

KEYANO COLLEGE

ANNUAL REPORT

2018-2019



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**THE KEYANO
ADVANTAGE.**

We respectfully acknowledge that we are on Treaty No. 8 Territory, the traditional meeting grounds and gathering places of Canada's First Nations, Métis, and Inuit peoples.

Keyano is a Cree word roughly translated, means, "Sharing".

ACCOUNTABILITY STATEMENT

Keyano College's Annual Report for the year ended June 30, 2019, was prepared under the Board's direction in accordance with the *Fiscal Planning and Transparency Act* and ministerial guidelines established pursuant to the *Post-Secondary Learning Act*. All material economic, environmental or fiscal implications of which we are aware have been considered in the preparation of this report.

[Original signed by Chair, Board of Governors]

Shelley Powell, MBA, MSc, BAsC
Chair, Keyano College Board of Governors

MANAGEMENT'S RESPONSIBILITY FOR REPORTING

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

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

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

[Original signed by President & CEO]

Dr. Trent Keough, PhD
President & CEO

[Original signed by Vice President, Corporate Services and CFO]

Dale Mountain, CPA, CGA
Vice President, Corporate Services and CFO

MESSAGE FROM THE PRESIDENT

Keyano College's 2018/19 Annual Report offers a glimpse into Keyano student success and Keyano employee excellence. If we were to chart the entire year's accomplishments here, we would require many more pages than these! Enjoy reading these highlights, and know that it was our honour to serve our students and communities in the past year. Thank you for that privilege.

Keyano College strives to be responsive to individuals and communities within the Regional Municipality of Wood Buffalo (RMWB). In the 2018/19 year, Keyano served 4,954 students along with many business and corporate partners.

At Keyano College, we measure our success by the success of our students. At our annual convocation, 457 graduates were invited to attend during which we celebrated the first graduating class of the Bachelor of Science in Environmental Science, a collaborative program with Mount Royal University. For the first time in the College's history, one of our 3rd year electrical apprentices, scored 100% in the Provincial Apprenticeship examination.

A beautiful resilience remains at play here, within and outside of Keyano. We continue to be the beneficiaries of generosity, despite pressing economic times. Of note, the Keyano College Gala and Keyano College Golf Classic raised a total of \$270,000 for college operations. Syncrude Canada renewed its naming rights to the Sports and Wellness Centre (SSWC). Canadian Natural had its name added to two fieldhouses. We received a massive donation from Suncor in the form of a 797 Cat Haul truck, as a valuable static training aid at our Industrial Campus. We welcomed new tenants to the SSWC, and more than 120,000 users sought fitness and wellness there. We are grateful for the ongoing participation and financial support of our communities, industries, students, and employees. Thank you all.

We were also grateful to receive a Regional Municipality of Wood Buffalo (RMWB) Community Investment Program Sustaining Grant for the operation of the Keyano Theatre.



We were at full capacity in several programs, including nursing and social work. Apprenticeship enrolments were robust and the dual credit electrical program was at capacity. A suspended diploma program in Early Learning and Child Care was resurrected for September 2019.

The college undertook an extensive review of its electrical infrastructure at the Suncor Energy Industrial Campus and the Clearwater Campus. The independent assessment identified deficiencies in need of immediate remediation. A multi-year plan was developed. Keyano also undertook an extensive review of its security; urgent recommendations from the independent evaluator were completed and more work continues into 2019/20. The College's student housing was also a focus of attention. Our Riedel properties received \$700,000 in remediation to improve grounds and tenant safety. A short-term plan for remediation was developed and executed within the constraints of the college's finances.

Considerable attention was given to the college's finances, notably our inability to produce timely and accurate financial reports as determined by the Auditor General. We made important progress in identifying the personnel and systems needed to make improvements. We have improved the overall accuracy of the Consolidated Financial Statements. We were successful in recruiting additional talent to the finance team and they have made significant strides for Keyano. We will need more time to make the necessary progress.

**In the 2018/19 year,
Keyano served 4,954
students along with
many businesses and
corporate partners.**

Looking ahead, Keyano will adapt and we will be even more successful. Partnerships with industry and alumni relationships will enhance program delivery and institutional sustainability. Keyano is focused on achieving meaningful change, purposeful growth, and transparency with all its stakeholders, especially our students.

There will be many opportunities to engage with industry partners to develop the next generation of professionals, and we will endeavor to be a provincial leader in this work.

Through these past accomplishments and hopeful future changes, we will be positioned for increased success.

[Original signed by President & CEO]

Dr. Trent Keough, PhD

President & CEO, Keyano College

PUBLIC INTEREST DISCLOSURE (WHISTLEBLOWER PROTECTION) ACT

Keyano College offers clear avenues for the safe disclosure of concerns related to wrongdoing and misconduct. Keyano did not receive any disclosures or conduct any investigations under the *Public Interest Disclosure (Whistleblower Protection) Act* from July 1, 2018, to June 30, 2019.

On behalf of Keyano College,

[Original signed by President & CEO]

Dr. Trent Keough, PhD
President & CEO, Keyano College

OPERATIONAL OVERVIEW

Keyano College is a comprehensive community institution, proudly resident in Treaty 8 territory in the Regional Municipality of Wood Buffalo (RMWB). Stretching from north-central Alberta to the borders of Saskatchewan and the Northwest Territories, the RMWB is one of the largest municipalities in Canada. In 1965, Keyano was established as one of several Alberta Vocational Centres owned and operated by the provincial government. Ten years later, the institution changed its name to Keyano, which is a Cree word for “sharing”.

In 1978, Keyano completed its transformation into a public community college with the appointment of its first Board of Governors. Keyano’s programs and services have been continuously improved to align with the changing demands and interests of the region, its broadening multicultural orientation, and changing technologies. Keyano has proactively positioned itself as a community builder meeting both the training and skills acquisition needs of industry, and the personal enrichment and cultural needs of the Wood Buffalo communities. Keyano provides opportunities for lifelong, relevant, and practical learning, and is committed to increasing access to post-secondary programs.

Keyano serves students through its Clearwater Main Campus and Suncor Energy Industrial Centre in Fort McMurray, the Fort Chipewyan Campus, and the learning centres in Fort McKay and Gregoire Lake. Keyano offers programs that lead to dual credit programs, certificates, diplomas, certificates of qualification (trades), and baccalaureate degrees. Keyano also supports the development of professional knowledge and skills in several sectors, including energy, construction, business, health and safety, arts, sciences, education, human services, and transportation. A wide range of corporate training options are available to client companies.

Keyano is strongly committed to providing programs that are affordable, timely, and relevant. Keyano continues to enhance local access to post-secondary learning while contributing to the Government of Alberta’s long-term economic and social objectives.

PROGRAMMING

Keyano offers a comprehensive range of credit and non-credit programming. The School of University Studies, Career Programs, and Academic Upgrading, and the School of Trades and Heavy Industrial undertake credit programming in arts, humanities, sciences, social sciences, fine arts, health, human services, business, education, technologies, trades, transportation, heavy equipment operations, and industrial skills. Courses to strengthen English language skills are offered through the Language Instruction for Newcomers to Canada (LINC) program, which is sponsored by *Immigration, Refugees and Citizenship Canada*. The School of Continuing Education provides a complete range of training, program development, delivery, and administrative services to client companies. Offerings include several professional certificate credentials as well as other career and personal enrichment opportunities. The goal of the program mix is to satisfy both the training and skills acquisition needs of local businesses and industry as well as the community's special interest and cultural needs. Keyano also collaborates with other post-secondary institutions to provide access to programming for students in the RMWB.

ACADEMIC UPGRADING AND LANGUAGE

Advanced High School Equivalency
College Preparation
General High School Equivalency
Language Instruction for Newcomers to Canada

APPRENTICESHIP

Carpenter Apprenticeship
CHEO – Mobile Crane Operator Apprenticeship
CHEO – Tower Crane Operator Apprenticeship
Electrician Apprenticeship
Heavy Equipment Technician Apprenticeship
Millwright Apprenticeship
Steamfitter/Pipefitter Apprenticeship
Welder Apprenticeship

ARTS

Art and Design

BUSINESS & ADMINISTRATIVE STUDIES

Aboriginal Entrepreneurship Certificate
Business Administration Certificate – Accounting
Business Administration Certificate – Business
Business Administration Diploma – Accounting
Business Administration Diploma – Business
Human Resources Management Certificate
Office Administration Certificate

CHILDHOOD STUDIES

Early Learning and Child Care Certificate
Educational Assistant Certificate

ENVIRONMENTAL STUDIES

Community-Based Environmental Monitoring Certificate
Environmental Technology Diploma

HUMAN SERVICES

Social Work Diploma

NURSING AND ALLIED HEALTH

Advanced Care Paramedic
Primary Care Paramedic
Health Care Aide
Practical Nurse

POWER ENGINEERING AND PROCESS OPERATION

Power Engineering 3rd Class
Power Engineering 3rd Class Co-op
Power Engineering 4th Class
Power Engineering 4th Class Co-op
Process Operator Co-op

PRE-EMPLOYMENT TRADES

Pre-employment Carpentry
Pre-employment Electrician
Pre-employment Heavy Equipment Technician
Pre-employment Plumber
Pre-employment Welder

UNIVERSITY AND OPEN STUDIES

Open Studies
University Transfer (UT):
UT Bachelor of Arts
UT Bachelor of Commerce
UT Bachelor of Education
UT Bachelor of Engineering
UT Bachelor of Nursing
UT Bachelor of Science
UT Bachelor of Social Work

COLLABORATIVE DEGREES

Bachelor of Business Administration – Northern Alberta Institute of Technology
Bachelor of Education, Elementary Route – University of Alberta
Bachelor of Science in Environmental Science – Mount Royal University
Bachelor of Science in Nursing – University of Alberta

ENROLMENT PLAN AND PROGRAM CHANGES

Keyano College empowers learners to develop the skills needed to reach their professional, personal, and economic goals. Keyano offers a wide range of programs that lead to certificates, diplomas, trades qualifications, and baccalaureate degrees.

ENROLMENT OVERVIEW

GRADUATES



457

students graduated in 2018/19¹

CREDIT PROGRAMMING QUALIFIED APPLICATIONS

The number of qualified applicants for credit programs (excluding apprenticeship) was

2,481

in 2018/19 COMPARED TO 2,431 in 2017/18²

QUALIFIED APPLICATIONS TO REGISTRATION RATE



59%

was the qualified application to registration rate in 2018/19³

FLES FROM INTERNATIONAL STUDENTS



There were **58,050 FLES FOR INTERNATIONAL STUDENTS** in 2018/19⁴

NON-CREDIT PROGRAMMING

Continuing Education Registrations: **4,006**⁵

Continuing Education Headcount: **2,424**⁵

Corporate Registrations: **702**⁵

Corporate Headcount: **464**⁵

OVERALL TOTAL REGISTRATIONS:

4,708

OVERALL TOTAL HEADCOUNT:

2,888

¹ DATA COLLECTION AND REPORTING (DCAR) – LEARNER & ENROLMENT REPORTING SYSTEM | ² POWERCAMPUS - TAY APPLICATION FUNNEL REPORT | ³ POWERCAMPUS - TAY APPLICATION FUNNEL REPORT | ⁴ DCARS LEARNER & ENROLMENT REPORTING | ⁵ KEYANO COLLEGE STUDENT INFORMATION SYSTEM (SIS): POWERCAMPUS

COMPARISON OF 2018/19 FLE PROJECTIONS TO ACTUALS

COMPARISON OF 2018/19 FLE PROJECTIONS TO ACTUALS BY PROGRAM BAND

PROGRAM BAND	CIP PROJECTIONS 2018/19	ACTUALS 2018/19	VARIANCE
Business	143.616	132.426	(7.8%)
Education	66.116	86.070	30.2%
Health Sciences	194.613	203.225	4.4%
Languages, Social Sciences, Arts & Humanities	115.532	101.869	(11.8%)
Physical, Natural & Applied Sciences	36.278	24.506	(32.4%)
Preparatory & Basic Upgrading	217.322	200.994	(7.5%)
Trades & Technologies	303.808	327.359	7.8%
Total FLEs (without collaborative FLEs)	1077.285	1076.449	(0.1%)

COMPARISON OF 2018/19 FLE PROJECTIONS TO ACTUALS BY CREDENTIAL

CREDENTIAL	CIP PROJECTIONS 2018/19	ACTUALS 2018/19	VARIANCE
Apprenticeship	124.800	136.609	9.5%
Certificate	361.292	373.092	3.3%
Diploma	118.260	108.155	(8.5%)
Non-Credential	472.933	458.593	(3.0%)
Total FLEs (without collaborative FLEs)	1077.285	1,076.449	(0.1%)

SCHOOL OF UNIVERSITY STUDIES, CAREER PROGRAMS, AND ACADEMIC UPGRADING

The School of University Studies, Career Programs, and Academic Upgrading offered certificates in Aboriginal Entrepreneurship, Art and Design, Business Administration – Accounting, Business Administration - Business, Early Learning and Child Care, Educational Assistant, Primary Care Paramedic, Health Care Aide, Human Resources Management, Community-based Environmental Monitoring, and Office Administration. The School offered diplomas in Advanced Care Paramedic, Business Administration – Accounting, Business Administration – Business, Environmental Technology, Practical Nurse, and Social Work. In addition to certificates and diplomas, the school offered University Transfer options in the areas of Arts, Commerce, Education, Engineering, Science, and Social Work.

Overall, the School of University Studies, Career Programs, and Academic Upgrading was close to meeting the projected targets for the reporting period.

THE SCHOOL OFFERS FOUR COLLABORATIVE DEGREES:



BACHELOR OF BUSINESS ADMINISTRATION

NORTHERN ALBERTA INSTITUTE
OF TECHNOLOGY



BACHELOR OF EDUCATION, ELEMENTARY ROUTE

UNIVERSITY OF ALBERTA



BACHELOR OF SCIENCE IN ENVIRONMENTAL SCIENCE

MOUNT ROYAL UNIVERSITY



BACHELOR OF SCIENCE IN NURSING

UNIVERSITY OF ALBERTA

PROGRAMS	2018/19		
	PROJECTED FILE	ACTUAL FILE	VARIANCE
Aboriginal Entrepreneurship	7.253	6.465	(10.9%)
Aboriginal Entrepreneurship	7.253	6.465	(10.9%)
Advanced Care Paramedic (ACP)	0.000	11.400	
Advanced Care Paramedic (ACP)	0.000	11.400	
Art and Design	6.548	8.400	28.3%
Art and Design	6.548	8.400	28.3%
Business Administration Certificate	81.145	70.438	(13.2%)
Accounting	21.061	28.868	37.1%
Business	60.084	41.570	(30.8%)
Business Administration Diploma	30.081	20.200	(32.8%)
Accounting	10.353	5.500	(46.9%)
Business	19.728	14.700	(25.5%)
Community Based Environmental Monitoring	12.000	6.707	(44.1%)
Community Based Environmental Monitoring	12.000	6.707	(44.1%)
Early Learning and Child Care Certificate	12.890	6.461	(49.9%)
Early Learning and Child Care	12.890	6.461	(49.9%)
Educational Assistant	24.157	29.001	20.1%
Educational Assistant	24.157	29.001	20.1%
Environmental Technology Diploma	24.390	12.516	(48.7%)
Environmental Technology Diploma	24.390	12.516	(48.7%)
Health Care Aid	22.352	16.732	(25.1%)
Health Care Aide	22.352	16.732	(25.1%)
Human Resources Management Certificate	3.016	5.750	90.6%
Human Resources Management Certificate	3.016	5.750	90.6%
Mount Royal - Bachelor of Science - Environmental Science	14.000	10.133	(27.6%)
Bachelor of Science - Environmental Science	14.000	10.133	(27.6%)
Office Administration Certificate	20.519	25.573	24.6%
Office Administration	20.519	25.573	24.6%
Open Studies	8.466	26.076	208.0%
Open Studies	8.466	26.076	208.0%
Practical Nurse	42.325	37.376	(11.7%)
Practical Nurse	42.325	37.376	(11.7%)
Primary Care Paramedic (PCP)	16.794	19.331	15.1%
Primary Care Paramedic (PCP)	16.794	19.331	15.1%
Social Work Diploma	21.464	26.663	24.2%
Social Work Diploma	21.464	26.663	24.2%
Upgrading	127.322	92.710	(27.2%)
Advanced High School Equivalency	1.035	3.401	228.6%
College Preparation	114.356	80.276	(29.8%)
General High School Equivalency	11.931	9.033	(24.3%)

PROGRAMS	2018/19		
	PROJECTED FLE	ACTUAL FLE	VARIANCE
UT: Bachelor of Arts	20.245	10.702	(47.1%)
UT: Bachelor of Arts	20.245	10.702	(47.1%)
UT: Bachelor of Commerce	1.602	4.000	149.7%
UT: Bachelor of Commerce	1.602	4.000	149.7%
UT: Bachelor of Education	41.959	57.069	36.0%
Elementary	38.713	49.502	27.9%
Secondary	3.246	7.567	133.1%
UT: Bachelor of Engineering	10.278	7.666	(25.4%)
UT: Bachelor of Engineering	10.278	7.666	(25.4%)
UT: Bachelor of Nursing	113.142	118.386	4.6%
Nursing	113.142	118.386	4.6%
UT: Bachelor of Science	43.056	19.467	(54.8%)
UT: Bachelor of Science	43.056	19.467	(54.8%)
UT: Bachelor of Social Work	2.863	4.100	43.2%
UT: Bachelor of Social Work	2.863	4.100	43.2%
SCHOOL SUB TOTAL	707.867	653.322	(7.7%)

OVERALL, THE SCHOOL OF UNIVERSITY STUDIES, CAREER PROGRAMS, AND ACADEMIC UPGRADING WAS CLOSE TO MEETING THE PROJECTED TARGETS FOR THE REPORTING PERIOD. THE FOLLOWING PROGRAMS HAD THE GREATEST POSITIVE IMPACT ON ENROLMENT:

- Educational Assistant Certificate
- Office Administration Certificate
- Open Studies
- Primary Care Paramedic (PCP)
- Social Work Diploma
- UT: Bachelor of Education
- UT Bachelor of Nursing

When preparing projections, the School applied a conservative approach for enrolment growth in these programs. This was largely due to the continued economic downturn and the lack of post-wildfire labour market information. As it is difficult to determine reliable trend data due to continued impact of the economic downturn and the 2016 wildfire, a conservative approach in enrolment projections has been applied across the institution.

