



2016  
*Annual Report*  
2017



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# Executive Summary

*Portage College is a public, board-governed college operating as a Comprehensive Community Institution under the authority of the Post-secondary Learning Act of Alberta. The College operated seven campuses in 2016-2017.*

Our mission statement highlights that the College “provides education, training and services to facilitate learning and development of knowledgeable, skilled citizens in a caring, supportive and dynamic college environment.” Our vision statement is “building success by delivering exceptional learning experiences.” We adhere to the five Adult Learning System Principles of accessibility, affordability, quality, accountability and coordination.

## Accessibility

Portage provided continuing education, ad-hoc training, certificate, diploma and degree opportunities to 3,428 students in 2016-2017; 44% of students in academic programs self-identified as Indigenous. We added a Hairstyling Certificate program and self-funded the construction of a new hairstyling salon in Lac La Biche. We also applied for and received three federal Post-Secondary Institutions Strategic Investment Fund grants to help finance the development of a Water Resources Training Centre in Lac La Biche, build a greenhouse and add classroom space for our Natural Resources Technology program. We are also expanding our IT network capacity at our on-reserve campuses. We continued to partner and consult with industry, municipalities, students and our Indigenous populations to ensure that our programs and services are meeting the needs of our region and the province.

## Affordability

The College continues to have the lowest tuition fee ranking in Human Services, Nursing and Trades in Alberta and the second lowest in Business. In 2016-2017, students were able to access \$519,000 in scholarships and bursaries.

## Quality

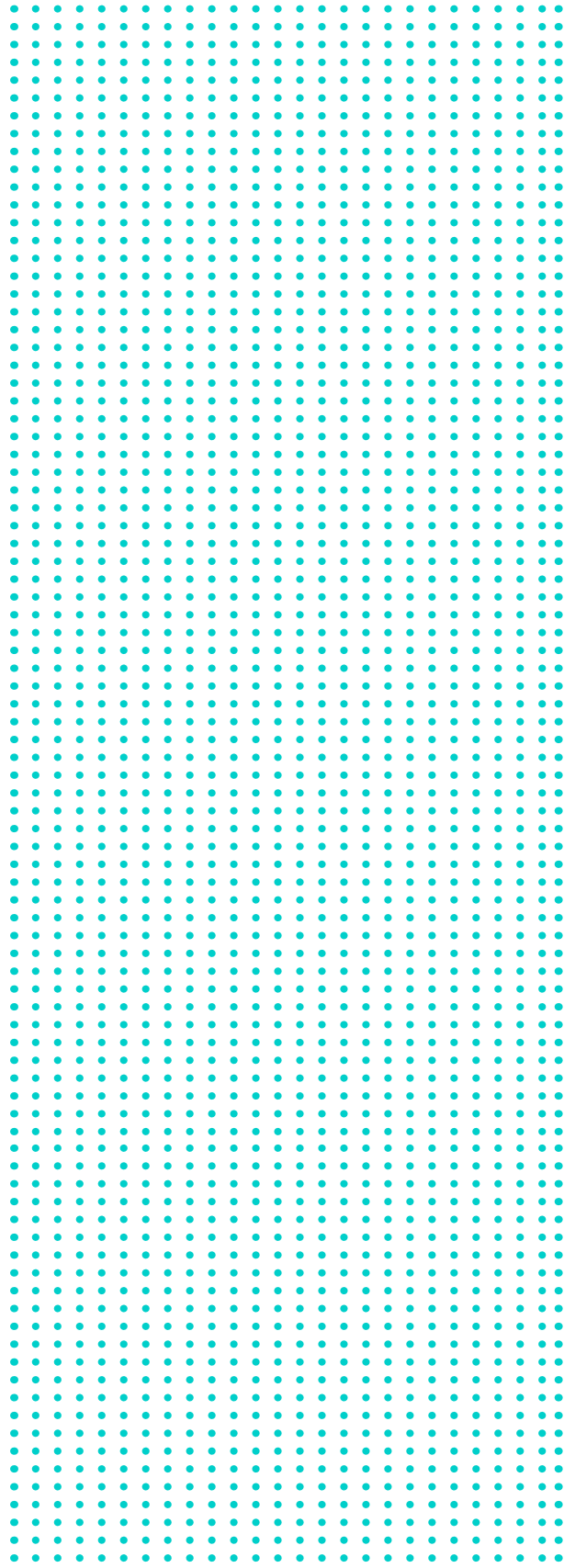
We experienced stable enrolment for the third year in a row, increasing from 874 full-load equivalents in 2015-2016 to 883 in 2016-2017. Student satisfaction remained high in 2016-2017, with 90% of our students indicating that they would recommend their Portage College program to others. This represents a nine-year high score. Graduates continued to find employment despite a tough economy, with 81% of the Class of 2015-2016 working. 97% of employers surveyed believe that Portage graduates are on equal or better footing than graduates from other post-secondary institutions.

## Accountability

For the fiscal year ended June 30, 2017, the College posted an annual surplus of \$1.562 million, due mainly to cost-containment austerity measures and prudent financial management. The Office of the Auditor General of Alberta (OAG) issued an unqualified opinion for the College's audited consolidated financial statements for the year ended June 30, 2017. College management has developed a legislative compliance framework, legislative risk registry and guidelines and procedures to address a prior-year's audit recommendation to improve systems to ensure compliance with legislation. Portage has ensured timely communication between the OAG, senior management and the Board of Governors. The Auditor General of Alberta will release a report to the public in early 2018 disclosing his findings. The College also implemented Public Interest Disclosure (Whistleblower Protection) and numerous Information-Technology-related guidelines and procedures.

## Coordination

The College continued to work to increase the transferability of our courses to other institutions in 2016-2017, uploading eligible Portage College courses to Transfer Alberta. Portage also received transfer credits for four of our Aboriginal Art Certificate courses at the University of Alberta. The College explored options to develop programs and to share a Enterprise Resource Planning (ERP) system in conjunction with other post-secondary institutions. The College will also host the University of Alberta's Aboriginal Teacher Education Program in 2018.



# Accountability Statement

The Portage College 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 Randy Benson]

## Randy Benson

Chair, Board of Governors, Portage College

# Mission Statement

Portage College provides education, training and services to facilitate learning and development of knowledgeable, skilled citizens in a caring, supportive and dynamic college environment.

# Vision Statement

Building success by delivering exceptional learning experiences.



# Our Mandate

*(Approved by Minister of Innovation and Advanced Education June 12, 2014)*

Portage College is a public, board-governed college operating as a Comprehensive Community Institution under the authority of the PSLA of Alberta. Portage College has campus locations in Lac La Biche, Cold Lake, St. Paul, Bonnyville\*, Frog Lake, Saddle Lake, Boyle, and Whitefish Lake.

In addition to delivering Apprenticeship and Trades Training, Portage College offers certificate and diploma programs in diverse areas, including Forestry, Natural Resources, Business, Pre-Hospital Care, Health and Wellness, Culinary Arts, Human Services, Native Arts and Culture, University Studies, and Power Engineering. The College also offers academic upgrading, pre-employment trades training, continuing education credit and non-credit courses, and cost recovery customized training programs.

Portage College encourages applied research focusing on improvement of rural education and supports scholarly activity strengthening our understanding of rural communities. College personnel model established ethical principles guiding all research involving human subjects. College students' community-based and applied research practices adhere to the same code of respectful engagement. Portage College embraces every opportunity to collaborate with communities when conducting research identifying economic development and learning needs.

As a member of Campus Alberta, Portage College works with eCampusAlberta\*, and Community Adult Learning Councils to make the broadest selection of education and training available in the region.



*\*NB Subsequent to this mandate being approved by the Minister of Innovation and Advanced Education, the College closed its Bonnyville campus. eCampusAlberta was also discontinued after this mandate was approved.*



Portage College expands its program offerings through articulation and transfer agreements, program delivery collaborations, brokering arrangements, and strategic partnerships.

As a Comprehensive Community Institution, Portage College stewards adult education and training offerings in its geographic service region in alignment with the strategic planning initiatives of the Government of Alberta. Portage College undertakes in-depth consultation with all of its community stakeholders, including community adult learning providers, school districts, current and past students, service and industry employers, Program Content Advisory Committees, and municipal and Aboriginal leaders.

Portage College excels in designing and delivering programs responding to the learning needs of students and local employers. Portage programs utilize leading-edge learning technologies and are offered in multiple instructional modalities, including traditional face-to-face, off-site video-conferencing, and distributed self-paced learning. The College's blended learning offerings, mobile

trades training units, outreach programming, and service to small cohorts demonstrate its ability to make both instruction and learning supports readily available to students at times and places convenient to them. The College offers learning assistance programs and dedicated learner support services addressing the needs of disadvantaged learners.

Portage College works to maximize learning opportunities that support the economic growth and human development needs of diverse northeast communities. A focus on community-based learning enables the College to partner with municipalities, First Nations Reserves, Métis Settlements, and school divisions for the provision of access to learning and recreation facilities, counseling, and library services. Portage College values collaboration and community-based volunteerism supporting quality learning and life opportunities in rural Alberta.

Portage College provides education and employment training programs that instill a passion for lifelong learning, promote personal wellness, develop appreciation for cultural diversity, and inspire social engagement.



# Management's Responsibility for Reporting

Portage College's management is responsible for the preparation, accuracy, objectivity and integrity of the information contained in the Annual Report including the consolidated financial statements, performance results and supporting management information. Systems of internal control are designed and maintained by management to produce reliable information to meet reporting requirements. The system is designed to provide management with reasonable assurance that transactions are properly authorized, are executed in accordance with all relevant legislation, regulations and policies, reliable financial records are maintained and assets are properly accounted for and safeguarded.

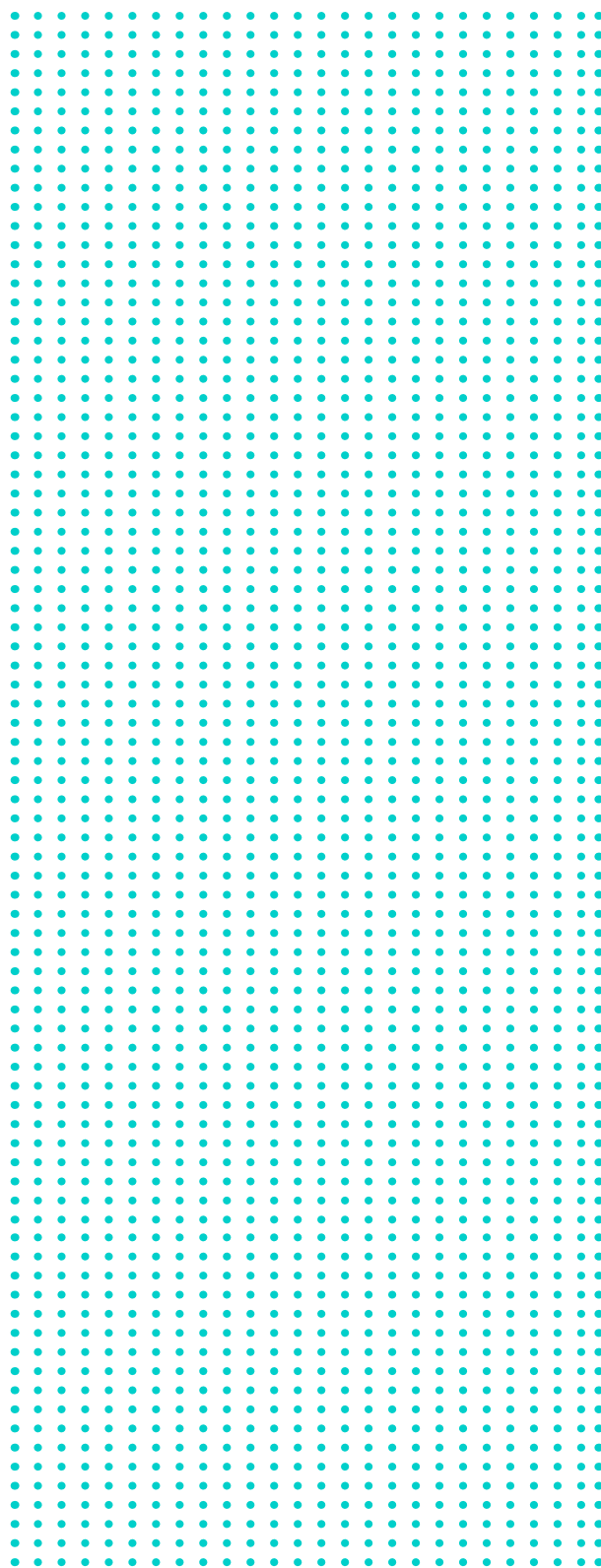
The Annual Report has been developed under the oversight of the College Finance, Infrastructure and Risk Committee, as well as approved by the Board of Governors and is prepared in accordance with the Fiscal Planning and Transparency Act and Post-secondary Learning Act.

The Auditor General of the Province of Alberta, the College'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 Dr. Trent Keough]

**Dr. Trent Keough**

President & CEO



# Board of Governors' Message

On behalf of my dedicated colleagues on the Board of Governors, it is my privilege to present Portage College's 2016-2017 Annual Report. The document captures the many accomplishments of our students, faculty, staff and partners in the past academic year. It also highlights our institution's continued progress towards achieving the goals outlined in the 2016-2019 Comprehensive Institutional Plan. We continued our longstanding tradition of focusing on students first and providing them with the education and supports they require to achieve their goals.

The Board of Governors works for the Portage Service Region. We have the responsibility to balance community-based or personal interests with institutional goals and objectives meant to serve the region. We strive for accountability, transparency and sound business-decision processes that are effective in shaping a long-term vision for the College. Despite challenges, we are a financially well-managed institution, submitting balanced budgets while pursuing partnerships to help fund new programs and capital projects. We honour our past, celebrate our present and plan for our future with our valued partners and friends.

Our philosophy of providing regional access to high quality education and workforce training to our diverse population of more than 90,000 people continues to reap rewards for our students, the communities and province. Our graduate and employer survey results remain stellar, even during times of economic strife. An impressive 81% of the Class of 2015-2016 was working six months after

convocation. Of note, 36% of our graduates were pursuing further education, the highest percentage ever recorded on a Portage College Graduate Survey. Additionally, 98% of employers surveyed indicated they would hire another Portage graduate.

Our vision statement is "building success by delivering exceptional learning experiences." Thanks to the support of the Government of Alberta, our valued donors and partners, and the continuing dedication of our employees and members of the Board of Governors (several of whom completed their terms this past academic year), we have been able to deliver on that promise. It is through everyone's hard work, engagement and support that we will achieve the full potential of our service region and provide our students with the exceptional learning experience that they so richly deserve.

Sincerely yours,

[Original signed by Randy Benson]

**Randy Benson**

Chair, Portage College Board of Governors

# Board of Governors

July 1, 2016 – June 30, 2017

## Public Members



**Board Chair**

Ray Danyluk  
(term ended Dec. 17, 2016)



**Board Chair**

Randolph Benson  
(as of June 28, 2017)



**Acting Board Chair**

Roy Ripkens  
(as of March 18, 2017)



**Deputy Chair**

Michelle Wright



**Public Member**

Gayle Desmeules



**Public Member**

Stan Delorme  
(term ended June 10, 2017)



**Public Member**

Leighton Grey, Q.C.  
(term ended June 10, 2017)



**Public Member**

James Jackson  
(as of March 21, 2017)



**Public Member**

Ted Langford  
(as of March 21, 2017)



**Public Member**

Elizabeth Munroe  
(as of March 21, 2017)



**Public Member**

Darryl Shott  
(term ended November 19, 2016)



**Public Member**

Parrish Tung  
(as of June 11, 2017)



**Public Member**

Donna Webster  
(as of June 11, 2017)

## Portage Members



**Faculty Member**

Lyla Allan



**Staff Member**

Darren Pratch



**Student Member**

Brennan Noble  
(term ended June 25, 2017)



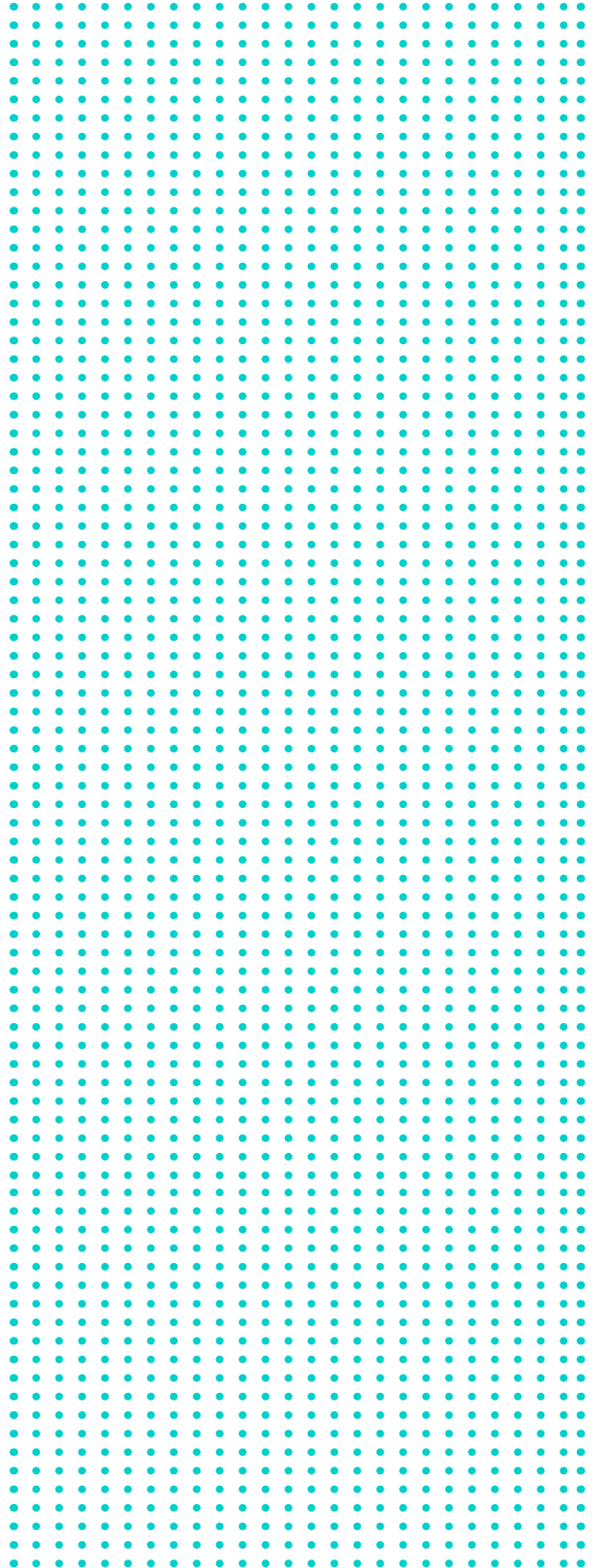
**Student Member**

Alfred Crookedneck  
(as of June 26, 2017)



**College President & CEO**

Dr. Trent Keough



# President's Message

*2018 will mark Portage College's 50<sup>th</sup> anniversary. From its functional beginnings as Alberta New Start in 1968 to the vibrant, multi-campus post-secondary institution we are today, Portage College has been an important part of northeastern Alberta for a half a century. We are invested in the communities and people we serve and they in turn are invested in us. We have many special events planned in 2018 to honour our history as we mark our golden anniversary.*

It is also important to celebrate our past academic year, one that once again showed the strength and resiliency of our students, faculty, staff and the communities we serve. 2016-2017 had its fiscal and operational challenges but thanks to strong fiscal management and the dedication of our employees, the College finished the year with a surplus and plans for a balanced budget in 2017-2018. There were also countless instances of students, faculty, staff, board members and our partners doing extraordinary things. Allow me to name but a few:

- We established the Spirit of Community Partnerships Endowment Fund, which will offer scholarships to all our students as we encourage them to give back to their communities. Eligible candidates must demonstrate spirited volunteerism. In less than a year, contributions to the fund totaled more than \$170,000.
- We officially opened a new, state-of-the art hairstyling salon in Lac La Biche in October 2016. This lab allows our Hairstyling students to practice their craft in-house while serving the public at the same time. The salon features 28 hairstyling stations, three posh leather pedicure chairs and four manicure stations.
- We were very honoured to receive an Innovation of the Year Award from the League of Innovation in the Community College for our 360 virtual reality video. The recruitment tool allows prospective students attending recruitment fairs and trade shows to tour the College's campuses without having to physically set foot in them. The video has also garnered more than 11,400 views on Veer.tv.
- Practical Nurse Program Coordinator Monica Gordon received the prestigious Alberta Nursing Education Administrators' Leadership in Licensed Practical Nursing Education Award. She was lauded by her colleagues for being a strong, outcomes-focused leader with student-first focus and a commitment to teaching and learning excellence.
- We celebrated 20 years of partnering with the University of Alberta to host the Environmental and Conservation Sciences and Forestry Field School every spring in Lac La Biche.
- In partnership with the Alberta Chapter of The Wildlife Society (ACWS), we hosted the ACWS annual conference and meeting at the Bold Center in Lac La Biche on March 17-19, 2017. The event brought a welcome economic boost to the community with upwards of 250 attendees showcasing some of the research that has been undertaken throughout Alberta. ACWS hadn't been this far north in nearly 30 years!



