

ANNUAL REPORT



2023-2024

Institutional Information

Institution name: Portage College

President name: Nancy Broadbent

Board Chair name: Randolph Benson



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Institutional Information

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1. Accountability Acknowledgement (a & b)

Publicly funded post-secondary institutions

a. Accountability Statement:

The Portage College Annual Report for the year ended June 30, 2024 was prepared under the Board's direction in accordance with the Sustainable Fiscal Planning and Reporting Act and ministerial requirements 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]

Randolph Benson
Chair, Portage College Board of Governors

b. 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. 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 Portage College Board of Governors' Finance, Infrastructure and Risk Committee, as well as approved by the Board of Governors and is prepared in accordance with the *Sustainable Fiscal Planning and Reporting Act* and the *Post-Secondary Learning Act*.

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

[Original signed by]

Nancy Broadbent
President & CEO, Portage College

2. Public Interest Disclosure (Whistleblower Protection) Act

The Director of Human Resources must prepare a report annually on all disclosures that have been made to the designated officer.

Disclosures received under the Public Interest Disclosure Act for the fiscal year July 1, 2023 - June 30, 2024.

General Inquiries	Disclosures Received	Disclosures Acted On	Disclosures Not Acted On	Investigations Commenced	Findings of Wrongdoing*	Disclosures Closed
0	2	2	0	2	0	2

Description of Wrongdoing	Recommendations Made	Corrective Actions Taken	If No Corrective Action Taken, Reasons Why Not
MNP (Whistleblower ethics hotline) received a complaint on April 23, 2024. As a summary, the Complainant submitted allegations that an instructor had made comments in the learning environment that could be perceived as discrimination and harassment.	An internal workplace investigation was completed and the allegations of harassment and discrimination were not substantiated.	The instructor is required to take respect in the workplace training, and instructor will be provided with a mentor to better provide guidance. The supervision of one student was moved to a different instructor.	n/a
MNP (Whistleblower ethics hotline) received a complaint on June 10 & 11 th . As a summary, the complaint involved allegations by one student that another was not completing their own work.	An internal workplace investigation was completed regarding student misconduct.	Investigation is complete. The College could not substantiate the allegation.	n/a

3. Goals and Performance Measures

2023-2024 was the third year that Portage officially operated under *Strategy 2025 – Connecting People with Knowledge, Skills and Opportunities*, the College's strategic plan. It was revised slightly in 2024 to reflect changing demographics and economics.

Strategy 2025 Goals

1. Improving Graduate Success
2. Increasing Efficiency
3. Increasing Partnerships

The following section outlines the results of the projects and initiatives undertaken to try to meet the strategic goals outlined above, as they fit under Advanced Education's new Annual Report template headings. Please note that the list below does not capture all of the College's strategies, performance measures and initiatives, only the ones that fit Advanced Education's Annual Report parameters for this section. Other documents cited in the following pages are:

- *2023-2024 Annual Report for the Students' Association of Portage College*
- *2024-2029 Applied Research Strategy*
- *2025 Academic Strategic Plan*
- *Awards Program Annual Report 2023-24*
- *Community Adult Learning Program 2023-2024 Annual Report*
- *Student Mental Health & Well-Being Strategy*

*NB The list below does not capture all of the College’s goals, strategies and performance measures, only the ones that fit Advanced Education’s Annual Report parameters.

Advanced Education – Section A. Student supports and services and their responsiveness to the evolving needs of students (e.g. academic, financial, mental, and physical well being etc.)

STRATEGY 2025 GOAL: IMPROVING GRADUATE SUCCESS		
Strategy	Performance Measure Target	Progress Made in 2023-2024
Maintaining and improving student satisfaction and retention	90% average satisfaction of graduates	<ul style="list-style-type: none"> 89% of responding Class of 2022-2023 satisfied with their overall experience at Portage College. This is 1% lower than the previous graduating class but 1% higher than the five-year average.
	Student portal available for application, marks and credential badging	<ul style="list-style-type: none"> After finalizing use of MyCreds as official platform for document and credential verification in 2023, piloted issuing student transcripts in January 2024. The services was subsequently expanded College wide in April 2024. A secondary phase of the project will allow additional academic documents made available through the platform at a later date. For more information about the initiative, please visit https://www.portagecollege.ca/MyCreds. Set up a grades automation pilot project, to be conducted at the end of November 2024, to allow University Transfer students to look up their own grades in Moodle, the College’s Learning Management Platform. If the pilot is successful, the initiatives will be expanded to include all for-credit programs in 2025.
	Overall student retention rate of 90%	<ul style="list-style-type: none"> 2023-2024 retention rate: 91%, 2% higher than 2022-2023 and 7% higher than 2021-2022.
	15% of rooms converted to flexible learning options for students	<ul style="list-style-type: none"> The College officially opened the new Innovation Lab at the Cold Lake Campus in September 2023, a HyFlex classroom with several additional displays and comfortable furniture for students to sit on. The College re-assessed the need to convert more classrooms to HyFlex, given the \$75,000 per room cost and the fact that most students in courses offered in this delivery method are attending online and not in person. Instead, the College upgraded all classrooms, removing projectors, screens and Smartboards and replacing them with Smart TVs (with touch screen) to make the classroom experience more engaging. The College plans to use remaining Classroom Modernization grant funds for future upgrades, including to the Steamfitter-Pipefitter lab.

STRATEGY 2025 GOAL: IMPROVING GRADUATE SUCCESS

Strategy	Performance Measure Target	Progress Made in 2023-2024
Increasing experiential learning	80% of credit programs have work-integrated learning	<ul style="list-style-type: none"> 92% (36 of 39) of credit programs had WIL components in 2023-24, 10% above the IMA target and 11% more than in 2022-2023. The only programs eligible for work-integrated learning that do not currently have a WIL component are Fine Arts Certificate, Pre-Employment Heavy Equipment Technician and Pre-Employment Welding.
	15% of students participating in service learning	<ul style="list-style-type: none"> Continued to explore a service-learning model that intertwined work integrated learning with out-of-classroom opportunities. In 2023-2024, students were provided student-learning opportunities such as Student Ambassadors and community volunteering (particularly student athletes). Practicum opportunities for Community Social Work students were also available through the Students Association. Hired a consultant and formed a working committee to explore the feasibility of developing a sustainable service learning model for students, focusing on best practices, required resources, and better tracking. For 2023-2024, it is estimated that 5% of students participated in service learning opportunities.
Meeting labour market needs in our region	80% employment rate in a related job	<ul style="list-style-type: none"> As per the College's latest graduate survey (conducted between December 4, 2023, and February 18, 2024), 89% of 2022-2023 graduates are working in training-related jobs, 2% lower than the previous graduating class. The calculated percentage includes all credit program except Academic Upgrading, University Transfer and Open Studies.
	At least five micro-credentials will be developed and delivered	<ul style="list-style-type: none"> Offered four, developed in-house (or in cooperation with other institutions) micro-credentials during 2023-2024: Autoclaved Aerated Concrete, Foundational Learning Instructor – Literacy, Foundational Learning Instructor – Numeracy, and Permaculture. Offered a total of 190 micro-credential courses in 2023-2024 covering a variety of topic areas including administration, basic cybersecurity, digital citizenship, human resources, leadership & management, learning & development, personal effectiveness, professionalism, sales & marketing, and teams & teamwork. Offered registered Portage College students and graduates a 20% discount on an any asynchronous micro-credential course. Fully implemented online badging process (PortageMicro badge) for every completed micro-credential. In 2023-2024, issued 189 micro-credential course badges and 18 program micro-credential badges.

STRATEGY 2025 GOAL: IMPROVING GRADUATE SUCCESS

Strategy	Performance Measure Target	Progress Made in 2023-2024
Meeting labour market needs in our region (cont.)	Majority of College programs aimed at areas identified in labour market studies	<ul style="list-style-type: none"> • Portage remained a partner in the Council of Post-Secondary Presidents of Alberta Talent Development Task Force, working in conjunction with the Alberta Chambers of Commerce. As noted in the Task Force's Key Message Framework (p.1), the 10-year vision "is to ensure Alberta's post-secondary system is informed by the most accurate Labour Market Information (LMI) in North America." The task force has secured funding through 2025 from Prairies Canada, Alberta Labour, and Immigration and Mitacs. <ul style="list-style-type: none"> – Services provided include a Labour Market tool titled "Skill Up" and an interactive Labour Market Information database that features the latest research on hiring intentions, skills & labour market surveys, and business supports. • Continued to organize and manage a consortium of four northern Alberta post-secondary institutions to gain more affordable access to Lightcast Analyst, an online labour market data platform used to generate regional, provincial and national reports.
Incorporating Indigenous Ways of Knowing in programs and services	Quality assurance processes help track progress	<ul style="list-style-type: none"> • Indigenous Ways of Knowing now tracked in program health check and first-year review process and in new program design.
	All programs and services incorporate Indigenous Ways of Knowing	<ul style="list-style-type: none"> • 2022-2023 initiatives continuing in 2023-2024: <ul style="list-style-type: none"> – Kairos Blanket Exercise is part of Advanced Care Paramedic, Emergency Medical Responder and Primary Care Paramedic curriculum. – Indigenous ways of teaching and learning are part of learning objectives to Early Learning & Child Care, Educational Assistant and Environmental Technologist programs. – Introductory Cree Language Course (CREE 101) is part of University Transfer offerings. • Work continued on incorporating restorative practices in Business programs, an area specifically identified in a Business programs audit. • Incorporating Indigenous Ways of Knowing now part of both program and service-area reviews ("health checks").