The gap in reliable data contributed equally to over-projecting enrolment for some programs, including Business Administration, Environmental Technology Diploma, and Early Learning and Childcare.

Variance in Open Studies is largely the result of internal process changes. Changes were made to future elective course requirements in the UT: Nursing program. When students choose to complete these electives prior to admission to UT: Nursing they are coded as Open Studies. We anticipated a lower Open Studies enrolment due to these changes. We will continue to monitor Open Studies enrolments in relation to UT: Nursing.

SCHOOL OF TRADES AND HEAVY INDUSTRIAL

In 2018-19 Keyano offered nine trades programs: Carpenter, Crane and Hoisting Equipment Operator (Mobile Crane), Crane and Hoisting Equipment Operator (Tower Crane), Crane and Hoisting Equipment Operator (Boom Truck), Electrician, Heavy Equipment Technician, Industrial Mechanic (Millwright), Steamfitter-Pipefitter, and Welder. The College also offered five Pre-employment options – Carpentry, Electrician, Heavy Equipment Technician, Plumber, and Welder. These programs offer an alternate pathway into apprenticeship.

PROGRAMS	2018/19		
	PROJECTED FLE	ACTUAL FLE	VARIANCE
Apprenticeship	124.800	136.609	9.5%
Carpenter	9.600	4.005	(58.3%)
CEHO - Mobile Crane Operator	3.600	2.400	(33.3%)
CHEO - Tower Crane Operator	1.200	1.600	33.3%
Crane and Hoisting Equipment Operator - Boom Truck	0.000	1.000	
Electrician	33.600	39.227	16.7%
Heavy Equipment Technician	31.200	45.924	47.2%
Industrial Mechanic (Millwright)	19.200	21.627	12.6%
Steamfitter/Pipefitter	12.000	7.209	(39.9%)
Welder	14.400	13.617	(5.4%)
Power Engineering	105.505	173.250	64.2%
3rd Class	6.350	3.875	(39.0%)
3rd Class Co-op	0.000	36.625	
4th Class	37.280	66.000	77.0%
4th Class Co-op	61.875	66.750	7.9%
Pre-Employment Trades	17.488	0.234	(98.7%)
Pre-employment Carpentry	3.484	0.000	(100.0%)
Pre-employment Electrician	3.375	0.000	(100.0%)
Pre-employment HET	3.484	0.234	(93.3%)
Pre-employment Plumber	3.484	0.000	(100.0%)
Pre-employment Welder	3.661	0.000	(100.0%)
Process Operations Co-op	31.625	4.750	(85.0%)
Process Operator Co-op	31.625	4.750	(85.0%)
SCHOOL SUB TOTAL	279.418	314.843	12.7%

Keyano also delivered the Power Engineering Certificate programs, as well as Power Engineering and Process Operations Co-op certificate programs. The Oil Sands Power and Process Engineering Lab provides students with an opportunity to complete their steam time. In 2018/19, 36 students registered for the lab, a 38% increase in enrolment from 2017/18.

The number of apprenticeship seats assigned to Keyano is determined by the Apprenticeship and Industry Training (AIT) branch of Alberta Advanced Education. As a result of the prolonged economic downturn and labour market changes, the number of designated apprenticeship seats was reduced by 15% from 2017/18. Apprenticeship enrolment exceeded the 2018/19 Comprehensive Institutional Plan (CIP) projections by 9.5%. Keyano's apprenticeship student success rate was equivalent to all other institutions in the province.

As a consequence of changing industry needs, the number of students in Process Operations Co-op declined. Some of the second-year students were able to switch to the Power Engineering Co-op programs, which contributed to actual enrolments in the Power Engineering programs being higher than projected.



SCHOOL OF CONTINUING EDUCATION

In response to industry and community demand, the School of Continuing Education offered an extensive suite of programs focused on professional certifications, safety and driver training, corporate training, and specialized testing. Additional training requests from industry were accommodated and program offerings were adjusted according to demand and enrolment.

In 2018/19, the School, in collaboration with the RMWB, delivered a second round of the Business Workshop Series. A total of 11 workshops were scheduled in Fort McMurray.

In 2018/19, the School, in collaboration with the RMWB, delivered a second round of the Business Workshop Series. A total of 11 workshops were scheduled in Fort McMurray to provide foundational training for entrepreneurs, businesses, and the general public. Keyano also partnered with the Regional Municipality of Wood Buffalo to provide the Keyano College Voucher Program, which was implemented at the end of the reporting period in June 2018 and extended until March 2020. In 2019/20, eligible recipients of the Canadian Red Cross Support to Small Business Program will receive a \$500 credit voucher for non-credit or certificate course costs.

Relationships and training contracts were developed with Women Building Futures, Careers: The Next Generation, Community Futures, Northeastern Alberta Aboriginal Business Association, the Newcomers Interagency Network, Career Leap (Manpower), post-secondary institutions, Athabasca Tribal Council, Indigenous groups and industry partners. Many of these relationships resulted in significant training partnerships.

PROGRAMS	2018/19		
	PROJECTED FLE	ACTUAL FLE	VARIANCE
Language Instruction for Newcomers to Canada	90.000	108.284	20.3%

Programs in the School of Continuing Education are designed to meet the needs of the community. There was concerted effort to increase enrolment in the Aboriginal Entrepreneurship Certificate program. More students enrolled in the Language Instruction for Newcomers to Canada (LINC) than anticipated. LINC enrolment is directly related to the number of newcomers in the RMWB as well as the specific LINC levels approved for delivery by Immigration, Refugees and Citizenship Canada (IRCC). Alberta Government funded programs such as the Community Adult Learning Program (CALP) and Computer Skills Workshops (CSW) provide free training to residents in Fort McMurray and regional communities.



GOAL 1: ENHANCE THE STUDENT EXPERIENCE

Keyano provides a learning environment where students can excel academically and thrive and grow as individuals. The College offers experiences, both in and out of the classroom, that meet students' varied needs and interests and allow them to achieve their academic and personal goals. At Keyano, students are exposed to a variety of co-curricular and social opportunities that encourage leadership and community involvement, blended with an overall environment that supports excellence in learning. Students leave Keyano with a positive attitude with respect to lifelong learning. This goal aligns with the adult learning system principles of **Accessibility, Quality, and Coordination**.

RATES



PROGRAM PARTICIPATION



FULL LOAD EQUIVALENT (FLES) in 2018/19 (credit programming) ¹



VISA STUDENTS in 2018/19 (credit programming) ¹



REGISTRATIONS in 2018/19 (non-credit programming) ²

PROGRAM AND FACULTY SATISFACTION

QUALITY OF EDUCATIONAL EXPERIENCE
PERCENTAGE OF STUDENTS SATISFIED WITH THE EDUCATIONAL EXPERIENCE (credit students and graduates)



SATISFACTION WITH DECISION TO ATTEND INSTITUTION
PERCENTAGE OF FIRST YEAR STUDENTS WHO WERE SATISFIED OR VERY SATISFIED WITH THEIR DECISION TO ATTEND THIS INSTITUTION (first year credit students only)



PERCENTAGE OF SELF-IDENTIFIED INDIGENOUS STUDENTS SATISFIED WITH THEIR EDUCATIONAL EXPERIENCE

Survey is under development

PERCENTAGE OF STUDENTS SATISFIED WITH COLLEGE FACILITIES

Survey is under development

USAGE OF SERVICES

NUMBER OF STUDENTS ACCESSING WELLNESS SERVICES Number of interventions (individual, targeted, universal)



NUMBER OF RESIDENTS LIVING IN STUDENT HOUSING



STUDENT FAMILIES IN FAMILY HOUSING BETWEEN SEPTEMBER AND APRIL IN 2018/19 ⁶

¹ DATA COLLECTION AND REPORTING (DCaR) - LEARNER & ENROLMENT REPORTING SYSTEM | ² POWERCAMPUS | ³ GRADUATE OUTCOMES SURVEY (2013/14 GRADUATES) | ⁴ CANADIAN UNIVERSITY SURVEY CONSORTIUM (CUSC) - 2019 FIRST YEAR STUDENTS SURVEY KEYANO COLLEGE | ⁵ POST-SECONDARY STUDENT MENTAL HEALTH GRANT - PROGRESS REPORT 2 | ⁶ KEYANO COLLEGE HOUSING DEPARTMENT

PRIORITY INITIATIVE 1.1

CONTINUE TO ENHANCE THE STUDENT EXPERIENCE AT KEYANO COLLEGE.

- Provide timely, responsive student services that support students as adult learners.
- A number of initiatives designed to Enhance the Student Experience at Keyano College were undertaken during the 2018/19 year. Some have been completed already, while others are ongoing. The expected completion date is on target.









EXPECTED OUTCOMES

- Student-focused learning environment where students have access to services and supports that enable success.

DESCRIPTION

- Monitor and evaluate the effectiveness of the Student Academic Support Services (SASS) redesign, while maintaining focus on better serving students and improving the student experience.
- Conduct the National College Health Assessment to collect data on students' habits, behaviours, and perceptions on prevalent health topics.
- Explore implementation of a student text alert system.
- Explore hiring a Student Life Coordinator.
- Continue to improve and promote health and wellness, sport and recreation, and social, cultural, and community service opportunities for students.
- Complete implementation of exam scheduling software in 2018/19.
- Review student satisfaction rates.
- Continue consultations on website redesign and launch new College website.
- Collaborate with the Keyano College Students' Association (KCSA) to explore options for a central location where students can secure course materials, including new and used textbooks, digital resources, and course packs.
- Launch bookstore website to provide students with access to online and in-store buying options, as well as course materials lists for each course.

PROGRESS MADE IN 2018/19

-  Explored the implementation of student text alert system; software identified and implementation plan developed including an RFP for SchoolMessenger.
-  Launched ACCU-SQL software that tracks student usage of the Skill Centre. This will allow for evidence-based decisions and ease in reporting on grant funding for students with disabilities. Implemented a new peer tutoring approach.
-  Completed upgrades and implemented improvements to PowerCampus (student information system), Clock Work, and Self-Service. This will improve services to students and student access, such as online registration.
-  Implemented improvements to library services: Updated procedures, E-resources, inventory, catalogue.
-  Enhanced welcome packages for new students including Apprentices. Enhanced Moodle content for Apprenticeship programs and Power Engineering programs.
-  Created an online Calendar of Events to promote health and wellness, sport and recreation, and social, cultural, and community service opportunities for students.
-  Completed all items for Keyano College in relation to the provincial initiative for Apprenticeship online registration, My Trades Secret (MTS) Project.
-  Updated the Fall Awards criteria to provide greater clarity to students. Updated the awards website to reflect changes, and ensure students have access to the Fall

Awards information. Increased promotion of awards and bursaries to all students.

- ✔ Developed a process to recognize Student Athletes who receive ACAC awards.
- ⚙ Implemented ProcedureFlow pilot with the Office of the Registrar to improve the student experience.
- ✔ Updated Program Information pages on the website to improve access to information.
- ✔ Implemented a President's and Dean's List for student recognition at the point of program completion and during convocation.
- ⚙ Implemented an Academic Integrity Policy.
- ✔ Launched the STRONG Inventory career assessment tool.
- ✔ Developed and delivered training for staff on Student Centered Services.

- ⚙ Reviewed Orientation and Open House timelines, making necessary changes to ensure the events provide students with information when it is most needed. Reviewed and made changes to orientation programming to fit the needs of students across different programs.
- ⚙ Developed and implemented student surveys to understand areas for improvement and student needs across programs and services.
- ✔ Developed and opened a Student Life Department.
- ✔ Developed Student Life videos for promotion of services and student engagement.
- ✔ Participated in the 2018/19 National College Health Assessment.



PRIORITY INITIATIVE 1.2

ENHANCE STUDENT HOUSING OPTIONS.

- Meet student needs for high-quality, affordable living spaces.
- Progress made in 2018/19 around Enhancing Student Housing Opportunities focused on establishing funding opportunities for students and for housing development. The expected completion dates are on target.








EXPECTED OUTCOMES

- Improved student housing options.

DESCRIPTION

- Complete Phase II of Clearwater Hall's housing refurbishment - elevator upgrades.
- Refurbish Penhorwood housing as per future approved budgets (64 units total with 4 units requiring significant refurbishment).
- Implement a long-term housing maintenance plan, subject to funding.
- Explore options for improving Riedel student housing property and safety.

PROGRESS MADE IN 2018/19

-  Evaluated the student award program to determine resources for housing initiatives.
-  Completed Phase II of Clearwater Hall's housing refurbishment - elevator upgrades.
-  Developed a plan for Penhorwood housing.
-  Recommended changes to scholarships to allow funding for student housing.
-  Developed and implemented a campus wide capital funding campaign. Seeking new donors support.
-  Explored student housing opportunities in Fort Chipewyan, including connecting with potential donors.
-  Riedel properties received \$700,000 in remediation to improve grounds and tenant safety. A short-term plan for remediation was developed and executed.



PRIORITY INITIATIVE 1.3

DEVELOP A COLLEGE INDIGENIZATION PLAN.

- Enhance the services and supports offered to Indigenous students and create a welcoming learning environment that reflects Indigenous cultures and ways of knowing.
- Significant work has begun to build the foundation for the Development of a College Indigenization Plan during the 2018/19 year. The expected completion dates for development and implementation are on target.

EXPECTED OUTCOMES

- Greater access to learning opportunities across the Wood Buffalo region, and for rural, remote, and Indigenous students in particular.








DESCRIPTION

- Continue to develop the Indigenization Plan.
- Collaborate with key stakeholders to develop a learning space plan that meets the needs of Indigenous students and supports program delivery.

PROGRESS MADE IN 2018/19

-  Dedicated space to Indigenous students, and developed a plan for services, supports, and resources including a marketing plan and a schedule of monthly events in support of Indigenous culture and learning.
-  Created and hired a student position to staff the Indigenous Centre.
-  Extended the Indigenous Education Steering Committee to outside agencies.
-  Created an additional Curriculum Development Specialist position with a focus on Indigenous Education.
-  Approved to proceed with the development of a part-time Elder in Residence program, currently working on gaining approval of the new Elder protocol.
-  Increased the number of Indigenous students who apply for student awards through improved student communication and training for staff to assist students in completing applications.
-  Provided services for Indigenous students at Regional Learning Centres and expanded programming, including the Community Adult Learning Program (CALP), GED Testing, offering the GED Plus program, GED Preparation,

and upgrading and foundational courses. Offered introductory courses in Social Work to the Regional Learning Centres.

-  Increase the use of video conferencing technology to provide more education programs to remote communities.
-  Made significant changes to the Community Based Environmental Monitoring Program, including brokering partnerships with the Indigenous community to support program and student success. These changes provide increased support to Indigenous students.
-  Improved relationships with Community Based Environmental Monitoring partners, including the scheduling of additional cohorts. Gathered data on the effectiveness of the program to continue to improve delivery.
-  Initiated the discussion for a strategic plan for rural and remote learning, which will be used to develop a strategy.
-  Expanded community access to the library, computers, etc. at the regional campuses. Assisted residents in writing resumes, accessing websites, completing forms, etc. Hosted public events to promote the campus as a community centre, for example sewing classes, evening art shows, and a suicide prevention workshop.
-  Provided arts-based programming to the regions, including identifying relevant touring performances and outreach activities to enhance connectivity. Brought the Twin Flames performances to the regions: workshops and concerts featuring Indigenous cultures. Began the Martin Family Initiative Pilot Project in Fort Chipewyan. Hosted the Arts Council of Alberta Travelling Exhibition.
-  Partnered with Waypoints on screening "Canada's Lost Girls" (Missing and Murdered Indigenous Women).