Our students continued to achieve new milestones in 2016-2017 as well, notably:

- For the third year in a row, 100% of our 3<sup>rd</sup> Period Welding students passed their journeyman exams.
- 100% of our 4<sup>th</sup> Class Power Engineering students passed their Part A exam and 100% of our 3<sup>rd</sup> Class Power Engineering students passed their 3A1 exam.
- Jamie John Kehewin and Amber Weasel Head, two graduates from our Native Arts and Culture program, had their art works displayed at Hope and Fear exhibition at the University of Alberta last spring. In addition, the pair combined with Native Arts and Culture program students Tessirae Sasakamoose, Jessica Foy, Danielle Didzena, Charlene Moberly and program instructors Trudie Allen, Ruby Sweetman and Pierre Oberg to create a piece of art titled *Connect*. The piece is representative of numerous pathways of re-connection to ancestral roots, teaching and learning and incorporates many of the artistic disciplines taught at Portage College including traditional leatherwork, porcupine quill plaiting and caribou hair sculpting.

Congratulations and a heartfelt thank you to all Portage College personnel, our Board of Governors, our industry donors and community stakeholders for their continued contributions to our students' success. Your support and passion for Portage is greatly appreciated.

To all our students, thank you for giving us the opportunity to serve your education and training needs – you will always be Voyageurs! We look forward to seeing you again and invite you to join us in 2018 as we celebrate our College's 50th anniversary.

Sincerely yours,

[Original signed by Dr. Trent Keough]

**Dr. Trent Keough**

President & CEO, Portage College



# Executive Committee

*July 1, 2016 – June 30, 2017*

**Dr. Trent Keough**

President & CEO

**Nancy Broadbent**

Executive Vice President Academic

**Tracy Boyde**

Vice President Infrastructure &  
Information Technology

**Dale Mountain**

Chief Financial Officer

**Bev Moghrabi**

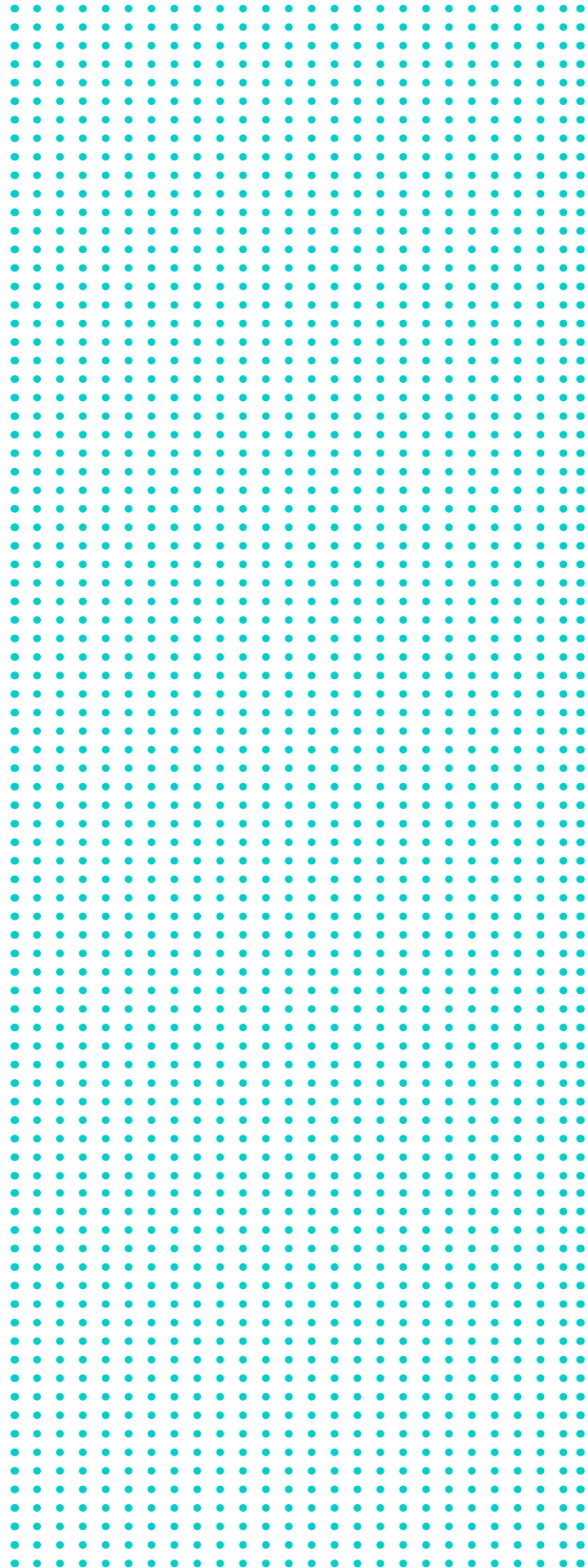
Associate Vice President Student  
Services and Registrar

**Guy Gervais**

Associate Vice President Academic

**Carrie Froehler**

Director Human Resources





# Go Figure – Portage by the Numbers



## Student Numbers

**3,428**

Number of students registered in credit, ad hoc or Continuing Education programming at Portage College in 2016-2017.

**1,117**

Number of students attending full-time at Portage College in 2016-2017, not including Continuing Education.

**100**

Percentage of 3rd Period Welding students who passed their journeyman exam; percentage of Portage College 4th Class Power Engineering students who passed their Part A Exam; percentage of 3rd Class Power Engineering students who passed their 3A1 exam.

**1,948**

Number of fall applications to Portage College in 2016-2017 (credit programs, not including apprenticeship trades).

**548**

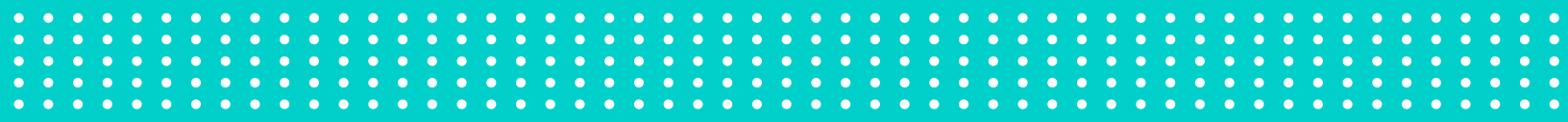
Number of Indigenous students served on and off reserve by Portage College in 2016-2017, not including Continuing Education.

**90**

Percentage of Portage College students who would recommend their program to others.

**71**

Percentage of Portage College graduates working in training-related jobs six months after graduation.





### Financial Numbers (\$)

**36.2m**

Portage College 2016-2017 operating budget.

**519,000**

Amount of scholarship, bursary and award money issued to Portage College students in 2016-2017.



### Operating Numbers

**106**

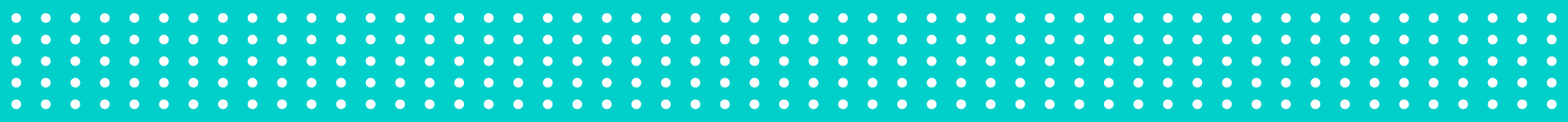
Number of industry, municipal, post-secondary and governmental partnerships with the College in 2016-2017.

**21**

Number of Alberta communities where Portage College provided ad-hoc training in 2016-2017.

**7**

Number of communities where Portage College operated a campus in 2016-2017.



# Public Interest Disclosure (Whistleblower Protection) Act

Under the Public Interest Disclosure (Whistleblower Protection) Act, public entities including post-secondary institutions are required to publish in their annual reports the number of disclosures received, acted or not acted upon, investigations started and any corrective actions taken. For the 2016-2017 academic year, Portage College received no such disclosures.

The College also officially launched its new Public Interest Disclosure (Whistleblower Protection) Guidelines and Procedures in January 2017. The College is committed to maintaining the highest ethical standard in all of its activities and to acting immediately on any reported wrongdoing. In addition, the College is committed to protecting all complainants for reporting a possible wrongdoing.

## 2016-2017 Reports

- General Inquiries: 0
- Disclosures of Wrongdoing: 0
- Investigations: 0
- Reports Written: 0

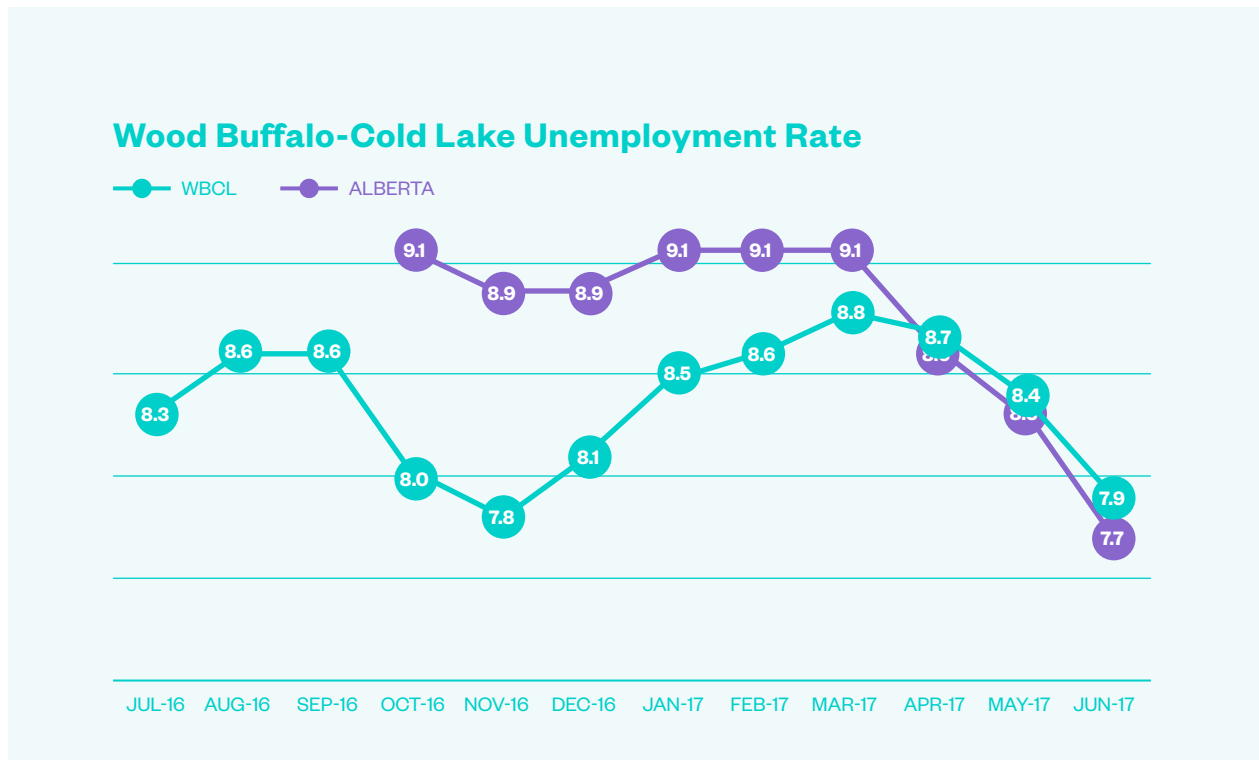


# Operational Overview

## Slow Economy

The slow recovery of the provincial economy from the precipitous drop in oil prices in 2014-15 continued to reverberate through northeastern Alberta in 2016-2017. With oil prices averaging \$48.61 a barrel for the academic year – lower than projected during the provincial budget – major oil companies continued to cancel or postpone scheduled expansion projects in the region, scale back operations and lay off staff. Highlighting the tough business climate, the companies also returned nearly 1 million hectares of northern Alberta exploration leases during the past couple of years.<sup>1</sup> The decisions affected not only those who worked directly for the companies but also the contractors, suppliers and

service providers in the region whose livelihoods are largely dependent on the oil and gas industry. As a result, unemployment in the Wood Buffalo-Cold Lake Region (which encompasses much of the Portage Service Region) continued to remain higher than most regions in Alberta in 2016-2017, only dipping below the provincial average in April 2017. After posting some of the highest employment levels in the country in 2014, the region’s unemployment rate hovered around 9% for most of the winter. Employment across Wood Buffalo-Cold Lake was 4.4% lower in October 2016 compared to the same time the previous year.”<sup>2</sup> The challenges facing the region were exacerbated by the aftermath of the 2016



Source: Statistics Canada Labour Market Bulletins

\*NB Due to the Fort McMurray wildfires, data was not able to be collected in July, August or September 2016.

<sup>1</sup>“Companies abandon nearly one million hectares of Alberta oilsands exploration leases”, Dan Healing, The Canadian Press, July 28, 2017.

<sup>2</sup>Labour Market Bulletin Alberta October 2016, Statistics Canada, p. 4.

Fort McMurray wildfires which led to a halt in oil sands production for more than a month and “a loss of \$1 billion in planned capital spending in the oil sands for 2016.”<sup>3</sup>

The slow economy has provided both opportunities and challenges for Portage College. For the third academic year in a row, we saw a nominal enrolment increase, from 874 full-load equivalents (FLEs) in 2015-2016 to 883 in 2016-2017. The total is 85 FLE higher than in 2013-2014. Tuition and fee revenue was \$89,000 higher than originally budgeted. The notion that enrolment is counter-cyclical to a heated economy is not producing significant enrolment increases. Why? With nearly 50% of our students being Indigenous, many of these individuals were not engaged in the economy before the crash. Portage serves a large number of disenfranchised learners and these individuals are a constant enrolment cohort. What concerns us is the access for training and education for on-reserve students. In Frog Lake First Nation alone there are 800 people needing training. Funding is the barrier to their receiving what is necessary.

The College provides continuing education, ad-hoc training, certificate, diploma and partnered-degree opportunities to between 3,400 and 4,600 students a year. More than half the students attend on a part-time basis. Program objectives continue to be to increase program attractiveness, provide small cohort delivery, design multiple entry and exit opportunities in order to improve long-term program viability and opportunities for part-time learners. Portage’s programs are affordable for students. Excluding mandatory student fees, the College has the lowest tuition fee ranking in both Human Services, Nursing and Trades in the province and the second lowest in Business.

The economic downturn has made it more difficult for Portage to find industry partners and sponsors for our programs and scholarships. As a result, the College continues to reassess and reorganize many of our fundraising events.

The significant slowing of pipeline development has also affected plans for our Boyle Campus. In addition to setting up a 42-person camp and operating a successful Heavy Equipment Operator program on site, the College has spent considerable energy and resources soliciting industry support and lobbying various levels of government to establish Canada’s first Pipeline Training Campus (PTC). With the recent cancellation of Energy East and other pipeline projects being postponed or shuttered, the College has dropped the PTC to our number 2-capital priority while continuing to advocate for the \$55 million project.

## Fiscal Situation

The College finished the 2016-2017 fiscal year with an annual surplus of \$1.562 million due to austerity measures, cost-containment efforts and prudent financial management.

It is important to note that the College continued to take proactive measures to reduce expenditures and to find further operating efficiencies in 2016-2017 by implementing travel restrictions and supply budget reductions. Portage employees exercised considerable restraint during the fiscal year, particularly during the third and fourth quarters. The measures were necessary as the 2% Campus Alberta increase while welcome did not keep pace with inflation or restore the cumulative effect of several years of funding reductions by the former provincial government prior to 2015-2016.

Portage continues to face significant cost pressures now and into the coming years. The College has a balanced budget for 2017-2018. However, at a zero increase to our base amount and inflationary pressures we will need to cut \$1.2 million to balance the 2018-2019 budget. With no projected increase to Campus Alberta grant funding beyond 2017-2018, a mandated tuition freeze, and limited opportunities to find new revenue sources, it is imperative that the College remain fiscally prudent

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<sup>3</sup>Labour Market Bulletin Alberta September 2016, Statistics Canada, p. 7.

while offering programming for our students and communities. Partnerships with industry, high schools, post-secondary institutions, various levels of government, Indigenous communities and municipalities will remain critical to our success.

Infrastructure dollars also remain scarce for post-secondary institutions. Therefore, the College has had to seek government grants and provide matching funds or completely self-fund major projects. The net result is the diminishment of the College's reserves. As of the end of the fiscal year, the College's internally restricted surplus balance was only \$1.667 million.

## Student Funding Changes

Adult Foundational Learning (formerly Alberta Works) funding has been of significant assistance in Portage College's ability to enable access to education for marginalized populations and at-risk learners. Changes over the years have led to a precipitous decline in the number of grant-funded students attending our institution. In 2009-2010, prior to Alberta Works' decision to no longer fund diploma programs, the College had 533 grant-funded students. By 2015-2016, after further cuts were implemented including restricting eligibility to academic upgrading and programs no longer than 12 weeks, that number had shrunk to 129. Those in need remain without opportunity to learn.

In response to this challenge, Adult Foundational Learning (AFL) increased the funding allocation and streamlined the process. Unfortunately, processing times were too slow in the Fall of 2016, leaving a majority of students unaware of whether they had been approved for funding. This led to a decrease in enrolment and had an adverse effect on Portage's student numbers. The College also had to extend refund deadlines to the end of October. In the spring of 2017, AFL announced a new pilot process whereby tuition funds would come directly to the College. In response, the College re-engineered its processes to ensure the new structure was managed properly. Portage greatly appreciates AFL's willingness to address issues and concerns and to respond

constructively to feedback. The changes did have a positive effect on the number of AFL-grant-funded students attending the College, increasing to from 129 in 2015-2016 to 185 in 2016-2017. The total is expected to increase in 2017-2018 as well.

## Campus Expansion

Portage College has adhered to the philosophy of bringing education to the learner. In 2016-2017, the College operated campuses in seven different communities. The College is faced with the challenge of providing learner services at these community locations including student support, computer and library services, and facility and equipment maintenance.

While we continue to invest in our technology infrastructure to help provide those services, limited classroom, lab and student space has become a visible issue at our Cold Lake Campus. Hallways at our 29,062 square-foot facility are routinely congested, where enrolment has increased for five consecutive years (to 407 students in 2016-2017). The College is seeking funding for a \$29 million campus expansion. The project would add much-needed classroom space as well as trades labs, allowing for expanded program offerings and enhanced learning experiences for our students. In May, Advanced Education Minister Marlin Schmidt announced \$1.08 million to fund an Infrastructure Needs Assessment study for the College's own locations and to develop architectural drawings for the proposed Cold Lake project. The College appreciates the government's commitment to the project and the support of the City of Cold Lake.

Infrastructure troubles at our Frog Lake campus in 2016-2017 – a community-owned facility – highlight the need for the College to own and maintain our own facilities. The leased building was shut down in Spring 2017. Students were moved to a temporary facility but lost space and access to some services and supports as a result. Student numbers had been trending upward in Frog Lake until Spring 2017 but have now decreased due to the issues with the building. We thank Frog Lake First Nation for its

accommodation of our students and its diligence in working to re-open the Careers Building. As of November 2017, it remains closed.

## Infrastructure Maintenance Challenges

While developing capital projects such as the Pipeline Training Centre in Boyle or expanding our Cold Lake Campus are critical for program and community development, it is equally important that Portage College effectively utilize and sustain our existing infrastructure. The College continues to focus on updating our Information Technology network, including improving wireless connectivity and updating classroom and video-conferencing technology at all campuses. In 2016-2017, we also continued to enhance our Enterprise Resource Planning (ERP) system and upgrade our security systems.

The College still has \$20 million in deferred maintenance projects but has traditionally received only a fraction of that total, making it difficult to undertake essential upgrades. In 2016-2017, Portage received an infrastructure maintenance grant of \$811,000 which is still a small percentage of what is needed to address some critical infrastructure deficits, particularly at our Lac La Biche Campus. Portage College will continue to work with government and community partners in order to plan, finance, and develop our infrastructure effectively.

## Indigenous Students

We continue to note that Indigenous engagement for the region is in decline in all program areas. This decline is traceable to federal and provincial funding policy changes, although recent increases in Adult Foundational Learning grants and changes in how they are administered are encouraging. Fewer Indigenous students can avail of Academic bridging and funding than ever in our history. There is a growing number of disenfranchised Indigenous people without access to either education or jobs.