STRATEGY 2025 GOAL: IMPROVING GRADUATE SUCCESS

Strategy	Performance Measure Target	Progress Made in 2023-2024
<p>Incorporating Indigenous Ways of Knowing in programs and services (cont.)</p>	<p>Increased ceremony, services and use of traditional languages to raise appreciation for First Nation, Métis and Inuit history and culture</p>	<ul style="list-style-type: none"> • Hosted more than 500 school children from the region for the College’s 20th annual Round Dance March 7, 2024 at the Lac La Biche campus. The event was also livestreamed on the College’s YouTube channel, with a recording of the event still available on the site. • In conjunction with the Métis Education Foundation, hosted the annual Métis Scholar Awards, honouring 10 outstanding Métis students for their hard work and dedication to their studies. • Continued Project of Heart sessions, a hands-on, artistic journey focusing on truth and reconciliation and honouring those lost or harmed. Participants from schools and organizations across the service region and from the College created tiles for commemorative legacy exhibits at Portage College campuses. In St. Paul, a poignant display created by Aboriginal Art Certificate students titled “The Seven Sacred Grandfather Teachings of Turtle Island” was unveiled. The initiative is funded by Canadian Natural Resources Limited. • Continued to maintain and update Indigenous Ways of Knowing section of the College’s main website (https://www.portagecollege.ca/Indigenous-Ways-of-Knowing), featuring Indigenous events, partner projects, teachings, and resources. • Hosted events, meetings, teachings, and ceremonies in the Waniskah Room at the Lac La Biche campus. Activities included: Kairos Blanket Exercise and Project of Heart sessions, special events such as Red Dress Day and Sunrise Ceremony, Pathways to Healing Group and student support group gatherings, career fairs, and municipal and provincial meetings. • As part of Métis Week, hosted flag raising ceremonies and lunches at Lac La Biche and St. Paul campuses on November 14 and 16, 2023 respectively. • Organized annual Honour Ceremony as part of Convocation events.

STRATEGY 2025 GOAL: INCREASING EFFICIENCY

Strategy	Performance Measure Target	Progress Made in 2023-2024
Maximizing student enrolment in existing programs	75% fill rate	<ul style="list-style-type: none"> 2023-2024 fill rate: 61% (not including Academic Upgrading, Early Learning & Child Care, Educational Assistant, Open Studies, and University Transfer programming). This is an 8% improvement over 2022-2023.
	950 credit FLEs	<ul style="list-style-type: none"> 2023-2024 FLE count: 1,615. This is 206 higher than 2022-2023 and 41 higher than originally budgeted.
	Increase Indigenous enrolment by 10% annually	<ul style="list-style-type: none"> 2023-2024 self-identified Indigenous enrolment in for-credit programs: 448 FLE. This is 5.2% more (22 FLE) than the previous academic year.
	15% increase in international enrolment FLE	<ul style="list-style-type: none"> 2023-2024 International FLE: 85. This is down 125 from 2022-2023, although that total included many students attending Campbell and CIOT Colleges, Portage's private partners

STRATEGY 2025 GOAL: INCREASING PARTNERSHIPS

Strategy	Performance Measure Target	Progress Made in 2023-2024
Partner with communities to open doors to our facilities, showcase College expertise and garner support for communities, partners and College initiatives	100% student work-integrated learning activities have an employer partner	<ul style="list-style-type: none"> Established a strategic partnership with Riipen through the Level Up Program, enhancing experiential learning opportunities for 60 students. The WIL Office, now the responsibility of the Marketing Department, worked with 92% of academic programs. 62 industry partnerships established; 11 more were being negotiated by the end of the academic year.
	50% of all work-integrated learning costs covered externally	<ul style="list-style-type: none"> RBC reached an agreement with the College to cover the costs of Riipen's Level UP School Portal starting in the 2024-2025 academic year. According to its website, "Riipen is a work-based learning platform helping educators, companies, and students find and collaborate on real industry projects to bridge the gap between higher education and employment."
	75% of scholarships and bursaries externally funded or internally endowment backed	<ul style="list-style-type: none"> \$659,751 in awards, scholarships and bursaries available to students in 2023-2024, \$41,751 more than in 2022-2023. Of those, 42% were externally or endowment funded. 243 students received at least one award, scholarship or bursary.

STRATEGY 2025 GOAL: INCREASING PARTNERSHIPS

Strategy	Performance Measure Target	Progress Made in 2023-2024
Partner with communities to open doors to our facilities, showcase College expertise and garner support for communities, partners and College initiatives (cont.)	50% of Indigenous Cultural Services externally funded	<ul style="list-style-type: none"> • Developed project proposal to address gaps in learner supports in the seven First Nation and four Métis settlements in the Portage Service Region. The project is to be funded through a \$108,000 Indigenous Learning Grant from the Government of Alberta. • Received a \$10,000 National Truth & Reconciliation Grant to cover the costs of the College's annual Sunrise Ceremony as part of the National Day for Truth and Reconciliation, and \$6,000 to host Alberta Culture Days activities in Lac La Biche. • Continued to offer programming and community events in the Waniskah Room at the Lac La Biche campus. The room is a safe and welcoming cultural space where Indigenous and non-Indigenous students and community members can learn and heal. Funding for the space was provided in 2021 by the Government of Canada's Investing in Canada Infrastructure Program (\$32,000) and matching contributions through College funds (\$44,925) and external donations totalling \$23,075, including \$12,500 from Cenovus Energy.
	Every program has at least one YouTube video providing free teaching	<ul style="list-style-type: none"> • Training videos currently available for Aboriginal Art, Advanced Care Paramedic, Artisan Entrepreneurship, Culinary Arts, Emergency Medical Responder, Environmental Technologist, Hairstyling, Practical Nurse, and Primary Care Paramedic programs. • Directive established to have all programs have at least one publicly available YouTube video by end of 2024-2025 academic year.

Other Highlights (not explicitly captured in *Strategy 2025* goals but related to Advanced Education parameters for the Goals section of the Annual Report)

- Launched new Computer Programming and Information Technology Certificate program.
 - Approved by Advanced Education to offer all four periods of Apprenticeship Steamfitter-Pipefitter beginning in 2024-2025.
 - Worked on application to Campus Alberta Quality Council for ability to offer four-year degree programs at Portage College, to be submitted in 2024-2025.
 - Operated Community Adult Learning Programs (CALPs) and provided 2,371.31 instructional hours to 198 learners in:
 - Beaver Lake Cree Nation
 - Bonnyville
 - Cold Lake First Nations
 - Elk Point
 - Frog Lake First Nation
 - Heart Lake First Nation
 - Kehewin Cree Nation
 - Saddle Lake Cree Nation
 - St. Paul
 - Whitefish Lake First Nation #128
 - Following the strategic initiatives outlined in the *Student Mental Health & Well Being Strategy*, launched the following mental health projects in 2023-2024:
 - Increased students' access to mental health counsellors. Students can now reach counsellors online, by phone, on MS Teams, face to face or by text.
 - Created online booking system for counselling appointments, allowing students to book sessions on dates and times most amenable to them.
 - Offered external training for interested College faculty and staff about mental health first responder training.
 - Held several online "Ask A Counsellor" sessions for staff and faculty.
 - Supports available through Student Learning Services (SLS):
 - Individual learning assessments and educational assistance
 - Effective learning strategies
 - Reading and writing enhancement
 - Innovative learning technology and equipment
 - Classroom supports and accommodations
 - Exam accommodations
 - Alternate formatting of materials
 - Reduced course load assistance for ESL students
 - Workshops
- In 2023-2024, SLS helped 145 students, seven more than in 2022-2023.
- Signed a Memorandum of Understanding (MOU) with the Students' Association of Portage College (SAPC) in September 2023. The MOU provided clarity on fee remittances, student involvement on College committees, IT support, conflict resolution, and facility use.
 - The SAPC expanded its Give and Take Pantry from Lac La Biche to the Cold Lake and St. Paul campuses. As noted in the SAPC 23-24 Annual Report, "all campuses saw a lot of usage of the pantries, both in students taking food, but also giving food." Portage College staff also created a "12 Days of Giving" campaign and donated large amounts of food to the pantries and the College Food Bank.
 - The SAPC worked with the College and Ellement to provide a proposal to students for health and dental benefits. In March 2024, the student body voted in favour of the proposal, enabling the SAPC to offer benefits starting in Fall 2024.
 - Signed three-year dual credit MOUs with the following school divisions:
 - Aspen View Public Schools
 - Black Gold School Division
 - East Central Francophone
 - Elk Island Public Schools
 - Lakeland Catholic School Division
 - Northern Lights School Division
 - St. Albert Public Schools
 - St. Paul School Division
 - Wetaskiwin Regional Public Schools
 - Continued to negotiate dual credit agreements with Northland School Division and Parkland School Division.
 - Signed MOUs with Lac La Biche County, the Town of Bonnyville, and the Village of Boyle to offer educational opportunities to municipal employees and elected officials, including one free micro-credential course annually.