PRIORITY INITIATIVE 1.4

RENEW AND MAINTAIN LEARNING SPACES.

- Renovate, refurbish and maintain learning spaces, so that College facilities, equipment, and technology are accessible, promote learning, and meet the student needs and expectations.
- Significant work has begun to Renew and Maintain Learning Spaces, which includes both physical space considerations and Information Technology needs. This work is ongoing, but is on target to meet the expected 2020/21 outcomes.

EXPECTED OUTCOMES













- Accessible facilities, amenities, services, and technology that meet the needs of all students.

DESCRIPTION

- Use the Building Land Information System to identify cyclical replacement requirements for equipment and replace equipment in accordance with approved future budgets.
- Develop a learning space utilization plan through cross-departmental collaboration between Information Technology Services, Facilities, and the Registrar's Office.
- Establish learning space and technology standards.
- Enhance online learning options for students.



PROGRESS MADE IN 2018/19

-  Upgraded software applications required in Trades.
-  Planned for space renovation in the Electrical lab/shop. Discussions underway, Stantec will prepare an engineering report.
-  Established a maintenance support plan for the Oil Sands Power and Process Engineering Lab.
-  Upgraded classroom technology including a number of projectors, and purchased a web conferencing kit for distance delivery.
-  Upgraded server equipment to expand capabilities.
-  Upgraded network hardware to improve reliability.
-  Replaced one quarter of College computers and laptops.
-  Groundwork laid for upgrading enterprise software.
-  Implemented IT infrastructure monitoring software.
-  Installed an uninterruptible power supply for network switches, datacenter maintenance, replacement of Enterprise software at Clearwater Campus, and furniture for IT office.
-  Combined two Power Engineering cohorts into larger classroom for efficiency in program delivery.
-  Consulted with Deans and Directors to improve collaborative learning spaces, make better use of technology and promote student engagement.

PRIORITY INITIATIVE 1.5

DEVELOP AN INTERNATIONALIZATION PLAN.

- Establish a diverse, sustainable, and viable international education portfolio.
- The Development of an Internationalization Plan is on target to meet the expected completion dates for development and implementation. Work was completed this year to establish a project lead and a committee which represents the whole of Keyano College. Next steps including finalizing the Internationalization Plan, and implementing key recommendations for success.

EXPECTED OUTCOMES

- International education portfolio.

DESCRIPTION

- Finalize an Internationalization Plan.
- Identify signature programs to differentiate Keyano in the international marketplace.
- Develop a plan to build Keyano's value proposition around distinctive and unique programs, as well as the economic, lifestyle, and recreational opportunities offered in the region.
- Assess the need for English language support and develop an appropriate action plan.
- Review current admissions processes, policies, and resources for international readiness and develop strategies to improve effectiveness and efficiency.
- Establish a "team" point-of-contact approach in the Office of the Registrar to better serve international students.
- Develop an international student transition/orientation program.
- Develop international recruitment materials for the Keyano College website.
- Track and assess impact of implemented strategies on students' experiences.
- Establish metrics and put systems in place to enable accurate tracking and assessment of international student recruitment and retention.
- Explore potential fee-bundling models for international students.
- Determine school/department under which Internationalization Plan will be operationalized.

PROGRESS MADE IN 2018/19

-  Formed an Internationalization committee to develop an International Education Strategy, and presented to the Executive committee. One employee seconded to the initiative.
-  Started work to develop and implement the Internationalization plan, to be implemented in 2019/20. The goal is to increase enrolment, develop and align services for international students, and explore international exchange opportunities. Through development and implementation, we will work towards meeting the expected outcomes for key areas.
-  Improved college orientation for international students, including developing an international student orientation.
-  Organized multicultural events and initiatives such as Multicultural Day, Language Instruction for Newcomers to Canada (LINC) year end celebrations/graduation, etc.
-  Worked with the Student Association of Keyano College, the Community Adult Learning Program (CALP), and the Multi-Cultural Association to promote inclusiveness at Keyano College.

PRIORITY INITIATIVE 1.6

MENTAL HEALTH AND WELLNESS PLAN.

- Re-establish the Healthy Campus Committee to develop a campus-wide plan.
- Promote and support student mental health and wellness.
- Through the re-establishment of the Healthy Campus Committee, one of the major steps towards developing a Mental Health and Wellness Plan was completed in 2018/19. A number of other initiatives were also completed, supporting students across Keyano College. The expected completion dates are on target.

EXPECTED OUTCOMES











- Improved student mental health and wellness.

DESCRIPTION

- Explore provision of non-denominational spiritual advisor services.
- Use National College Health Assessment results to guide actions.
- Re-establish the Healthy Campus Committee.
- Continue to promote public health campaigns.
- Build awareness of Keyano's Sexual Violence Policy.
- Roll out a public awareness campaign to promote a safe and caring campus.



PROGRESS MADE IN 2018/19

-  Re-established the Healthy Campus Committee, including representation from multiple areas of the College. Defined the terms and vision for the committee.
-  Developed a strategy for Health and Wellness through consultation with Howatt HR Consulting, focus groups, webinars, and training.
-  Identified key wellness initiatives for Keyano College through the results from the National College Health Assessment (ACHA-NCHA) Survey.
-  Applied for Red Cross grant funding to promote awareness of mental health; submitted the Phase 1 final report.
-  Promoted Wellness Services to students across all locations. Arranged for Wellness Services visits to the Fort Chipewyan Campus.
-  Wellness Services provided Mental Health Workshops for students in the CALP program at both the main campus and rural sites.
-  Student Athletes completed Sexual Violence training as part of their Fall Orientation.
-  Successfully submitted a proposal for the Anti-Racism grant.
-  Keyano College Theatre adopted both the Canadian Institute of Theatre and the Canadian Creative Industries codes of conduct aimed at preventing harassment, bullying, discrimination and violence.
-  Relunched the Shifting to Wellness program, and offered enrolment to the Regional Municipality of Woodbuffalo community.

GOAL 2: PURSUE ACADEMIC EXCELLENCE

Teaching and learning at Keyano is of high-quality and our graduates are highly sought after. Strong partnerships result in integrated programs that meet business, industry, and community needs.

Collaboration within the Campus Alberta network ensures Keyano delivers best in-class programming for the Wood Buffalo region.

This goal aligns with the adult learning system principles of **Accessibility, Quality, and Coordination.**

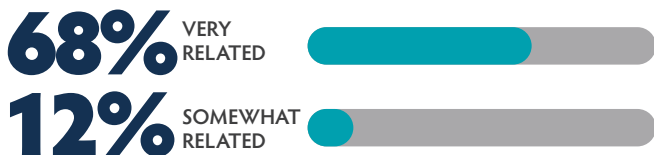
GRADUATE SUCCESS

69% OF GRADUATES WHO ARE EMPLOYED in 2015/16 ³



(graduates who completed the Graduate Outcomes Survey with the exception of those who were full-time students when surveyed)

GRADUATES WHO HAVE WORK RELATED TO THE PROGRAM in 2015/16 ³



68% VERY RELATED

12% SOMEWHAT RELATED

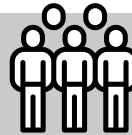
CREDENTIAL COMPLETION

234 CERTIFICATES



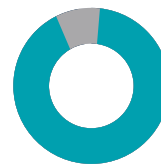
50 DIPLOMA

173 APPRENTICESHIP
(Only those completing the final Period)



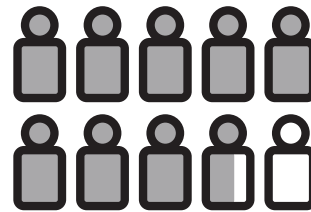
457 TOTAL
2018/19 ¹

PROGRAM AND TEACHING QUALITY



89%

OF STUDENTS SATISFIED WITH THE QUALITY OF THE PROGRAM CONTENT in 2018/19 ²



87%

OF STUDENTS SATISFIED WITH THE QUALITY OF TEACHING in 2018/19 ²



68%

OF GRADUATES SATISFIED WITH THE QUALITY OF TEACHING in 2015/16 ²

¹ DATA COLLECTION AND REPORTING (DCAR) – LEARNER & ENROLMENT REPORTING SYSTEM | ² CANADIAN UNIVERSITY SURVEY CONSORTIUM (CUSC) : 2019 FIRST YEAR STUDENTS SURVEY KEYANO COLLEGE | ³ GRADUATE OUTCOMES SURVEY (2013/14 GRADUATES)



PRIORITY INITIATIVE 2.1

DEVELOP A PROGRAM QUALITY ASSURANCE (PQA) FRAMEWORK.

- Develop a PQA Framework that guides all College program and curriculum development, review, and revision.
- A Program Quality Assurance (PQA) Framework has been developed, and a multi-year program review schedule is under development to ensure consistent program review on an ongoing basis. A number of other initiatives that will lead to the overall success of PQA have been completed or are ongoing. To allow more time for implementation of the new process, a revised completion date has been provided.

EXPECTED OUTCOMES

- PQA Framework that guides all College program and curriculum development, review, and revision.

DESCRIPTION

- Develop PQA Framework that expands on the current PQA review process to include policy, procedures, and guidelines for the full program life cycle.
- Develop Academic Council Handbook, as well as policies and procedures related to course and program development, review, and revision.
- Develop a multi-year program review schedule.
- Complete implementation of Phase I of program review improvements, including:
 - facilitating Program Advisory Committee meetings;
 - reviewing programs according to the new program review schedule;
 - continuing to review and refine course outlines; and
 - aligning program proposals and submissions to government requirements.

PROGRESS MADE IN 2018/19

- ✔ Developed a Program Quality Assurance (PQA) Framework. This framework includes review of all Academic policies and procedures, as well as review of: advisory committee recommendations, focus groups, faculty growth plans, student evaluations, etc.
- ⚙ Developed a multi-year program review schedule, incorporating key institutional and government processes and timelines.
- ✔ Developed an Academic Council Handbook, reviewed policies, procedures, and related forms. Redesigned Academic Council forms for program proposals and changes to ensure alignment with Provider and Program Registry System (PAPRS) submissions requirements.
- ⚙ Ensured all required advisory committees are in place. Completed a number of annual Program Advisory Committee meetings, ensuring appropriate representation from the college and industry within the Regional Municipality of Wood Buffalo.
- ✔ Developed program approvals and completed the updated internal review/submission process and the PAPRS submission process for the Advanced Care Paramedic Diploma program, Foundational Learning Program, and the Early Learning and Childcare Diploma program.
- ⚙ Conducted an inventory of courses and programs with Indigenous content.
- ✔ Attended the quarterly Trades Standing Committee meetings with Careers Next Generation.
- ✔ Attended the Regional Stewardship Committee meetings.



ONGOING



COMPLETED



PRIORITY INITIATIVE 2.2

PROVIDE RESPONSIVE PROGRAMS AND TRAINING OPPORTUNITIES.

- Work with industry partners to develop programs that include the competencies required to support the regional labour market.
- Deliver programs that produce job-ready graduates that meet industry, business, and community needs.
- Enhance skills of College faculty and staff through the provision of internal training opportunities.
- The College community has continued to engage industry partners in order to Provide Responsive Programs and Training Opportunities. Through both our credit and non-credit programming, Keyano has focused on initiatives to ensure graduates are job-ready, and meet the regional labour market demands. As this work is required to be ongoing in order to meet shifting demands, there is no targeted completion date.

EXPECTED OUTCOMES

- Programs that are aligned with regional labour market demands
- Job-ready graduates that meet industry, business, and community needs
- Teaching and learning activities that are learner-centred and promote student success

DESCRIPTION

- Continue to conduct environmental scanning to inform program mix decisions. Programming assessments will focus on:
 - emerging technologies;
 - programming related to research and development; and
 - non-credit programming.
- Determine which recommendations from these assessments are viable for implementation.
- Continue to partner with the Alberta College of Paramedics to provide the Alberta Paramedic Driver Operator Course (APDOC) to ambulance drivers throughout Alberta.
- Deliver additional First Responders Sexual Violence training to faculty and staff in collaboration with Alberta Sexual Assault Services.

PROGRESS MADE IN 2018/19

- ✔ Researched opportunities for Developing a Curriculum (DACUM) training to support staff in program development through understanding major duties, tasks, and skills required in an occupation.
- ⚙ Approved to move forward with scheduling DACUM staff training for the 2019/20 year.
- ⚙ Drafted the National Sciences and Engineering Council Research Centre (NSERC) application, continuing to work through finalization and submission process.
- ⚙ Collaborated with an Industry Partner to develop a Business Aviation Diploma based on regional needs.
- ✔ Completed program approval requirements for Bachelor of Nursing, Practical Nursing, and Primary Care Paramedic

programs. Submissions have been made to the appropriate accrediting associations. Equal Canada gave a conditional three-year accreditation to the Primary Care Paramedic Certificate.

- ⚙ Relunched the Professional Driver Training Class 1 and 3, conducted 10 training sessions.
- ⚙ Formed collaboration with Keyano, Women Building Futures, and Suncor to offer a number of training opportunities in Trades, Basic Operator Training, and Power Engineering programming.
- ⚙ Offered Dual Credit opportunities in collaboration with local school districts.
- ✔ Offered the first intake of Pre-Employment Heavy Equipment Technician.
- ✔ Increased AIT training seats in the Heavy Equipment Technician.
- ⚙ Developed and delivered Continuing Education programming including: Business Communications Series, Group Crisis Intervention Courses in partnership with Critical Incident Stress Management, and the Greater Aboriginal Participation Project in collaboration with: Alberta Labour, Suncor, CEDA, and Ledcor. Delivered the Athabasca Tribal Council Occupational Preparation Project. Delivered Project Management certificate courses for Mikisew Cree First Nation staff. Delivered Time Management training for Fort McKay Group of Companies, and developed Industrial Cleaning modules with CEDA and Clean Harbors. Provided Competency Evaluations and Simulator Training for TransAlta.
- ✔ Submitted an Request for Proposal (RFP) for Computer Skills Workshop to the Government of Alberta. RFP was approved, delivery will begin in 2019/20.
- ⚙ Created Master Teaching Workshops with a focus on Indigenous Art.
- ✔ Launched the RMWB Voucher Program through continued funding from Red Cross' Recover Program from the 2016 wildfire.
- ✔ Piloted NorQuest College's LINC Works program with students enrolled in LINC 3.



EXPECTED COMPLETION DATE: DEVELOPMENT IN **2018/19** • IMPLEMENT IN **2019/20** • EVALUATE IN **2020/21**
 REVISED COMPLETION DATE: CONTINUE DEVELOPMENT IN **2019/20** • IMPLEMENT IN **2020/21** • EVALUATE IN **2021/22**

PRIORITY INITIATIVE 2.3

DEVELOP A TEACHING AND LEARNING FRAMEWORK.

- Create a Teaching and Learning Framework that defines the values, principles, and goals that guide teaching and learning at Keyano.
- The Teaching and Learning Framework and Philosophy have been drafted, we believe that the success of the framework requires college wide consultation and collaboration. Consultation is ongoing, and so we have revised our completion dates to allow more time to complete the consultation process and finalize the framework and philosophy.

EXPECTED OUTCOMES

- Skilled faculty and staff who are able to support students through all phases of the student life cycle.

DESCRIPTION

- Implement the Teaching and Learning Framework with a focus on:
 - ensuring the framework has a learner-centered approach;
 - employing a variety of strategies and tools to plan and guide learning activities that align with learning outcomes and competencies that prepare students for future careers;
 - considering learner goals, characteristics, motivations, and learning preferences when designing and supporting learning experiences;
 - creating and maintaining an inclusive learning environment that supports and engages diverse learners; and
 - utilizing appropriate educational technology and tools to support accessibility, learning, engagement, and assessment.

PROGRESS MADE IN 2018/19

- ✓ Drafted Teaching and Learning Framework.
- ⚙️ Drafted Teaching and Learning Philosophy.
- ⚙️ Began college wide consultation on the Teaching and Learning Framework and Philosophy.
- ⚙️ Implemented both the Teaching and Learning Framework and Philosophy.
- ⚙️ Provided faculty with student feedback in a timely manner. Ensured faculty supervisors followed up within a week of program end.
- ⚙️ Provided opportunities for new faculty to participate in Instructional Skills Workshop (ISW).