For under-represented learners welfare is not a personal choice but the consequence of economics and local history. There is a social crisis emerging in the northeastern portion of Alberta that needs to be addressed by all levels of government. Access to education funding is one step to averting this crisis, but not the whole solution. Affordable and available housing is a threat to sustainability in some parts of the service region. Lack of adequate housing and funding would see another 800-1,000 students return to full-time learning and subsequent employment.

During the past couple of years, the College has tried to access federal and provincial funding for programming for Indigenous people and in Indigenous communities. In many cases, the grants are the responsibility of several ministries, rendering it very difficult and complex to obtain funding and offer programming in the Nations we serve. This is particularly true for Continuing Education programming.

## Auditor General Recommendations

The Office of the Auditor General of Alberta (OAG) issued an unqualified opinion for the College's audited consolidated financial statements for the year ended June 30, 2017. College management has developed a legislative compliance framework, legislative risk registry and guidelines and procedures to address a prior-year's audit recommendation to improve systems to ensure compliance with legislation. College management is very satisfied with the results of the 2017 audit. The Auditor General of Alberta will release a report to the public in early 2018 disclosing his findings.



## Legislative Compliance, Guidelines and Procedures

As noted on the previous page, the College dedicated considerable management, staff and faculty time and resources to developing a legislative compliance framework and implementing and maintaining a legislative and enterprise risk registry. The College also approved, updated and implemented numerous guidelines and procedures in 2016-2017 including:

- Legislative Compliance (guidelines & procedures)
- Public Interest Disclosure (Whistleblower Protection)
- Prevention of Sexual Violence
- Assessment of Threats/High Risk Behaviour
- Occupational Health and Safety

Numerous Information Technology guidelines and procedures were implemented during 2016-2017, particularly concerning database and data records management, security and a disaster and recovery plan. Human Resources was also busy preparing policies and procedures in light of the provincial Bill 7 – An Act to Enhance Post-secondary Academic Bargaining, which gives faculty and staff the right to strike.

Given the small size of the institution, the administrative overburden of maintaining the level of compliance and reporting is particularly challenging. College management issued a legislative compliance report to the College Board of Governors in June 2017.



# Goals, Priority Initiatives, Expected Outcomes and Performance Measures

2016-2017 was the third academic year that the College operated under the seven new strategic goals approved by the Board of Governors in June 2014. The goals were finalized after a year-long process to streamline with the College's strategic initiatives and included consultations with industry, community advisory committees, College staff and faculty, students, and the Executive and Operations Committees. At the end of the 2015-2016 year, two goals were modified with the approval of the Board of Governors to better reflect the College's strategic plans. The changes were highlighted in the College's 2016-2019 Comprehensive Institutional Plan. The goals are listed below, organized by key categories. The text in the brackets indicates the Adult Learning System Principles met (*accessibility, affordability, quality, accountability, coordination*).

The following section outlines the results of the projects and initiatives undertaken in the first year of the plan (2016-2017) to meet the strategic goals outlined above. The strategic projects/targets and many of the initiatives/results listed below each goal are the ones identified in the 2016-2019 Comprehensive Institutional Plan.

## Access

- Grow graduate and completion rates across all programs (*accessibility, quality, coordination*)
- Grow access to programs (*accessibility, affordability, coordination*)
- Establish an effective and sustainable student support model (*accessibility, coordination*)

## Quality

- Develop and implement centres of specialization (*accessibility, quality*)

## Affordability

- Develop and implement a clearly identified brand with provincial assets (*accessibility, affordability*)
- Diversify the College's funding sources (*accessibility, affordability*)

## Community & Quality

- Build a clear sense of purpose, value and identity for College employees to engage in College success (*quality*)

## Goal: Grow graduate and completion rates across all programs

### Priority Initiative: Student Retention

Description	Status	Progress Made in 2016-2017
<i>Expected Outcome:</i> Develop a multi-campus model for student leadership and development (student ambassador, student governance)	In Progress	<ul style="list-style-type: none"> <li>Focus continues on student experience to provide opportunities for student leadership and growth at all campuses.</li> <li>Student Life program relaunched in October 2016.</li> <li>Student Ambassador program had 35 participants.</li> <li>Student Association continued to be represented at Academic Council and minister meetings. Feedback was also solicited during budgeting process and formally and informally throughout the year.</li> </ul>
<i>Expected Outcome:</i> Strengthen the integration between academic advising and Student Learning Services (SLS)	In Progress	<ul style="list-style-type: none"> <li>Re-organization of SLS leadership role led to more integration. SLS Coordinator is now part of Advisor meetings, providing information on the learning disability screening checklist, student loan procedures, and case conferences to prepare as students come to the College.</li> </ul>
<i>Expected Outcome:</i> Improve services for students with identified learning disabilities	In Progress	<ul style="list-style-type: none"> <li>SLS diagnostic protocol modified to allow for broad-base assessment (Woodcock-Johnson) before referring for Educational Psychological assessments. This has saved time and money.</li> </ul>
<i>Expected Outcome:</i> Perform gap analysis based on the findings of the essential pillars of student retention and implement new College-wide retention strategies	Outstanding	<ul style="list-style-type: none"> <li>The gap analysis project is currently on hold.</li> </ul>
<i>Performance Measure:</i> 2016-2017 Graduation Rate target – 66%	Completed	<ul style="list-style-type: none"> <li>2016-2017 Graduation Rate: 68%</li> </ul>
<i>Performance Measure:</i> 2016-2017 Completion Rate target – 69%	Completed	<ul style="list-style-type: none"> <li>2016-2017 Completion Rate: 69%</li> </ul>
<i>Performance Measure:</i> 2016-2017 Retention target – 88%	Completed	<ul style="list-style-type: none"> <li>2016-2017 Retention Rate: 83%</li> </ul>

## Goal: Grow graduate and completion rates across all programs (cont.)

### Priority Initiative: Academic Support

Description	Status	Progress Made in 2016-2017
<i>Expected Outcome:</i> Offer Learning Cafés at every campus	In Progress	<ul style="list-style-type: none"> <li>9 Learning Cafés (short sessions on a variety of learning and health-related topics) offered through the Lac La Biche Campus Library in 2016-2017; 78 students and staff attended the sessions.</li> <li>Roll out across campuses is part of Workforce Development Plan that will be coming from the Director of Human Resources.</li> </ul>
<i>Expected Outcome:</i> Increase course and program accessibility – teach students to leverage Moodle to maximize their learning experience	In Progress	<ul style="list-style-type: none"> <li>Moodle training continued to be offered to all students during orientation. A total of 36 sessions were offered at Portage College campuses. Sessions were also offered the week following registration for late-registering students.</li> </ul>
<i>Expected Outcome:</i> Continue to develop the use of recorded lectures and in-house tutorials to enhance the flexibility of the learning experience	In Progress	<ul style="list-style-type: none"> <li>Recorded lectures and demonstrations are a focus for all programs with blended delivery. 11 academic programs used recorded lectures; 14 demonstration videos were produced in 2016-2017.</li> <li>Only those offered using an online-teaching-platform can be recorded. Information Technology department continued to review video-conference capability as a result.</li> <li>Explored possibility of switching online-teaching-platform providers but cost ended up being prohibitive.</li> </ul>
<i>Expected Outcome:</i> Continue and expand Voyageur GPS, a student mentoring program	Concluded	<ul style="list-style-type: none"> <li>Program was suspended in 2016-17 as no students requested a mentor. Student Services staff continued to review the feedback from the pilot project in 2015-16.</li> <li>Community Helpers Peer Mentorship curriculum was reviewed/modified for implementation in Fall 2017.</li> </ul>

## Goal: Grow graduate and completion rates across all programs (cont.)

### Priority Initiative: Academic Support (cont.)

Description	Status	Progress Made in 2016-2017
<i>Expected Outcome:</i> Expand the use of tutoring services by students	In Progress	<ul style="list-style-type: none"> <li>• Smarthinking tutorial services were promoted to students through Student Learning Services; demos were provided to staff to create awareness. A total of 74 hours were used in 2016-2017.</li> </ul>
<i>Expected Outcome:</i> Continue to support provincial mental health awareness campaigns	In Progress	<ul style="list-style-type: none"> <li>• College held several mental health awareness activities as part of our healthy campus campaign, including participating in the Alberta Colleges' Athletic Conference's "Make Noise for Mental Health" campaign in January and February 2017 – 40 students helped organize the campaign and 80% of the College student body participated in activities.</li> </ul>
<i>Expected Outcome:</i> Act to reduce student stress and anxiety through specific College initiatives (e.g. online mental health tools, awareness tools for staff and students)	In Progress	<ul style="list-style-type: none"> <li>• Participated in Breathingroom, an online application currently available as part of a two-year pilot.</li> <li>• Strengthened connections with community supports.</li> <li>• Increased hours for Moodle support, including online support until 9 p.m. Mondays through Thursdays.</li> </ul>

### Priority Initiative: Program Quality Assurance

Description	Status	Progress Made in 2016-2017
<i>Expected Outcome:</i> Simplifying program health check processes	In Progress	<ul style="list-style-type: none"> <li>• Revised the reporting template and finalized a 10-year program review plan.</li> <li>• Created the Quality Assurance Tracking System to ensure we follow up on all recommendations from students, audits, Program Advisory Committees and internal review committees.</li> </ul>

## Goal: Grow graduate and completion rates across all programs (cont.)

### Priority Initiative: Program Quality Assurance (cont.)

Description	Status	Progress Made in 2016-2017
<i>Expected Outcome:</i> Reviewing and updating quality assurance guidelines	In Progress	<ul style="list-style-type: none"> <li>New audit guidelines finalized and approved by Academic Council and Executive.</li> <li>Streamlined program health check guidelines; still need to be presented to Academic Council and Executive.</li> </ul>
<i>Expected Outcome:</i> Developing a schedule of systematic reviews (including external audits)	Completed	<ul style="list-style-type: none"> <li>Schedule for program reviews created out to 2024-2025. Programs are aware of when they are expected to undertake a first-year review, health check or audit. Program data reviewed every year to ensure emergent issues are dealt with in a timely manner.</li> </ul>
<i>Expected Outcome:</i> Assigning role for Associate Dean to oversee Quality Assurance protocols	Completed	<ul style="list-style-type: none"> <li>Added Quality Assurance to Associate Dean of Teaching and Learning's list of responsibilities. Working with the Program Planning and Review Committee, she oversaw the streamlining of program audit and program review guidelines.</li> </ul>
<i>Expected Outcome:</i> Ensuring Faculty development plans include rollout of revised Quality Assurance guidelines	In Progress	<ul style="list-style-type: none"> <li>Sharepoint site created to track all quality assurance initiatives for the College's health programs as part of a pilot project.</li> <li>Teaching and Learning Standing Committee and Workforce Development using themes from Learning Evaluations to plan professional development opportunities for instructional faculty.</li> </ul>
<i>Performance Measure:</i> Student satisfaction with program (2016-2017 target) – 86%	In Progress	<ul style="list-style-type: none"> <li>2016-2017 results from Point of Exit Survey: 84%</li> </ul>

## Goal: Grow access to programs

### Priority Initiative: Program Expansion Plan

Description	Status	Progress Made in 2016-2017
<i>Expected Outcome:</i> Launch in 2016-2017 – Heavy Equipment Technician Period 2 (online)	In Progress	<ul style="list-style-type: none"> <li>• Diesel Engine Technologist (equivalent of Heavy Equipment Technician Period 2) received approval from Alberta Apprenticeship and Industry Training. A one-time non-credit offering scheduled to begin in July 2017.</li> </ul>
<i>Expected Outcome:</i> Launch in 2016-2017 – Hairstyling Certificate	Completed	<ul style="list-style-type: none"> <li>• Hairstyling program launched in August 2016; salon opened in September 2016.</li> <li>• Certificate program offers 1,500 hours of training and 1,500 hours of salon time</li> <li>• Program generated 10.5 FLE in 2016-2017.</li> </ul>
<i>Expected Outcome:</i> Complete research and development to launch into the future – Fine Arts Diploma	In Progress	<ul style="list-style-type: none"> <li>• Four Aboriginal Art Certificate courses received transfer to the University of Alberta. We continue to work on block transfer.</li> </ul>
<i>Expected Outcome:</i> Complete research and development to launch into the future – Instrumentation Technician Certificate or Apprentice	In Progress	<ul style="list-style-type: none"> <li>• Continued to seek funding and ministry approval to be able to offer the program.</li> </ul>
<i>Expected Outcome:</i> Complete research and development to launch into the future – Pharmacy Technician	In Progress	<ul style="list-style-type: none"> <li>• Waiting for demand to build before attempting to offer program in collaboration with another Comprehensive Community Institution.</li> </ul>
<i>Expected Outcome:</i> Complete research and development to launch into the future – Pipeline Installation and Maintenance Technologist	In Progress	<ul style="list-style-type: none"> <li>• Continued to seek funding and Advanced Education approval to be able to offer the program.</li> <li>• Lack development money.</li> </ul>
<i>Expected Outcome:</i> Complete research and development to launch into the future – Potable Water-related programs	In Progress	<ul style="list-style-type: none"> <li>• Received Alberta Environment and Parks approval for three of the courses in our Water Wastewater Certificate program.</li> </ul>

## Goal: Grow access to programs (cont.)

### Priority Initiative: Program Expansion Plan (cont.)

Description	Status	Progress Made in 2016-2017
<i>Expected Outcome:</i> Acquiring or developing new programs tied to employment specializations	In Progress	<ul style="list-style-type: none"> <li>• Researched funding availability and employment opportunities for Culinary Arts graduates to use incubator suites at St. Paul campus.</li> </ul>
<i>Expected Outcome:</i> Collaborating with other post-secondary providers in the province to bring access to required programs to our region	In Progress	<ul style="list-style-type: none"> <li>• Began discussions with University of Calgary regarding hosting the Bachelor of Social Work Learning Circles program at Lac La Biche campus, starting in September 2019.</li> <li>• Finalized agreement with University of Alberta to offer Aboriginal Teacher Education Program at Cold Lake campus in 2018-2019.</li> <li>• Completed a business case to work with NAIT regarding hosting the Bachelor of Business Administration program at Portage College.</li> </ul>
<i>Expected Outcome:</i> Expanding access to existing programs at new locations using learning technologies	In Progress	<ul style="list-style-type: none"> <li>• Uploaded all Portage College courses to Transfer Alberta.</li> </ul>
<i>Expected Outcome:</i> Expanding offerings and program suite in Continuing Education and Workforce Development	In Progress	<ul style="list-style-type: none"> <li>• Continued to diversify course and program offerings as well as focus on greater partnership with our academic partners to increase awareness and access to base-funded programs.</li> <li>• Distributed Continuing Education catalogues on a quarterly basis.</li> </ul>

**Goal: Grow access to programs (cont.)**

**Priority Initiative: Indigenous Community Access Plan**

Description	Status	Progress Made in 2016-2017
<i>Expected Outcome:</i> Continue to partner with Aboriginal Affairs and Northern Development Canada to deliver open campus services to the Whitefish Lake First Nation #128	In Progress	<ul style="list-style-type: none"> <li>• 15 students enrolled in the Open Campus.</li> <li>• Began operating additional program through Continuing Education in January 2017.</li> </ul>
<i>Expected Outcome:</i> Develop an expanded access plan with Saddle Lake community	In Progress	<ul style="list-style-type: none"> <li>• Continued discussions with Saddle Lake Cree Nation regarding adult education and Continuing Education offerings on site.</li> </ul>
<i>Expected Outcome:</i> Expand workforce training opportunities in Frog Lake	In Progress	<ul style="list-style-type: none"> <li>• Continued to offer programming at Frog Lake First Nation.</li> <li>• Continued discussions regarding expanding Continuing Education course offerings.</li> </ul>
<i>Expected Outcome:</i> Build the partnership with Buffalo Lake in the establishment of a Local Educational Centre, partner to build a customized, Dual Credit Environmental Monitoring Program with a focus on Traditional Land Use, as well as a Road Builder Certification (specialization of the Heavy Equipment Operator Program)	In Progress	<ul style="list-style-type: none"> <li>• Submitted a grant proposal to Western Economic Diversification Canada titled the Buffalo Lake Métis Settlement Entrepreneurial Incubator Partnership. The proposal is for \$2.7 million over 5 years and is intended to establish the Buffalo Lake Education Centre. The College has also committed to equip and furnish the learning centre. We learned in August 2017 that the application had not been approved but we continue to look for other funding sources.</li> <li>• Submitted a proposal for a Dual Credit Environmental Monitoring Program but was rejected. Project on hold as a result.</li> <li>• Road Builder Certification program on hold due to equipment concerns.</li> </ul>
<i>Expected Outcome:</i> Offer Academic Upgrading and College Preparation courses on site at Cold Lake First Nations	In Progress	<ul style="list-style-type: none"> <li>• Ran a second cohort of students in Fall 2016.</li> <li>• Worked on a joint proposal with CFLN to obtain funding for a five-year agreement.</li> </ul>



## Goal: Grow access to programs (cont.)

### Priority Initiative: Indigenous Community Access Plan (cont.)

Description	Status	Progress Made in 2016-2017
<i>Expected Outcome:</i> Renew the College's Indigenous Engagement Strategy	In Progress	<ul style="list-style-type: none"> <li>• President established an Indigenous Advisory Committee to assist with collecting a list of all activities, courses and other elements the College already has in place and to help steer the College's engagement strategy and further indigenization initiatives. Three subcommittees were formed (Programs, HR &amp; Training, Public Relations and Events) and elders were recruited to sit on the committees.</li> <li>• Partnered with Blue Quills University (BQU) on a Western Economic Development Canada (WEDC) application to fund BQU's use of incubator space at our St. Paul campus. Other opportunities for partnership – particularly involving Continuing Education – were also explored.</li> <li>• Partnered with Alexis Nakota Sioux Nation on a WEDC application to fund the College to deliver Apprenticeship Carpentry on site.</li> </ul>
<i>Expected Outcome:</i> Increase access to technology-enabled training on reserves and settlements	In Progress	<ul style="list-style-type: none"> <li>• New video conference unit installed at Whitefish Lake First Nation #128 Open Campus.</li> <li>• Upgraded video conference technology at Frog Lake and Saddle Lake campuses.</li> <li>• Began planning to expand network capacity at Frog Lake campus using federal Post-Secondary Institutions Strategic Investment Fund dollars.</li> </ul>

**Goal: Grow access to programs (cont.)**

**Priority Initiative: Dual Credit Plan**

Description	Status	Progress Made in 2016-2017
<i>Expected Outcome:</i> Maintain dual credit agreements	In Progress	<ul style="list-style-type: none"> <li>Continued to offer dual credit courses to five school divisions, including Entrepreneurship and Personal Health and Wellness.</li> <li>148 students took dual credit programs or courses through the College in 2016-2017.</li> <li>Updated Memorandum of Understanding with five school divisions (Aspen View Public Schools, Northern Lights Public Schools, St. Paul Education Regional Division, Lakeland Catholic School District, East Central Francophone)</li> </ul>
<i>Expected Outcomes:</i> Explore opportunities to build dual credit capacity	In Progress	<ul style="list-style-type: none"> <li>Assigned dual credit lead role to associate dean in Cold Lake, mandated to pursue partnerships and communicate with enrolled students and their school districts.</li> <li>Natural Resources Technology faculty and staff hosted a field trip for E.W. Pratt High School students, which allowed students to work their lab hours in the field in order to complete requirements for environmental Career and Technology Studies credits.</li> </ul>
<i>Expected Outcome:</i> Continue to provide financial incentives and scholarships for students enrolled in the region’s high schools and registered in College courses	In Progress	<ul style="list-style-type: none"> <li>Continued to provide financial incentives and scholarships.</li> <li>Awarded free tuition to a J.A. Williams High School student in Lac La Biche as a thank you to the school’s multimedia department for helping with live streaming Voyageurs Men’s Hockey Team games.</li> </ul>
<i>Expected Outcome:</i> Work to eliminate secondary and post-secondary cross-scheduling barriers which function as barriers to access	In Progress	<ul style="list-style-type: none"> <li>Work undertaken to incorporate all courses into partner schools’ schedules; these are now cross-listed on the school course scheduling.</li> </ul>
<i>Performance Measure:</i> Base-Funded Programming (2016-2017 target) – 1,398	Complete	<ul style="list-style-type: none"> <li>2016-2017 results: 1,315 (headcount)</li> </ul>

## Goal: Grow access to programs (cont.)

### Priority Initiative: Dual Credit Plan (cont.)

Description	Status	Progress Made in 2016-2017
<i>Performance Measure:</i> Continuing Education (2016-2017 target) – 2,200	Complete	<ul style="list-style-type: none"> <li>2016-2017 results: 2,113 (headcount)</li> </ul>
<i>Performance Measure:</i> Total Enrolment Headcount (2016-2017 target) – 3,598	Complete	<ul style="list-style-type: none"> <li>2016-2017 results: 3,428 (headcount)</li> </ul>