Advanced Education – Section B. Strategic research priorities (for research institutions), applied research, and scholarly activities

STRATEGY 2025 GOAL: INCREASING EFFICIENCY

Strategy	Performance Measure Target	Progress Made in 2023-2024
Increasing earned revenue	The College has at least one sponsored research program per year	<ul style="list-style-type: none"> • Developed the <i>2024-29 Applied Research Strategy for Portage College</i>, with the following strategic research pillars: <ol style="list-style-type: none"> 1. Environment and sustainability within the Boreal Forest 2. Mental and physical health, wellbeing and accessibility in rural communities 3. Indigenous arts and culture 4. Supporting and improving learner pathways for underrepresented post-secondary populations 5. Rural economic development <p>The document also outlines plans for resource allocation, strategic partnerships, project development and execution, knowledge dissemination, and monitoring and evaluation (including key performance indicators).</p> • Created a Director of Applied Research position and established Research Chairs, with the goal of having seconded faculty develop a self-funded, sustainable research program within the five research pillars listed in the <i>2024-29 Applied Research Strategy</i>. • In January 2024, secured \$82,500 of Summer Research Studentship funding from Alberta Innovates. The funding allows the College to sponsor up to five students for eight weeks in May and June to conduct supervised research. The funding is for 2024 and 2025. In May and June 2024, the College employed five nursing students to work on two projects: <ul style="list-style-type: none"> – <i>Comparison Study of a 3D Printer Created Anatomical Heart Puzzle Model to a Traditional Heart Model</i> – <i>Identifying Challenges of ESL Practical Nursing Students by Comparing the Domestic and International Practical Nursing Students' Challenges at Portage College.</i> • The projects were supervised by three members of the nursing faculty. In addition to the research projects, three of the students also attended the Alberta Innovates Conference in Calgary. • Continuing research projects in 2023-2024: <ul style="list-style-type: none"> – <i>Feasibility of terrestrial lichen transplantation and seeding technology for woodland caribou habitat restoration.</i> Working in conjunction with NAIT, the project was originally funded by the Alberta Regional Caribou Knowledge Partnership. Researchers subsequently obtained a further three years' worth of funding from NSERC. Portage instructor Michael Schulz is one of the co-researchers leading the project.

STRATEGY 2025 GOAL: INCREASING EFFICIENCY

Strategy	Performance Measure Target	Progress Made in 2023-2024
Increasing earned revenue (cont.)	The College has at least one sponsored research program per year (cont.)	<ul style="list-style-type: none"> – <i>Social Work in Health and Senior Care in Alberta.</i> Working in conjunction with Northern Lakes College and the Rural Development Network, the project was funded by Mitacs and FCSS in Lac La Biche. The comprehensive two-year study, completed in May 2024, highlighted the significant disparity in the availability and training of social workers between urban and rural areas. Recommendations include prioritizing social and emotional care, and supporting the mental health of individuals in health and senior care facilities in rural Alberta. The research was led by Portage instructors Dr. Tracy Orr, Jana McKinley and Audrey Cochrane. – <i>Ethics education in business programs: An empirical study on business programs in Alberta post-secondary institutions.</i> Portage instructors Brian Thorne and Dr. Merlyn Foo investigated the level of ethics education in business programs in Alberta PSIs and on the responsibility of business schools to provide ethics education and training to future managers and leaders. – <i>Valuation Effects of ESG Ranking – Is it Greenwashing?</i> Led by Dr. Foo, the research is a statistical analysis of whether an Environment, Social, and Governance (ESG) risk rating changes a company's share price, mean return, and risk level. – <i>Measuring the level of integrity in the Canadian mutual fund industry.</i> Through the research, Dr. Foo is developing a model of measuring integrity level that can be used by the investment industry for both self-regulation and enforcement purposes. – <i>Feasting in the Illiad.</i> Submitted to a publisher in December 2023, Dr. Kevin Solez continued working on a book-length study of the social ritual of feasting in Homer's <i>Illiad</i>. Peer-review subsequently recommended breaking the project up into several studies. – "The Recipe for Beer Associated with Zosimus the Alchemist." Dr. Solez also continued to work through peer-reviewed feedback from the classical association journal <i>Mouseion</i> to his article analyzing the earliest-surviving recipe for beer, from a seventh-century Greek manuscript. – "Homer's <i>Odyssey</i> and Peter Martyr's <i>De Orbe Novo</i>." Dr. Solez expanded upon his 2018 research into "how ancient Greek and roman texts shaped the earliest European observations of Indigenous peoples in North America." Final feedback was received in April 2024 and the book chapter will be published in a 2025 publication titled <i>En finir avec l'Antiquité? Postcolonialismes et controverses dans les études classiques</i>.

Advanced Education Section C – Collaborations with other learning providers (e.g. publicly funded post-secondary institutions, First Nations Colleges, or Private Career Colleges)

STRATEGY 2025 GOAL: INCREASING PARTNERSHIPS

Strategy	Performance Measure Target	Progress Made in 2023-2024
<p>Shared program development delivery as a priority choice for all new programs</p>	<p>At least three new shared program development and delivery projects completed</p>	<ul style="list-style-type: none"> • In October 2023, launched Internationally Educated Nurse Bridging Expansion Program. Funded through a grant from the Ministry of Education and developed in partnership with Northwestern Polytechnic, Bow Valley College and Keyano College, the program offers domestic and internationally educated nurses the opportunity to take Registered Nurse Preparation courses and challenge the national RN exam, regardless of their educational background. • Partnered with the University of Calgary and Alberta Health Services to offer the rural community Bachelor of Nursing program. Nine Licensed Practical Nursing students began the program in January 2023 and will graduate in December 2024 as baccalaureate-prepared nurses and able to take their registered nursing exam. The next intake is Fall 2025. • In partnership with the City of Cold Lake, purchased Aircraft Maintenance Engineering (AME) curriculum in step towards opening an AME program in the city. A formal proposal will be filed in PAPRS in 2024-2025. • Through the University of Alberta, continued to offer the Aboriginal Teacher Education Program at Portage College campuses. The program is one of 15 degree pathways Portage currently has with Athabasca University, NAIT, the University of Alberta and the University of Calgary. • Teamed up with Medicine Hat College (MHC) to offer all four periods of Apprenticeship Steamfitter-Pipefitter (SFPF). MHC instructors provided online lectures while in-person labs were offered at both post-secondary institutions. The Government of Alberta subsequently reinstated SFPF training at Portage for the 2024-2025 academic year and invested \$900,000 to modernize classrooms and improve students' learning experiences. • Continued to partner with MHC to offer Pre-Apprenticeship Welding training to students from both PSIs. The one-year program includes online academic upgrading taught by Portage instructors, hands-on skills training and a job placement once studies are completed. Students can also challenge the first-year Apprenticeship and Industry Training exam at the conclusion of their studies.

4. Financial Information



**Financial Statements
June 30, 2024**

Portage College

Financial Statements
Year Ended June 30, 2024

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Portage College

Financial Statements

Statement of Management Responsibility

Year Ended June 30, 2024

The financial statements of Portage College ("the College") have been prepared by management in accordance with Canadian public sector accounting standards as described in note 2 of the financial statements. The financial statements present fairly the financial position of the College as at June 30, 2024 and the results of its operations, changes in net financial assets, remeasurement gains and losses and cash flows for the year then ended.

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

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

The Board of Governors carries out its responsibility for review of the financial statements principally through its Finance, Infrastructure and Risk Committee. With the exception of the President, and Chief Financial Officer, all members of the Finance, Infrastructure and Risk Committee are not employees of the College. 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 financial statements have been reported on by the Auditor General of Alberta, the auditor appointed under the *Post-secondary Learning Act*. The Independent Auditor's Report outlines the scope of the audit and provides the audit opinion on the fairness of presentation of the information in the financial statements.

