant July 1, 2016, through March 15, 2017. An interim vice-president Academic was appointed for the period March 16, 2017, to June 30, 2017. The position title was changed from vice-president Academic and COO.

⁽⁶⁾ Executive director Advancement and External Relations position was vacant as of Jan. 6, 2017. Included in other cash benefits is severance of \$75. This position was redefined as a non-executive position.

⁽⁷⁾ Executive director Institutional Planning position was vacated with a retirement on Aug. 15, 2016, and redefined as a non-executive position.

19 Approval of Financial Statements

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

20 Comparative Figures

Certain comparative figures have been reclassified to conform to current year presentation.

APPENDIX B: LETHBRIDGE COLLEGE 2016-17 PERFORMANCE MEASURES

Category	Outcome	Performance measure	Target	Achievement
Students and employers	Students are satisfied with their overall learning experience.	The per cent of students satisfied with their learning experience	Improve student satisfaction in targeted areas (<i>targets under development</i>)	78 per cent satisfied or very satisfied, which represents a 1 per cent increase from 2016 ¹ 75 per cent of students indicated that if they had to do it over, they would enrol in Lethbridge College again ²
	Graduates are satisfied with the quality of their learning experience.	The per cent of graduates satisfied with their learning experience	90 per cent or greater of graduates are satisfied	92 per cent of graduates were satisfied or very satisfied with their learning experience ³
	Students are completing their credential programs.	The number of graduates and completers	Increase in the number of graduates and completers (total 1,465)	1,502 graduates and completers in 2016-17 ⁴
	Employers are satisfied with the quality of graduates they hire.	The per cent of employers satisfied with the quality of graduates	Increase in satisfaction (<i>targets to be developed – survey in 2017-18</i>)	94 per cent of employers are satisfied with quality/performance of Lethbridge College grads 95 per cent of employers indicated they would hire Lethbridge College grads when able to do so ⁵
	The college is providing an adequate supply of graduates to meet employers' needs.	The per cent of employers satisfied with the number of graduates		75 per cent of employers agree that Lethbridge College is providing an adequate supply of grads ⁶
People	Employees are passionate about what they do and enjoy working in an environment that supports their development, values, beliefs and higher purpose.	The per cent of employees engaged	Improvement in employee engagement from 2015-16 (baseline) survey	Results were up between 1-10 points in all areas of employee engagement measured ⁷ except in manager relationships which remained the same at 71 per cent
Financial sustainability	The budget is balanced for 2016-17 while meeting or exceeding the mission, mandate and expectations of the college.	Actual 2016-17 financial results are on budget	End 2016-17 fiscal year with a balanced budget	A balanced budget with a surplus of \$1.5 million

1. Source: 2017 Ruffalo Noel Levitz Student Satisfaction Inventory

2. Source: 2017 Ruffalo Noel Levitz Student Satisfaction Inventory

3. Source: Recently released 2013-14 GOS Satisfaction Infographic

4. Source: 2016-17 Learner and Enrolment Demographic Summary report (LERS)

5. Source: 2015 Employer Survey

6. Source: 2015 Employer Survey

7. Source: 2017 Employee Engagement Pulse Survey; areas measured include coworker relationships, manager relationships, employee empowerment, learning and development, rewards and recognition, customer focus, culture, company potential, department relationships, senior management relationships, satisfaction with the job and do employees expect to be here in a year.



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