## Goal: Develop and implement centres of specialization

### Priority Initiative: Food Sciences Centre

Description	Status	Progress Made in 2016-2017
<i>Expected Outcome:</i> Provincially launch the Entrepreneurial Incubation and Production Facility as well as the Food Processing Laboratory	Complete	<ul style="list-style-type: none"> <li>Facility completed. Two incubator suites rented out.</li> <li>Submitted proposal to Alberta Innovates regarding incubator/commercial services involving our Culinary Arts students.</li> </ul>
<i>Expected Outcome:</i> Open retail store and café	In Progress	<ul style="list-style-type: none"> <li>Continued to explore option for Culinary Arts students to operate a retail store as well as offering conferencing services.</li> </ul>
<i>Expected Outcome:</i> Design and finance refurbishing of gym into a contemporary, modern convention hall	Outstanding	<ul style="list-style-type: none"> <li>Submitted a proposal to the federal Post-Secondary Institutions Strategic Investment Fund (SIF) for the refurbishment of the Conference Centre; proposal was not approved.</li> </ul>
<i>Expected Outcome:</i> Renovate exterior for energy efficiency and modernization of campus	Outstanding	<ul style="list-style-type: none"> <li>Submitted a SIF proposal to refinish the exterior of the building; proposal was not approved.</li> </ul>

## Goal: Develop and implement centres of specialization (cont.)

### Priority Initiative: Pipeline Training Centre

Description	Status	Progress Made in 2016-2017
<i>Expected Outcome:</i> Finalize the campus design	In Progress	<ul style="list-style-type: none"> <li>Design of process loop completed with Class 5 cost estimates.</li> </ul>
<i>Expected Outcome:</i> Solicit funding to complete Phase 2 of the infrastructure requirements	In Progress	<ul style="list-style-type: none"> <li>Completed business case.</li> <li>Submitted project to Building and Land Information Management System (BLIMS).</li> <li>President and Executive Vice President Academic met with Alberta Energy officials to discuss the centre.</li> </ul>
<i>Expected Outcome:</i> Assess the effectiveness of the Enbridge-brokered Aboriginal Pipeline program	Outstanding	<ul style="list-style-type: none"> <li>Program did not run in 2016-2017.</li> </ul>
<i>Expected Outcome:</i> Develop Pipeline Training Programs in collaboration with industry partners	In Progress	<ul style="list-style-type: none"> <li>Discussed developing pipe sleeving and coating training with a contractor.</li> <li>President and Executive Vice President Academic attended and presented at the Canadian Energy Pipeline Association Foundation fall meeting and followed up with prospective industry and post-secondary partners.</li> </ul>
<i>Expected Outcome:</i> Develop Pipeline Inspection & Safety programming	Outstanding	<ul style="list-style-type: none"> <li>Preliminary research (industry surveys, partner meetings) completed but initiative on hold until future of centre is clearer.</li> </ul>
<i>Expected Outcome:</i> Pilot Road Building program	Outstanding	<ul style="list-style-type: none"> <li>Road Builder Certification program on hold due to equipment concerns and loss of program coordinator.</li> </ul>
<i>Expected Outcome:</i> Complete land transaction to finalize Phase 2 footprint	Outstanding	<ul style="list-style-type: none"> <li>Continued to negotiate land transaction with the Government of Alberta but sale not completed by end of fiscal year.</li> </ul>

## Goal: Develop and implement centres of specialization (cont.)

### Priority Initiative: Water Resources Training Centre

Description	Status	Progress Made in 2016-2017
<i>Expected Outcome:</i> Seek further funding	In Progress	<ul style="list-style-type: none"> <li>Applied for and received a \$752,460 federal Post-Secondary Institutions Strategic Investment Fund (SIF) grant to contribute towards design of permanent facility and a portion of a temporary facility.</li> <li>Signed a Memorandum of Understanding with Lac La Biche County covering its \$600,000 donation to the project.</li> <li>Still seeking further funding for permanent facility.</li> </ul>
<i>Expected Outcome:</i> Hire an engineering firm to complete the master design of the simulation lab	Complete	<ul style="list-style-type: none"> <li>Hired engineering firm which completed drawings for a classroom retrofit and simulation lab as well as drawings for a permanent facility.</li> <li>Construction tender awarded with construction starting in July 2017.</li> </ul>
<i>Expected Outcome:</i> Undertake the development of the related training programs	In Progress	<ul style="list-style-type: none"> <li>Received Alberta Environment and Parks approval for three of the courses in our Water Wastewater Certificate program.</li> </ul>

### Priority Initiative: Indigenous Arts Centre

Description	Status	Progress Made in 2016-2017
<i>Expected Outcome:</i> Continue to offer an annual Artist in Residence Program	In Progress	<ul style="list-style-type: none"> <li>Hosted Artist in Residence Meghan Ostertag and two visiting artists, alumnus Amy Malbeuf and Jordan Bennett.</li> <li>Students participated in the "Carrying on Exhibit" at the Alberta Craft Council Discovery Gallery in Edmonton and received national and international exposure.</li> </ul>

## Goal: Develop and implement centres of specialization (cont.)

### Priority Initiative: Indigenous Arts Centre (cont.)

Description	Status	Progress Made in 2016-2017
<p><i>Expected Outcome:</i> Develop 3 enrichment workshops for regional artists</p>	<p>In Progress</p>	<ul style="list-style-type: none"> <li>• Courses offered through Continuing Education to local artists.</li> <li>• Began developing a Master Instructor Workshop for June 2018, aimed at academics, scholars and artisans. The workshop will model how to embed cultural teaching, practices and protocols in educational programming by having participants partake in a condensed version of our Nature Crafts course.</li> </ul>
<p><i>Expected Outcome:</i> Examine the College’s Museum status and the opportunities it provides for growing the Indigenous Arts Centre</p>	<p>In Progress</p>	<ul style="list-style-type: none"> <li>• Established a Museum Committee.</li> <li>• Refreshed and updated the Museum’s website, including creating a virtual exhibit of all Museum artifacts.</li> <li>• Opened Traditions Gallery and Store, allowing the public to buy artwork through a consignment agreement between students, other artists and the College. Revenue from the store provided funds to enhance and expand Museum exhibits.</li> <li>• Applied for and received a \$25,000 grant from the Alberta Foundation for the Arts to create an exhibit on hide tanning. The Foundation also loaned some artifacts to the Museum.</li> <li>• Applied for and received a \$12,000 grant from the Community Fund for Canada’s 150th to develop a walking tour and professional publication for the Museum.</li> <li>• Museum featured on the Dimestore Fisherman TV show.</li> <li>• APTN filmed previous graduate Amy Malbeuf and current Native Arts &amp; Culture Instructor Ruby Sweetman for the series “Skindigenous.”</li> <li>• Lindisfarne Productions filmed Sweetman as part of a web-series on hide tanning.</li> <li>• Procured missing pieces to complete the Indian Group of Seven collection, including an original Alex Janvier painting titled “Self Government” which will be a key piece in the Museum.</li> </ul>

## Goal: Establish an effective and sustainable student support model

### Priority Initiative: Revision of student enrolment process

Description	Status	Progress Made in 2016-2017
<i>Expected Outcome:</i> Continue training for frontline staff	In Progress	<ul style="list-style-type: none"> <li>Re-engineered student-sponsorship-tracking process, supporting collection and conversion.</li> <li>Began identifying process improvements for admissions process.</li> </ul>
<i>Expected Outcome:</i> Incorporate student funding applications	In Progress	<ul style="list-style-type: none"> <li>Worked with Advanced Education to improve student grant funding process, including implementing a Student Grant Funding Allocation reporting and tracking system.</li> <li>Implemented grant-funding changes into Student Advisor workload while accommodating a reduction in advisor staffing numbers due to budget pressure.</li> </ul>
<i>Expected Outcome:</i> Strengthen data collection on enrolment processes	In Progress	<ul style="list-style-type: none"> <li>Implemented and documented enrolment reporting methodology to ensure consistency and clarity in data.</li> </ul>
<i>Expected Outcome:</i> Begin Phase 2 of Process/System re-engineering	Outstanding	<ul style="list-style-type: none"> <li>Phase 2 on hold due to budget constraints.</li> </ul>
<i>Expected Outcome:</i> Improve integration of Student Learning Services referral	In Progress	<ul style="list-style-type: none"> <li>Improved Student Learning Services integration with student advising.</li> </ul>

**Goal: Establish an effective and sustainable student support model (cont.)**

**Priority Initiative: Student Information Portal**

Description	Status	Progress Made in 2016-2017
<p><i>Expected Outcome:</i> Make Enterprise Resource Planning (ERP) improvements to support data requirements for a future portal</p>	In Progress	<ul style="list-style-type: none"> <li>Commenced Unit 4 (Agresso) Milestone 6 upgrade which will help support a future student portal.</li> <li>Developed project proposal to enhance student information systems.</li> <li>Implemented one-year Skype pilot project to enhance customer service access for admissions and counselling to students and prospective students. Project to be evaluated in December 2017.</li> <li>Implemented one-year FlexBooker project to provide self-serve appointment booking for students and applicants.</li> <li>Investigated cloud-based CRM solutions for inquiry tracking.</li> </ul>

**Priority Initiative: Alumni Development**

Description	Status	Progress Made in 2016-2017
<p><i>Expected Outcome:</i> Identify external funding sources and resources for strategies for future portal</p>	In Progress	<ul style="list-style-type: none"> <li>Prepared business case to access potential funding.</li> </ul>
<p><i>Expected Outcome:</i> Develop the value-added components of Alumni membership</p>	Complete	<ul style="list-style-type: none"> <li>Member benefits confirmed (10% discounts off Portage College merchandise, discounted College facility rentals, free academic transcripts, personal invitations to College functions, quarterly newsletter).</li> <li>Issued Alumni membership cards.</li> </ul>
<p><i>Expected Outcome:</i> Establish an online Alumni community</p>	In Progress	<ul style="list-style-type: none"> <li>Alumni information added to main College website.</li> <li>Maintained Facebook, Twitter and Instagram accounts; Facebook numbers increased by 29%, Twitter followers by 59% and Instagram followers by 438% (1,027 vs. 191).</li> </ul>



**Goal: Establish an effective and sustainable student support model (cont.)****Priority Initiative: Alumni Development (cont.)**

Description	Status	Progress Made in 2016-2017
<i>Expected Outcome:</i> Celebrate Voyageur Alumni community connections	In Progress	<ul style="list-style-type: none"> <li>Worked on plans for celebrating alumni during 50th anniversary celebrations in 2018, including a “50 on 50” book celebrating alumni from the past 50 years.</li> </ul>
<i>Expected Outcome:</i> Continue to build sign-up numbers	In Progress	<ul style="list-style-type: none"> <li>By June 30, 2017, signed up 640 alumni, nearly doubling the previous year’s membership total.</li> </ul>
<i>Expected Outcome:</i> Support preparations being made to celebrate Portage College’s upcoming 50th Anniversary in 2018	In Progress	<ul style="list-style-type: none"> <li>Formed 50th anniversary committee.</li> <li>Allocated budget for 50th activities and began seeking sponsors.</li> <li>Began seeking staff engagement for various 50th anniversary activities and events.</li> </ul>
<i>Performance Measure (for entire goal):</i> Student Point of Exit Satisfaction (2016-2017) – 87%	Complete	<ul style="list-style-type: none"> <li>Student satisfaction with whole experience at Portage College (2016-2017 Point of Exit Survey): 87%</li> </ul>
<i>Performance Measure (for entire goal):</i> Fall Conversion Rate (2016-2017) – 72%	Complete	<ul style="list-style-type: none"> <li>Conversion rate: 70%.</li> <li>Fall enrolment increased 16% over 2015-2016. Programs that experienced a noticeable increase in enrolments include University Studies, Open Studies, Business and Academic Upgrading.</li> </ul>

## Goal: Develop and implement a clearly identified brand and provincial assets

### Priority Initiative: Corporate Branding & Image Building

Description	Status	Progress Made in 2016-2017
<i>Expected Outcome:</i> Undertake brand renewal	In Progress	<ul style="list-style-type: none"> <li>Officially launched re-designed website in August 2016. Between Nov. 1, 2016 and May 1, 2017, website visitors increased by 172% and website referral traffic increased 295% compared to the same seven-month period in 2015-2016. Social media referral traffic increased by 1,100%.</li> <li>Solicited designs for a 50th anniversary logo for the College.</li> </ul>
<i>Expected Outcome:</i> Grow brand awareness of existing and new programming	In Progress	<ul style="list-style-type: none"> <li>Negotiated local distribution of Continuing Education winter catalogue, including at several grocery stores.</li> <li>Hired social media contractor and increased engagement with Facebook, Twitter and Instagram followers. Social referral traffic increased 1,100% and Instagram engagement increased 64% over the previous academic year.</li> <li>Created a 360 Virtual Reality video, allowing prospective students to put on a pair of VR goggles and take a tour around Portage College campuses. The video is also viewable on Veer.tv where it has received more than 11,400 views. The initiative received an Innovation Award from the League of Innovation in the Community College and was featured on the front page of the Lloydminster Meridian Booster.</li> </ul>
<i>Expected Outcome:</i> Grow brand awareness of unique programming and infrastructure supporting innovation and entrepreneurship in the four areas of specialization	In Progress	<ul style="list-style-type: none"> <li>Worked collaboratively with the Northeast Alberta Information HUB to develop and distribute an information document highlighting two of the Portage’s centres of specialization and key facts about the College.</li> </ul>

## Goal: Develop and implement a clearly identified brand and provincial assets (cont.)

### Priority Initiative: College Marketing Plan

Description	Status	Progress Made in 2016-2017
<i>Expected Outcome:</i> Build an internal capacity to manage the new corporate image and capitalize our capacity to grow and maximize our potential	In Progress	<ul style="list-style-type: none"> <li>Dedicated 35% of Communication and Digital Media Officer position to Continuing Education.</li> <li>Provided professional development opportunities for Communications staff, including an AdobeMax Creative Conference and “Building your Brand” training.</li> </ul>
<i>Expected Outcome:</i> Incorporate College branding taglines “Calling the Curious,” “Deny the Ordinary,” “Discover the North,” “Do Extraordinary Things” and “We Are Voyageurs” in all College publications and marketing materials	In Progress	<ul style="list-style-type: none"> <li>Specifically edited all publications, news releases and public statements to ensure taglines were included.</li> <li>Launched a #callingthecurious free tuition campaign, targeting six schools in Yellowknife, Hay River, Fort Smith, Edmonton, St. Paul and Lac La Biche. Large posters were also distributed to 20 other high schools in the Portage College Region.</li> </ul>
<i>Expected Outcome:</i> Grow provincial awareness of unique living and learning opportunities at Portage College	In Progress	<ul style="list-style-type: none"> <li>Developed three marketing campaigns:               <ol style="list-style-type: none"> <li>Regional Campaign</li> <li>Southern Campaign (Edmonton region)</li> <li>Northern Campaign (northern B.C., Alberta, Saskatchewan, Northwest Territories, Yukon, Nunavut)</li> </ol> </li> <li>Contributed three submissions to Colleges &amp; Institutes Canada’s national anthology of post-secondary success stories as part of the country’s 150th anniversary celebrations.</li> </ul>
<i>Performance Measure:</i> Market share (2016-2017 fall applications) – 49%	Complete	<ul style="list-style-type: none"> <li>Actual market share of fall applications 2016-2017: 46%. This represents the second-highest market share since 2010-2011.</li> </ul>

**Goal: Build a clear sense of purpose, value and identity for college employees to engage in college success**

**Priority Initiative: Employee Engagement**

Description	Status	Progress Made in 2016-2017
<i>Expected Outcome:</i> IT and Human Resources intends to develop a portal to provide Portage College staff 24/7 access to College and HR-related information. This project scope will include creating a business case, project scope and building underlying systems.	Cancelled	<ul style="list-style-type: none"> <li>Project suspended due to lack of financial and human resources.</li> </ul>
<i>Expected Outcome:</i> Continue providing employees with informal summaries and formal minutes of all management-level meetings	In Progress	<ul style="list-style-type: none"> <li>Continued to share summaries of all Executive and Operations committee meetings with all employees.</li> <li>Continued to provide access to all employees to formal minutes of all Academic Council, Board of Governors, Executive and Operations meetings.</li> </ul>
<i>Expected Outcome:</i> Continue to dedicate three College employee-only days throughout the academic year to focus on planning and professional development	In Progress	<ul style="list-style-type: none"> <li>Held a Welcome Back Day for employees in September and a Professional Development Day in March. Both days featured academic and wellness sessions.</li> <li>Cancelled the November Planning Day due to a lack of financial resources.</li> </ul>
<i>Expected Outcome:</i> Continue to encourage and recognize employee volunteerism in College and Community activities	In Progress	<ul style="list-style-type: none"> <li>Publicly recognized employees at Welcome Back and PD days as well as in College-wide e-mails for their volunteerism.</li> <li>Continued Employee Recognition program, allowing employees to nominate others for going above and beyond the call of duty.</li> <li>Executive acknowledged employees' dedication to helping the victims of the Fort McMurray wildfire in 2016.</li> </ul>
<i>Performance Measure:</i> Employee Engagement (2016-2017) – 66%	Complete	<ul style="list-style-type: none"> <li>2016-2017 Employee Engagement (volunteering for College events &amp; fundraisers): 66%</li> </ul>

## Goal: Build a clear sense of purpose, value and identity for college employees to engage in college success (cont.)

### Priority Initiative: Employee Engagement

Description	Status	Progress Made in 2016-2017
<i>Expected Outcome:</i> Continue to offer and expand our employee assistance and wellness services through LifeWorks	In Progress	<ul style="list-style-type: none"> <li>HR office sent monthly newsletter and updates to all employees.</li> <li>Continued to make LifeWorks services available to all employees, including financial, personal and work-related counselling.</li> </ul>
<i>Expected Outcome:</i> Continue to promote utilization of professional development and training and ensure connection to Learning Plans and strategic goals	In Progress	<ul style="list-style-type: none"> <li>Continued to provide professional development opportunities for all employees. As of June 30, 2017, 104 employees (45% of employees) took part in a PD activity, including conferences, training sessions and courses. Due to budget constraints, some austerity measures had to be put in place, particularly on reducing out-of-province travel.</li> </ul>
<i>Expected Outcome:</i> Establish a Workforce Development Office to provide leadership and training for employees	In Progress	<ul style="list-style-type: none"> <li>Established and staffed a Workforce Development Office.</li> <li>Provided Foundations in Teaching sessions and leadership training to faculty.</li> <li>Created an online, continually-updated calendar that employees can access to search for relevant training.</li> </ul>
<i>Expected Outcome:</i> Launch a Workforce Development Committee to drive College-wide professional development that is both strategic and operational	In Progress	<ul style="list-style-type: none"> <li>Executive Committee began exploring training possibilities. Plan still being developed.</li> </ul>
<i>Expected Outcome:</i> Continue with succession planning activities while fostering the expectation of advancement from within	In Progress	<ul style="list-style-type: none"> <li>Promoted two program coordinators to Associate Dean positions.</li> <li>Continued to post certain job openings internally before advertising outside of the College.</li> </ul>
<i>Performance Measure:</i> Training & Development resource utilization (2016-2017) – 90%	Complete	<ul style="list-style-type: none"> <li>Actual Training &amp; Development resource utilization for 2016-2017 – 86%. Faculty and excluded employee groups were the most likely to use Training and Development dollars in 2016-2017.</li> </ul>

## Goal: Diversify the college's funding sources

### Priority Initiative: Capital Grants

Description	Status	Progress Made in 2016-2017
<p><i>Expected Outcome:</i> The College will focus on securing new capital to fund various strategic projects:</p> <ul style="list-style-type: none"> <li>Pharmacy Technician Lab</li> </ul>	In Progress	<ul style="list-style-type: none"> <li>Research will continue into feasibility of establishing the lab. Will be part of Cold Lake campus expansion research project.</li> </ul>
<ul style="list-style-type: none"> <li>Instrumentation Technician Lab</li> </ul>	Outstanding	<ul style="list-style-type: none"> <li>Project on hold due to lack of resources.</li> </ul>
<ul style="list-style-type: none"> <li>Building Futures – Cold Lake campus expansion</li> </ul>	In Progress	<ul style="list-style-type: none"> <li>Met with Minister of Advanced Education and Mayor of Cold Lake to discuss expansion of Cold Lake campus.</li> <li>On May 1, Minister of Advanced Education announced \$1.08 million in capital planning funding. The funds will cover project design and market research costs.</li> </ul>
<ul style="list-style-type: none"> <li>St. Paul Convention Centre – gym refurbishing</li> </ul>	Outstanding	<ul style="list-style-type: none"> <li>Submitted a federal Post-Secondary Institutions Strategic Investment Fund (SIF) application to fund the project but the proposal was not approved.</li> </ul>
<ul style="list-style-type: none"> <li>Phase 2 Pipeline Training Centre in Boyle</li> </ul>	In Progress	<ul style="list-style-type: none"> <li>Completed business case and submitted funding request through Building and Land Information Management System.</li> </ul>
<ul style="list-style-type: none"> <li>Water Resources Training Centre in Lac La Biche</li> </ul>	In Progress	<ul style="list-style-type: none"> <li>Completed business case for government.</li> <li>Finalized arrangements for \$600,000 contribution from Lac La Biche County.</li> <li>Received a \$752,460 SIF grant to fund design of temporary and permanent facilities.</li> </ul>