[Original signed by]

[Original signed by]

President & CEO

Chief Financial Officer

To the Board of Governors of Portage College

Report on the Financial Statements

Opinion

I have audited the financial statements of Portage College (the College), which comprise the statement of financial position as at June 30, 2024, and the statements of operations, remeasurement gains and losses, change in net financial assets, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the College as at June 30, 2024, and the results of its operations, its remeasurement gains and losses, its changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for opinion

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

Other information

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

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

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

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

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

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

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

[Original signed by W. Doug Wylie FCPA, FCMA, ICD.D]
Auditor General

October 24, 2024
Edmonton, Alberta

Portage College
Statement of Financial Position
As at June 30, 2024
(thousands of dollars)

	2024	2023
Financial assets excluding portfolio investments restricted for endowments		
Cash (Note 4)	\$ 19,609	\$ 11,544
Portfolio investments - non-endowment (Note 5)	11,833	11,036
Accounts receivable	14,903	3,485
Inventories held for sale	208	241
	46,553	26,306
Liabilities		
Accounts payable and accrued liabilities	5,287	3,089
Asset retirement obligations (Note 12)	557	532
Employee future benefits liabilities (Note 7)	107	68
Debt (Note 8)	-	42
Deferred revenue (Note 9)	16,634	9,660
	22,585	13,391
Net financial assets excluding portfolio investments restricted for endowments	\$ 23,968	\$ 12,915
Portfolio investments - restricted for endowments (Note 5)	5,854	5,358
Net financial assets	\$ 29,822	\$ 18,273
Non-financial assets		
Tangible capital assets (Note 10)	43,146	40,726
Inventories of supplies	33	37
Prepaid expenses	1,140	993
	44,319	41,756
Net assets before spent deferred capital contributions	\$ 74,141	\$ 60,029
Spent deferred capital contributions (Note 11)	34,366	34,225
Net assets (Note 13)	\$ 39,775	\$ 25,804
Net assets is comprised of:		
Accumulated surplus	\$ 39,677	\$ 26,010
Accumulated remeasurement gains (losses)	98	(205)
	\$ 39,775	\$ 25,804
Contractual rights (Note 16)		
Contingent liabilities and contractual obligations (Note 15 and Note 17)		
Approved by the Board of Governors (Note 24)		

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

Portage College

Statement of Operations
Year Ended June 30, 2024
(thousands of dollars)

	Budget (Note 23)	2024	2023
Revenues			
Government of Alberta grants (Note 21)	\$ 25,597	\$ 25,855	\$ 25,076
Federal and other government grants (Note 21)	338	561	546
Sales of services and products	4,863	17,661	5,267
Student tuition and fees	6,780	8,110	5,935
Donations and other grants	156	211	286
Investment income	586	1,381	502
	38,320	53,779	37,612
Expenses (Note 18)			
Instruction	14,142	14,666	13,383
Facilities operations and maintenance	7,570	8,031	7,203
Institutional support	3,817	4,581	3,812
Academic and student support	8,000	7,407	6,418
Ancillary services	1,874	2,503	1,951
Information technology	2,474	2,519	2,048
Special purpose and trust	463	506	526
Sponsored research	12	66	32
	38,351	40,279	35,373
Annual operating surplus (deficit)	(31)	13,500	2,239
Endowment contributions and capitalized investment income			
Endowment contributions (Note 13)	-	45	150
Endowment capitalized investment income (Note 13)	31	123	89
Annual surplus	-	13,668	2,478
Accumulated surplus, beginning of year	22,286	26,010	23,532
Accumulated surplus, end of year (Note 13)	\$ 22,286	\$ 39,677	\$ 26,010

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

Portage College

Statement of Change in Net Financial Assets

Year Ended June 30, 2024

(thousands of dollars)

	Budget (Note 23)	2024	2023
Annual surplus	\$ -	\$ 13,668	\$ 2,478
Acquisition of tangible capital assets	(600)	(5,230)	(1,217)
Amortization of tangible capital assets	2,982	2,810	2,717
Loss on disposal of tangible capital assets	-	-	21
Decrease (increase) in inventories of supplies	(1)	4	(4)
Increase in prepaid expenses	(17)	(147)	(161)
Increase (decrease) in spent deferred capital contributions	(2,239)	141	(1,302)
Increase in accumulated remeasurement gains		303	831
Increase in net financial assets		11,549	3,363
Net financial assets, beginning of year		18,273	14,911
Net financial assets, end of year		\$ 29,821	\$ 18,273

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

Portage College

Statement of Remeasurement Gains and Losses

Year Ended June 30, 2024

(thousands of dollars)

	<u>2024</u>	<u>2023</u>
Accumulated remeasurement losses, beginning of year	\$ (205)	\$ (1,036)
Unrealized gains attributable to:		
Quoted in active market financial instruments:		
Portfolio investments - non-endowment	463	535
Amounts reclassified to the statement of operations:		
Quoted in active market financial instruments:		
Portfolio investments - non-endowment	(160)	296
Change in accumulated remeasurement gains	303	831
Accumulated remeasurement gains (losses), end of year	\$ 98	\$ (205)
Accumulated remeasurement gains (losses) is comprised of:		
Portfolio Investments - non-endowment	\$ 98	\$ (205)
	\$ 98	\$ (205)

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

Portage College

Statement of Cash Flows Year Ended June 30, 2024 (thousands of dollars)

	2024	2023
OPERATING TRANSACTIONS		
Annual surplus	\$ 13,668	\$ 2,478
Add (deduct) non-cash items:		
Amortization of tangible capital assets	2,810	2,717
(Gain) loss on sale of portfolio investments	(286)	296
Loss on disposal of tangible capital assets	-	21
Expended capital contributions recognized as revenue	(2,016)	(2,022)
Change in employee future benefit liabilities	39	(54)
Change in non-cash items	14,215	3,436
Increase in accounts receivable	(11,418)	(1,109)
Decrease (increase) in inventories held for sale	33	(74)
Increase in accounts payable and accrued liabilities	2,198	557
Increase in deferred revenue	6,742	3,544
Increase in asset retirement obligations	25	25
Decrease (increase) in inventory for supplies	4	(4)
Increase in prepaid expenses	(147)	(161)
Cash provided by operating transactions	11,652	6,214
CAPITAL TRANSACTIONS		
Acquisition of tangible capital assets	(5,230)	(1,217)
Cash applied to capital transactions	(5,230)	(1,217)
INVESTING TRANSACTIONS		
Purchase of portfolio investments	(6,240)	(10,809)
Proceeds on sale of portfolio investments	5,768	10,257
Cash applied to investing transactions	(472)	(552)
FINANCING TRANSACTIONS		
Debt - repayment	(42)	(49)
Increase in spent deferred capital contributions, less expended capital recognized as revenue	2,157	721
Cash provided by financing transactions	2,115	672
Increase in cash	8,064	5,117
Cash, beginning of year	11,544	6,424
Cash, end of year	\$ 19,609	\$ 11,544

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

Portage College

Notes to the Financial Statements

Year Ended June 30, 2024

(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*, the College is a comprehensive community institution offering diploma and certificate programs as well as a full range of continuing education programs and activities. The College is a registered charity, and under section 149 of the *Income Tax Act (Canada)* is exempt from the payment of income tax.

2. Summary of significant accounting policies and reporting practices

These financial statements have been prepared in accordance with Canadian public sector accounting standards (PSAS) as recommended by the Chartered Professional Accountants of Canada (CPA Canada). Significant aspects of the accounting policies adopted by the College are as follows:

a. Use of estimates

The measurement of certain assets, liabilities, revenues and expenses is contingent upon future events; therefore, the preparation of these 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, amortization of purchased intangibles, asset retirement obligations, 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 financial statements, and together with the following notes, should be considered an integral part of the financial statements.

b. Valuation of financial assets and liabilities

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

Financial Statement Component	Measurement
Cash	Cost
Portfolio investments	Fair value and amortized cost
Inventories held for sale	Lower of cost or net realizable value
Accounts receivable	Lower of cost or net recoverable value
Accounts payable and accrued liabilities	Cost
Asset Retirement Obligations	Present value
Debt	Amortized cost

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

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

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

Year Ended June 30, 2024

(thousands of dollars)

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. Sales of services and products

Sales of services and products represent revenues from non-tuition related services and/or products such as one day workshops, media production, laundry revenues, conferences, amenities fees, recreation program registration fees, membership fees, food services and related commissions, vending revenue, gift certificates, book sales, rental income, fine and surcharges, non-refundable application fees, interest revenue, sponsorship revenue, other administrative charges.

These revenues, with the exception of parking fines and surcharges, non-refundable application fees, cancellation fees and some administrative fees, are considered revenues arising from exchange transactions. Revenue from these transactions is recognized when or as the College fulfils its performance obligation(s) and transfers control of the promised goods and services to the payor. If the performance obligation is outstanding at year end, the remaining revenue is deferred.