GOAL 3: ADVANCE INSTITUTIONAL SUSTAINABILITY

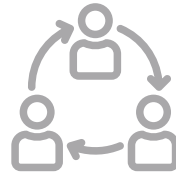
Keyano is a community hub and a key contributor to the economic and cultural development within the RMWB. Keyano considers its broader environment when planning for the future, implements programs and services responsibly, and communicates progress on planned actions. Keyano values its relationships with staff, students, industry and business partners, and the community. Keyano delivers on its promises.

This goal aligns to the adult learning system principles of **Accessibility, Affordability, and Quality.**

Please note, the reporting requirements for a number of the performance measures for Goal 3 are under development. As we progress towards the expected completion date of each initiative we will continue to develop and provide updates for these measures.



EMPLOYEES



9.6%

PERCENTAGE OF EMPLOYEE TURNOVER in 2018/19 ¹

FINANCIAL

\$719,777

TOTAL DOLLAR VALUE OF AWARDS GIVEN TO STUDENTS (*Academic Awards, Athletic Awards, Excellence Scholarships*) in 2018/19 ²



\$559,900

ANNUAL SURPLUS ACHIEVED

\$1,193,622 **OVERALL BUDGET VARIANCE** in 2018/19 ²
(Budget variance is unfavorable)

(A measure of the ability of Keyano to operate within its budget. Based on best practices, the annual operating results should be +/- 5% as compared to annual operating revenues.)



53.4%

GOVERNMENT OF ALBERTA OPERATING GRANT REVENUES AS A PERCENTAGE OF OVERALL REVENUE in 2018/19 ²

¹ AVANTI | ² ANNUAL CONSOLIDATED OPERATING STATEMENT

PRIORITY INITIATIVE 3.1

DEVELOP A COMPLIANCE AND BUSINESS CONTINUITY FRAMEWORK.

- Develop a framework that establishes organizational continuity and recovery plans through policies and procedures.
- Significant progress has been made towards the Development of a Compliance and Business Continuity Framework. Work is ongoing, and the College is on target to meet the expected completion date.















EXPECTED OUTCOMES

- Improved business continuity and risk management.

DESCRIPTION

- Continue to work on compliance activities as amendments are passed.
- Complete department-level Business Continuity Plans (BCP).
- Complete department-level risk assessments.
- Complete and submit a final draft of the corporate risk register and assessment to the Board of Governors.
- Apply best practices to all financial reporting activities with a focus on compliance, accuracy, and timeliness.
- Continue the policy revitalization initiative and update procedures accordingly.
- Implement Information Technology Plan.
- Conduct an annual audit of the Safety Program.

PROGRESS MADE IN 2018/19

-  Performed a department level impact analysis and draft BCP completed (Phases 2 & 3).
-  Human Resource's presented initiatives for Readiness to Executive Committee (Phase 4).
-  Implemented an incident tracking system.
-  Finalized BCP at department levels.
-  Developed implementation plan for Readiness initiatives.
-  Completed update of Hazard Assessment (Complete).
-  Emergency Response Program/Emergency Operations Committee (ERP/EOC) team completed a mock exercise.
-  Completed an annual audit of the safety program.
-  Delivered Safety Leadership Training.
-  The Theatre reviewed and ensured all applicable FOIP, legislation, and required processes are current and in force. Key areas included Alberta Liquor and Gaming and legislated royalty payments (SOCAN and ReSound).
-  Ended trade and construction contracts that were soon expiring.
-  Developed new policies, three policies drafted, out for public consultation, in final stages of approval.
-  Formed a team of VP, Deans, and Directors, to complete the Comprehensive Institutional Plan (CIP) draft.
-  Budgets prepared on time.



PRIORITY INITIATIVE 3.2

FINALIZE THE STRATEGIC ENROLMENT MANAGEMENT (SEM) PLAN.

- Finalize Strategic Enrollment Management (SEM) Plan that guides student recruitment, retention, support, and program completion.
- The development of the SEM plan has been completed. Through College wide engagement, implementation is ongoing. The expected completion dates are on target for Keyano.

EXPECTED OUTCOMES

- Finalized SEM Plan that supports increased enrolment and program completion rates.

DESCRIPTION

- Finalize the SEM plan with a focus on enhancing capacity, conversion, and completion rates.

PROGRESS MADE IN 2018/19

- ✓ Finalized the SEM plan and completed Phase 1 of embedding the SEM plan into the 2019 CIP.
- ✓ Presented Phase 1 of the SEM plan to all college departments.
- ✓ Presented Phase 2 of the SEM plan to all college departments.
- ✓ The SEM team applied to present at a national SEM conference to gain exposure to SEM on a national level and share our initiatives.



PRIORITY INITIATIVE 3.3

DEVELOP A PEOPLE PLAN.

- Develop a People Plan that supports faculty and staff from recruitment through orientation, performance management, and leadership succession.
- The development of a People Plan is ongoing, and is on target to meet the expected completion date. The initiatives that have been completed to date and those that are ongoing will provide a strong foundation for the support of faculty and staff at Keyano College.

EXPECTED OUTCOMES

- Finalized People Plan.

DESCRIPTION

- Update position descriptions for all administrative positions.
- Incorporate competencies, core duties, and position descriptions into the job evaluation system.
- Integrate the People Plan into the performance evaluation process.
- Establish a Leadership Development Program.
- Investigate the possibility of enhancing employee assistance program support.
- Enhance goal planning and performance management.
- Develop training for administrative and support staff positions based on role descriptions and competencies required.
- Review professional development process and link to competencies.
- Develop a plan to reduce workplace injuries and become certified in Partners in Injury Reduction.

PROGRESS MADE IN 2018/19

-  Advertising for Dean of Trades and Heavy Industrial; consulted Trades staff during recruitment/hiring process.
-  Advertising for Dean of Health and Human Services.
-  Ensured a fully functioning Academic Deans and Directors team is in place. Redistributed workloads. Created Leadership Development Program. Ensured leadership support in place across the College.
-  Updated position descriptions for administrative positions.
-  Linked organizational competencies to position descriptions.
-  Updated job fact sheets for all Administrative Assistants and Instructor Aide positions in the School of Trades and Heavy Industrial.
-  Staff participated in First Aid/CPR training, Knowbe4 Cyber Security Training, and Wellness Circle Dialogue.
-  Staff across the college participated in a variety of training and professional development opportunities including: Restorative Conference training, Rasiers Edge Training, Instructional Skills Workshop, Strategic Planning Workshops, and the development of individual Professional Growth Plans.
-  Ensured Professional Development applications met the College's vision; 96 applications approved in total.
-  Implemented Employee and Family Assistance Program (EFAP), utilization near 4% at year end.
-  Developed an Injury Reduction Plan.
-  Sought certification in Partners in Injury Reduction.
-  Completed safety reviews of Oilsands Power and Process Engineering Lab (OPPEL), lab space, trades shops, and classrooms.

PRIORITY INITIATIVE 3.4

ENHANCE GIFT GIVING.

- Foster mutually beneficial relationships with informed, involved, and invested stakeholders who financially support, organizational goals and activities.
- Keyano has renewed engagement with our stakeholders who financially support organizational goals and activities. Most notable included recognition of Corporate Donor of the Year, Individual Donor of the Year, Volunteer of the Year and the Distinguished Alumni. Keyano also hosted 150 golfers for the Keyano College Golf Classic. Keyano is on target to meet the expected completion date.






EXPECTED OUTCOMES



- Increased number of donors.
- Increased dollar value of donations.

DESCRIPTION

- Continue to review executive role of Advancement and External Relations.
- Enhance the Theatre Angel Donor Campaign to increase contributions and improve donor recognition.
- Enhance Husky Athletic Programs and team sponsorship.
- Enhance financial gift giving to Keyano College.

PROGRESS MADE IN 2018/19

-  Communicated relationships via media and social media.
-  Created videos featuring partnerships including Gala supporters.
-  Developed partnerships to option bulk buying deals.
-  Conducted a SWOT analysis, and created a missions and vision statement.
-  Combined the SWOT analysis with the CIP goals to create a business plan.

-  Hosted 150 golfers at the Fort McMurray Golf Course, raising \$110,000. Garnered the support of 35 unique corporate sponsors including a presenting sponsor.
-  Followed up with golf sponsors, participants and volunteers: 25/44 volunteers and 25/107 sponsors/ participants responded to surveys; 100% of respondents indicated they would be involved again.
-  Hosted the 2019 Donor Appreciation event. Recognized Corporate Donor of the Year (Syncrude), Individual Donor of the Year (Maureen Hall), and Volunteer of the Year (MaryAnn Campbell). Also recognized the Distinguished Alumni Award (Nicole Bourque Bouchier) for 2019.
-  Formed the planning committee for the 2019 Gala, established ticket sale goal, announced entertainers, launched sponsorship campaign, and ticket sales.
-  Syncrude Canada renewed its naming rights to the Syncrude Sports and Wellness Centre (SSWC) for 8 years (2019-2027), this will result in total revenue of \$625,000. Canadian Natural had its name added to two fieldhouses in SSWC for 10 years (2018-2028), this will result in total revenue of \$600,000.

 ONGOING |  COMPLETED



PRIORITY INITIATIVE 3.5

DEVELOP AN ALUMNI ENGAGEMENT PLAN.

- Develop a plan that identifies how the College will engage Alumni in organizational activities, promote and provide services for Alumni, recognize Alumni achievements, and expand gift giving among Alumni.
- The existing Alumni Engagement Plan has been reviewed. In order to ensure the success of Alumni Engagement, areas of additional research have been identified in order to improve the future strategy. Consultation is ongoing, and Keyano is on target to meet the expected completion date.




EXPECTED OUTCOMES

- Finalized Alumni Engagement Plan.

DESCRIPTION

- Fully implement the Alumni Engagement Plan, which will involve:
 - promoting and expanding Alumni benefits;
 - hosting at least one Alumni gathering;
 - sending at least one e-newsletter to Alumni;
 - creating an Alumni page on the College website; and
 - creating opportunities for Alumni to add their names to an Alumni registry and provide current contact information.

PROGRESS MADE IN 2018/19

-  Relunched the Keyano College Foundation Facebook page as Keyano College Alumni & Friends.
-  Reviewed the previous Alumni Engagement plan and made updates/edits.
-  Identified areas where additional research is needed to understand and improve the alumni engagement strategy.

PRIORITY INITIATIVE 3.6

INCREASE COLLABORATION WITH INDUSTRY, BUSINESS, AND COMMUNITY PARTNERS.

- Increase collaboration with partners to ensure high levels of engagement and participation in College activities.
- Work is ongoing to Increase Collaboration with Industry, Business, and Community Partners. Keyano is working on a number of initiatives to strengthen collaboration and increase levels of engagement. Keyano is on target to meet the expected completion date.

EXPECTED OUTCOMES

- Increased partner engagement and participation in College activities.

DESCRIPTION




















- Enhance relationships with potential donors, and business, community, and industry partners.
- Collaborate with other post-secondary institutions to deliver more programs in the Wood Buffalo region.
- Establish partnerships to support three key areas: research and development, technology, and environmental stewardship.
- Develop a Supplier Management Program that includes performance measures and pre-qualification. The College is committed to building a collaborative relationship with suppliers and developing a pre-qualified supplier list from which all purchases are made.
- Provide mentoring and learning activities for the community by increasing the number of artistic and performance opportunities for local emerging artists and presenting organizations.
- Provide input on the RMWB/Wood Buffalo Arts Council's Arts and Culture Master Plan throughout the consultation process.
- Align the Keyano Theatre and Arts Centre Strategic Plan with:
 - the Regional Municipality of Wood Buffalo (RMWB) 2018-2021 Strategic Plan Section – Strategy & Initiative #3f –Support Arts and Culture; and
 - the Arts Recovery Workgroup report: Post Fire Recovery in the Arts Strategic Plan proposal for a partnership with Keyano.
- Finalize Keyano Theatre and Arts Centre Strategic Plan.
- Finalize Sport and Wellness Centre Strategic Plan.

PROGRESS MADE IN 2018/19

-  Began Supplier Qualification process, identified and prioritized key trades. Released Request for Supplier Qualifications. Selected 4 trades to start pre-qualification process. Completed Prequalification process.
-  Discussed opportunities for collaboration with a number of Post-Secondary institutions to expand program offerings including SAIT, NAIT, Concordia University of Edmonton, and Thompson Rivers University. Work is ongoing to determine potential opportunities to meet the needs of graduates, industry, businesses, and the community.
-  Developed Supplier Management Program.
-  Partnered with Fort McMurray Public Schools: Keyano donated a laser cutter for support with coding technology. Keyano donated Medical Maker space for high school students wanting humanitarian work.
-  Keyano hosted the Health Academy for students interested in a health career (partners include Careers the Next Generation and Alberta Health Services).
-  University Studies lecture series presented in public spaces. Agreement signed with public library to continue this collaboration.
-  Provided support to the Wood Buffalo Economic Development Corporation re: development of YMM start up.
-  Keyano was represented on the Fort McMurray Chamber of Commerce Board and Wood Buffalo Regional Innovation Network.
-  Attended Inventures, COSIA's annual meeting and other relevant conferences/events.
-  Completed a Community Awareness study, implementation of recommendations is ongoing.
-  Keyano representative volunteered on NAABA events committee and attended events.



PRIORITY INITIATIVE 3.6

-  Participated in Job and Career Fairs to build partnerships and showcase training opportunities where applicable.
-  Identify, steward, and solicit funding/partner prospects for the Keyano College Theater.
-  Ensured theatre programming was relevant to the RMWB, launched the Syncrude Arts Alive series, managed the RBC Emerging Artist grants, and was represented in RMWB's successful bid for the 2022 Arctic Winter Games.
-  Maximized Theatre and Arts Centre venues, held piano and ballet Masterclasses, and boosted attendance over the previous year.
-  Continued participation with seven large Alberta theatres presenting professional touring artists.
-  Athletics Director developed plans to attend the 2019 Athletics Director conference and complete four courses.
-  Athletics Director and Manager developed plans to attend the 2019 Athletic Business Conference.
-  Coaches continue to work toward Level 3 Coaching certification.
-  Coaches to complete Respect in Sport training.
-  Conducted research to inform marketing strategies for target demographics including: focus groups, media monitoring, and engaging Omnibus Poll Co. to assist with the work.
-  Increased Syncrude Sport and Wellness (SSWC) memberships, 4,460 memberships in 2017/18 to 6,505 memberships in 2018/19.
-  Maximized SSWC facilities rentals.
-  Maximized SSWC tenancy usage to capacity.
-  Developed community partnerships with Fort McMurray Youth Soccer Association (FMYSA), Fort McMurray Public School District (FMPSD), and Fort McMurray Catholic School District (FMPSD) secure.
-  Began SSWC submission for RMWB sustainability funding.
-  Developed naming rights campaign and advertising plan for SSWC.
-  Re-engaged the Keyano College Foundation Board through active recruitment efforts for new board members.
-  Developed a plan for Advancement and Procurement to share information and resources monthly, this will allow the college to understand which organizations are already invested in Keyano College.
-  Developed a plan to align with the RMWB strategic plan and funding priorities to provide access to funds for the College. Executive presentation to Council regarding proposed Theatre & Arts Centre expansion.



ONGOING



COMPLETED

FINANCIAL AND BUDGET INFORMATION

The Management Discussion and Analysis (MD&A) is an overview of the consolidated financial results of the College for the fiscal year ended June 30, 2019 and offers a detailed discussion on the following:

1. Operating Environment Overview
2. Issues with Financial Reporting
3. Financial Results
4. Net Assets
5. Capital Spending
6. Consolidated Entities

OPERATING ENVIRONMENT AND OVERVIEW

The prolonged economic slowdown in Alberta, low oil prices, constraints in Canadian pipeline infrastructure limiting access of oil to key markets and a host of other contributing factors continue to affect the economy in the Regional Municipality of Wood Buffalo. On May 3, 2016 a severe Wildfire led to the evacuation of Fort McMurray, surrounding communities and most of the oil sands sites within Wood Buffalo. The Wildfire caused significant damage to some neighborhoods within Fort McMurray and portions of some of the surrounding hamlets. The College sustained smoke damage and with no property losses to either the College or the Keyano College Land Trust.

In 2019, the College grew by 31.6 (3.0%) Full Load Equivalents (FLEs) in diploma and certificate programs from 1,044.8 FLE in 2017-18.

In 2018-19 the College received a 2% inflationary increase of \$644,910 to the Campus Alberta Operating Grant as part of the Government of Alberta's commitment to provided sustainable and predictable funding to post-secondary institutions. Tuition fees continued to be frozen at 2014-15 levels as regulated by the Government of Alberta. Tuition fee offset funding of \$124,664 was provided to the College in the 2018-19 Campus Alberta Grant.

ISSUES WITH FINANCIAL REPORTING

Since 2015, the College has received unfavourable ratings

on the Auditor General of Alberta's (OAG) post-secondary institutions scorecard which gets published annually. The OAG's report noted that a significant improvement is required by the College in preparing accurate and timely consolidated financial statements. As of the beginning of the current fiscal year, the College had two audit recommendations which have been outstanding for more than three years:

1. Improve financial reporting processes; originally reported February 2016 and repeated in November 2018;
2. Improve systems to comply with legislation; originally reported February 2013 and repeated in November 2018.