## Goal: Diversify the college's funding sources (cont.)

### Priority Initiative: Capital Grants (cont.)

Description	Status	Progress Made in 2016-2017
<p><i>Expected Outcome:</i> The College will focus on securing new capital to fund various strategic projects:</p> <ul style="list-style-type: none"> <li>Expansion of the Natural Resources Technology program lab space</li> </ul>	In Progress	<ul style="list-style-type: none"> <li>Received \$400,250 SIF grant and \$300,250 Government of Alberta match for the project.</li> <li>Began construction of greenhouse and classroom space for Environmental Centre in June 2017.</li> <li>Received a Canada 150 grant for the Indigenous Arts Centre to develop a museum booklet, organize a community celebration day and provide self-guided walking tours for community and school groups to connect as a legacy project.</li> </ul>
<ul style="list-style-type: none"> <li>Heavy Equipment Technician lab completion</li> </ul>	Complete	<ul style="list-style-type: none"> <li>Completed HET lab within budget (as provided by the Federal Government). The lab was subsequently approved by Apprenticeship and Industry Training. The College is grateful for the significant donations from industry and other post-secondary institutions for equipment.</li> </ul>
<p><i>Performance Measure:</i> Funds obtained from capital grant proposals for strategic projects (2016-2017) – \$0</p>	Complete	<ul style="list-style-type: none"> <li>Received a total of \$1,737,960 in capital grants for strategic projects, exceeding even the \$1.125 million target for 2017-2018 identified in the 2016-2019 Comprehensive Institutional Plan.</li> </ul>

## Goal: Diversify the college's funding sources (cont.)

### Priority Initiative: Entrepreneurial Ventures and Alternative Local Funding

Description	Status	Progress Made in 2016-2017
<i>Expected Outcome:</i> Exploring opportunities for entrepreneurial initiatives to bolster operational funding – food as a by-product of training in St. Paul, water as a by-product in Lac La Biche	In Progress	<ul style="list-style-type: none"> <li>Began exploring incubator services.</li> <li>Venture initiatives were put on hold pending policy changes from Advanced Education and new borrowing guidelines.</li> </ul>
<i>Expected Outcome:</i> Exploring sustainable ownership and operating models for such ventures	In Progress	<ul style="list-style-type: none"> <li>Rented out two incubator suites at our St. Paul campus.</li> <li>Partnered with Blue Quills University (BQU) to apply for a Western Economic Diversification Canada grant which would allow BQU students use incubator suites at our St. Paul campus.</li> </ul>
<i>Expected Outcome:</i> Exploring Municipal Assessments for support	Outstanding	<ul style="list-style-type: none"> <li>Began approaching municipalities to invest directly in the College (e.g. sponsorship of Athletics, investing in capital projects)</li> </ul>
<i>Expected Outcome:</i> Establishing College borrowing guidelines and procedures	Outstanding	<ul style="list-style-type: none"> <li>Continued to work on establishing borrowing guidelines and procedures; still currently under review.</li> </ul>
<i>Expected Outcome:</i> Aligning with the Ministry of Advanced Education policy and procedures for “for profit” ventures	Outstanding	<ul style="list-style-type: none"> <li>Waiting on Ministry of Advanced Education to finalize policy and procedures concerning “for profit” ventures.</li> </ul>
<i>Expected Outcome:</i> Improving profitability of existing ancillary services (Food Services, Housing, Bookstore)	In Progress	<ul style="list-style-type: none"> <li>Launched new Voyageur Grill at our Lac La Biche campus, changing the menu and commercial services, offering signature dishes and more à la carte items.</li> <li>Student housing vacancy was higher than expected despite increased student enrolment.</li> </ul>



**Goal: Diversify the college's funding sources (cont.)****Priority Initiative: Continuing Education**

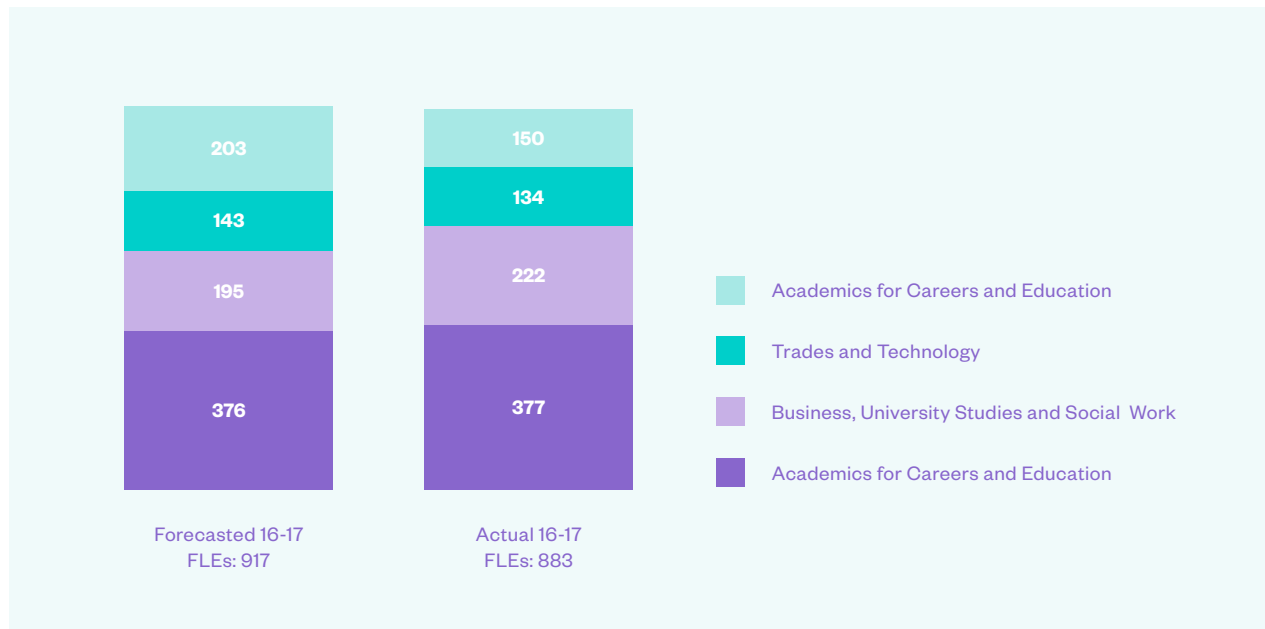
Description	Status	Progress Made in 2016-2017
<i>Expected Outcome:</i> Offering contract training to businesses in addition to communities	In Progress	<ul style="list-style-type: none"> <li>• Provided commercial driver safety training for 18 Enbridge, 12 Edcon Power Tongs and 10 Tri-Gen Construction employees.</li> <li>• Provided professional development training for employees of Lac La Biche County and Elizabeth Métis Settlement.</li> <li>• Continued focus on growth of community contract training. Added new offerings in Alexis and Calling Lake and worked with Cold Lake First Nations to develop longer-term plans.</li> <li>• Continued to diversify course and program offerings as well as focus on greater partnership with our academic partners to increase awareness and access to base-funded programs.</li> </ul>
<i>Expected Outcome:</i> Revenue generation to support for-credit programs and infrastructure needs	In Progress	<ul style="list-style-type: none"> <li>• Began distributing Continuing Education catalogues on a quarterly basis with extension courses listed from the credit program area. While some were break-even offerings, others were expected to generate revenue for the College.</li> </ul>
<i>Expected Outcome:</i> Improving profitability through leveraging of redesigned Continuing Education organizational model	In Progress	<ul style="list-style-type: none"> <li>• Re-assigned roles and responsibilities within Continuing Education department to create more of a business development and sales support model.</li> <li>• Continuing Education exceeded its profitability goal by 29%.</li> </ul>

**Goal: Diversify the college’s funding sources (cont.)**

**Priority Initiative: Fundraising**

Description	Status	Progress Made in 2016-2017
<i>Expected Outcome:</i> Reviewing the purpose of all existing events and targeting them as fundraising or friendraising while increasing net revenue	In Progress	<ul style="list-style-type: none"> <li>Hired new Manager of Community Relations in November 2016.</li> <li>Suspended annual St. Paul Gala due to an inability to break even.</li> <li>Met with City of Cold Lake officials to plan a new fundraiser in the municipality.</li> <li>Re-organized annual Sports &amp; Education fundraising dinner in Lac La Biche to focus on a new student scholarship – the Spirit of Community Partnership Endowment – that industry is willing to support.</li> </ul>
<i>Expected Outcome:</i> Increasing efforts to solicit external sources for scholarships	In Progress	<ul style="list-style-type: none"> <li>Created a new Spirit of Community Endowment and seeded it with an \$83,000 transfer of funds from the former Ultimate Heir Trust endowment and the net proceeds of \$35,000 from 2017 Sports &amp; Education fundraising dinner. The College hopes the endowment will eventually reach \$1 million.</li> <li>Received a \$20,000 donation from Cenovus Energy to establish a new student award for the Cold Lake area.</li> </ul>
<i>Expected Outcome:</i> Exploring alternative avenues for fundraising	In Progress	<ul style="list-style-type: none"> <li>Finalized a three-year sponsoring agreement with Lac La Biche County to fund the Voyageur Men’s Hockey Team, worth \$100,000 per year.</li> </ul>
<i>Expected Outcome:</i> Engaging Board members in strategic fundraising initiatives	Outstanding	<ul style="list-style-type: none"> <li>Due to a large turnover of board members, strategic fundraising initiatives were not undertaken in 2016-2017. Board members need to define their roles first before initiatives can proceed. The Board did undertake a risk assessment of the College’s planned 50th anniversary activities as well as the Spirit of Community Endowment Fund.</li> </ul>
<i>Performance Measure:</i> Reduce cost on fundraising and friend-raising events by 10% (2016-2017)	Complete	<ul style="list-style-type: none"> <li>Reduced cost of Sports &amp; Education Dinner by 10%.</li> <li>Cancelled or reassessed other annual events that were not raising funds.</li> </ul>
<i>Performance Measure:</i> Grow donations and gifts in kind by 10% (2016-2017)	Complete	<ul style="list-style-type: none"> <li>Donations recognized as revenue were \$172,000 in 2016-2017, down \$16,000 from 2015-2016. However, donations in kind totaled \$107,000 in 2016-2017 versus \$0 in 2015-2016.</li> </ul>

# Enrolment Plan (in FLEs)



\*NB 16-17 FLE forecast taken from 2016-2019 Comprehensive Institutional Plan

The lower than forecasted enrolment is due to a few factors:

1. Several Trades and Technology programs experienced an enrolment decrease, reflecting the continued sluggishness of the provincial economy. Hairstyling, Heavy Equipment Operator, Power Engineering, and Apprenticeship Electrician, Steamfitter-Pipefitter and Welding all recorded lower-than-projected FLE counts. Heavy Equipment Technician was not offered in 2016-2017.
2. Lower than expected enrolment in the College's culinary programs, particularly in the Baking Certificate program.
3. Lower than expected enrolment in Emergency Medical Technician.
4. Did not offer Artisan Entrepreneurship Diploma in 2016-2017.

Not all of the College's programs failed to meet the 2016-2019 CIP targets. In fact several exceeded expectations, most notably Business Administration Certificate, Early Learning and Child Care Certificate and Diploma, Educational Assistant Certificate, and University Studies. The College increased its overall FLE count by 9 over 2015-2016. There is evidence of stable, not stagnant enrolment numbers.

## Enrolment Breakdown – Program by Program

Program	FLE Forecast	FLE Actual	Actual vs. Forecast
Aboriginal Art Certificate	11.4	7.4	-4.0
Academic Foundations & College Preparation	219.8	213.7	-6.1
Accounting Technician & Office Administration	19.8	15.2	-4.6
Apprenticeship Electrician	23.2	17.6	-5.6
Apprenticeship Steamfitter-Pipefitter	5.7	4.5	-1.2
Apprenticeship Welding	12.7	8.5	-4.2
Artisan Entrepreneurship Diploma	6.5	0.0	-6.5
Baking Certificate	9.0	5.0	-4.0
Business Administration Certificate	36.0	49.3	+13.3
Business Administration Diplomas	18.0	17.3	-0.7
Community Social Work Diploma	50.7	53.2	+2.5
Culinary Arts Diploma	35.1	29.9	-5.2
Early Learning and Child Care Certificate	40.0	45.9	+5.9
Early Learning and Child Care Diploma	12.4	20.4	+8.0
Educational Assistant Certificate	15.0	24.9	+9.9
Educational Assistant Diploma	3.2	3.0	-0.2
Emergency Medical Technician Ambulance	24.5	17.5	-7.0
Emergency Medical Technologist Paramedic	55.5	52.3	-3.2
Hairstyling	16.5	10.5	-6.0
Heavy Equipment Operator	27.6	20.9	-6.7
Heavy Equipment Technician	2.2	0.0	-2.2
Institutional Cook	4.8	3.3	-1.5
Licensed Practical Nurse	62.5	64.1	+1.6
Natural Resources Technology Diploma	28.5	28.7	+0.2
Open Studies	19.0	23.0	+4.0
Power Engineering 3rd Class	53.3	41.4	-11.9
Power Engineering 4th Class	46.8	36.0	-10.8
Pre-Employment Heavy Equipment Technician	5.3	5.9	+0.6
Pre-Employment Welding	7.5	3.7	-3.8
SAGD De-Oiling and Water Treatment (DAWT)	2.1	0.8	-1.3
University Studies	42.0	59.3	+17.3

\*NB FLE = "Full Load Equivalent." "Business Administration Diplomas" combine both the Accounting and Management specializations.

# Internationalization

Although international students have never accounted for more than nominal enrolment at our institution, Portage College has continued to explore ways to facilitate student exchanges, knowledge-transfer initiatives, curriculum development and research collaborations. We have even looked at capstone project opportunities for international students at our Food Sciences Centre in St. Paul. The reality of our fiscal situation, where programming and infrastructure improvements must take precedence, makes it difficult to participate in such initiatives however. Many grant programs require matching funds to be able to proceed, funds that the College currently does not have. Portage has explored partnership possibilities with other Comprehensive Community Institutions regarding the recruitment of international students.

In 2014, Portage College became a Designation Institution with Citizenship and Immigration Canada International Student Program. Since that time, we have seen a significant increase in the number of inquiries from international students (most notably in the health field), although the numbers remain low. In 2016-2017, the College received 46 applications from 40 international applicants.

The College continued to investigate the feasibility of joining a metasearch engine that would allow students from anywhere in the world to find out about Portage College and our program offerings.



# Capital Plan

*Critical to Portage's new programming initiatives to meet the needs of the communities and province that we serve are new facility construction, expansion and renovation. The projects below were the ones listed in the 2016-2019 Comprehensive Institutional Plan.*

## Priority Projects

Type	Description	Status	Expected Completion Date	Progress Made in 2016-2017
New	Pipeline Training Campus in Boyle – Phase I (includes process loop)	In Progress	Entirely dependent on funding	Completed business case. Submitted information to Building and Land Information Management System.
New	Pipeline Training Campus in Boyle – Phase II	Not Started	Entirely dependent on funding	Continued to work on Phase I of the proposed project.
New	Cold Lake Campus Expansion	In Progress	Entirely dependent on funding (Planning phase completed by July 2018)	Received \$1.08 million from Government of Alberta for 2017-2018 to fund infrastructure feasibility study for Portage College including our Cold Lake campus. We expect the planning phase to be completed by July 2018.

Other				
Type	Description	Status	Expected Completion Date	Progress Made in 2016-2017
Maintenance	Replace Domestic Hot/Cold Water Distribution System – LLB Campus	In Progress	August 2018	Completed engineering drawings. Project is now ready for tendering.
Maintenance	Curbs and sidewalks – LLB Campus	In Progress	Entire dependent on funding	Waiting for funds to be made available for project.
Maintenance	Asphalt overlay and line painting – LLB Campus	In Progress	Entirely dependent on funding	Waiting for funds to be made available for project.
Maintenance	Roof Replacement – LLB Campus	In Progress	Entirely dependent on funding	Waiting for funds to be made available for project.

Portage College's top priority capital project is the expansion of our Cold Lake Campus. In order to meet the growing demand for programs and services and to address the increasing student numbers, the College is proposing to double the size of our current 29,062 square-foot facility. The expansion would not only create more space for students, who currently sit in a stairwell between classes, but also allow the College to expand our program offerings in a region where enrolment has increased for five consecutive years.

The College is still committed to developing Canada's first Pipeline Training Campus in Boyle. Phase I of the \$55 million project, which includes a \$25 million process loop that will be able to safely simulate oil spills and pipeline breaches using non-toxic materials, will be part of a phased-campus development that will eventually offer multiple programs relevant to the oil and gas pipeline industry. As of the end of the 2016-2017, \$5 million was in place thanks to support from Alberta Human Services, Western Economic Development Canada,

Rural Diversification Initiative, Portage College and the private sector. The Boyle Campus has a 42-person working camp on site as well as classroom and recreational space. As we have continued to note in our Comprehensive Institutional Plans, with increasing environmental concerns and continuing low oil prices, being able to move Alberta oil safely and respond to pipeline breaches is of paramount importance to the provincial economy.

Meanwhile, the College continues to advocate for the project, garnering attention from media outlets and industry representatives from across Canada. During the years leading up to the Pipeline Training Centre project proposal, Portage College has worked with more than 40 companies, including multiple consultations with the Canadian Energy Pipeline Association and the Canadian Standards Association, to bring pipeline training to northern Alberta. The College has consulted and has approval from all seven First Nation and four Métis Settlements within our service region to develop the Boyle site.

# Information Technology

Several of Portage College's programs are now offered using a blended-delivery or fully-online model. Even courses and programs delivered face-to-face in a traditional classroom setting have Moodle companion sites and available online resources and supports. Students now expect immediate, individualized service and support, making it

essential for the College to continue to upgrade and expand our IT infrastructure, including classroom technology, library services and information portals. The table below summarizes efforts undertaken in a challenging economic climate in 2016-2017 to address this critical and ongoing need.

Type	Description	Status	Expected Completion Date	Progress Made in 2016-2017
New	Intranet Deployment	Outstanding	On hold	Project is on hold, although the College continues to do background IT work to ensure that the project can go ahead when funding is in place.
New	ERP Renewal	In Progress	TBD	Collaborated with other colleges on possible shared unit (Unit 4 Agresso) for implementation. In the interim, completed a business case comparing merits of enhancing our existing ERP system or proceeding with a Campus Alberta solution. The results showed the best option was to enhance our current ERP system.
Maintenance	Disaster Recovery	Complete	Complete	Phase II complete, hardware in place at our backup location.
Expansion	Technology Expansion in Classrooms and Further Video Conferencing	Complete	Complete	Updated 12 classrooms, 2 boardrooms and 5 carts at our remote campuses. Improved service to all locations, updated connections on the back end.
New	Bookstore Point of Sale	Outstanding	On hold	Deferred the project due to budget constraints.



Type	Description	Status	Expected Completion Date	Progress Made in 2016-2017
Maintenance	Security Systems Upgrade	In Progress	June 2019	Upgraded our central server in Lac La Biche (access control in 2018, emergency response), updated systems in Boyle, Cold Lake and St. Paul.
Maintenance	Thin Client Backend Infrastructure	Complete	Complete	Upgraded backend infrastructure.