Revenue without performance obligations is a non-exchange transaction with a payor and is recognized when the College has the authority to claim or retain an inflow of economic resources and identifies a past transaction or event that gives rise to an asset.

iv. Student tuition and fees

Student tuition and fees are charged for the programs offered by the College such as program registration and application fees, course delivery fees, student ID fees and laboratory fees.

These fees are considered revenue arising from exchange transactions with performance obligations. The College recognizes revenue from program registration and application fees when received as the performance obligations of registering the student are met when paid. Revenue from course delivery and laboratory fees are recognized over the course of each academic period/semester as the College fulfils its performance obligations by delivering the courses. If the performance obligation is outstanding at year end, the remaining revenue is deferred. Revenue from student ID fees is recognized when the performance obligation to provide the student ID cards to the student has been met.

v. Endowment contributions

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

vi. Investment income (loss)

Investment income includes dividends, interest income and realized gains or losses on the sale of portfolio investments and interest earned on deposit accounts. 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.

Portage College

Notes to the Financial Statements

Year Ended June 30, 2024

(thousands of dollars)

2. Summary of significant accounting policies and reporting practices continued

c. Revenue recognition continued

vi. Investment income (loss) continued

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

d. Endowments

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

Investment income earned on endowments (excluding unrealized income) 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 and generally to regulate the distribution of income earned by the endowment.
- Encroachment on the capital of the endowment to avoid fluctuations in the amounts distributed and generally to regulate the distribution of income earned by the endowment if, in the opinion of the Board of Governors, the encroachment benefits the College and does not impair the long-term value of the fund.

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

e. Inventories

Inventories held for sale 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 the lower of cost or replacement cost.

f. Tangible capital assets

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

All leases are recorded in the financial statements as either a capital or operating lease. Any lease which transfers substantially all the benefits and risks of ownership associated with the leased asset are accounted for as leased tangible capital assets. Capital lease assets and liabilities are recognized at the lesser of the present value of the future minimum lease payments and the asset's fair market value at the inception of the lease, excluding executor costs. 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 ⁽¹⁾	20 - 60 years
Equipment	5 - 10 years
Computer hardware & software	4 - 5 years
Learning resources & other assets	2 - 10 years

⁽¹⁾ 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 expenses.

Portage College

Notes to the Financial Statements

Year Ended June 30, 2024

(thousands of dollars)

2. Summary of significant accounting policies and reporting practices continued

f. Tangible capital assets continued

Works of art, historical treasures and collections are expensed when acquired and not recognized as tangible capital assets because a reasonable estimate of the future benefits associated with such property cannot be made.

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 statement of financial position date.

In the period of settlement, foreign exchange gains and losses are reclassified to the statement of operations, and the cumulative amount of remeasurement gains and losses is reversed in the statement of remeasurement gains and losses. The College does not have any unrealized foreign exchange 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.

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 estimated 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. Any changes to the estimates that affect the accrued benefit obligation are amortized over the expected period the benefits will be paid for each employee.

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. Liability for contaminated sites

Contaminated sites are a result of contamination of a chemical, organic or radioactive material or live organism that exceeds an environmental standard, being introduced into soil, water or sediment. It does not include airborne contaminants. The College recognizes a liability for remediation of contaminated sites when the following criteria have been met:

- an environmental standard exists;
- there is evidence that contamination exceeds an environmental standard;
- the College is directly responsible or accepts responsibility for the contamination;
- it is expected that future economic benefits will be given up; and
- a reasonable estimate of the amount can be made.

A liability for contaminated site may arise from operations that are either considered in productive use or no longer in productive use when environmental standards are exceeded. It will also arise when an unexpected event occurs resulting in contamination that exceeds an environmental standard.

In these situations the College reviews the information to determine if a contaminated site liability exists or if an environmental liability exist and if it does it will record the liability. In cases where the College's responsibility is not determinable or a reasonable estimate cannot be made, a contingent liability may be disclosed.

Where an environmental standard does not exist or contamination does not exceed an environmental standard, a liability for remediation of a site is recognized by the College when the following criteria have been met:

- the College has a duty or responsibility to others, leaving little or no discretion to avoid the obligation;
- the duty or responsibility to others entails settlement by future transfer or use of assets, or a provision of services at a specified or determinable date, or on demand; and
- the transaction or events obligating the College have already occurred.

The liabilities reflect the College's best estimate, as of June 30, of the amount required to remediate the sites where the contamination has exceeded an environmental standard. Where possible, provisions for remediation are based on environment assessments completed on a site; for those sites where an assessment has not been completed, estimates of the remediation are completed using information available for the site and by extrapolating from the cost to clean up similar sites.

As of June 30, 2024, the College had no environmental liabilities to report (2023 - \$nil).

Portage College

Notes to the Financial Statements

Year Ended June 30, 2024

(thousands of dollars)

2. Summary of significant accounting policies and reporting practices continued

j. Asset retirement obligations (ARO)

Asset retirement obligations are legal obligations associated with the retirement of a tangible capital asset. The tangible capital assets include but not limited to assets in productive use, assets no longer in productive use, and leased tangible capital assets. Asset retirement activities include all activities relating to an asset retirement obligation. These may include, but are not limited to:

- decommissioning or dismantling a tangible capital asset that was acquired, constructed or developed;
- remediation of contamination of a tangible capital asset created by its normal use;
- the post-retirement activities such as monitoring; and
- constructing other tangible capital assets to perform post-retirement activities.

A liability for an asset retirement obligation is recognized when, as at the financial reporting date, all the following criteria are met:

- (a) there is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- (b) the past transaction or event giving rise to the liability has occurred;
- (c) it is expected that future economic benefits will be given up; and
- (d) a reasonable estimate of the amount can be made.

When a liability for asset retirement obligation is recognized, asset retirement costs related to recognized tangible capital assets in productive use are capitalized by increasing the carrying amount of the related asset and are amortized over estimated useful life of the underlying tangible capital asset. Asset retirement costs related to unrecognized tangible capital assets and those not in productive use are expensed.

Where a present value technique is used to measure a liability, the liability is adjusted for the passage of time and is recognized as accretion expense in the Statement of Operations. This expense ensures that the time value of money is considered when recognizing outstanding liabilities at each reporting date. When a present value technique is not used, the asset retirement obligation is measured at the current estimated cost to settle or otherwise extinguish the liability.

k. Expense by function

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

Instruction

Expenses related to the support for the academic functions of the College both directly and indirectly.

Academic and student support

Expenses relating to activities directly supporting the academic functions of the College. This includes items such as program deans, student services, student recruitment, student records and admissions, counselling, social development, scholarships and non-sponsored research activities.

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. Also includes amortization expense.

Institutional support

Includes expenses for centralized College-wide administration including executive management, corporate relations, marketing, corporate finance and human resources.

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. Services include bookstore, student residences, food services, hair salon and conferencing.

Special purpose and trust

Expenses for fundraising activities, public and alumni relations and other programs specifically funded by restricted grants and donations.

Information technology

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

Sponsored research

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

Portage College

Notes to the Financial Statements

Year Ended June 30, 2024

(thousands of dollars)

2. Summary of significant accounting policies and reporting practices continued

I. 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.

m. Future changes in accounting standards

The College will adopt the following new conceptual framework and accounting standard approved by the Public Sector Accounting Board:

- Effective April 1, 2026, The *Conceptual Framework for Financial Reporting in the Public Sector*. The Conceptual Framework is the foundation for public sector financial reporting standards. It replaces the conceptual aspects of Section PS 1000, *Financial Statement Concepts*, and Section PS 1100, *Financial Statement Objectives*. The conceptual framework highlights considerations fundamental for the consistent application of accounting issues in the absence of specific standards.
- Effective April 1, 2026, PS 1202 *Financial Statement Presentation*. Section PS 1202 sets out general and specific requirements for the presentation of information in general purpose financial statements. The financial statement presentation principles are based on the concepts within the Conceptual Framework.

The College is currently assessing the impact of the new conceptual framework and standard, and the extent of the impact of their adoption on the financial statements has not yet been determined.

3. Adoption of new accounting policies and guidelines

PS 3400: Revenue

Effective July 1, 2023, the College adopted the new accounting standard PS 3400, *Revenue*, a standard establishing guidance on how to account for and report on revenue. The standard provides a framework for recognizing, measuring and reporting revenues that arise from transactions that include performance obligations and transactions that do not have performance obligations. Performance obligations are enforceable promises to provide specific goods or services to a specific payer.

The College adopted this standard on a prospective basis and as a result, 2023 comparatives are not restated. The result of adopting the standard for July 1, 2023, has been determined to be immaterial as revenues had been determined per these new standard guidelines in previous years. No adjustments have been made to revenue or deferred revenue.