In the Alberta Auditor General's December 2019 Report on Post Secondary's, the College, together with a number of other colleges in the province, received a new recommendation pertaining to a lack of a formal internal control testing and monitoring process. This is an extension of the existing financial reporting processes recommendation, which emphasizes the need for Keyano to have a formalized process of monitoring and testing controls and regularly reporting the results to the Finance and Audit Committee.

The College has made a significant progress in implementing processes and controls around financial reporting. In their December 2019 report, OAG acknowledged a significant improvement in accuracy of the 2018-19 consolidated financial statements as reflected by a green light in the OAG's report card. This also demonstrates the progress management has made towards implementing a robust financial reporting process.

The College continues to take measures to address outstanding financial and other accountability matters. In order to implement the outstanding recommendations, the College:

1. Has hired qualified and experienced staff in the finance department.
2. Is in the process of hiring a legislative compliance coordinator to assist in the development and implementation of the legislative compliance framework.
3. Is in the process of reviewing existing and implementing new policies and procedures.

FINANCIAL AND BUDGET INFORMATION *(continued)*

- Is reviewing its existing lines of defense within the internal control context and is considering sharing internal audit resources with other Colleges.
- Will be upgrading its Finance ERP system for improved planning and reporting. The improved reporting functionality will make information more accessible and comparable, thereby streamlining the monthly, quarterly and year-end financial reporting process.
- Developed a comprehensive audit recommendation implementation plan.

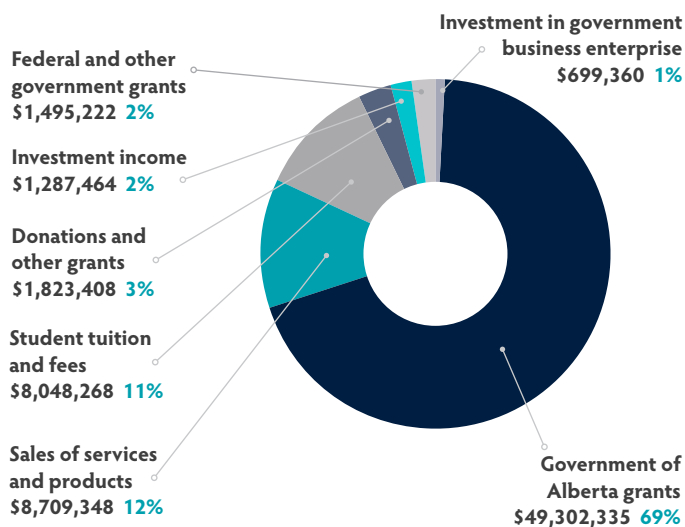
Administration is expecting the incremental improvements to continue each year with full compliance by 2021-22.

FINANCIAL RESULTS

The College ended the year with an operating surplus of \$489,041, a decrease of \$2,325,212 over the prior year and a decrease of \$1,193,622 over budget.

REVENUE

Total revenues for the year ended June 30, 2019 were \$71,365,405, a decrease of \$16,249,046 over the prior year and a decrease of \$1,018,995 over budget. Revenue from the Government of Alberta represented the College's single largest source of income at 69% of total revenue. Major components of revenue are as follows:



Government of Alberta Grants

Revenues from Alberta Government grants were \$49,302,335, a decrease of \$9,937,452 over prior year and a decrease of \$129,400 over budget. The decrease is due to decrease of \$7,655,612 in spending on infrastructure funding in the current year relative to prior year, Fort McMurray Living Allowance (COLA) grant agreement not executed until May 2020, consequently no COLA revenue was recorded in Q4 in the current year. This accounts for a decrease of \$945,734 relative to prior year. One-time Environmental Science degree seat funding grant of \$1,309,200 recognized into revenue in prior year, lower apprenticeship grants due to program changes resulting in a \$562,068 decrease in current year revenue, \$798,250 decrease in spent deferred capital revenue earned. This was offset by an increase of \$223,382 in the environmental monitoring grant, and a \$1,168,588 increase in campus Alberta grant from prior year.

Sales of services and products

Revenues from sales of services and products were \$8,709,348, an increase of \$113,070 over prior year and an increase of \$521,549 over budget. This category includes revenues from educational contracts, corporate training, student housing, parking, food services, bookstore, facility rentals and leasing, interest income, Sports & Wellness Centre memberships, Keyano Theatre and other sources. The increase was a result of an increase in program delivery for special projects. Also revenues from Sports & Wellness, Keyano theatre and bookstore improved over the prior year. This was however, partially offset by a decrease in revenues from facility rentals and leasing.

Student tuition and fees

Revenues from student tuition and fees were \$8,048,268, a decrease of \$146,736 over prior year and a decrease of \$1,247,207 over budget. The decrease over prior year is primarily due to an approximately 40% reduction in corporate training fees and a 20% decrease in testing fees relative to prior year. This was partially offset by an increase in credit tuition fee revenues. Full Load Equivalents (FLE) were 1,076, an increase of 32 over prior year and a decrease of 0.8 over budget. Also, the

Government of Alberta mandated tuition freeze continued into 2019 which froze tuition fees at 2014-15 levels.

Donations and other grants

Revenues from donations and other grants were \$1,823,408, a decrease of \$465,106 over prior year and a decrease of \$1,329,266 over budget. This reduction is attributed to a prolonged economic downturn and challenges with fundraising.

Investment income

Investment income was \$1,287,464, an increase of \$227,946 over the prior year and an increase of \$607,551 over budget. Portfolio investments performed better than anticipated over both prior year and budget. The year-over-year rate of return improved from 4.06% in 2018 to 5.10% in 2019. Earnings from restricted portfolio investments for endowments are recorded as deferred revenue until funds are used for the purposes intended.

Federal and other government grants

Revenues from Federal and other government grants were \$1,495,222, an increase of \$446,875 over prior year and an increase of \$350,208 over budget. The increase is due to increased LINC programming relative to prior year, and new sustainability grant from the Regional Municipality of Wood Buffalo for the Keyano Theatre.

Investment in government business enterprise

Revenues earned from the Keyano College Land Trust were \$699,360, an increase of \$354,685 over prior year and an increase of \$207,570 over budget. This represents the Land Trust net comprehensive income for the year. Income is derived primarily from the rental of non-serviced laydown lots to third party companies and from the royalties earned on the gravel pit. In 2018, the Land Trust recorded a \$407,500 impairment loss for three townhouses held as investment property resulting in lower comprehensive net income. There was no impairment loss recorded in 2019.

Insurance proceeds

In prior year, the College received \$6,842,328 in insurance proceeds from the 2016 Fort McMurray Wildfire to remediate

smoke damage to College facilities. This revenue did not include a provision for the outstanding business interruption insurance claim from the 2016 Fort McMurray wildfire where negotiations were ongoing. This was a one-time non-recurring event, therefore current year and budget amounts were nil.

Spent Deferred Capital Revenue Earned

Tangible capital assets purchased with externally restricted funds result in an obligation to the College to use the acquired assets over their useful lives in the provision of College services. Under Public Sector Accounting Standards (PSAS), spent deferred capital when earned as revenue must be attributed to the primary revenue source in the consolidated statement of operations. The following table depicts operating and spent deferred capital revenue earned by object grouping for the year ended June 30, 2019.

	SPENT DEFERRED		
	OPERATING	CAPITAL EARNED	TOTAL
Government of Alberta Grants	45,389,590	3,912,745	49,302,335
Sales of Services and Products	8,709,348	-	8,709,348
Student Tuition and Fees	8,048,268	-	8,048,268
Donations and Other Grants	694,983	1,128,425	1,823,408
Investment Income	1,287,464	-	1,287,464
Federal and Other Government Grants	1,495,222	-	1,495,222
Investment in Government Business Enterprise	699,360	-	699,360
TOTAL REVENUE	66,324,235	5,041,170	71,365,405

EXPENSES

Total expenses for the year ended June 30, 2019 were \$70,876,364, a decrease of \$13,923,834 over prior year and an increase of \$174,627 over budget. Salaries and benefits represented Keyano's single largest expense at 53.9% of the total. Major components of expenses are as follows:

FINANCIAL AND BUDGET INFORMATION *(continued)*

Salaries and benefits

Salaries and benefits, comprised of salaries, labor contracts and employee benefits were \$38,202,557, a decrease of \$418,678 over prior year and a decrease of \$961,619 over budget. The decrease is attributable primarily to vacancy savings in the current year and vacant senior positions which were filled at lower pay rates.

Material, supplies and services

Materials, supplies and services were \$17,136,598, a decrease of \$13,057,114 over prior year and an increase of \$2,353,994 over budget. This was due to a \$6,830,500 decrease in deferred maintenance infrastructure spending in the current year, \$5,892,042 decrease in property remediation insurance related expense from the 2016 Fort McMurray Wildfire, and \$1,503,971 write off of tangible capital assets under \$5,000. This was partially offset by increased insurance premiums of \$485,244, an increase of \$298,557 in security contracting costs and \$215,253 increase in legal and audit services.

Amortization of tangible capital assets

Amortization expenses were \$7,990,505, a decrease of \$453,406 over prior year and a decrease of \$634,426 over budget. In 2018, a \$1.5M asset write down was recorded due to an accounting change in that certain assets no longer had economic productive value. This explains the decrease in amortization expense.

Utilities

Utilities expenses were \$2,142,093, a decrease of \$11,229 over prior year and a decrease of \$88,651 over budget. The change reflects lower utility consumption which varies from year to year depending on weather conditions.

Repairs and maintenance

Repairs and maintenance expenses were \$2,085,302, a decrease of \$110,098 over prior year and a decrease of \$2,352,980 over budget. Repairs and maintenance expenses have been consistent with prior year, this expense will vary based on the College's maintenance schedule.

Cost of goods sold

Cost of Goods Sold expenses were \$875,479, an increase of \$101,047 over prior year and an increase of \$220,479 over budget. The increase over prior year reflects an increase in Bookstore sales.

Interest on debt

Interest expenses on debt were \$641,896, a decrease of \$56,289 over prior year. Budget amount was reflected in materials, supplies and services. This expense reflects borrowing costs in capital lease agreements and loans with the Alberta Capital Finance Authority.

Scholarships and bursaries

Scholarships and bursaries expenses were \$719,777, an increase of \$376,949 over prior year and a decrease of \$50,223 over budget. This variance relates to an increase in scholarships paid by the College during the year. Scholarships and bursaries will vary year to year as they are dependent on the availability of awards and students meeting certain criteria for payout.

Fundraising expenses

Fundraising expense costs were \$1,082,157, a decrease of \$295,016 over prior year and an increase of \$1,046,157 over budget. The actual fundraising expenses vary year to year depending on the tickets sold and number of fundraising events held. The variance on budget relates to the College budget not being restated after the transfer of advancement activities from the Foundation to the College.

NET ASSETS

Net assets are comprised of accumulated operating surplus, internally restricted surplus, investments in tangible capital assets, endowments and rereasurement gains and losses and is described in Note 15 to the consolidated financial statements. Net Assets increased by \$14,165 (0 %) from \$53,459,178 in 2017-18 to \$53,473,793 in 2018-19 and is further disclosed as follows:

	2018-19	2017-18	INCREASE (DECREASE)	% CHANGE
Accumulated Operating Surplus	9,582,400	6,670,996	2,911,404	43.6%
Internally Restricted Surplus	8,761,678	8,292,224	469,454	5.7%
Investment in Tangible Capital Assets	29,802,500	32,694,317	(2,891,817)	-8.8%
Endowments	4,963,372	4,892,423	70,949	1.5%
Accumulated Remeasurement Gains	363,843	909,218	(545,375)	-60.0%
TOTAL REVENUE	53,473,793	53,459,178	14,615	0.0%

Accumulated Operating Surplus

The accumulated operating surplus is the net result of life-to-date operating surpluses at Keyano which have not been designated for specific purposes through internally restricted surplus or investment in tangible capital assets. Accumulated operating surplus increased by \$2,911,404, which is made up of the 2018-19 annual operating surplus and transfers to internal reserves.

Internally Restricted Surplus

Internally restricted surplus increased by \$469,454 over the prior year. This increase is comprised of amounts appropriated into internally restricted reserves for Faculty professional development (\$225,894) and housing reserve (\$243,560).

Invested in Tangible Capital Assets

Investment in tangible capital assets decreased by \$2,891,817 over 2017-18. This consisted of capital acquisitions \$402,608, work-in-progress adjustment for contributed capital reducing capital investment by \$1,689,432, debt repayment for capital leases and Alberta Capital Finance Authority loans \$1,575,679, less amortization on tangible capital assets \$2,949,335 and net book value of tangible capital asset disposals \$231,355.

Endowments

Endowments increased by \$70,949 over the prior year consisting of new endowments of \$44,500 and capitalization of interest of \$26,449 for inflation proofing of certain endowments.

Accumulated Remeasurement Gains

Remeasurement gains are an instrument to adjust operating investment portfolio to fair market value and is reported as \$363,843 on June 30, 2019. Accumulated remeasurement gains decreased by \$545,375 over the prior year of which \$616,432 was reclassified as realized gains in the consolidated statement of operations. This was part of a \$7,000,000 sale of unrestricted portfolio investments during the year to alleviate the College's cash flow constraints and timing of grant payments related to capital infrastructure maintenance.

FINANCIAL AND BUDGET INFORMATION *(continued)*

CAPITAL SPENDING

TANGIBLE CAPITAL ASSETS

Every year the College invests in the acquisition of tangible capital assets for expansion, renewal and replacement of College assets.

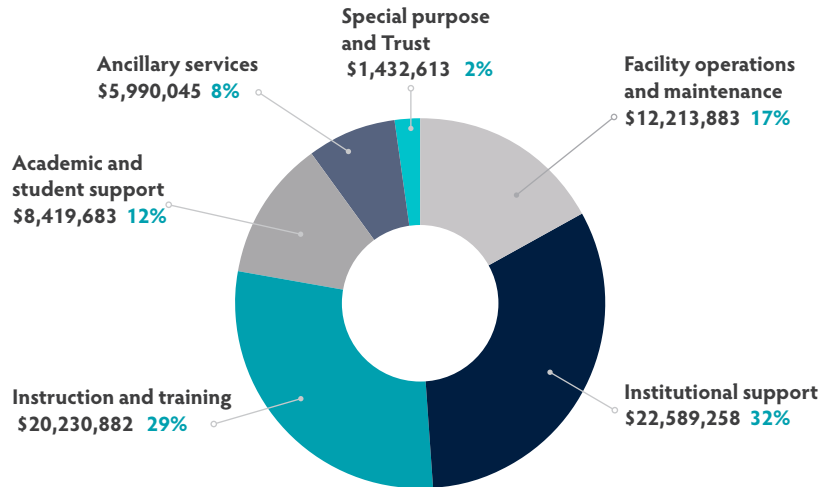
In 2018-19, the College spent \$1,024,037 on tangible capital assets in the categories below:

	ADDITIONS	WORK-IN-PROGRESS	TOTAL ADDITIONS	COMMENTS
Land	\$ Nil	\$ Nil	\$ Nil	
Land improvements	Nil	Nil	Nil	
Buildings and renovations	Nil	363,651	363,651	Building automation system at Clearwater Main Campus, replacement of the clearwater elevator.
Equipment	510,252	(37,184)	473,069	Facilities vehicles, mobile equipment and various equipment.
Computer Hardware & software	121,738	65,579	187,317	Replacement of computer hardware and servers, FMW budget software and IT server monitoring software.
TOTAL REVENUE	\$631,990	\$392,047	\$1,024,037	

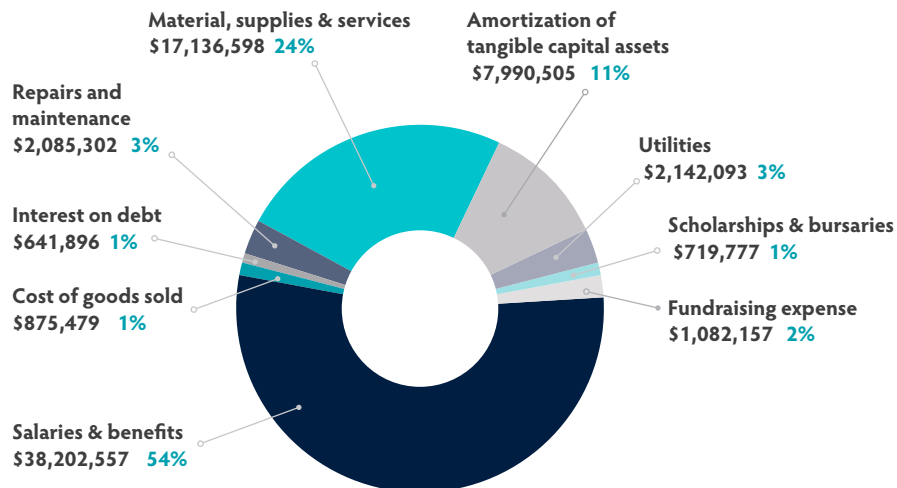
In 2018-19, the College disposed of tangible capital assets with the original cost of \$1,902,037 in the categories below:

TANGIBLE CAPITAL ASSET CATEGORY	COST	EFFECT OF DISPOSAL/ WRITE DOWN ON ACCUM AMORTIZATION	NET DISPOSAL/WRITE DOWN
Land	\$ Nil	\$ Nil	\$ Nil
Land improvements	Nil	Nil	Nil
Buildings and renovations	Nil	Nil	Nil
Equipment	1,902,037	1,670,683	231,354
Computer Hardware & software	Nil	Nil	Nil
TOTAL REVENUE	\$ 1,902,037	\$ 1,670,683	\$ 231,354

EXPENSE BY FUNCTION



EXPENSE BY OBJECT



FINANCIAL AND BUDGET INFORMATION *(continued)*

CONSOLIDATED ENTITIES

KEYANO COLLEGE LAND TRUST

The Keyano College Land Trust (Land Trust) was established in March 2012 following an approved Order-In-Council authorizing the College to transfer 611 acres of undeveloped land to the Land Trust. The purpose of the Land Trust is to provide development of the lands to generate a sustainable and predictable revenue source for the College. In March of 2012, the Keyano College Land Trust Corporation was established to protect the charitable status of the College under Canadian Tax law.