# Our Valued Partners

*We are grateful to the following agencies, companies, municipalities and organizations for their ongoing support of our College through financial contributions, in-kind donations, practicum placements or by other means. Their support has proven essential to ensuring that the College delivers on our promise to provide exceptional learning experiences for our students.*

## A

- A&T Construction Ltd.
- Access Pipeline Inc.
- Alberta Arts Foundation
- Alberta Agriculture and Forestry
- Alberta Apprenticeship and Industry Training
- Alberta Biodiversity Monitoring Institute
- Alberta Conservation Association
- Alberta Construction Safety Association
- Alberta Employment and Immigration
- Alberta Environment and Parks
- Alberta Fish and Game Association
- Alberta Health
- Alberta Human Services
- Alberta Lakeland Direct Marketing: Lakeland Heritage Partners
- Alberta Law Foundation
- Alberta Museums Association
- Alberta Pacific Forest Industries
- Alberta Rural Development Network
- Alberta Safety Council
- Alberta Snowmobile Association
- Alberta Solicitor General
- Alberta Sustainable Resource Development
- Alberta Tourism, Parks, Recreation and Culture
- Aspen View Public Schools
- Athabasca County

## B

- Beaver Lake Cree Nation
- Big Dog 103.5 Lac La Biche (now known as Boom 103.5)
- Bird Studies Canada
- Boreal Centre for Bird Conservation
- Boston Pizza Lac La Biche
- Britton's Your Independent Grocer
- Buffalo Lake Métis Settlement

## C

- Campus Alberta
- Canadian Natural Resources Limited
- Canadian Wildlife Service
- Canalta Hotels
- Cenovus FCCL Ltd.
- Chwedoruk Trucking
- City of Cold Lake
- CleanHarbors
- Cold Lake First Nations
- Community Adult Learning Councils
  - Bonnyville Community Learning Council
  - Cold Lake Community Learning Council
  - Elk Point & District Further Education
  - Lac La Biche Community Learning for Adult Student Society
  - Lac La Biche Program for Adult Learning

- Smoky Lake County Community Learning Council
- St. Paul Community Learning Association
- VegMin Learning Society (Vegreville)
- Community Programs Branch of Alberta Innovation and Advanced Education

**D**

- DDC Sand, Gravel & Concrete
- Devon Canada

**E**

- East Central Francophone School Division
- Ecole Plamondon School
- Edcon Power Tongs
- Enbridge Pipelines Inc.
- Enform

**F**

- Fatal Light Awareness Program Canada
- Frog Lake First Nation

**G**

- Grande Prairie Regional College

**H**

- Heart Lake First Nation

**I**

- Imperial Oil Resources

**J**

- J.A. Williams High School
- Johnson Incorporated

**K**

- Kehewin First Nation
- Keyano College

- Kikino Métis Settlement

**L**

- Lac La Biche Canadian Native Friendship Centre
- Lac La Biche & District Chamber of Commerce
- Lac La Biche County
- Lac La Biche IGA
- Lac La Biche Transport
- Lakeland Catholic School District
- Lesser Slave Lake Bird Observatory
- Lethbridge College
- Lincoln County Oilfield Services

**M**

- Medicine Hat College
- MEG Energy Corp.
- Métis Nation of Alberta
- Minor Sports (Lac La Biche)

**N**

- North Star Science & Technology Ltd.
- Northeast Alberta Apprenticeship Initiative
- Northern Alberta Development Council
- Northern Lakes College
- Northern Lights Public Schools
- North West Fabricators Ltd.

**O**

- Oil Sands Discovery Centre

**R**

- Ramada Hotels
- RDK Electric
- Royal Alberta Museum

**S**

- Saddle Lake First Nation

- Smiley’s Furniture and Electronics
- Smoky Lake Forest Nursery
- SMR Diesel Trucks (Stephane’s Mobile Repair)
- St. Paul Education Regional Division
- Stantec Consulting
- Student Association of Portage College

**T**

- Tervita Corporation
- Thurber Engineering
- Town of St. Paul

**U**

- University of Alberta
- University of Calgary

**V**

- Village of Boyle

**W**

- Waschuk Pipeline
- Western Economic Diversification Canada
- Whitefish Lake First Nation #128

**Z**

- Zayfti

*Portage College would also like to acknowledge the tremendous support received from residents of our service region for our annual fundraisers and events, student scholarships and bursaries, and Voyageurs athletics. Thank you.*



# 2016-2017 Supporters & Friends of Portage College

*Portage College greatly values the donations made by individuals, businesses, organizations, and industry. We responsibly steward and allocate all contributions. Please note that the list represents donation revenue earned during the reporting period.*

*Thank you to the following –*

## **\$10,000 – \$24,999**

- Britton's Your Independent Grocer
- Cenovus FCCL Ltd.
- Devon Canada

## **\$5,000 – \$9,999**

- Access Pipeline Inc.
- Canadian Natural Resources Ltd.
- City of Cold Lake

## **\$1,000 – \$4,999**

- Alberta Pacific Forest Industries
- Bogar Ventures Ltd.
- Brad Musat
- Canadian Natural Resources Ltd.
- ESC Automation
- Goodfish Lake Development Corp.
- Karen Brown
- Lac La Biche County
- Lac La Biche IGA
- Lakeland Geocache Society
- MEG Energy Corp.

- Michelle Wright
- Mike & Lyla Allan
- Myrna Fox
- NU Nenne – Stantec
- Palamaruk Golf & Apparel
- Primco Dene Ltd.
- ReMax / Lac La Biche Realty
- Saddle Lake Reinvestment Program
- Seven Lakes Oilfield Services
- Sherraz Moghrabi
- Squirrely's Fas Gas
- Swamp Cats
- Trent & Bonita Keough
- WSP Canada Inc.
- Village of Boyle
- X-Cell Foods (Boston Pizza)

## **\$500 – \$999**

- Alberta Native Friendship Centres Association
- Barry & Donna Feledichuk
- Barry Chwedoruk
- Century 21 Lakeland Real Estate (2008) Ltd.
- Community Futures Lac La Biche

- Dale Mountain
- David Paul
- David Tipton
- Guy Gervais
- Jacknife Timber
- Jim Knight
- Johnson Inc.
- Kalan Britton
- Keyano Pimee Exploration Company Ltd.
- La Biche Ford
- LLB Modern Wears Ltd.
- Mike & Nancy Broadbent
- OK Industries
- Portage College Student Association
- Ray Danyluk
- Robin Tizzard
- Smiley's Smaiel Holdings
- Tim Thompson
- Tracy Boyde
- Venture Building Supplies
- Brittany Daigle
- Brownlee LLP
- Carol Kunz
- Carrie Froehler
- Cathy White
- Charles & Janice Duckett
- Christine Martin
- Cold Lake Ford
- Colleen Creguer-Norgate
- Community Futures – St. Paul/Smoky Lake
- Craig Copeland
- Dale & Shelley Franchuk
- Daniel Small
- Danny Smaiel
- Darren Pratch
- David Hanson
- Ethan Fayad
- Garnett Lett
- Gary Gagnon
- Gateway Dental Clinic
- Geoff & Karen Hibbs
- Grant Theroux
- Harley Ludington
- Jaime Davies
- Jenetta Gale
- Jenna Hupka
- Joanne Neuman
- Joleyne Mayers-Jaekel
- K. Polturak Management & Consulting Inc.
- Kathleen Skjersven
- Kim Winger
- Lac La Biche Post
- Lakeland Credit Union
- Laurent & Patti Amyotte
- Leanne Coonan
- Leigh & Emily Steele

### \$100 – \$499

- A.Philips
- Ajaz Quraishi
- Al Webber
- Allan Bertschi
- Allie Ferris
- Andrea Tardiff
- Aurèle Malo
- Aurora Middle School
- Barb Peters
- Bonnie Tourand
- Bonnyville-Cold Lake Constituency Office
- Brenda Cardinal
- Brian Wanner
- Brittany Daigle
- Brownlee LLP
- Carol Kunz
- Carrie Froehler
- Cathy White
- Charles & Janice Duckett
- Christine Martin
- Cold Lake Ford
- Colleen Creguer-Norgate
- Community Futures – St. Paul/Smoky Lake
- Craig Copeland
- Dale & Shelley Franchuk
- Daniel Small
- Danny Smaiel
- Darren Pratch
- David Hanson
- Ethan Fayad
- Garnett Lett
- Gary Gagnon
- Gateway Dental Clinic
- Geoff & Karen Hibbs
- Grant Theroux
- Harley Ludington
- Jaime Davies
- Jenetta Gale
- Jenna Hupka
- Joanne Neuman
- Joleyne Mayers-Jaekel
- K. Polturak Management & Consulting Inc.
- Kathleen Skjersven
- Kim Winger
- Lac La Biche Post
- Lakeland Credit Union
- Laurent & Patti Amyotte
- Leanne Coonan
- Leigh & Emily Steele

**\$100 – \$499 cont.**

- Leway Backhoe Services Ltd.
- Lac La Biche Sporting Goods
- Marja Verhagen
- Megan Edmunds
- Multi Test
- Northern Lights School Division
- Octopus Creative Inc.
- Omer & Bev Moghrabi
- Opus Stewart Weir
- Patricia Flatla
- Portage College Faculty Association
- Portage College Staff Association
- Réjean & Jacqueline Giasson
- Richard Cameron
- Rick Beecroft
- Rick Flumian
- Shelia Rabik
- Shun Li
- SMalo Math Consulting (Sylvia Malo)
- SMR Diesel Trucks
- Sylvia Thom
- Tanya Shukaliak
- Tarrabain Motor Products
- Tirecraft (Oasis Sales & Service)
- Travis Lansing
- Twintel Communications Ltd.
- Wildwoods Inc.

**\$50-99**

- Barbara Colliar-Brown
- Beverly Lockett
- Carson Johnstone
- Charlie Ashby
- Donna Côté
- Geraldine Hagen
- Jamie Wogernoski
- Justin Rogers
- Kim Onciul
- Linda Cummins
- Meghan Eigler
- Michelle Plamondon
- Monica Gordon
- Patricia Miller
- Rik Nikoniuk
- Robert Richard
- Roy Ripkens
- Thelma Rocks
- Tom & Terry Hannan
- Tracy Orr

We have made every effort to ensure all our contributors to our 2016-2017 fiscal year are correctly recognized in the Annual Report. We apologize if an error or an omission has occurred. The timing of your donation can also determine the year in which it is acknowledged. The College wishes to gratefully acknowledge various anonymous donations totaling \$25,404.



Glasses

Sunglasses

PORTAGE  
1913  
COLLEGE

PORTAGE COLLEGE



# Management's Discussion and Analysis of Consolidated Financial Statements

## Introduction

This Management Discussion and Analysis (MD&A) should be read in conjunction with the Portage College consolidated financial statements and accompanying notes. The MD&A and consolidated financial statements are reviewed and approved by the Portage College Board of Governors and President/CEO on the recommendation of the Portage College Board Finance, Infrastructure and Risk Committee. The consolidated financial statements represent the financial position and results of operations of Portage College. The College's consolidated financial statements have been prepared in accordance with Canadian Public Sector Accounting Standards and are expressed in Canadian dollars.

The MD&A is an overview of the consolidated financial results Portage College achieved in the fiscal year ended June 30, 2017 and offers a detailed discussion and analysis of the following:

1. Operating Environment
2. Financial Results
3. Net Assets
4. Capital Spending
5. Areas of Significant Financial Risk

## 1. Operating Environment

In 2016-17, Portage College received a 2% inflationary increase to our Campus Alberta Grant as part of the Government of Alberta's commitment to provide sustainable and predictable funding to the Post-Secondary Sector. Tuition was frozen throughout the Post-Secondary Sector at 2014-15 rates for 2016-17 with the College receiving a tuition offset grant from Advanced Education of \$61.

The College continued to face operational budget challenges as the 2% Campus Alberta grant increase did not keep pace with inflation or restore the cumulative effect of several years of funding reductions by the former government. However, cost containment efforts and prudent financial management resulted in an annual surplus of \$1,562 on June 30, 2017. In addition, the College settled with the College Faculty Association for the 2016-17 contract year for a 2% lump sum payment. The College continues to negotiate with the Staff Association (AUPE) whose contract expired June 30, 2016. In March 2016, the College received a letter from Advanced Education recommending a two-year freeze to Management and Excluded employee salaries effective April 1, 2016 through to March 31, 2018 which the College implemented.

## 2. Financial Results

From total revenues of \$37,320 for the fiscal year ended June 30, 2017, the College incurred a consolidated annual surplus of \$1,562. The annual surplus is primarily a result of operating dollars set aside to fund investment in self-funded capital and to replenish net asset reserves. The College has \$221 in operating contingency funds in internally restricted surplus which is earmarked for investment towards the College Water and Waste Water Lab.

## Revenues

The College revenues were virtually unchanged over the prior year at \$37,320, but increased by \$1,143 (3.2 %) over the budget. The main source of revenue for the College are grants from the Government of Alberta which totaled \$27,306, representing 73% of total revenues. Advanced Education is the primary funder to the College.

	2017 Budget	2017 Actual	2016 Actual
Government of Alberta grants	\$26,392	\$27,306	\$26,963
Federal and other government grants	883	885	740
Sales of services and products	4,526	4,636	5,071
Student tuition and fees	4,069	4,158	4,206
Donations and other grants	166	172	188
Investment income	141	163	150
Total	\$36,177	\$37,320	\$37,318

## Capital Revenue Earned

Tangible capital assets purchased with externally restricted funds results in an obligation to the external funding agency to use the purchased assets over their useful lives in the provision of services. Under Public Sector Accounting (PSA) standards deferred capital revenue when earned must be attributed to the primary revenue source in the statement of operations. The following schedule depicts operating and deferred capital revenue earned by source for the year ended June 30, 2017.

	Actual June 30, 2017		
	Operating	Capital	Total
Government of Alberta Grants	\$25,008	\$2,298	\$ 27,306
Federal and other government grants	481	404	885
Sales of services and products	4,636	-	4,636
Student tuition and fees	4,158	-	4,158
Donations and other contributions	122	50	172
Investment income	163	-	163
<b>Total revenue</b>	<b>\$34,568</b>	<b>\$2,752</b>	<b>\$37,320</b>

### Government of Alberta Grants

Revenues from the Government of Alberta represent the College's single largest source of income and play a key role in the ability to fund College activities. Government of Alberta grants increased by \$343 over the prior year. Also, GOA grants was \$914 greater than budget. The increase consisted of various government funded projects and initiatives such as: deferred IMP revenue earned \$257, main campus electrical distribution project \$62, increase in Campus Alberta grant revenue recognized (timing) \$125, Campus Alberta Unified System (CAUS) business case \$29, increase in apprenticeship seat funding \$11, tuition freeze offset grant \$61, increase in Licensed Practical Nurse expansion grant \$75 and various other grants and government funded capital assets purchase amortization of revenue \$294.

### Federal and Other Government Grants

Revenues from federal and other government grants increase by \$145 over the prior year and were on budget. Conditional grants will have a corresponding equal expenditure offset.

### Sales of Services and Products

Revenues from sales of services and products decreased by \$435 over the prior-year and were \$110 higher than budget. The increase over budget is due to improved revenues in ancillary services.

### Student Tuition and Fees

Tuition fees are regulated by Advanced Education under Tuition Regulation Policy. Tuition fees remained frozen at the 2014-15 rates under the direction from the Provincial Government of Alberta.

Revenues from student tuition and fees were \$89 higher than budget. Student full load equivalents (FLE) were 883, compared to the budget of 917 FLE. The 2017 FLE's increased by 9 from the prior year of 874.

Regulated tuition policy stipulates that tuition revenue and fees cannot exceed 30% of the College's net operating expenditure. The table below depicts the College's actual compliance rate.

Compliance with Tuition Fee Policy		
	2016-17	2015-16
Tuition and Related fees revenue	\$4,158	\$4,206
Net Operating Expenditure	33,668	34,178
%	12.35%	12.30%

### Donations and Other Contributions

Donations and contributions were \$6 higher than budget due to a slight increase in donations, fundraising activities and capital revenue earned.

### Investment Income

Revenue from investment income increased by \$13 over prior year, and was \$22 higher than budget due to higher returns in the financial markets than anticipated.

### Expenses by Function

For the year ended June 30, 2017 the College recorded \$35,804 in operating expenses representing a decrease of \$862 (2.4 %) from the prior year and \$373 (1.0 %) lower than budget.

### Instruction

Instruction represents the single largest function at the College, representing teaching for all credit and non-credit programming. This category also includes non-sponsored research and scholarly activity undertaken by faculty and within College departments. Instruction accounted for 30.3% of total expenditures for the year ended June 30, 2017. With this function representing such a significant component of the College's activity, the \$814 decrease in costs over the prior year represents the function's proportionate share of the College's salary

and benefits and material, supplies and services. In comparison to the 2017 budget, Instructional costs were \$576 higher than expected. Instructional costs higher than budget due to a contract settlement with the Faculty Association and increased staffing levels due to higher enrolments.

### **Academic and Student Support**

Academic and student support is the third largest function at the College. This category includes Student Services, Student Recruitment, Student Records and Admissions, Counseling, Social Development, Scholarships and other student related support. Academic and student support accounted for 19.2% of total expenditures for the year ended June 30, 2017.

Expenses increased by \$718 from the prior year and represent the function's proportionate share of the College's salary and benefits and material, supplies and services decrease. In comparison to budget, academic and student support costs were \$717 lower than expected.

### **Institutional Support**

Institutional Support is the second largest function at the College. This category represents activities for Executive and Corporate Management, Public Relations, Corporate Finance, Human Resources and other corporate administrative activities. It also includes amortization expense. Institutional support accounted for 27.2% of total expenditures for the year ended June 30, 2017.

Expenses decreased by \$522 over the prior year net of an increase in amortization expense of \$106.

In comparison to the 2017 budget, Institutional support costs were \$981 lower than expected, of which \$104 was lower amortization. Also, \$403 was declared as a surplus to supplement self-funded capital investment.

### **Information Technology**

Information Technology represents activities for Computing Services, Network and Data Communication. Information Technology accounted for 5.3% of total expenditures for the year ended June 30, 2017.

Expenses increased by \$98 from prior year and were \$214 greater than budget due to an increase in computer replacements.

### **Facilities Operations and Maintenance**

This function represents all expenditures associated with facility operations and maintenance of buildings, grounds and equipment. It also includes all utility costs and rent of leased facilities. This function accounted for 11.6 % of total expenditures for the year ended June 30, 2017.

Expenses increased by \$194 from the prior year and were \$216 higher than budget. The variance consists of timing of maintenance activity, reduced infrastructure maintenance grant and costs associated with conditional grants.

### **Ancillary Services**

Ancillary Services represents operating activities that are not grant funded which support students. It includes the College Bookstore, Voyageur Grill, Student Residences and Housing and the Lac La Biche Child Care Association. Ancillary services accounted for 6.0 % of total expenditures for the year ended June 30, 2017.

Expenses decreased by \$352 from prior year and were \$296 higher than budget.

### **Special Purpose Trust**

Special Purpose Trust represents costs for fundraising activities and other programs specifically funded from restricted grants and donations. Special purpose trust accounted for 0.4% of total expenditures for the year ended June 30, 2017. Expenses decreased by \$63 over the prior year and were \$23 higher than budget.

## Sponsored Research

Sponsored research represents expenditures for all sponsored research activities specifically funded through restricted grants and donations. There was no expenditures in sponsored research for the year ended June 30, 2017. Expenses decreased by \$121 over the prior year and were on budget.

## Administrative Expenditures as a Percentage of Total Operating Expenditures

Advanced Education tracks the efficiency of post-secondary institutions by monitoring an institution's administrative expenditures as a percentage of total operating expenditures. This percentage is calculated by taking Institutional Support function category expenditures and dividing it by total expenditures (minus ancillary services). The table below shows the College's performance on this measure.

### Administrative Expense as a Percentage of total Operating Expenditures less Ancillary

	2016-17	2015-16
Administrative Expenditures	\$9,726	\$10,248
Total Operating	\$35,804	\$36,666
Less Ancillary Services	2,136	2,488
Net Operating Expenditures	\$33,668	\$34,178
Administration Exp/ Net total Operating	28.89%	29.98%

## 3. Net Assets

The College's net asset balance is an important indicator of the financial health for the institution. It is comprised of Accumulated Surplus and Accumulated Remeasurement Gains and Losses.

Accumulated surplus from operations increased by \$1,539 over the prior year due to an operating surplus of \$1,516 to partially fund self-funded capital expenditures and replenish net asset reserves.

This has resulted in an accumulated surplus from operations of \$1,890 versus \$351 in the prior year. Internally restricted surplus was drawn down by \$298 resulting in a balance of \$1,667. However, available funds after commitments for 2018 capital spending reduces the internally restricted fund balance to below \$1,500. The College has a \$221 operating contingency within internally restricted surplus which is earmarked for investment towards the College Water and Waste Water Lab.

Accumulated surplus	Accumulated surplus from operations	Internally restricted surplus	Invested in capital assets	Endowments	Total
Balance as at June 30, 2016	\$ 351	\$ 1,965	\$ 9,021	\$ 2,043	\$ 13,380
Balance as at June 30, 2017	1,890	1,667	9,239	2,138	14,934
Change +/-	\$ 1,539	\$ (298)	\$ 218	\$ 95	\$ 1,554

## 4. Capital Spending

Capital expenditures were \$2,211 (2016 – \$3,270).

Capital expenditures consisted of \$393 in contributed capital and \$1,818 in self-funded capital.