PSG-8: Purchased Intangibles

Effective July 1, 2023, the College adopted the principles in the new guideline PSG-8, *Purchased intangibles*. The guideline provides direction on accounting for and reporting on purchased intangibles. It provides clarity on the recognition criteria, along with instances of assets that would not meet this definition.

The College adopted this standard prospectively and as a result 2023 comparatives are not restated. The College did not purchase any intangibles in the year so there was no impact on the financial statements at this time.

4. Cash

	2024	2023
Cash ⁽¹⁾	\$ 19,609	\$ 11,544

⁽¹⁾ Cash includes restricted capital funds of \$5,041 (2023 - \$6,867).

5. Portfolio Investments

	2024	2023
Portfolio investments - non-endowment	\$ 11,833	\$ 11,036
Portfolio investments - restricted for endowments	5,854	5,358
	<u>\$ 17,687</u>	<u>\$ 16,394</u>

Portage College

Notes to the Financial Statements

Year Ended June 30, 2024

(thousands of dollars)

5. Portfolio Investments continued

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

	2024			
	Level 1	Level 2	Level 3	Total
Portfolio investments at fair value				
Bonds				
Canadian Bonds	\$ -	\$ 11,795	\$ -	\$ 11,795
Equities				
Canadian Equities	2,374	-	-	2,374
Foreign Equities	3,355	-	-	3,355
Other				
Money market, short-term notes and treasury bills ⁽¹⁾	163	-	-	163
Total portfolio investments	\$ 5,892	\$ 11,795	\$ -	\$ 17,687
	33 %	67 %	- %	100 %
	2023			
	Level 1	Level 2	Level 3	Total
Portfolio investments at fair value				
Bonds				
Canadian Bonds	\$ -	\$ 10,852	\$ -	\$ 10,852
Equities				
Canadian Equities	2,263	-	-	2,263
Foreign Equities	3,081	-	-	3,081
Other				
Money market, short-term notes and treasury bills ⁽¹⁾	198	-	-	198
Total portfolio investments	\$ 5,542	\$ 10,852	\$ -	\$ 16,394
	34 %	66 %	- %	100 %

The fair value measurements are those derived from:

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

Level 2 – Fair value measurements are those derived from inputs other than quoted prices included 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⁾ All mature in three months or greater from date of acquisition.

Portage College

Notes to the Financial Statements

Year Ended June 30, 2024

(thousands of dollars)

6. Financial Risk Management

The College is exposed to the following risks:

Market price risk

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

The College assesses its portfolio sensitivity to a percentage increase or decrease in market prices. The sensitivity rate is determined using the historical annualized standard deviation for portfolio investments over ten years, as determined by the College's investment fund manager's reports.

At June 30, 2024, the impact of a change in return on portfolio investments would be as follows:

Endowment Portfolio

A one standard deviation change in bonds would result in an increase (decrease) in bonds of \$159 (2023 - \$145).

A one standard deviation change in equities would result in an increase (decrease) in equities of \$226 (2023 - \$239).

Non Endowment Portfolio

A one standard deviation change in bonds would result in an increase (decrease) in bonds of \$410 (2023 - \$385).

A one standard deviation change in equities would result in an increase (decrease) in equities of \$296 (2023 - \$316).

The standard deviations of the bond and equity segments at June 30, 2024 were; bonds 4.79% (2023 - 4.85%), and equities 9.10% (2023 - 10.36%).

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 enrolment activities and managed collection procedures for students with delinquent accounts.

The credit risks on investments held are as follows:

	2024	2023
Money market funds		
R-1 (high)	100.0 %	100.0 %
Bonds		
AAA	30.2 %	31.3 %
AA	35.3 %	33.3 %
A	20.6 %	20.4 %
BBB	13.9 %	15.0 %
	<u>100.0 %</u>	<u>100.0 %</u>

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. A 1% change in interest rates on bonds would result in a \$117 increase or decrease (2023 - \$108) in interest income.

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 %	- %	- %	4.77 %
Canadian government and corporate bonds	0.57 %	35.71 %	63.73 %	4.34 %

Portage College

Notes to the Financial Statements

Year Ended June 30, 2024

(thousands of dollars)

6. Financial Risk Management continued

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 College's exposure to foreign exchange risk is very low due to minimal business activities conducted in a foreign currency.

Liquidity risk

Liquidity risk is the risk that the College will encounter difficulty in meeting obligations associated with its financial liabilities. The risk is managed by maintaining excess funds in the College's operating bank account which earns interest at a rate comparable to a short-term redeemable investment product, as well as a revolving 6-month guaranteed investment certificate.

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 \$1,651 (2023 - \$1,637).

At December 31, 2023 the MEPP reported a surplus of \$1,316,313 (2022 - surplus of \$924,735). Also, at December 31, 2023 the PSPP reported a surplus of \$4,542,500 (2022 - surplus of \$4,258,721).

Long-term disability

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

The employee future benefit liability for employer paid contributions for staff on LTD was \$107 (2023 - \$68). The amortization of the employee future benefit liability was \$72 (2023 - \$22). 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. An updated accrued benefit obligation was prepared as of June 30, 2024 by the College.

8. Debt

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

	2024			2023	
	Collateral ⁽¹⁾	Maturity	Fixed Interest Rate %	Amortized Cost	Amortized Cost
Liabilities under capital leases					
Lease 527-261-200	1	Apr 17, 2024	2.765 %	- \$	42

⁽¹⁾Collateral – leased Xerox equipment.

In June 2024, leased capital assets were exchanged for new equipment under a new agreement starting July 1, 2024. Interest expense on debt is \$1 (2023 - \$2) and is included in the statement of operations.

Portage College

Notes to the Financial Statements Year Ended June 30, 2024 (thousands of dollars)

9. Deferred Revenue

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

	2024			2023
	Unspent externally restricted grants and donations	Student tuition, fees and other revenue	Total	Total
Balance, beginning of year	\$ 7,416	\$ 2,245	\$ 9,660	\$ 5,755
Grants, tuition, and other donations	5,662	23,374	29,036	11,337
Investment income	671	-	671	147
Unrealized gains	232	-	232	413
Transfers to spent deferred capital contributions	(2,158)	-	(2,158)	(722)
Recognized as revenue	(4,918)	(15,890)	(20,809)	(7,269)
Balance, end of year	\$ 6,905	\$ 9,729	\$ 16,634	\$ 9,660

10. Tangible capital assets

The composition of tangible capital assets are as follows:

	2024				2023	
	Land	Buildings, trailers & site improvements	Equipment ⁽¹⁾	Computer hardware & software	Total	Total
Cost						
Balance, beginning of year	\$ 1,882	\$ 76,604	\$ 9,994	\$ 11,776	\$ 100,256	\$ 101,789
Acquisitions	-	3,263	1,281	686	5,230	1,217
Disposals, including write-downs	-	-	(352)	(538)	(890)	(2,750)
	1,882	79,868	10,923	11,924	104,596	100,256
Accumulated Amortization						
Balance, beginning of year	\$ -	\$ 38,970	\$ 9,136	\$ 11,426	\$ 59,531	\$ 59,543
Amortization expense	-	2,238	371	201	2,810	2,717
Effects on disposals, including write-downs	-	-	(352)	(538)	(890)	(2,729)
	-	41,207	9,155	11,088	61,451	59,530
Net book value at June 30, 2024	\$ 1,882	\$ 38,660	\$ 1,768	\$ 836	\$ 43,146	
Net book value at June 30, 2023	\$ 1,883	\$ 37,635	\$ 857	\$ 351		\$ 40,726

No interest was capitalized by the College in 2024 (2023 - \$nil).

Historic cost includes work-in-progress at June 30, 2024 totaling \$2,722 (2023 - \$48) comprised of buildings \$2,574 (2023 - \$39), equipment \$128 (2023 - \$9), computer hardware & software \$20 (2023 - \$0).

(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 Financial Statements

Year Ended June 30, 2024

(thousands of dollars)

11. 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).

	2024	2023
Spent deferred capital contributions, beginning of year	\$ 34,225	\$ 35,526
Transfers from unspent externally restricted grants and donations	2,158	722
Disposal of contributed capital	-	(1)
Expended capital contributions recognized as revenue	(2,016)	(2,022)
Spent deferred capital contributions, end of year	<u>\$ 34,366</u>	<u>\$ 34,225</u>

12. Asset Retirement Obligations

	2024	2023
Balance, beginning of year	\$ 532	\$ 507
Accretion expense	25	25
Balance, end of year	<u>\$ 557</u>	<u>\$ 532</u>

Tangible capital assets with associated retirement obligations include buildings located on the campuses in Lac La Biche and St. Paul.