In 2013, the Land Trust business plan included development of more than 1,300 mixed residential lots over a seven to ten-year period to meet the needs of 7,000 residents in Fort Mc Murray. This was at a time when the population of the region was estimated to grow from ~80,000 in 2013 to 139,000 by 2020. By the summer of 2015, the initial land development, Stage 5A Phase 1, has developed 47 residential lots. Stage 5A Phase 2, which includes 79 planned residential lots and an apartment building site, was engineered, site cleared and graded by 2016.

In 2015, the Land Trust Board of Directors suspended further development of lands, including the registration of 47 developed lots for sale, due to the slowdown in the Alberta economy. This was further impacted by the 2016 Fort McMurray Wildfire that created more uncertainty and increased inventory of dwellings on the market as some Fort McMurray residents never returned post rebuild.

As the suspension of further development of Saline Creek Lands and any efforts to sell, is expected to continue into the

foreseeable future until market conditions improve, Phase 1 -Stage 1A, Phase 1 - Stage 5A (47 developed residential lots) and Phase 2 - Stage 5A land has been reclassified from inventory - land held for resale to investment property - land, effective July 1, 2018. On October 8, 2019, the Keyano College Land Trust Board of Directors passed a resolution to transfer these lands from inventory to investment property. This change was reflected in the 2018-19 financial statements of the Keyano College Land Trust.

The Land Trust generates income from the rental of un-serviced laydown lots to companies primarily in the construction and transport industries. In October 2017, the Land Trust entered into a lease contract with Stony Valley Construction Ltd. to excavate gravel and sand at the Saline Creek gravel pit pending land use plan permit approval from Alberta Environment and Parks.

For the year ended June 30, 2019 the Land Trust had revenues of \$2,085,608 (2018 - \$2,186,368) resulting in comprehensive income of \$699,360 (2018- \$344,675). The increase in comprehensive income was primarily due to a \$407,500 impairment loss to investment property– buildings that was recorded in prior year. No impairment loss was recorded in the current year. This change was offset by \$68,090 decrease in interest expense in the current year as a result of the early repayment of the RBC lot development loan.

As at June 30, 2019 the College had an investment in government business enterprise (Land Trust) of \$16,818,338 (2018- \$15,784,019). The Keyano College Land Trust is consolidated in the College financial statements on a modified equity basis.

KEYANO COLLEGE FOUNDATION

The Keyano College Foundation (Foundation) is a registered public foundation created to solicit, receive and administer funds and property donated for the advancement of Keyano College. The Foundation is exempt from the payment of income tax under section 149 of the Income Tax (Canada).

In June 2017, the Foundation went through an organizational restructure transferring all fiduciary responsibility from the Foundation to the Keyano College Board of Governors. The Foundation would continue to exist as an entity with its only focus on generating gaming revenues. The Foundation Board of Directors resigned in June 2017 and three College Board of Governors were appointed as Foundation Board Directors. In 2018-19, all advancement and fundraising activities were transferred to the College.

The Foundation's present governance structure does not meet the requirements of the Alberta Gaming, Liquor and Cannabis Commission (AGLC). As a result, College Administration has

undertaken a Foundation governance review to become compliant with AGLC requirements and ensure appropriate authorities exist with the Foundation Board of Directors.

The Foundation is consolidated on a line-by-line basis with the College with the elimination of inter-organization transactions.

On a stand-alone basis, the Foundation had a surplus of \$6,681 for the year-ended June 30, 2019, a decrease of \$170,838 over the prior year. In 2018-19 revenues were \$26,727, a decrease of \$313,355 over the prior year. The decrease reflects the transfer of advancement and fundraising activities from the Foundation to the College. As at June 30, 2019, \$1,277,875 of cash, receivables and a guaranteed investment certificate remain in the Foundation, of which \$91,308 is deferred gaming revenue.

RESEARCH, APPLIED RESEARCH, AND SCHOLARLY ACTIVITIES

Applied research and scholarly activities are desired areas of growth for Keyano College. In 2017/18, Keyano developed a suite of policies and procedures related to research and scholarly activities. The policies went through an extensive consultation process before being finalized. Implementation began in 2018/19.

Keyano is currently preparing to apply for eligibility with three granting agencies; the application is drafted and should be submitted in early 2020 to:

- Natural Sciences and Engineering Research Council (NSERC),
- Social Sciences and Humanities Research Council (SSHRC), and
- Canadian Institutes of Health Research (CIHR).

Keyano is also part of a network of researchers in post-secondary institutions through Alberta Innovates and the Regional Innovation Networks (RINs), including the Wood Buffalo RIN (WBRIN). The WBRIN is composed of several organizations working together to promote innovation in the Regional Municipality of Wood Buffalo (RMWB) and to help support small businesses, start-ups, and entrepreneurs.

Keyano participated in Labour Education Applied Research North (LEARN) in 2018/19. LEARN is a joint initiative between the Northern Alberta Development Council (NADC) and four northern Alberta post-secondary institutions: Keyano College, Grande Prairie Regional College, Northern Lakes College, and Portage College.

Faculty at Keyano engaged in research and scholarly activities in the following collaborative degree programs:

- Bachelor of Business Administration – Northern Alberta Institute of Technology
- Bachelor of Science in Nursing – University of Alberta

Faculty and staff were able to apply to Keyano's Learning Innovation department for financial support through the Learning Innovation Fund and Research Innovation Fund, which could be used for classroom or research innovation. Faculty in the University Studies department organized the annual Keyano College Lecture Series for 2018/19. The Series gave instructors an opportunity to share their research and academic passions with college and community members.



COMMUNITY OUTREACH AND UNDERREPRESENTED LEARNERS

Keyano College is a comprehensive community institution responsible for regional stewardship. Keyano collaborates with its Campus Alberta partners, community adult learning providers, business and industry partners, regional school districts, Indigenous communities, and all levels of government to ensure access to a broad spectrum of learning opportunities for the Regional Municipality of Wood Buffalo (RMWB).

Keyano operates two campuses in Fort McMurray and one in Fort Chipewyan, as well as learning centres in Fort McKay, and Gregoire Lake. A variety of learning options are provided, with face-to-face classroom, online, and blended delivery models available.

The majority of programming offered in the regional centres is part of larger, collaborative workforce initiatives undertaken by communities, with support from various provincial and federal partners. Keyano's Indigenous Education division manages these programs and works with the communities to identify learning needs and to find partners or secure grant funding. Due to funding and logistical constraints, program delivery is usually cohort-based. Programming beyond the foundational level is rotated throughout the communities. The Community Adult Learning Program, funded by Advanced Education, fosters learner transitions from the community-based, informal, non-credit adult learning system to the for-credit post-secondary system. It is focused on the needs of Indigenous learners in particular.

Keyano works closely with partners to meet the education and training needs of Indigenous communities and the foundational, upskilling, and literacy development needs of underrepresented learners, including newcomers to Canada. Keyano also relies on partnerships to provide sport-specific clinics and programming for active, healthy living in local schools and community organizations.



Keyano works closely with partners to meet the education and training needs of Indigenous communities and the foundational, upskilling, and literacy development needs of underrepresented learners, including newcomers to Canada.



SUPPORT STRATEGIES AND PROGRAMMING

INDIGENOUS LEARNERS AND LEARNERS IN RURAL AND REMOTE COMMUNITIES

The Regional Municipality of Wood Buffalo (RMWB) is home to five First Nations Communities - Mikisew Cree First Nation, Athabasca Chipewyan First Nation, Fort McKay First Nation, Fort McMurray No. 468 First Nation, and Chipewyan Prairie Dene First Nation. Métis peoples are represented by six Métis Locals - 63 (Fort McKay), 125 (Fort Chipewyan), 193 (Conklin), 780 (Anzac), and 1935 and 2020 (both in Fort McMurray). Keyano collaborates with Indigenous communities and other organizations to increase access to learning opportunities for Indigenous students and to support Indigenous student success. Expanding and enhancing the services and supports already offered through its Indigenous Student Centre will help Keyano further support student access and program completion. Efforts will focus on facilitating learner pathways into and through the post-secondary education system as well as training to employment initiatives.

During the reporting period, the Indigenous Education Committee assisted Keyano in better serving Indigenous learners and Indigenous communities in the region. Indigenous Education programming was focused on improving access to learning opportunities through campuses in Fort McMurray and Fort Chipewyan as well as the Regional Learning Centres in Fort McKay, and Gregoire Lake. The Community Adult Learning Program fostered learner transitions to the post-secondary system and focused on the needs of Indigenous learners in particular.

In 2018/19 Keyano maintained a staffed campus in Fort Chipewyan and staffed learning centres in Fort McKay and Gregoire Lake. Learning centre staff consulted with community organizations; assessed learner readiness, skills, and progress; and delivered full-time literacy and foundational learning instruction. In addition, a Regional Coordinator supported foundational level curriculum development, delivered staff professional development, and provided administrative guidance. Specialized support service providers, such as career planners, were contracted to visit each community annually. The Office of the Registrar designated one Student Advisor position to provide services for Indigenous students. This allowed regional students access to program advising

from a consistent source. The advisor acts as a liaison with the Campus Manager to provide accurate and up-to-date information.

Students have the option of identifying Indigenous status on their application. This assists in two ways. First, in high demand programs such as Nursing and Practical Nursing, seats are reserved for Indigenous students. When admission decisions are made, opportunities for Indigenous students are considered first. Second, many of our financial awards are earmarked for Indigenous students. Through this identification, we are then able to facilitate access to financial assistance. Collaboration between Indigenous Education and all student services departments allows us to work closely and seamlessly to provide support for students in both credit and non-credit programs.

A concentrated effort was made to coordinate and align programming so that clear pathways are provided for learners from basic literacy through to post-secondary, with a range of entry and exit points. Keyano coordinated basic education programming with skilled labour workforce initiatives to ensure learners were adequately prepared and supported as they moved through a learning pathway. Keyano worked closely with community partners during this process. All workforce initiative programs were governed by a steering committee with representation from the community, provincial funder, and industry partners.

During the reporting period, Keyano completed the first cohort in the Bridging to B.Ed. program. After completing the first two years in Fort Chipewyan, students will join the University of Alberta's Bachelor of Education collaborative program at the Clearwater campus in Fort McMurray. The Bridging to B.Ed. program provided English and Math instruction for six students to prepare them for entrance into the first year of the Bachelor of Education degree program. This was a collaborative effort involving the Community Adult Learning Program and the College and Career Preparation department.

At the Fort Chipewyan Campus, there was an on-site faculty member who assisted students when they needed help or additional guidance. Virtual office hours were available for

students, meaning that they could connect online through Adobe Connect and work through questions with their instructor at the main campus. Support from Information Technology Services and Learning Innovations was critical for ensuring the effective delivery of these online classes. Both departments provided necessary technical support to faculty delivering courses.

Keyano continued to deliver the Aboriginal Entrepreneurship Certificate program. In consultation with members of the Northeastern Alberta Aboriginal Business Association (NAABA), more Indigenous case studies and Indigenous governance practices were integrated into the curriculum and a renewed focus was placed on hosting Indigenous guest speakers. The Social Work Diploma program also offers SOWK 201 Introduction to Social Welfare and Social Work, which was designed for delivery to students in Fort Chipewyan via Adobe Connect.

Keyano delivered the first cohort of the Community-Based Environmental Monitoring certificate program in Fort Chipewyan in 2018/19. This program focuses on land, water, air, and wildlife monitoring as relevant for the Peace-Athabasca Delta. All monitoring activities taught in the program are based on the types of data currently collected by industry, government, researchers, and local communities. Curriculum was developed in collaboration with Indigenous knowledge holders. This provided opportunities for faculty and staff to encounter new learning through the blending and co-teaching of western science and traditional Indigenous knowledge. The act of co-creating curriculum with Indigenous knowledge holders significantly enriched the development process and will positively impact instruction for faculty and students. The second cohort will be delivered in Fort McMurray in 2019/20.

RATES



26
GRADUATES
IN 2018/19¹

(includes apprentices who successfully completed their last period of technical training and passed the final AIT exam)

18

Number of RURAL AND REMOTE LEARNERS IN SATELLITE CAMPUSES and learning centres in 2018/19 (credit learning only)²

PROGRAM PARTICIPATION

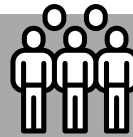


9 DIPLOMA

104 CERTIFICATES



57 NON-CREDENTIAL

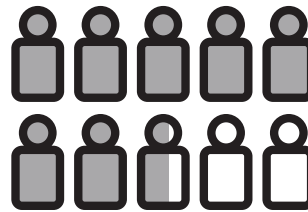


163 TOTAL UNIQUE HEADCOUNT (credit programming)²

82.757

FULL LOAD EQUIVALENT (FLES) in 2018/19 (credit programming)²

STUDENT SUCCESS



78%

ENROLLED CREDITS SUCCESSFULLY COMPLETED in 2018/19³

(enrolled credits for full-time/part-time students, excluding Apprenticeship students)

¹ APPRENTICESHIP AND INDUSTRY TRAINING | ² DATA COLLECTION AND REPORTING (DCaR) – LEARNER & ENROLMENT REPORTING SYSTEM | ³ POWERCAMPUS

LEARNERS WHO ARE DIFFERENTLY ABLED

Student Services provides services and supports to learners with disabilities including:

- assessing student needs and facilitating the implementation of accommodations for learning.
- enhancing learners' academic skills through the provision of learning strategies applied in context.
- providing training and access to assistive technology to develop independent learners.
- providing mental health support in the forms of both individual and group sessions.
- offering accessible free tutorial support.
- maintaining a variety of study areas to support individual learning needs, for example, both quiet spaces and collaborative spaces.
- developing a student life program to build student relationships to Keyano College.

A prime focus for Student Services in this reporting period and continuing into the next one, is to remove the stigma associated with having a learning disability. Extending on our goal of Universal Design for Learning (UDL), an educational framework based on research in the learning sciences (including cognitive neuroscience), most of the services offered are offered for everyone. We encourage all students to identify how they learn best and to seek out supports and services that meet their needs. By approaching learning disabilities with the lens of "differently abled", we are encouraging students to advocate for themselves and for others to see the positives in all individuals.

LEARNERS FROM LOW-INCOME BACKGROUNDS

Keyano College is committed to supporting students to achieve their goals by providing financial assistance when possible. Students are assisted and encouraged to seek available funding through Alberta Works, Schedule 4 Funding and, for eligible Indigenous students, band funding. We provided \$4,201 in Emergency Student loans to seven students, helping them to remain in college during times of crisis. Sometimes it is a challenge for students to have enough groceries. We were able to provide \$2,700 in grocery cards for students experiencing a food crisis and our mental health coordinators work closely with the Wood Buffalo Food Bank to refer students or to provide emergency food bags. Our fall awards are a collaborative effort between Keyano College and the community to provide 430 students students with cash awards. Together, we work to remove financial barriers that could impede educational success.

In 2018/19, costs (tuition and supplies) for Indigenous and rural and remote community learners in Literacy, Foundational Learning, and Workforce Initiative programs were often covered by program grants managed by the Indigenous Education division. Low income learners in Academic Upgrading, College Preparation, and Pre-employment programs had the opportunity to access the Alberta Works Learner Income Support program. Full-time Keyano students could also access the Student Emergency Fund, which is designed to help students address unexpected financial challenges. In addition, Keyano provided a small-scale Student Food Bank and helped connect students to the Wood Buffalo Food Bank and other regional support services. Keyano provided 430 student awards valued at \$719,777.