Acquisitions were made in the following asset categories:

- Land \$8 (2016 – \$nil)
- Building, trailers and improvements \$659 (2016 – \$1,208)
- Equipment \$816 (2016 – \$628)
- Computer hardware and software \$729 (2016 – \$1,395)
- Learning resources and other assets \$nil (2016 - \$39)

Project	Contributed	Self-funded	Total
Vehicle replacement	\$	\$ 266	\$ 266
Heavy Equipment Operator - equipment		179	179
Housing betterments		256	256
Classroom video conferencing equipment		252	252
Security system		160	160
Heavy Equipment Technician equipment and shop retrofit	166	55	221
SIF – NRT lab & greenhouse	131	25	156
SIF – Water & Waste Water lab	23	55	78
SIF – IT Infrastructure renewal		84	84
Domestic Hot & Cold Water	42		42
Gym equipment replacement		59	59
Various IT equipment & software		164	164
All other capital	31	263	294
<b>Total</b>	<b>\$ 393</b>	<b>\$ 1,818</b>	<b>\$ 2,211</b>

## 5. Areas of Significant Financial Risk

### Net Assets

The College has an accumulated surplus of \$14,934 in net assets which includes endowment principle of \$2,138 and invested in capital assets of \$9,239.

Accumulated surplus from operations and internally restricted surplus in net assets is \$3,557 or 9.5% of total revenues, with the exception of a \$1,516 operating surplus in 2017, has declined significantly over the past several years due to: funding cutbacks, declining enrolments, increasing operating costs, collective agreement settlements and spending on self-funded capital to address a deteriorating capital infrastructure. College management is taking steps to replenish College reserves in net assets to provide funds to meet capital investment requirements. If these reserves continue to deteriorate, the College will be limited to address deteriorating capital infrastructure or provide non-operating funds for future program growth and expansion.

### Unfunded Deferred Maintenance

The College directs a significant amount of resources towards renewing existing facilities to ensure that these facilities are updated with relevant technology and operate efficiently. A reduction in provincial funding for Infrastructure Maintenance, an aging infrastructure and a shortage of skilled facility maintenance workers has created a backlog of unfunded deferred maintenance in excess of \$20 M.

### Budgetary Pressure

Although the College has a balanced budget for 2017-18, the College is facing a number of risk factors. The College has reduced its operating budget over the past several years from reductions in government funding and declining enrolments. The effects of the significant funding cuts prior to 2015-16 are still being felt as we recover through strategic investment in Centres of Specialization and new program offerings.

In the 2017-20 Comprehensive Institutional Plan the College is projecting no increase in our Campus Alberta Grant Funding for 2018-19. Advanced Education is undertaking a review of the Post-secondary funding model with an anticipated release in the late fall of 2017. The College does not have sufficient information to determine the effect this will have on budget 2018 or forward.

Budgetary pressures is further compounded by limited opportunities to find new revenue sources and mandated freeze on tuition fee increase in 2017-18. The College will continue with prudent financial management, introduce new programming and seek collaborative opportunities within the post-secondary sector to maintain a sustainable future.

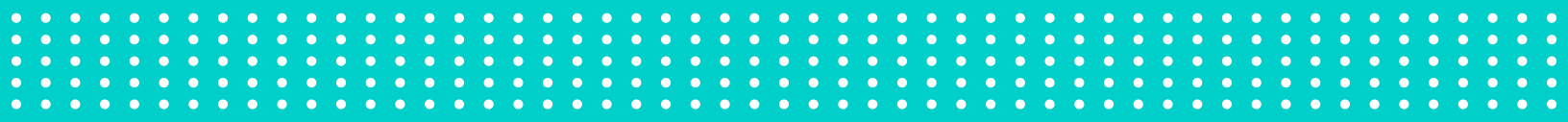
### Enterprise Resource Planning System (ERP)

The College operates an Enterprise Resource Planning System that is limited in meeting current demands of a contemporary post-secondary institution. The capital investment required to bring the existing ERP system to a level of acceptable functionality is beyond the financial means of the College. The College completed a business case for ERP solutions and concluded that the Software-as-a-Service (SaaS) solution with the University of Alberta, Campus Alberta Unified Services (CAUS), is not feasible or cost effective. The College is collaborating with other Post-secondaries who use the Unit 4 ERP system to jointly pursue system enhancements.

### Consolidated Reporting Entity

The Lac La Biche Child Care Association is a reporting entity under Public Sector Accounting Standards and its financials are consolidated into the Portage College financial statements. The association is incorporated under the Societies Act of Alberta and independently board governed. The association ceased operations on November 30, 2016 due to financial challenges. The association is in the process of winding up its operations.

# **Appendix – Audited Consolidated Financial Statements**







## Independent Auditor's Report

To the Board of Governors of Portage College

### **Report on the Consolidated Financial Statements**

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

### **Management's Responsibility for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

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

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

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

### **Opinion**

In my opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Portage 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 19, 2017

Edmonton, Alberta

# Portage College

## Consolidated Financial Statements

Year Ended June 30, 2017

### Statement of Management Responsibility

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The consolidated financial statements of Portage College ("the College") have been prepared by management in accordance with Canadian Public Sector Accounting Standards. The consolidated financial statements present fairly the consolidated financial position of the College as at June 30, 2017, and the results of its operations, remeasurement gains and losses, changes in net financial assets and cash flows for the year then ended.

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

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

The Board of Governors carries out its responsibility for review of the consolidated financial statements principally through its Finance, Infrastructure and Risk Committee. The Finance, Infrastructure and Risk Committee meets with management and the external auditors to discuss the results of audit examinations and financial reporting matters. The external auditors have full access to the Finance, Infrastructure and Risk Committee, with and without presence of management.

These consolidated financial statements have been reported on by the Auditor General of Alberta, the auditor appointed under the *Post-Secondary Learning Act*. The Independent Auditor's Report outlines the scope of the audit and provides the audit opinion on the fairness of presentation of the information in the consolidated financial statements.

[Original signed by Dr. Trent Keough]  
President & CEO

[Original signed by Dale Mountain]  
Chief Financial Officer

# Portage College

## Consolidated Statement of Financial Position

As at June 30, 2017

(thousands of dollars)

	2017	2016
<b>Financial assets excluding portfolio investments restricted for endowments</b>		
Cash and cash equivalents (Note 3)	\$ 7,206	\$ 5,620
Portfolio investments - non-endowment (Note 4)	1,694	1,621
Accounts receivable	925	1,028
Inventories for resale	178	158
	<b>10,003</b>	<b>8,427</b>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	2,188	2,301
Employee future benefit liabilities (Note 7)	160	289
Debt (Note 8)	106	134
Deferred revenue (Note 9)	4,915	4,445
	<b>7,369</b>	<b>7,169</b>
<b>Net financial assets excluding portfolio investments restricted for endowments</b>	<b>2,634</b>	<b>1,258</b>
Portfolio investments - restricted for endowments (Note 4)	2,334	2,325
	<b>4,968</b>	<b>3,583</b>
<b>Non-financial assets</b>		
Tangible capital assets (Note 6)	54,027	56,202
Inventories of supplies	46	51
Prepaid expenses	577	601
	<b>54,650</b>	<b>56,854</b>
<b>Net assets before spent deferred capital contributions</b>	<b>59,618</b>	<b>60,437</b>
Spent deferred capital contributions (Note 10)	44,684	47,057
	<b>\$ 14,934</b>	<b>\$ 13,380</b>
<b>Net assets (Note 11)</b>	<b>\$ 14,934</b>	<b>\$ 13,380</b>
<b>Net assets is comprised of:</b>		
Accumulated surplus	\$ 14,792	\$ 13,230
Accumulated remeasurement gains	142	150
	<b>\$ 14,934</b>	<b>\$ 13,380</b>
Contingent liabilities and contractual obligations (Notes 13 and 14)		

### Approved by the Board of Governors:

[Original signed by Randy Benson]  
Chair, Board of Governors

[Original signed by Dr. Trent Keough]  
President & CEO

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

**Portage College**  
**Consolidated Statement of Operations**  
**Year Ended June 30, 2017**  
**(thousands of dollars)**

	Budget (Note 19)	2017	2016
<b>Revenues</b>			
Government of Alberta grants (Note 18)	\$ 26,392	\$ 27,306	\$ 26,963
Federal and other government grants	883	885	740
Sales of services and products	4,526	4,636	5,071
Student tuition and fees	4,069	4,158	4,206
Donations and other grants	166	172	188
Investment income	141	163	150
	<b>36,177</b>	<b>37,320</b>	<b>37,318</b>
<b>Expenses</b>			
Instruction	10,277	10,853	11,667
Academic and student support	7,619	6,902	6,184
Facilities operations and maintenance	3,948	4,164	3,970
Institutional support	10,707	9,726	10,248
Ancillary services	1,840	2,136	2,488
Sponsored research	-	-	121
Special purpose and trust	111	134	197
Information technology	1,675	1,889	1,791
	<b>36,177</b>	<b>35,804</b>	<b>36,666</b>
<b>Annual operating surplus</b>	-	<b>1,516</b>	652
Endowment contributions (Note 11)	-	<b>39</b>	-
Endowment capitalized investment income (Note 11)	-	<b>7</b>	-
Annual surplus	-	<b>1,562</b>	652
<b>Accumulated surplus, beginning of year</b>	<b>13,230</b>	<b>13,230</b>	12,578
<b>Accumulated surplus, end of year</b>	<b>\$ 13,230</b>	<b>\$ 14,792</b>	<b>\$ 13,230</b>

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

## Portage College

### Consolidated Statement of Change in Net Financial Assets Year Ended June 30, 2017 (thousands of dollars)

	Budget (Note 19)	2017	2016
<b>Annual surplus</b>		\$ 1,562	\$ 652
Acquisition of tangible capital assets	(3,668)	(2,211)	(3,270)
Amortization of tangible capital assets	4,479	4,375	4,269
Loss on disposal of tangible capital assets		13	12
Change in inventories of supplies		5	(45)
Change in prepaid expenses		24	(267)
Change in spent deferred capital contributions	(2,777)	(2,373)	(2,114)
Net accumulated remeasurement losses		(8)	(10)
<b>Increase (decrease) in net financial assets</b>		<b>1,387</b>	<b>(773)</b>
<b>Net financial assets, beginning of year</b>		<b>3,583</b>	<b>4,355</b>
<b>Net financial assets, end of year</b>		<b>\$ 4,968</b>	<b>\$ 3,583</b>

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

## Portage College

### Consolidated Statement of Cash Flows Year Ended June 30, 2017 (thousands of dollars)

	2017	2016
<b>Operating transactions</b>		
Annual surplus	\$ 1,562	\$ 652
Add (deduct) non-cash items:		
Amortization of tangible capital assets	4,375	4,269
Gain on sale of portfolio investments	(17)	(10)
Loss on disposal of tangible capital assets	20	12
Expended capital recognized as revenue	(2,752)	(2,918)
Decrease in employee future benefit liabilities	(129)	(79)
Inventory write-downs	7	4
Change in non-cash items	3,066	1,930
Decrease in accounts receivable	103	179
Increase in inventories for resale	(27)	(12)
Decrease (increase) in inventories for supplies	5	(44)
Decrease (increase) in prepaid expenses	24	(267)
Decrease in accounts payable and accrued liabilities	(113)	(860)
Increase (decrease) in deferred revenue	470	(880)
Increase in spent deferred capital contributions, less expended capital recognized as revenue	378	804
<b>Cash provided by operating transactions</b>	<b>3,906</b>	<b>850</b>
<b>Investing transactions</b>		
Purchase of portfolio investments	(2,897)	(5,157)
Proceeds on sale of portfolio investments	2,816	3,948
<b>Cash applied to investing transactions</b>	<b>(81)</b>	<b>(1,209)</b>
<b>Financing transactions</b>		
Debt - repayment	(28)	(26)
Debt - new financing	-	14
<b>Cash applied to financing transactions</b>	<b>(28)</b>	<b>(12)</b>
<b>Capital transactions</b>		
Acquisition of tangible capital assets	(2,211)	(3,270)
<b>Cash applied to capital transactions</b>	<b>(2,211)</b>	<b>(3,270)</b>
<b>Increase (decrease) cash and cash equivalents</b>	<b>1,586</b>	<b>(3,641)</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>5,620</b>	<b>9,261</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 7,206</b>	<b>\$ 5,620</b>

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

## Portage College

Consolidated Statement of Remeasurement Gains and Losses  
 Year Ended June 30, 2017  
 (thousands of dollars)

	2017	2016
<b>Accumulated remeasurement gains, beginning of year</b>	<b>\$ 150</b>	<b>\$ 159</b>
Unrealized gains attributable to:		
Portfolio investments - non-endowment (Note 4)	9	26
Amounts reclassified to the consolidated statement of operations:		
Portfolio investments - non-endowment (Note 4)	(17)	(35)
<b>Accumulated remeasurement gains, end of year</b>	<b>\$ 142</b>	<b>\$ 150</b>

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

# Portage College

## Notes to the Consolidated Financial Statements

### Year Ended June 30, 2017

(thousands of dollars)

#### 1. Authority and Purpose

The Board of Governors of Portage College is a corporation that manages and operates Portage 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. This tax exemption does not extend to its controlled entity, the Lac La Biche Child Care Association.

#### 2. Summary of Significant Accounting Policies and Reporting Practices

##### a. General - Public Sector Accounting Standards (PSAS) and Use of Estimates

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

##### b. Valuation of Financial Assets and Liabilities

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

Financial Statement Component	Measurement
Cash and cash equivalents	Amortized cost
Portfolio investments	Fair value
Inventories held for resale	Lower of cost or net realizable value
Accounts receivable	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Debt	Amortized cost

Unrealized gains and losses from changes in the fair value of unrestricted financial assets and liabilities are recognized in the consolidated statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the consolidated statement of remeasurement gains and losses and recognized in the consolidated statement of operations. When the restricted nature of a financial instrument and any related changes in fair value create a liability, unrealized gains and losses are recognized as deferred revenue.

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

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

The College does not use foreign currency contracts or any other type of derivative financial instruments for trading or speculative purposes.

Management evaluates contractual obligations for the existence of embedded derivatives and elects to either designate the entire contract for fair value measurement or separately measure the value of the derivative component when characteristics of the derivative are not closely related to the economic characteristics and risks of the contract itself. Contracts to buy or sell non-financial items for the College's normal purchase, sale or usage requirements are not recognized as financial assets or liabilities. The College does not have any embedded derivatives.

##### c. Revenue Recognition

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



# Portage College

## Notes to the Consolidated Financial Statements

### Year Ended June 30, 2017

(thousands of dollars)

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#### 2. Summary of Significant Accounting Policies and Reporting Practices continued

##### c. Revenue Recognition continued

##### i. Government grants, non-government grants and donations

Government transfers are referred to as government grants.

Restricted grants and donations are recognized as deferred revenue if the terms for the use, or the terms along with the College's actions and 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 recognized as revenue when the College is eligible to receive the funds. Unrestricted non-government grants and donations are recognized as revenue in the year received or in the year the funds are committed to the College if the amount can be reasonably estimated and collection is reasonably assured.

In-kind donations of services, materials and tangible capital assets are recognized at fair value when such value can reasonably be determined. Transfers of tangible capital assets from related parties are recognized at the carrying value.

##### ii. Grants and donations related to land

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

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

##### iii. 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.

Endowment donations are recognized as revenue in the consolidated statement of operations in the year in which they are received, and are required by donors to be maintained intact in perpetuity. Investment income and unrealized gains and losses attributable to restricted portfolio investments are recognized as deferred revenue.

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

Endowment contributions, matching contributions and associated investment income allocated for the preservation of endowment capital purchasing power are recognized in the consolidated statement of operations in the period in which they are received.

##### iv. Investment income

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

Investment income from restricted grants and donations is recognized as deferred revenue when the terms for use create a liability, and is recognized as investment income when the terms of the grant or donation are met.

The endowment spending allocation portion of investment income earned by endowments is recognized as deferred revenue when the terms for the use by the endowment create a liability.

Realized investment income allocated to endowment balances for the preservation of endowment capital purchasing power is recognized in the consolidated statement of operations.

# Portage College

## Notes to the Consolidated Financial Statements Year Ended June 30, 2017 (thousands of dollars)

### 2. Summary of Significant Accounting Policies and Reporting Practices continued

#### d. Inventories

Inventories for resale are valued at the lower of cost and expected net realizable value and are determined using the first-in, first-out method. Inventories of supplies are valued at cost.

#### e. 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, as well as interest costs that are directly attributable to the acquisition or construction of the asset.

Work in progress, which includes facilities and improvement projects and development of information systems, is not amortized until after the project is complete and the asset is in service. Assets or disposal groups that are classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Capital lease liabilities are recognized at the present value of the minimum lease payments excluding executor costs (e.g. insurance, maintenance costs, etc.). The discount rate used to determine the present value of the lease payments is the lower of the College's rate for incremental borrowing or the interest rate implicit in the lease. Note 8 provides a schedule of repayments and amount of interest on the leases.

The cost, less residual value, of the tangible capital assets, excluding land, is amortized on a straight-line basis over the estimated useful lives as follows:

Buildings, trailers & site improvements <sup>(1)</sup>	20 - 40 years
Equipment & vehicles	5 - 10 years
Computer hardware & software	4 - 5 years
Learning resources & other assets	2 - 10 years

<sup>(1)</sup> Leasehold improvements are amortized on a straight-line basis over the life of the lease.

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 expense.

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

#### f. Asset Retirement Obligations

Asset retirement obligations are recognized for statutory, contractual or legal obligations associated with the retirement of tangible capital assets when those obligations result from the acquisition, construction, development or normal operation of the assets. The obligations are measured initially at fair value, determined using present value methodology, and the resulting costs capitalized into the carrying amount of the related asset. In subsequent periods, the liability is adjusted for the accretion of discount and any changes in the amount or timing of the underlying future cash flows. The capitalized asset retirement cost is amortized on the same basis as the related asset and the discount accretion is included in determining the results of operations.

#### g. Foreign Currency Translation

Transaction amounts denominated in foreign currencies are translated into their Canadian dollar equivalents 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 consolidated statement of financial position date. Unrealized foreign exchange gains and losses are recognized in the consolidated statement of remeasurement gains and losses.

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

#### h. Employee Future Benefits

##### i. Pension

The College participates with other employers in the Public Service Pension Plan (PSPP) and Management Employees Pension Plan (MEPP). These pension plans are multi-employer defined benefit pension plans that provide pensions for the College's participating employees based on years of service and earnings.

# Portage College

## Notes to the Consolidated Financial Statements Year Ended June 30, 2017 (thousands of dollars)

### 2. Summary of Significant Accounting Policies and Reporting Practices continued

#### h. Employee Future Benefits continued

##### i. Pension continued

The College does not have sufficient plan information on the PSPP or the MEPP to follow the standards for defined benefit accounting, and therefore, follows the standards for defined contribution accounting. Accordingly, pension expense recognized for the PSPP and MEPP is comprised of employer contributions to the plan that are required for its employees during the year, which are calculated based on actuarially pre-determined amounts that are expected to provide the plan's future benefits.

##### ii. Long-term disability

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

##### iii. Professional leave

Under the collective agreements, the College may approve unpaid administrative, professional or faculty leave which is fully funded by the employee. As a result, the College incurs no liability and therefore, no actuarial valuations are required.

#### i. Basis of Consolidation

These consolidated financial statements use the line-by-line basis of consolidation. The College has one controlled entity, the Lac La Biche Child Care Association. The transactions between the College and the Lac La Biche Child Care Association have been eliminated on consolidation. Effective November 30, 2016, the Lac La Biche Child Care Association ceased operations due to financial difficulties and is in the process of winding up. The Lac La Biche Childcare Association has a \$33 liability owing to the College for grant funds received but not earned that has been eliminated on consolidation.

#### j. Investment in Government Partnerships

The College, in partnership with the City of Cold Lake, completed construction of the Cold Lake Energy Centre, a joint use facility commissioned in August 2008 which includes a 2,700 square metre college campus. Funding for the College campus was provided by Advanced Education, in the amount of \$12,340. The College related construction costs for the project totalled \$12,650 (2016 - \$12,650) of which \$nil (2016 - \$nil) was incurred in the current period. Proportionate consolidation is used to recognize the College's share of this government partnership.

#### 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.

#### l. Expense by Function

The College uses the following categories of functions in its statement of operations:

##### **Instruction**

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

##### **Academic and student support**

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

##### **Facilities operations and maintenance**

Expenses relating to maintenance and renewal of facilities that house the teaching, research and administrative activities within the College. These include utilities, facilities administration, building maintenance, custodial services, landscaping and grounds keeping, as well as major repairs and renovations.

##### **Institutional support**

Includes expenses for centralized College-wide administration including executive management, public relations, alumni relations and development, corporate insurance premiums, corporate finance, human resources, centralized and core computing, network and data communications.