Asset retirement obligations are initially measured as of the date the legal obligation was incurred, based on management's best estimate of the amount required to retire tangible capital assets and may be subsequently remeasured at each financial reporting date taking into account any new information and the appropriateness of assumptions used. The estimate of the liability is based on previous experience, third party quotes, legislation and professional judgement.

Included in ARO estimate is \$557 (June 30, 2023 - \$532) measured using a present value technique. As of June 30, 2024, the undiscounted amount of estimated future cash flows required to settle this obligation is \$891 (June 30, 2023 - \$891) and is discounted using a discount rate of 4.85% (June 30, 2023 - 4.85%).

Asset retirement obligations are expected to be settled over the next 17 to 37 years.

For the year ended June 30, 2024, a recovery of \$0 was recognized.

Portage College

Notes to the Financial Statements

Year Ended June 30, 2024

(thousands of dollars)

13. Net Assets

	Accumulated surplus from operations	Investment in tangible capital assets ⁽¹⁾	Internally restricted surplus	Endowments	Total
Net assets, as at June 30, 2022	\$ 7,768	\$ 6,148	\$ 3,817	\$ 4,763	\$ 22,497
Annual operating surplus	2,239	-	-	-	2,239
Endowments					
New donations	-	-	-	150	150
Capitalized investment income	-	-	-	89	89
Transfer to endowments	(117)	-	-	117	-
Tangible capital assets					
Amortization of tangible capital assets	695	(695)	-	-	-
Acquisition of tangible capital assets	(495)	495	-	-	-
Increase in asset retirement obligations (Note 12)	25	(25)	-	-	-
Net book value of tangible capital asset disposals	19	(19)	-	-	-
Capital purchases funded from internally restricted surplus	24	-	(24)	-	-
Net Board appropriation to internally restricted surplus	(3,000)	-	3,000	-	-
Change in accumulated remeasurement losses	831	-	-	-	831
Net assets, beginning of year - July 1, 2023	7,989	5,904	6,793	5,119	25,804
Annual operating surplus	13,500	-	-	-	13,500
Endowments					
New donations	-	-	-	45	45
Capitalized investment income	-	-	-	123	123
Tangible capital assets					
Amortization of tangible capital assets	793	(793)	-	-	-
Acquisition of tangible capital assets	(3,071)	3,071	-	-	-
Increase in asset retirement obligations (Note 12)	25	(25)	-	-	-
Capital purchases funded from internally restricted surplus	1,465	-	(1,465)	-	-
Net Board appropriation to internally restricted surplus	(6,400)	-	6,400	-	-
Change in accumulated remeasurement losses	303	-	-	-	303
Net assets, end of year as at June 30, 2024	\$ 14,604	\$ 8,157	\$ 11,728	\$ 5,287	\$ 39,775
Net assets is comprised of:					
Accumulated surplus	\$ 14,816	\$ 7,847	\$ 11,728	\$ 5,287	\$ 39,677
Accumulated remeasurement gains	98	-	-	-	98
	\$ 14,914	\$ 7,847	\$ 11,728	\$ 5,287	\$ 39,775

(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. Investment in tangible capital assets is reduced by the college's asset retirement obligations of \$557 (2023 - \$532). A funding resource for this obligation has not been determined.

Portage College

Notes to the Financial Statements Year Ended June 30, 2024 (thousands of dollars)

14. 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
Appropriations for Capital Activities				
Campus development fund	\$ 117	\$ -	\$ -	\$ 117
Housing development fund	250	-	-	250
Furnishings, equipment and renovations	272	-	-	272
Facility development fund	512	-	-	512
Capital equipment replacement fund - Heavy Equipment Operator	7	-	-	7
Program capital fund	440	-	(226)	214
ERP capital fund	400	-	-	400
Paving project	3,000	-	(1,239)	1,761
	<u>4,998</u>	<u>-</u>	<u>(1,465)</u>	<u>3,533</u>
Appropriations for Operating Activities				
E-learning technology	150	-	-	150
Program development	193	-	-	193
Student scholarship and bursary investment fund	350	-	-	350
Program enhancement fund	73	-	-	73
Professional services - transition fund	334	-	-	334
Financially assisted educational leave	63	-	-	63
Emergency facility repair	78	-	-	78
Operating contingency	521	-	-	521
College rebranding initiatives	33	-	-	33
Operating reserve	-	6,400	-	6,400
	<u>1,795</u>	<u>6,400</u>	<u>-</u>	<u>8,195</u>
Total	<u>\$ 6,793</u>	<u>\$ 6,400</u>	<u>\$ (1,465)</u>	<u>\$ 11,728</u>

15. Contingent Liabilities

The College continues to review environmental objectives and liabilities for its activities and properties as well as any potential remediation obligations. There may be contaminated sites that the College has identified that have the potential to result in remediation obligations. A liability has not been recorded for these sites because either the likelihood of the College becoming responsible for the site is not determinable, the amount of the liability cannot be estimated, or both.

Portage College

Notes to the Financial Statements

Year Ended June 30, 2024

(thousands of dollars)

16. Contractual Rights

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

2025	\$ 299
Total at June 30, 2024	<u>\$ 299</u>
Total at June 30, 2023	<u>\$ 104</u>

17. 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	Information Systems and Technology	Long-term Leases	Total
2025	\$ 617	\$ 428	\$ 198	\$ 1,243
2026	272	288	198	758
2027	71	186	198	455
2028	35	186	149	370
2029	35	186	-	221
Thereafter	6	-	-	6
Total at June 30, 2024	<u>\$ 1,036</u>	<u>\$ 1,274</u>	<u>\$ 743</u>	<u>\$ 3,053</u>
Total at June 30, 2023	<u>\$ 1,302</u>	<u>\$ 36</u>	<u>\$ 1,111</u>	<u>\$ 2,449</u>

18. Expense by Object

The following is a summary of expense by object:

	2024		2023	
	Budget			
	(Note 24)	Actual	Actual	
Salaries and benefits	\$ 24,444	\$ 25,723	\$	22,839
Materials, supplies and services	7,307	7,461		6,213
Amortization of tangible capital assets	2,982	2,810		2,717
Maintenance and repairs	2,040	2,598		2,046
Utilities	939	1,027		939
Scholarships and bursaries	640	660		619
	<u>\$ 38,351</u>	<u>\$ 40,279</u>	<u>\$</u>	<u>35,373</u>

Portage College

Notes to the Financial Statements

Year Ended June 30, 2024

(thousands of dollars)

19. 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 financial statements.

	2024	2023
Faculty Association	\$ 111	\$ 105
Other funds held	107	195
Security deposits held	19	18
	<u>\$ 237</u>	<u>\$ 318</u>

20. Related Parties

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

The College has an accounts receivable with the Ministry of Advanced Education in the amount of \$1,217 as of June 30, 2024.

21. Government Transfers

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.

	2024	2023
Grants from Government of Alberta		
Advanced Education:		
Operating	\$ 20,376	\$ 20,376
Other	4,716	6,595
Total Advanced Education	<u>25,091</u>	<u>\$ 26,971</u>
Other Government of Alberta departments and agencies		
Arts, Culture and Status of Women	-	7
Total other Government of Alberta departments and agencies	<u>-</u>	<u>7</u>
Total contributions received	<u>25,091</u>	26,978
Expended capital contributions recognized as revenue	1,698	1,665
Transfers to deferred revenue	(935)	(3,568)
	<u>\$ 25,855</u>	<u>\$ 25,076</u>
Federal and other government grants		
Contributions received	492	646
Expended capital contributions recognized as revenue	332	-
Transfers to deferred revenue	(263)	(99)
	<u>\$ 561</u>	<u>\$ 546</u>

Portage College

Notes to the Financial Statements

Year Ended June 30, 2024

(thousands of dollars)

22. Salary and Employee Benefits

	2024			2023	
	Base salary ⁽²⁾	Other cash benefits ⁽³⁾	Other non-cash benefits ⁽⁴⁾	Total	Total
Governance⁽¹⁾					
Chair of the Board of Governors	\$ -	\$ 6	\$ -	\$ 6	4
Members of the Board of Governors	-	15	-	15	10
Executive					
President and CEO	228	-	31	259	246
Vice-President Academic & Research	181	1	30	212	203
Vice-President, Student & College Services	181	-	10	191	204
Vice-President, People & Culture	181	1	29	211	202
Chief Financial Officer	159	-	29	188	184
Associate Vice-President Academic ⁽⁵⁾	133	-	25	158	-
Director, Student and College Services ⁽⁶⁾	72	-	16	88	-
Director, Human Resources & Compliance ⁽⁶⁾	70	-	16	86	-

- (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 include pensionable base pay.
- (3) Other cash benefits include earnings such as flex cash, employee long service recognition and administrative honorarium. No bonuses were paid out in 2024 and 2023.
- (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, health and wellness spending account, short and long term disability plans, vision coverage, dental plan, accidental disability and dismemberment insurance and out of country medical insurance.
- (5) The Associate Vice-President Academic role was created in September 2023. The Dean of Education, Fine Arts, Native Arts and Culture & University and Open Studies and the Manager of Marketing & Recruitment was appointed to this position.
- (6) Effective January 2024 the role was added to Executive.