FOUNDATIONAL LEARNERS

LITERACY AND FOUNDATION LEARNING

Keyano's Indigenous Education division offered literacy and foundational learning programming in Language Arts and Math up to Grade 10 in three remote communities – Gregoire Lake, Fort McKay, and Fort Chipewyan. Learners could enter the programs at any level of skill below grade 10 and transition out when they were assessed as having obtained skills sufficient to allow them to succeed in basic education grade 10 to 12 environments. Learners experiencing financial barriers were provided access at no cost. All programming was non-credit and was funded through a Community Adult Learning Program grant offered by the Indigenous and Community Connections Branch of Alberta Advanced Education.

ACADEMIC UPGRADING

Academic Upgrading (high school equivalency courses from grade 10 to 12) was offered at the Clearwater Campus in Fort McMurray. Throughout the Wood Buffalo region, learners were able to register in online high school equivalency courses.

ENGLISH LANGUAGE TRAINING

Keyano offered English language training under the *Immigration, Refugees and Citizenship Canada's* Language Instruction for Newcomers to Canada (LINC) program. LINC is designed to assist in the process of cultural, social, and economic understanding to help newcomers integrate more quickly and easily into Canadian society. Keyano offered part-time LINC instruction from Low Beginner to Upper Intermediate levels – Canadian Language Benchmarks (CLB) levels 0-6.

ADULT BASIC EDUCATION

Keyano's Indigenous Education division collaborated with Indigenous communities and provincial partners to offer a series of customized, cohort-based, 12 to 15-week employment readiness programs focused on helping community members earn a High School Equivalency Diploma and high school equivalency courses including GED Plus, Upskilling to GED, and GED Upskilling. These programs were sponsored through Alberta Labour Workforce Initiatives with support from Métis Training to Employment Services and the Athabasca Tribal Council Employment and Training Department.

Courses were developed and delivered in consultation with the five RMWB First Nations - Mikisew Cree First Nation, Athabasca Chipewyan First Nation, Fort McKay First Nation, Fort McMurray No. 468 First Nation, and Chipewyan Prairie Dene First Nation.



SERVICES AVAILABLE TO COMMUNITY MEMBERS

SYNCRUDE SPORT & WELLNESS CENTRE

The Syncrude Sport & Wellness Centre (SSWC) is a premier facility built in 2007 that is equipped to host basketball, indoor lacrosse, badminton, indoor soccer, futsal, and volleyball as well as a number of events. Several upgrades were completed at the SSWC, including the addition of a new score clock, turf, indoor lighting, and a point of sale (POS) system. The Centre also has a number of tenants: Fort McMurray Youth Soccer Association, YMCA Daycare, Alberta School of Massage, Accel Physio, and All In Sports.

There was an increase in membership from 4,460 in 2017/18 to 6,505 in 2018/19. In addition, a variety of fitness classes were offered free of charge to members, including yoga, viper fitness and high intensity interval training.

KEYANO THEATRE & ARTS CENTRE

Keyano Theatre & Arts Centre is an integral part of the arts community and serves as the main public venue for live entertainment and social gathering. Keyano Theatre is a cultural hub that delivers a wide range of entertaining, educational, and thought-provoking experiences to over 35,000 community members by hosting over 200 events each year.



TESTING SERVICES

Keyano's Testing Services is a recognized testing facility authorized to supervise examinations on behalf of educational institutions, government agencies, corporations, and professional regulatory bodies. The department provides invigilation of external exams from institutions across Canada as well as internal Keyano student exam supervision. Certified Testing Facilitators deliver assessments of the Differential Aptitude Test (DAT), General Educational Development (GED), Alberta Water and Waste Water Certification, Test of Workplace Essential Skills (TOWES), and Canadian English Language Proficiency Index Program (CELPPI). Testing Services also deliver talent assessments and oversee tests for safety certifications, including Workplace Hazardous Materials Information System (WHMIS) and Construction Safety Training System (CSTS). The department engaged in 4,193 service interactions during the reporting period.



COMMUNITY ENGAGEMENT

ATHLETICS

Huskies Athletics had a remarkable year, earning the following accolades:

Men's Volleyball

- Gold medalist at Alberta Colleges Athletic Conference (ACAC) Championship, 4th at Nationals

Men's Futsal

- Gold medalist at ACAC Championship

Women's Basketball

- Silver medalist at ACAC Championship, 5th at Nationals

ACAC Athletes of the Week

- Liam Matheson, Men's Volleyball; Moiyan Toure, Women's Basketball; Eduardo Filho, Men's Futsal

All Conference Student Athletes

- Stefan Jovic (MBB); Moiyan Toure (WBB); Augusta Kievisaite (WBB); Neto Miguel (MS), Jonathan Bruggeling (MS); Liam Matheson (MVB), Justin Delorme (MVB), Joel Makara (MVB)

Coach of the Year

- Keegan Kuhr (MVB)

In addition to the above, 17 Keyano students received National Scholar Awards.

The Alberta Sport Development Centre (ASDC) partnered with RBC Training Grounds to host the first ever Zone 7 training grounds where future Olympic athletes were discovered and tested. Be Fit For Life partnered and helped manage the gap within local schools in our region to ensure Physical Literacy was covered

in schools that did not have physical education classes/teachers.

THEATRE AND ARTS

The 2018/19 season included a broad range of performance genres such as interactive family performances, classical dance, music from across the nation, and the collaboration with Edmonton's Catalyst Theatre to present their newest live theatre production.

The Drama Series, which produces three community theatre productions per year, engaged 75 local residents with onstage acting experiences with ages starting at 12 years old. The Theatre seeks to support and mentor emerging theatre artists over the season and provided opportunities for one local director, four designers relatively new to the industry, and six returning artists.

A partnership with the Regional Prairie Presenters Coalition, a new multi-province group of professional presenters, allows for expanded opportunities to present performers that would otherwise not be in our region such as Canada's Ballet Jorgen, Tom Jackson and the negotiations that followed opened the opportunity to present international artists in the upcoming 2019/2020 season.

Beginning in January 2019, Keyano Theatre & Arts Centre began receiving a Sustaining Grant from the Regional Municipality of Wood Buffalo to cover operating expenses previously covered by the College.

INTERNATIONALIZATION

In June 2014, Keyano College was designated as a provincial institution to facilitate the entry of international students for the purpose of study in Canada by Alberta's Minister of Innovation and Advanced Education. This is consistent with the Immigration and Refugee Protection Act (2001). To date, Keyano remains compliant with the elements of distinction

In the 2018/19 academic year, 84 international students were enrolled from 23 countries. Academic programs that were most attractive to international students include:

- Academic Upgrading
- Bachelor of Science in Nursing
- Business Administration Certificate/Diploma
- Office Administration

CREDENTIAL	PROGRAMS	2018/19				
		PROJECTED FLE	% OF TOTAL PROJECTED FLE	ACTUAL FLE	% OF TOTAL ACTUAL FLE	VARIANCE
Certificate	Art and Design	0.800	12.2%	0.000		(100.0%)
	Business Administration Certificate	12.000	14.8%	18.735	26.6%	56%
	Early Learning and Child Care Certificate	1.846	14.3%	1.000	15.5%	(45.8%)
	Educational Assistant	0.000		1.079	3.7%	
	Human Resources Management Certificate	1.250	41.4%	0.875	15.2%	(30.0%)
	Office Administration Certificate	1.000	4.9%	4.268	16.7%	327%
	3rd Class Power Engineering	0.000		0.250	6.5%	
	4th Class Power Engineering	0.000		0.250	0.4%	
Diploma	Business Administration Diploma	8.000	26.6%	5.850	29.0%	(26.9%)
	Environmental Technology Diploma	2.315	9.5%	2.443	19.5%	6%
	Practical Nurse	3.633	8.6%	1.847	4.9%	(49.2%)
	Social Work Diploma	2.000	8.2%	1.820	6.8%	(9.0%)
Non-Credential	Mount Royal University Bachelor of Science - Environmental Science	2.000	14.3%	1.333	13.2%	(33.4%)
	Open Studies	0.000		0.834	3.2%	
	Upgrading	15.700	12.3%	9.001	9.7%	(42.7%)
	UT: Bachelor of Arts	1.600	7.9%	0.267	2.5%	(83.3%)
	UT: Bachelor of Education	4.967	13.8%	2.634	4.6%	(47.0%)
	UT: Bachelor of Engineering	1.000	9.7%	0.663	8.6%	(33.7%)
	UT: Bachelor of Science	1.600	3.7%	0.267	1.4%	(83.3%)
	UT: Bachelor of Nursing	5.167	4.6%	4.334	3.7%	(16.1%)
	UT: Bachelor of Social Work	0.800	27.9%	0.300	7.3%	(62.5%)
KEYANO COLLEGE INTERNATIONAL TOTAL		65.678	6.1%	58.050	5.4%	(11.6%)

The International Student Project Steering Committee (ISPSC) was established in fall 2017. The Committee created a terms of reference and identified high-level stages of strategy development and implementation based on recommendations from M Square Global. The stages are as follows.

- Stage 1: Preparation,
- Stage 2: Moderate Growth, and
- Stage 3: Expansion.

For Stage 1: Preparation, the Committee focused on preparing Keyano to accept and better serve international students by improving our systems, processes, and supports to enhance the student experience prior to recruiting additional international students.

The Committee identified the following key strategic categories that will be priority in Stage 1:

- Academic programs,
- International admissions,
- Tuition fees,
- Branding and marketing, and
- Student experience.

The International Student Project Steering Committee (ISPSC) engaged in the creation of a strategy document called Meet the World at Keyano. The document details a cost-effective strategy for international student recruitment and support services. The ISPSC identified priority initiatives and programs that are most attractive to international students. Key priority initiatives identified in Meet the World at Keyano include a focus on markets and recruitment strategy, the student experience, and Keyano College as a model of global citizenship. In addition, the ISPSC proposed that initial recruitment efforts focus on the following programs: Business Administration, Early Learning and Childcare, Environmental Technology, University Transfer – Arts, University Transfer – Science, and University Transfer – Engineering.



CAPITAL PLAN

TYPE OF PROJECT AND FUNDING SOURCES					
TYPE: PROPOSED NEW EXPANSION MAINTENANCE	PROJECT DESCRIPTION	TOTAL PROJECT COST	FUNDING SOURCES: % GOA, % GOC, % PSI FUNDS, % DONATION, % FOUNDATION, % INDUSTRY	FUNDING RECEIVED TO DATE AND SOURCE	REVISED FUNDING SOURCES
Priority Projects (top 3 Capital Priorities)					
New	Modernization of Teaching and Learning Spaces and Creation of a Nursing Simulation Laboratory	\$4.3 Million	100% GOA	\$0	N/A

PROJECT TIMELINES AND STATUS					
PROJECT DESCRIPTION	PROJECT TIMELINES	EXPECTED PROJECT START	EXPECTED PROJECT COMPLETION	PROJECT STATUS	PROGRESS MADE IN LASTS 12 MONTHS
Modernization of Teaching and Learning Spaces and Creation of a Nursing Simulation Laboratory	N/A	N/A	N/A	No progress has been made, as this project has been postponed. The project will be reviewed for future funding opportunities.	N/A

Capital spending in 2018/19 supported several projects. The most notable initiative in the past year is the College continued to update and modernize its facilities, complete deferred maintenance initiatives and ensure that the College is in compliance with Building Code requirements. The College was able to utilize the Federal Strategic Investment Funds and Provincial Capital Grant to complete several initiatives.

FUNDING SOURCES

CAPITAL INFRASTRUCTURE GRANT

	% COMPLETED JUNE 30, 2019	PROJECT TO JUNE 30, 2019	2018/19 EXPENDITURES	SIF FEDERAL	SIF ALBERTA	NON-SIF ALBERTA	TOTAL GOA	KEYANO	TOTAL
SIF 35230 Clearwater Campus Deferred Maintenance	100%	4,459,153	713,464	1,910,615	1,910,615	637,923	2,548,538	-	4,459,153
SIF 35232 Heating Plant Upgrade	100%	7,246,075	-	3,141,572	4,061,572	-	4,061,572	32,108	7,235,252
SIF 35237 SEIC Deferred Maintenance	100%	552,108	-	260,000	260,000	-	260,000	42,931	562,931
Non-SIF 35232 Heating Plant Upgrade	100%	3,339,614	-	-	-	3,339,614	3,339,614	-	3,339,614
Non-SIF Clearwater Campus Deferred Maintenance	100%	5,368,276	3,692,310	-	-	5,368,276	5,368,276	-	5,368,276
TOTAL		20,965,226	4,405,774	5,312,187	6,232,187	9,345,813	15,578,000	75,039	20,965,226

SIF - Post-Secondary Strategic Investment Funded Capital Projects

As part of these initiatives the college has completed the following initiatives:

Suncor Energy Industrial Campus

- Upgrades to the electrical system
- Inspection and repair of wiring
- Lighting upgrades and repairs
- Upgrades to washrooms.
- Ongoing asbestos abatement project
- Renovation to library flooring, lighting, construction of new office, new study rooms, removal and replacement of all books, bookshelves
- Cladding replacement

Clearwater Campus

- Electrical system upgrades
- Lighting upgrades and repairs
- Mechanical system repairs
- Upgrades to washrooms

Bob Lamb Building

- Flooring replacement
- Upgrades to washrooms
- Heating and cooling repairs

INFORMATION TECHNOLOGY PLAN

The Information Technology Services (ITS) department undertook several major initiatives in the past year but due to organizational constraints several planned projects were deferred until the 2019-20 fiscal. Several major initiatives were completed to support the stability of the aging IT environment.

During the past year the College faced major issues with the stability of its aging IT environment. The College's server environment was aging and well beyond a normal lifespan resulting in numerous outages. The College purchased and installed Dell Compellent storage to enhance the stability of the server environment. Future investments are planned for the next fiscal year to remove the remaining older servers from production.

The College switching environment was also aging and well beyond a normal lifecycle. The College purchased and deployed network edge switches improving consistency and stability of the network. In the next year the College is looking for further network upgrades and will be upgrading its Core Switches to better support high bandwidth services.

The College's Application team also completed several upgrades during this period with the Accounting, Student Information Systems and Residence Management System all being upgraded. Plans are being made for future upgrades and the addition of new features to College Enterprise Resource Planning tools.



APPENDIX:
CONSOLIDATED FINANCIAL
STATEMENTS

KEYANO COLLEGE

CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2019

**KEYANO COLLEGE
CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019**

Independent Auditor's Report	
Statement of Management Responsibility	
Consolidated Statement of Financial Position	1
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Consolidated Statement of Change in Net Financial Assets	3
Consolidated Statement of Remeasurement Gains and Losses	4
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Notes to the Consolidated Financial Statements	6 - 28

To the Board of Governors of Keyano College

Report on the Consolidated Financial Statements

Opinion

I have audited the consolidated financial statements of Keyano College (the Group), which comprise the consolidated statement of financial position as at June 30, 2019, and the consolidated statements of operations, remeasurement gains and losses, change in net financial assets, and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at June 30, 2019, and the results of its operations, its remeasurement gains and losses, its changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for opinion

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

Other information

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

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

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

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

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

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

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

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

Auditor's responsibilities for the audit of the consolidated financial statements

My objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

December 11, 2019
Edmonton, Alberta

**KEYANO COLLEGE
STATEMENT OF MANAGEMENT RESPONSIBILITY
YEAR ENDED JUNE 30, 2019**

The consolidated financial statements of Keyano College have been prepared by management in accordance with Canadian public sector accounting standards. The consolidated financial statements present fairly the consolidated financial position of Keyano College as at June 30, 2019 and the consolidated results of its operations, remeasurement gains and losses, changes in net financial assets and cash flows for the year then ended.

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

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

The Board of Governors carries out its responsibility for review of the consolidated financial statements principally through its Finance and Audit Committee. With the exception of the President & CEO and the Board of Governors' CUPE representative, all members of the Finance and Audit Committee are not employees of the College. The Finance and Audit Committee meets with management and the external auditors and internal auditors to discuss the results of audit examinations and financial reporting matters. The external and internal auditors have full access to the Finance and Audit Committee, with and without the presence of management.