# Portage College

## Notes to the Consolidated Financial Statements

### Year Ended June 30, 2017

(thousands of dollars)

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#### 2. Summary of Significant Accounting Policies and Reporting Practices continued

##### I. Expense by Function continued

###### Ancillary services

Expenses relating to the College's business enterprises that provide services and products to the College community and to external individuals and organizations.

###### Sponsored research

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

###### Special purpose and trust

Expenses for scholarships and donations related to the GPRC Alumni/Foundation, and other programs specifically funded by restricted grants and donations.

###### Information technology

Expenses relating to activities for computing services, network and data communication.

##### m. Future Accounting Changes

In March 2015, the Public Sector Accounting Board issued PS 2200 Related party disclosures and PS 3420 Inter-entity transactions. In June 2015, the Public Sector Accounting Board issued PS 3210 Assets, PS 3320 Contingent assets, PS 3380 Contractual rights, and PS 3430 Restructuring transactions. These accounting standards are effective for fiscal years starting on or after April 1, 2017, with the exception of PS 3430, which is effective for fiscal years starting on or after April 1, 2018.

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

Management is currently assessing the impact of these new standards on the consolidated financial statements. The College discloses transactions and balances related to the Government of Alberta in note 18.

##### n. Liability for Contaminated Sites

Contaminated sites are a result of a chemical, organic or radioactive material or live organism that exceeds an environmental standard being introduced into soil, water or sediment. The liability is recognized net of any expected recoveries. A liability for remediation of contaminated sites normally results from an operation(s) that is no longer in productive use and is recognized when all of the following criteria are met:

- i. an environmental standard exists;
- ii. contamination exceeds the environmental standard;
- iii. the College is directly responsible and accepts responsibility;
- iv. it is expected that future economic benefits will be given up; and
- v. a reasonable estimate of the amount can be made.

## Portage College

### Notes to the Consolidated Financial Statements

#### Year Ended June 30, 2017

(thousands of dollars)

#### 3. Cash and Cash Equivalents

	2017	2016
Cash <sup>(1)</sup>	\$ 7,203	\$ 5,605
Money market funds, short-term notes and treasury bills	3	15
	<u>\$ 7,206</u>	<u>\$ 5,620</u>

Cash equivalents include short term investments with a short maturity less than three months from the date of acquisition. Cash also includes deposits in the Consolidated Cash Investment Trust Fund (CCITF).

<sup>(1)</sup> Cash includes restricted funds of \$1,890 (2016 - \$4,311).

#### 4. Portfolio Investments

	2017	2016
Portfolio investments - non-endowment	\$ 1,694	\$ 1,621
Portfolio investments - restricted for endowments	2,334	2,325
	<u>\$ 4,028</u>	<u>\$ 3,946</u>

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

	2017			
	Level 1	Level 2	Level 3	Total
Portfolio investments at fair value				
Bonds				
Canadian Bonds	\$ 2,544	\$ -	\$ -	\$ 2,544
Equities				
Canadian Equities	778	-	-	778
Foreign Equities	609	-	-	609
Other				
Money market, short-term notes and treasury bills <sup>(1)</sup>	97	-	-	97
Total portfolio investments	<u>\$ 4,028</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,028</u>
	<u>100 %</u>	<u>- %</u>	<u>- %</u>	<u>100 %</u>
	2016			
	Level 1	Level 2	Level 3	Total
Portfolio investments at fair value				
Bonds				
Canadian Bonds	\$ 2,466	\$ -	\$ -	\$ 2,466
Equities				
Canadian Equities	559	-	-	559
Foreign Equities	465	-	-	465
Other				
Money market, short-term notes and treasury bills <sup>(1)</sup>	456	-	-	456
Total portfolio investments	<u>\$ 3,946</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,946</u>
	<u>100 %</u>	<u>- %</u>	<u>- %</u>	<u>100 %</u>

# Portage College

## Notes to the Consolidated Financial Statements Year Ended June 30, 2017 (thousands of dollars)

### 4. Portfolio Investments continued

The fair value measurements are those derived from:

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

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

Level 3 – Fair value measurements are those derived from valuation techniques that include inputs for the assets that are not based on observable market data (unobservable inputs).

(1) Mature in three months or greater from date of acquisition.

### 5. Financial Risk Management

The College is exposed to the following risks:

#### Market price risk

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

The following details the College's portfolio sensitivity to a 1% increase or decrease in market price benchmarks. The market price benchmarks consist of DEX 91-day T-bill, DEX universe bond, S&P TSX Composite, S&P 500 Cap + Inc., \$CA, MS EAFE and Index \$CA TR. The sensitivity rate is determined using the historical annualized standard deviation for the total fund as determined by the investment advisor. At June 30, 2017, if market prices had a 1.00% (2016 - 1.00%) increase or decrease with all other variables held constant, the increase or decrease in remeasurement gains and losses and endowment net assets - externally restricted contributions for the year would have been a total of \$41 (2016 - \$36).

#### 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. Credit risk from tuition receivables is managed through restricted enrollment activities and managed collection procedures for students with delinquent accounts.

The credit risks on investments held are as follows:

	2017	2016
<b>Money market funds</b>		
R-1 (high)	100.0 %	100.0 %
<b>Bonds</b>		
AAA	42.5 %	31.2 %
AA	28.1 %	28.8 %
A	29.4 %	38.0 %
BBB	- %	2.0 %
	<b>100.0 %</b>	<b>100.0 %</b>

## Portage College

### Notes to the Consolidated Financial Statements

Year Ended June 30, 2017

(thousands of dollars)

#### 5. Financial Risk Management continued

##### Interest rate risk

Interest rate risk is the risk to the College's earnings that arise from the fluctuations in interest rates and the degree of volatility of these rates. This risk is managed by investment policies that limit the term to maturity of certain fixed income securities that the College holds.

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

	< 1 year	1 - 5 years	> 5 years	Average effective market yield
Money market, short-term notes and treasury bills	100.00 %	- %	- %	0.52 %
Canadian government and corporate bonds	- %	1.28 %	98.72 %	2.17 %

##### 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 portfolio investments that are denominated in foreign currencies, specifically U.S. dollars. The College does not hedge its foreign currency exposure with currency forward contracts or any other type of derivative financial instruments.

The impact of a change in the value of the U.S. dollar is shown below:

Currency	Portfolio investment	Fair value	2.5% decrease	1.0% decrease	1.0% increase	2.5% increase
U.S. dollar	Foreign equities \$	609.0	\$ 593.8	\$ 602.9	\$ 615.1	\$ 624.2

# Portage College

## Notes to the Consolidated Financial Statements Year Ended June 30, 2017 (thousands of dollars)

### 6. Tangible Capital Assets

The composition of tangible capital assets are as follows:

	2017					2016	
	Land	Buildings, trailers & site improvements	Equipment <sup>(1)</sup>	Computer hardware & software	Learning resources & other assets	Total	Total
<b>Cost</b>							
Beginning of year	\$ 1,775	\$ 70,638	\$ 10,390	\$ 12,046	\$ 926	\$ 95,775	\$ 92,636
Acquisitions	8	659	816	729	-	2,211	3,270
Disposals, including write-downs	-	(7)	(253)	-	-	(260)	(131)
	<u>1,783</u>	<u>71,290</u>	<u>10,953</u>	<u>12,775</u>	<u>926</u>	<u>97,727</u>	<u>95,775</u>
<b>Accumulated Amortization</b>							
Beginning of year	\$ -	\$ 22,174	\$ 6,691	\$ 9,823	\$ 885	\$ 39,572	\$ 35,422
Amortization expense	-	2,292	1,075	967	41	4,375	4,269
Effects on disposals, including write-downs	-	(7)	(240)	-	-	(247)	(119)
	<u>-</u>	<u>24,459</u>	<u>7,526</u>	<u>10,790</u>	<u>926</u>	<u>43,700</u>	<u>39,572</u>
<b>Net book value at June 30, 2017</b>	<u>\$ 1,783</u>	<u>\$ 46,831</u>	<u>\$ 3,427</u>	<u>\$ 1,985</u>	<u>\$ -</u>	<u>\$ 54,027</u>	
Net book value at June 30, 2016	<u>\$ 1,775</u>	<u>\$ 48,464</u>	<u>\$ 3,699</u>	<u>\$ 2,223</u>	<u>\$ 41</u>		<u>\$ 56,202</u>

Historic cost includes work-in-progress at June 30, 2017 totaling \$328 (2016 - \$848) comprised of buildings \$188 (2016 - \$720), equipment \$nil (2016 - \$47) and computer hardware and software \$140 (2016 - \$81).

Acquisitions include in-kind contributions at June 30, 2017 comprised of equipment totaling \$107 (2016 - \$nil).

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

The College holds library permanent collections and other permanent collections which include works of art, museum specimens, archival material and maps. These collections are not included in tangible capital assets.



## Portage College

### Notes to the Consolidated Financial Statements Year Ended June 30, 2017 (thousands of dollars)

#### 7. Employee Future Benefit Liabilities

##### Pension

The College participates in multi-employer pensions plans and has insufficient information to follow the standards for defined benefit accounting, and therefore, follows the standards for defined contribution accounting. No employee future benefit liability is reported.

The expense for these plans is \$2,132 (2016 - \$2,287).

At December 31, 2016 the MEPP reported a surplus of \$402,033 (2015 - surplus of \$299,051). Also, at December 31, 2016 the PSPP reported a surplus of \$302,975 (2015 - deficiency of \$133,188).

##### Long-term disability

The College's employment benefit plan includes the contribution of extended health care, dental, health spending account and pension contributions for employees on long-term disabilities (LTD).

Based on an actuarial valuation the employees future benefit liability for employer paid contributions for staff on LTD was \$160 (2016 - \$289). The amortization of the employee future benefit liability was \$129 (2016 - \$79). An actuarial valuation report was prepared as of June 30, 2015. An updated accrued benefit obligation was prepared as of June 30, 2017 by an external actuarial service.

#### 8. Debt

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

	2017			2016	
	Collateral <sup>(1)</sup>	Maturity	Interest Rate %	Amortized Cost	Amortized Cost
<b>Liabilities under capital leases</b>					
Lease 501-910-400	1	Dec 2, 2020	4.163	\$ 84	\$ 106
Lease 502-009-400	1	Dec 28, 2020	3.569	12	16
Lease 959-566-977	1	Feb 9, 2021	5.741	10	12
				<b>\$ 106</b>	<b>\$ 134</b>

<sup>(1)</sup>Collateral – (1) none; (2) title to land, building; (3) cash flows from facility.

Principal and interest repayments are as follows:

	Principal	Interest	Total
2018	\$ 29	\$ 4	\$ 33
2019	30	3	33
2020	31	1	32
2021 (final year)	16	-	16
	<b>\$ 106</b>	<b>\$ 8</b>	<b>\$ 114</b>

Interest expense on debt is \$5 (2016 - \$6) and is included in the consolidated statement of operations.

# Portage College

## Notes to the Consolidated Financial Statements

### Year Ended June 30, 2017

(thousands of dollars)

#### 9. Deferred Revenue

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

	2017			2016
	Unspent externally restricted grants and donations	Tuition and other fees	Total	Total
Balance, beginning of year	\$ 1,678	\$ 2,767	\$ 4,445	\$ 5,325
Grants, tuition, and donations	920	2,239	3,159	2,307
Restricted investment income	20	76	96	106
Unrealized (losses) gains	-	(6)	(6)	12
Transfers to spent deferred capital contributions	(884)	498	(386)	(806)
Recognized as revenue	-	(2,393)	(2,393)	(2,500)
Balance, end of year	\$ 1,734	\$ 3,181	\$ 4,915	\$ 4,445

#### 10. 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
Spent deferred capital contributions, beginning of year	\$ 47,057	\$ 49,171
Transfers from unspent externally restricted grants and donations	386	805
Disposal of contributed capital	(7)	-
Expended capital recognized as revenue	(2,752)	(2,919)
Spent deferred capital contributions, end of year	\$ 44,684	\$ 47,057

# Portage College

## Notes to the Consolidated Financial Statements

Year Ended June 30, 2017

(thousands of dollars)

### 11. Net Assets

	Accumulated surplus from operations	Investment in tangible capital assets <sup>(1)</sup>	Internally restricted surplus	Endowments	Total
<b>Net assets, as at June 30, 2015</b>	\$ 265	\$ 7,897	\$ 2,532	\$ 2,043	\$ 12,737
Annual operating surplus	652	-	-	-	652
<b>Tangible capital assets</b>					
Amortization of tangible capital assets	1,350	(1,350)	-	-	-
Acquisition of tangible capital assets	(2,110)	2,110	-	-	-
Debt repayment	(26)	26	-	-	-
Net book value of tangible capital asset disposals	1	(1)	-	-	-
Operating expenses funded from internally restricted surplus	228	339	(567)	-	-
Change in accumulated remeasurement gains	(9)	-	-	-	(9)
<b>Net assets, beginning of year</b>	351	9,021	1,965	2,043	13,380
Annual operating surplus	1,516	-	-	-	1,516
<b>Endowments</b>					
New donations	-	-	-	39	39
Capitalized investment income	-	-	-	7	7
Transfer to endowments	(49)	-	-	49	-
<b>Tangible capital assets</b>					
Amortization of tangible capital assets	1,623	(1,623)	-	-	-
Acquisition of tangible capital assets	(1,818)	1,818	-	-	-
Debt repayment	(28)	28	-	-	-
Net book value of tangible capital asset disposals	5	(5)	-	-	-
Operating expenses funded from internally restricted surplus	298	-	(298)	-	-
Change in accumulated remeasurement gains	(8)	-	-	-	(8)
<b>Net assets, end of year</b>	<b>\$ 1,890</b>	<b>\$ 9,239</b>	<b>\$ 1,667</b>	<b>\$ 2,138</b>	<b>\$ 14,934</b>

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

### Net assets is comprised of:

Accumulated surplus	\$ 1,748	\$ 9,239	\$ 1,667	\$ 2,138	\$ 14,792
Accumulated remeasurement gains and losses	142	-	-	-	142
	<b>\$ 1,890</b>	<b>\$ 9,239</b>	<b>\$ 1,667</b>	<b>\$ 2,138</b>	<b>\$ 14,934</b>

# Portage College

## Notes to the Consolidated Financial Statements

Year Ended June 30, 2017

(thousands of dollars)

### 12. Internally Restricted Surplus

Internally restricted surplus represent amounts set aside by the College's Board of Governors for specific purposes. Those amounts are not available for other purposes without the approval of the Board of Governors and do not have interest allocated to them.

The composition of internally restricted surplus is as follows:

	Balance at beginning of year	Appropriations	Distributions	Balance at end of year
<b>Appropriations for Capital Activities</b>				
Campus development fund	\$ 145	\$ -	\$ (28)	\$ 117
Housing development fund	175	-	(175)	-
Furnishings, equipment and renovations	29	-	(7)	22
Facility development fund	12	-	-	12
Capital equipment replacement fund - HEO	11	-	(4)	7
	<u>372</u>	<u>-</u>	<u>(214)</u>	<u>158</u>
<b>Appropriations for Operating Activities</b>				
E-learning technology	177	-	(27)	150
Program development	193	-	-	193
Student scholarship and bursary investment fund	350	-	-	350
Program enhancement fund	144	-	(57)	87
Professional services - transition fund	334	-	-	334
Financially assisted educational leave	63	-	-	63
Emergency facility repair	78	-	-	78
Operating contingency	221	-	-	221
College rebranding initiatives	33	-	-	33
	<u>1,593</u>	<u>-</u>	<u>(84)</u>	<u>1,509</u>
<b>Total</b>	<u>\$ 1,965</u>	<u>\$ -</u>	<u>\$ (298)</u>	<u>\$ 1,667</u>

### 13. Contingent Liabilities

The College has identified potential asset retirement obligations related to the existence of asbestos in a number of its facilities. Although not a current health hazard, upon renovation or demolition of these facilities, the College may be required to take appropriate remediation procedures to remove the asbestos. As the College has no legal obligation to remove the asbestos in these facilities as long as the asbestos is contained and does not pose a public health risk, the fair value of the obligation cannot be reasonably estimated due to the indeterminate timing and scope of the removal. The asset retirement obligations for these assets will be recognized 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.

# Portage College

## Notes to the Consolidated Financial Statements Year Ended June 30, 2017 (thousands of dollars)

### 14. Contractual Obligations

The College has contractual obligations which are commitments that will become liabilities in the future when the terms of the contracts or agreements are met.

The estimated aggregate amount payable for the unexpired terms of these contractual obligations are as follows:

	Service Contracts	Capital Leases	Total
2018	\$ 284	\$ 34	\$ 318
2019	272	34	306
2020	273	34	307
2021	134	18	152
2022 (final year)	7	-	7
	<u>\$ 970</u>	<u>\$ 120</u>	<u>\$ 1,090</u>

### 15. Expense by Object

The following is a summary of expense by object:

	2017		2016
	Budget	Actual	Actual
	(note 19)		
Salaries and benefits	\$ 20,949	\$ 21,685	\$ 22,879
Materials, supplies and services	7,837	6,442	6,888
Maintenance and repairs	1,803	1,974	1,465
Utilities	815	802	757
Foreign exchange losses	-	2	-
Scholarships and bursaries	294	519	402
Amortization of tangible capital assets	4,479	4,375	4,269
Interest on debt	-	5	6
	<u>\$ 36,177</u>	<u>\$ 35,804</u>	<u>\$ 36,666</u>

### 16. Funds Held on Behalf of Others

The College holds the following funds on behalf of others over which the Board of Governors has no power of appropriation. Accordingly, these funds are not included in the consolidated financial statements.

	2017	2016
Faculty Association	\$ 95	\$ 95
Other funds held	182	203
Security deposits held	16	20
	<u>\$ 293</u>	<u>\$ 318</u>

# Portage College

## Notes to the Consolidated Financial Statements Year Ended June 30, 2017 (thousands of dollars)

### 17. Salary and Employee Benefits

	2017			2016	
	Base salary <sup>(2)</sup>	Other cash benefits <sup>(3)</sup>	Other non-cash benefits <sup>(4)</sup>	Total	Total
<b>Governance<sup>(1)</sup></b>					
Chair of the Board of Governors	\$ -	\$ 3	\$ -	\$ 3	\$ 5
Members of the Board of Governors	-	18	-	18	9
<b>Executive</b>					
President and CEO	231	-	36	267	283
Vice-President Academics <sup>(5)</sup>	-	-	-	-	333
Executive Vice-President Academics <sup>(6)</sup>	162	-	37	199	74
Vice-President Infrastructure & Information Technology	162	-	36	198	201
Chief Financial Officer	162	-	36	198	201
Associate Vice-President Student Services / Registrar	162	1	36	199	201
Associate Vice-President, Academics	162	1	34	197	195
Director, Human Resources	162	-	37	199	180

(1) The Chair and Members of the Board of Governors receive no remuneration for participation on the Board other than honoraria for participation in board meetings.

(2) Base salary includes pensionable base pay.

(3) Other cash benefits include administrative honorarium, employee recognition, cash in lieu of benefits, and other lump sum payments.

(4) Other non-cash benefits include the College's share of all employee benefits and contributions or payments made on behalf of employees including pension, group life insurance, health care, short and long term disability plans, vision coverage, dental plan, accidental disability and dismemberment insurance and out of country medical insurance. The President receives an automobile; no dollar amount is included in other non-cash benefits.

(5) The position of Vice-President Academics was eliminated February 2016.

(6) The position of Executive Vice-President Academics was newly created in February 2016.

## Portage College

### Notes to the Consolidated Financial Statements

Year Ended June 30, 2017

(thousands of dollars)

#### 18. 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 Government of Alberta		
Advanced Education:		
Operating	\$ 23,454	\$ 22,896
Capital	2,017	2,097
Access to the Future Fund	-	11
Other	2,359	969
Total Advanced Education	<u>\$ 27,830</u>	<u>\$ 25,973</u>
Other Post-secondary Institutions	<u>\$ 1</u>	<u>\$ 8</u>
Other Government of Alberta departments and agencies:		
Alberta Tourism, Parks and Recreation	96	64
Alberta Human Services	7	7
Alberta Municipal Affairs	278	278
Alberta Arts Foundation	25	-
Alberta Labour	24	-
Total other Government of Alberta departments and agencies	<u>430</u>	<u>349</u>
Total contributions received	<u>28,261</u>	<u>26,330</u>
Prior year deferred contributions	2,520	3,947
Less: deferred contributions	<u>(3,475)</u>	<u>(3,314)</u>
	<u>\$ 27,306</u>	<u>\$ 26,963</u>
Accounts receivable		
Other Government of Alberta departments and agencies	8	146
Other Post-secondary Institutions	143	144
	<u>\$ 151</u>	<u>\$ 290</u>
Accounts payable		
Other Government of Alberta departments and agencies	41	1
	<u>\$ 41</u>	<u>\$ 1</u>

#### 19. 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.

#### 20. Approval of Consolidated Financial Statements

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

#### 21. Comparative Figures

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



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