23. Budget Figures

The College's 2023-24 budget was approved by the Board of Governors and submitted to the Minister of Advanced Education.

24. Approval of Financial Statements

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

5. Self-generated Revenue

The self-generated revenue reporting requirement has been fulfilled for the 2023-24 fiscal year.

Type	Description	Total Revenue
a. Auxiliary/Ancillary Services		
Bookstores		\$ 622,771
Catering services & cafeterias		\$ 381,475
Exam/test Invigilation services		\$ 23,825
Non residential rentals	Including facility and equipment rental	\$ 54,785
Housing services	Laundry, janitorial services, repair damage	\$ 5,695
Paper printing		\$ 15,061
Residential rental		\$ 1,094,464
Salon revenue		\$ 100,484
Sports and recreational		\$ 29,400
Other student supporting services	Education document require fee, ID replacement charge	\$ 13,489
b. Academic Enterprises		
Tuition and Mandatory Fees	Domestic tuition, International Student Tuition, Continuing Education, mandatory fees, etc.	\$ 8,096,517
Credit 3rd Party Contracts		\$ 464,887
Non-Credit 3rd Party Contracts		\$ 446,669
Brokering & Collaborative Arrangements	Private partnership contract revenue, credit tuition	\$ 14,253,065
Research Grants	Research grants from not for profit, grants from other governments, grants from businesses, etc.	\$ 64,398
Other Grants	Grants from not for profit, grants from other governments, grants from businesses, etc.	\$ 733,935
c. Commercial Enterprises		
Donations and Investment Income	Total cash donations, donations in kind, interest on endowments, etc.	\$ 1,766,167
Contracts Non Program Services	New curriculum purchase support payment received from City of Cold Lake	\$ 88,000
Other	Auction sales, art sales, Conferencing Service, library misc item rental, Multi media revenue, PSI membership sharing cost received from other PSI, misc supply sales	\$ 39,525
Grand Total:		\$ 28,294,610
G. Other - Any other self-generated revenue not captured in the previous categories.		

6. Capital Report

Types of Project and Funding Sources					
Type:	Project Description	Total Project Cost	Funding Source:	Funding Received to Date and Source	Revised Funding Sources
Proposed New Expansion Maintenance			% Gov of Alberta % Gov of Canada % PSI funds % donation % foundation % industry		
Priority Projects (Top 3 Capital Priorities) 2023-2024					
New	Replace Saddle Lake Trailer	\$ 650,000.00	100% Gov of Alberta	Received funding from Gov of Alberta March 2023.	
Expansion (Planning Funds)	St. Paul Campus Right-Sizing & Renewal - Phase 2 (1956/58 and 1966 Sections) - Scope, Drawings and Tender Documents	\$ 1,674,995.00	100% Gov of Alberta	Received funding from Gov of Alberta March 2023.	
Maintenance	1. Site-wide Landscape Repairs/ Replacements	\$ 198,211.00	100% Gov of Alberta	Received funding from Gov of Alberta March 2023.	
	2. Learning Space & Classroom Modernization	\$ 864,000.00	100% Gov of Alberta	Received funding from Gov of Alberta April 2023.	
Priority Projects (Top 3 Capital Priorities) 2024-2025					
New	Cultural Learning Spaces LLB, CL (Indoor & Outdoor)	\$ 15,000,000.00	100% Gov of Alberta	No funds received to date	
Expansion (Planning Funds)	Power Engineering Lab Expansion	\$ 300,000.00	100% Gov of Alberta	No funds received to date	
Preservation	St. Paul Campus Right-Sizing & Renewal - Phase 2 (1956/58 and 1966 Sections)	\$ 37,000,000.00	100% Gov of Alberta	Planning funds received - \$198,211.00 March 2024.	To be confirmed after planning completed.

Other (2024-2025)					
Proposed (Planning Funds)	1. Trades Centre Building (Scope, Drawings and Tender Documents)	\$	300,000.00	100% Gov of Alberta	No funds received to date
	2. Aquatic Centre Repurposing (Scope, Drawings & Tender Documents)	\$	300,000.00	100% Gov of Alberta	
Expansion	Boreal Outdoor Learning Space	\$	500,000.00	100% Gov of Alberta	No funds received to date
Preservation	1. Roof Renewals - Main Campus	\$	2,000,000.00	100% Gov of Alberta	No funds received to date
	2. Replace two Low Pressure Steam Heating & Return Condesnate Piping - Main Campus	\$	1,400,000.00	100% Gov of Alberta	
	3. Replace Two(2) Hot Water Boilers - Main Campus	\$	500,000.00	100% Gov of Alberta	
	4. Westside Concrete and Site Improvements - Sidewalks, Curbs & ADA accommodations	\$	900,000.00	100% Gov of Alberta	

7. Free Speech Reporting



<p>Reporting Measure 1: Free Speech Policy Information</p>	<ul style="list-style-type: none"> • Please provide the website address where your institution’s free speech policy is posted. • Has your institution amended its free speech policy during the 2023-24 fiscal year? <ul style="list-style-type: none"> – If yes, please explain the change and the reason for making the change. • Outline any intersecting administrative policies or costs (e.g. venue booking fees, security costs) at your institution that could impact event booking. <p>Freedom of Expression Statement and Guideline – Website URL: https://www.portagecollege.ca/About/Governance-and-Leadership/Freedom-of-Expression</p> <p>A brand new Freedom of Expression policy was developed and approved in September 2023. It outlines the steps to follow in the event of a complaint. The Director of Human Resources and Compliance or designate first reviews the complaint and responds within three working days. If a full investigation is warranted, the Director of Human Resources and Compliance or designate will make every attempt to complete the investigation within 10 working days. Decisions can be appealed to the President & CEO or designate within three working days of the final decision. Appeals must be heard within five working days of filing.</p>
<p>Reporting Measure 2: Cancelled Events</p>	<ul style="list-style-type: none"> • During the 2023-24 fiscal year, were any events at your institution cancelled for reasons related to free speech? <ul style="list-style-type: none"> – If yes, provide a description of the event, including context. – Discuss the concerns which led to the event’s cancellation. – Describe how the cancellation decision fit within the institution’s free speech policy and include information on other institutional policies that were considered when making the decision. – If any complaints arose from the event’s cancellation, please provide further details regarding the complaints under Reporting Measure 3. <p>No events were cancelled in 2023-2024 for reasons related to free speech.</p>
<p>Reporting Measure 3: Free Speech-Related Complaints</p>	<ul style="list-style-type: none"> • During the 2023-24 fiscal year, did your institution receive any complaints related to free speech issues? • Note: These are complaints that were submitted in accordance with the institution’s free speech policy and through the procedures identified by the institution. These are not complaints related to labour disputes or other issues which are captured by agreements and contracts separate from the institution’s free speech policy. <p>For each complaint:</p> <ul style="list-style-type: none"> – Please provide a description of the complaint, including context. – Discuss how the institution managed the complaint. Was the complaint addressed using the procedures set out in the institution’s policy? How were issues resolved? <p>There were no complaints submitted in 2023-2024 related to free speech issues.</p>

Reporting Measure 3: Free Speech-Related Complaints (cont.)	<ul style="list-style-type: none"> Provide the following summary data for free speech-related complaints submitted in accordance with the institution's free speech policy and through the procedures identified by the institution: 	
	Total number of complaints.	0
	Total number of complaints that did not progress through the institution's resolution process as determined by institutional policy.	0
	Total number of complaints where it was determined that the free speech policy was not followed.	0
Reporting Measure 4: Additional Information	<ul style="list-style-type: none"> Please provide any additional information on any other areas of concern related to campus free speech that may not be captured under the other reporting measures. 	
	N/A	

8. Board of Governors Training on For-profit Ventures

Provide an overview of the training opportunities for board members on for-profit ventures, including materials used to assist with training.

- The College currently does not engage in or plan to initiate any for-profit commercial enterprises. However, it does manage various auxiliary services, including a bookstore, student residences, a hair salon operated by hairstyling students, business incubators, cafeterias, and institutional catering services.
- To ensure that all members of the Portage College Board of Governors are well-equipped to understand financial matters, annual training sessions are provided. These sessions include supporting materials that focus on interpreting and analyzing the College's financial statements. Each October, the Chief Financial Officer conducts a comprehensive review of Management's Discussion and Analysis of the Financial Statements with the entire Board, enhancing their financial literacy and governance capabilities.



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