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

[Original signed by Dr. Trent Keough]

Dr. Trent Keough
President & CEO

[Original signed by Dale Mountain]

Dale Mountain, CPA, CGA
Vice President, Corporate Services/
Chief Financial Officer

KEYANO COLLEGE
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2019

	2019	2018
Financial assets excluding portfolio investments restricted for endowments		
Cash and cash equivalents (Note 4)	\$ 5,674,780	\$ 2,807,730
Portfolio investments - non-endowment (Note 5)	5,830,639	11,832,005
Accounts receivable (Note 7)	9,755,411	7,192,517
Inventories held for sale	281,906	284,179
Loan receivable (Note 8)	363,368	391,478
Investment in and advances to government business enterprises (Note 9)	16,818,338	15,784,019
	38,724,442	38,291,928
Liabilities		
Accounts payable and accrued liabilities	5,860,900	8,238,492
Debt (Note 11)	17,261,418	18,837,115
Deferred revenue (Note 12)	16,167,442	15,053,039
	39,289,760	42,128,646
Net debt excluding portfolio investments restricted for endowments	(565,318)	(3,836,718)
Portfolio investments - restricted for endowments (Note 5)	6,405,974	5,330,800
Net financial assets	5,840,656	1,494,082
Non-financial assets		
Tangible capital assets (Note 13)	101,243,229	108,441,052
Prepaid expenses	569,216	433,665
	101,812,445	108,874,717
Net assets before spent deferred capital contributions	107,653,101	110,368,799
Spent deferred capital contributions (Note 14)	54,179,308	56,909,621
Net assets (Note 15)	\$ 53,473,793	\$ 53,459,178
Net assets is comprised of:		
Accumulated surplus	\$ 53,109,950	\$ 52,549,960
Accumulated rereasurement gains	363,843	909,218
	\$ 53,473,793	\$ 53,459,178

Contingent assets and contractual rights (Notes 17 and 19)
Contingent liabilities and contractual obligations (Notes 18 and 20)

Approved by the Board of Governors:

[Original signed by Shelley Powell]

[Original signed by Tyrone Brass]

Chair, Board of Governors

Chair, Finance & Audit Committee

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

KEYANO COLLEGE
CONSOLIDATED STATEMENT OF OPERATIONS
YEAR ENDED JUNE 30, 2019

	Budget (Note 26)	2019	2018
Revenues			
Government of Alberta grants (Note 23)	\$ 49,431,735	\$ 49,302,335	\$ 59,239,787
Sales of services and products	8,187,799	8,709,348	8,596,278
Student tuition and fees	9,295,475	8,048,268	8,195,004
Donations and other grants	3,152,674	1,823,408	2,288,514
Investment income	679,913	1,287,464	1,059,518
Federal and other government grants (Note 23)	1,145,014	1,495,222	1,048,347
Investment in government business enterprise (Notes 9 and 25)	491,790	699,360	344,675
Insurance proceeds - 2016 wildfire		-	6,842,328
	72,384,400	71,365,405	87,614,451
Expenses (Note 21)			
Facility operations and maintenance	11,755,235	12,213,883	25,470,590
Institutional support	21,223,379	22,589,258	24,731,272
Instruction and training	21,995,901	20,230,882	19,874,749
Academic and student support	10,906,169	8,419,683	8,010,434
Ancillary services	3,784,800	5,990,045	5,335,980
Special purpose and Trust	1,036,253	1,432,613	1,377,173
	70,701,737	70,876,364	84,800,198
Annual operating surplus	1,682,663	489,041	2,814,253
Endowment contributions (Note 15)		44,500	175,450
Capitalized income (Note 15)		26,449	51,457
Annual surplus	1,682,663	559,990	3,041,160
Accumulated surplus, beginning of year		52,549,960	49,508,800
Accumulated surplus, end of year	\$ 1,682,663	\$ 53,109,950	\$ 52,549,960

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

KEYANO COLLEGE
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
YEAR ENDED JUNE 30, 2019

	Budget		
	(Note 26)	2019	2018
Annual surplus	\$ 1,682,663	\$ 559,990	\$ 3,041,160
Acquisition of tangible capital assets (Note 13)	(2,374,021)	(1,024,037)	(5,697,488)
Proceeds from sale of tangible capital assets		-	1,787
Amortization of tangible capital assets (Note 13)	8,624,931	7,990,505	8,443,911
Loss on disposal of tangible capital assets		231,355	134,385
Change in prepaid expenses		(135,551)	(85,018)
Write downs during the year		-	1,503,971
Change in spent deferred capital contributions (Note 14)		(2,730,313)	(5,423,736)
Change in accumulated remeasurement gains		(545,375)	(265,740)
Change in net financial assets/ net debt		4,346,574	1,653,231
Net financial assets (net debt), beginning of year		1,494,082	(159,149)
Net financial assets, end of year		\$ 5,840,656	\$ 1,494,082

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

KEYANO COLLEGE
CONSOLIDATED STATEMENT OF REMEASUREMENT GAINS AND LOSSES
YEAR ENDED JUNE 30, 2019

	<u>2019</u>	<u>2018</u>
Accumulated remeasurement gains, beginning of year	\$ 909,218	\$ 1,174,958
Unrealized gains (losses) attributable to:		
Portfolio investments - non-endowment	71,057	(20,779)
Amounts reclassified to the consolidated statement of operations:		
Portfolio investments - non-endowment	(616,432)	(244,961)
Accumulated remeasurement gains, end of year	\$ 363,843	\$ 909,218

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

KEYANO COLLEGE
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2019

	2019	2018
Operating transactions		
Annual surplus	\$ 559,990	\$ 3,041,160
Add (deduct) non-cash items:		
Amortization of tangible capital assets (Note 13)	7,990,505	8,443,911
Gain on disposal of portfolio investments	(616,432)	(616,753)
Loss on disposal of tangible capital assets	231,355	134,385
Write down of tangible capital assets (Note 13)	-	1,503,971
Expended capital recognized as revenue (Note 14)	(5,041,170)	(5,933,831)
Investment earnings in government business enterprise (Note 9)	(699,360)	(344,675)
Government business enterprise non-cash interest revenue (Note 9)	(334,959)	(325,722)
Change in non-cash items	2,089,929	5,902,446
Increase in accounts receivable (Note 7)	(2,562,894)	(5,377,679)
Decrease (increase) in inventories for held for sale	2,273	(24,909)
Decrease in accounts payable and accrued liabilities	(2,377,592)	(3,186,210)
Increase (decrease) in deferred revenue	953,968	(5,942,664)
Increase in prepaid expenses	(135,551)	(85,018)
Cash applied to operating transactions	(2,029,867)	(8,714,035)
Capital transactions		
Acquisition of tangible capital assets, less in-kind donations (Note 13)	(674,037)	(5,697,488)
Proceeds on sale of tangible capital assets	-	1,787
Cash applied to capital transactions	(674,037)	(5,695,701)
Investing transactions		
Loan receivable repayments (Note 8)	28,110	27,303
Purchases of portfolio investments	(1,933,939)	(2,847,613)
Proceeds on sale of portfolio investments	7,091,623	2,409,630
Cash provided by (applied to) investing transactions	5,185,794	(410,680)
Financing transactions		
Debt repayment (Note 11)	(1,575,697)	(3,180,640)
Increase in spent deferred capital contributions, less expended capital recognized as revenue (Note 14)	1,960,857	510,095
Cash provided by (applied to) financing transactions	385,160	(2,670,545)
Increase (decrease) in cash and cash equivalents	2,867,050	(17,490,961)
Cash and cash equivalents, beginning of the year	2,807,730	20,298,691
Cash and cash equivalents, end of the year	\$ 5,674,780	\$ 2,807,730

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

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

1. Authority and purpose

The Board of Governors of Keyano College is a corporation that manages and operates Keyano 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 and CEO, who is an ex officio member. Under the *Post-secondary Learning Act*, Campus Alberta Sector Regulation, the College is a comprehensive community institution offering mandated credentials and programs. The College is a registered charity, and under section 149 of the *Income Tax Act (Canada)*, is exempt from the payment of income tax. This tax exemption does not extend to its wholly-owned subsidiary, Keyano College Land Trust Corporation (the "Land Trust").

2. Summary of significant accounting policies and reporting practices

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

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

The measurement of certain assets and liabilities is contingent upon future events; therefore, the preparation of these consolidated financial statements requires the use of estimates, which may vary from actual results. The College's management uses judgment to determine such estimates. Restricted expended capital recognized as revenue, along with collectability of accounts receivable, accrued liabilities and the useful life and corresponding amortization of tangible capital assets are considered the most significant items based on estimates. In management's opinion, the resulting estimates are within reasonable limits of materiality and are in accordance with the significant accounting policies summarized below. These significant accounting policies are presented to assist the reader in evaluating these consolidated financial statements and, together with the following notes, should be considered an integral part of the consolidated financial statements.

b) Valuation of Financial Assets and Liabilities

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

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

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

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

2. Summary of significant accounting policies and reporting practices (cont'd)

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

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

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

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

c) Revenue Recognition

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

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.

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

2. Summary of significant accounting policies and reporting practices (cont'd)

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) Endowment donations

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

iv) Investment income

Investment income includes dividends, interest income and realized gains or losses on the sale of non-endowed portfolio investments. Investment income from restricted grants and donations is recognized as deferred revenue when the terms for use create a liability, and is recognized as investment income when the terms of the grant or donation are met.

The endowment spending allocation portion of investment income earned by endowments is recognized as deferred revenue when the terms for the use by the endowment create a liability. Realized investment income allocated to endowment balances for the preservation of endowment capital purchasing power is recognized in the 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 (excluding unrealized income) on endowments must be used in accordance with the various purposes established by the donors or the Board of Governors. Benefactors, as well as the College's policy, stipulates that the economic value of the endowments must be protected by limiting the amount of income that may be expended and by reinvesting unexpended income.

Under the *Post-secondary Learning Act*, the College has the authority to alter the terms and conditions of endowments to enable:

- Income earned by the endowments to be withheld from distribution to avoid fluctuations in the amounts distributed, generally to regulate the distribution of income earned by the endowments.
- Encroachment on the capital of the endowments to avoid fluctuations in the amounts distributed and generally to regulate the distribution of investment income earned by the endowments if, in the opinion of the Board of Governors, the encroachment benefits the College and does not impair the long-term value of the fund.

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

2. Summary of significant accounting policies and reporting practices (cont'd)

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 income. However, for individual endowments without sufficient accumulated capitalized investment income, the spending allocation will be suspended until sufficient capitalized income is available. The principal of the endowment will remain intact.

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

e) Inventories held for sale

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 ("FIFO") method basis.

f) Tangible Capital Assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets, and costs associated with asset retirement obligations. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset. Work in progress, which includes facilities and improvement projects and development of information systems, is not amortized until after the project is complete and the asset is in service. Assets or disposal groups that are classified as held-for-sale are measured at the lower of carrying amount and fair value less costs to sell.

Capital lease liabilities are recorded at the present value of the minimum lease payments at the inception of the lease, excluding executor costs (e.g. insurance, maintenance costs, etc.). The discount rate used to determine the present value of the lease payments is the lower of the College's rate for incremental borrowing or the interest rate implicit in the lease.

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

Land improvements	20 - 40 years
Buildings and renovations	10 - 40 years
Equipment	5 - 25 years
Other	5 - 25 years
Computer hardware & software	3 - 15 years

Tangible capital asset write-downs are recognized when conditions indicate that they no longer contribute to the College's ability to provide services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. Net write-downs are recognized as an expense.

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

2. Summary of significant accounting policies and reporting practices (cont'd)

Intangible assets, 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) Asset Retirement Obligations

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

h) Foreign Currency Translation

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

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

i) Employee Future Benefits

Pension

The College participates with other employers in the Local Authorities Pension Plan (LAPP). This pension plan is a multi-employer defined benefit pension plan that 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 LAPP to follow the standards for defined benefit accounting, and therefore follows the standards for defined contribution accounting. Accordingly, pension expense recognized for the LAPP is comprised of employer contributions to the plan that are required for its employees during the year, which are calculated based on actuarially predetermined amounts that are expected to provide the plan's future benefits.

**KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019**

2. Summary of significant accounting policies and reporting practices (cont'd)

j) Basis of Consolidation

Consolidated entities

The consolidated financial statements consolidate the accounts of Keyano College Foundation (the "Foundation") on a line-by-line basis. The Foundation is a registered public foundation created to solicit, receive and administer funds and property donated for the advancement of Keyano College.

Investment in Keyano College Land Trust

The consolidated financial statements include the accounts of Keyano College Land Trust (the "Land Trust"), a Government business enterprise (GBE), using the modified equity basis, with equity being computed in accordance with accounting standards applicable to the Land Trust. The purpose of the Land Trust is to maximize the value of specific College lands through development, sales and leases for purposes aligned with College needs. Under the modified equity method, the accounting policy of the GBE is not adjusted to conform to that of the other government entities.

k) 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. The liability is recognized net of any expected recoveries. A liability for remediation of contaminated sites normally results from an operation(s) no longer in productive use and/or an unexpected event occurs resulting in contamination, and is recognized when all of the following criteria are met:

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

l) Expense by Function

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

Instruction and training

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

Academic and student support

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

Facility operations and maintenance

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

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

2. Summary of significant accounting policies and reporting practices (cont'd)

Institutional support

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

Ancillary services

Expenses related to services and products provided to the College community and to external individuals and organizations. Services include the bookstore, parking, student residences, theatre and the Sport & Wellness Centre.

Special purpose and Trust

Fundraising expenses related to the sales of services and products and donations and other contributions earned.

m) 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.

n) Future Accounting Changes

In August 2018, the Public Sector Accounting Board issued PS 3280 Asset retirement obligations. This accounting standard is effective for fiscal years starting on or after April 1, 2021. Asset retirement obligations provides guidance on how to account for and report a liability for retirement of a tangible capital asset.

In November 2018, the Public Sector Accounting Board issued PS 3400 Revenue. This accounting standard is effective for fiscal years starting on or after April 1, 2022 and provides guidance on how to account for and report on revenue, specifically addressing revenue arising from exchange transactions and unilateral transactions.

Management is currently assessing the impact of these new standards on the consolidated financial statements.

3. Adoption of new accounting standard

The College has prospectively adopted PS 3430 Restructuring transactions. This accounting standard is effective for fiscal years starting on or after April 1, 2018. Restructuring transactions defines and establishes disclosure standards for restructuring transactions. The adoption of this standard did not affect the consolidated financial statements.

**KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019**

4. Cash and cash equivalents

	2019	2018
Cash	\$ 5,027,659	\$ 1,512,537
Money market funds and interest bearing accounts	555,109	1,239,107
Restricted cash	92,012	56,086
	\$ 5,674,780	\$ 2,807,730

Cash equivalents includes money market funds, interest bearing accounts and short term investments with a maturity date of less than three months from the date of acquisition.

Restricted cash relates to a casino bank account with external restrictions from Alberta Gaming, Liquor and Cannabis (AGLC).

5. Portfolio investments

	2019	2018
Portfolio investments - non-endowment	\$ 4,244,052	\$ 11,056,382
Portfolio investments - restricted for endowments	6,405,974	5,330,800
Total portfolio investments at fair market value	10,650,026	16,387,182
Guaranteed investment certificate non-endowment at amortized cost	1,586,587	775,623
	\$ 12,236,613	\$ 17,162,805

Total portfolio investments (non-endowment) amounts presented on the consolidated statement of financial position are made up of investments in pooled funds and guaranteed investment certificate totaling \$5,830,639 (2018 - \$11,832,005).

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

	2019			
	Level 1	Level 2	Level 3	Total
Portfolio investments at fair value				
Bonds				
Canadian government and corporate bonds	-	\$ 5,305,142	-	\$ 5,305,142
Equities				
Canadian equity fund	-	2,320,364	-	2,320,364
Foreign equity fund	-	3,024,520	-	3,024,520
Total portfolio investments	-	\$ 10,650,026	-	\$ 10,650,026
	0%	100%	0%	100%

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

5. Portfolio investments (cont'd)

	2018			Total
	Level 1	Level 2	Level 3	
Portfolio investments at fair value				
Bonds				
Canadian government and corporate bonds	-	\$ 7,914,097	-	\$ 7,914,097
Equities				
Canadian equity fund	-	3,963,523	-	3,963,523
Foreign equity fund	-	4,509,562	-	4,509,562
Total portfolio investments	-	\$ 16,387,182	-	\$ 16,387,182
	0%	100%	0%	100%

The guaranteed investment certificates are carried at amortized cost, therefore, their carrying amounts are not included in the fair value hierarchy tables above.

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).

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 the market prices. The sensitivity rate is determined using the historical annualized standard deviation for the total portfolio investment pool over a four year period as determined by Franklin Templeton Investments Corp. At June 30, 2019, if market prices had a 10% (2018 – 10%) increase or decrease, with all other variables held constant, the increase or decrease in accumulated remeasurement gains and losses and deferred revenue for the year would be \$1,065,748 (2018 - \$1,605,944).

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

6. Financial Risk Management (cont'd)

Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The College is exposed to foreign exchange risk on investments that are denominated in foreign currencies. The College does not use foreign currency forward contracts or any other type of derivative financial instruments to manage the foreign currency exposure on these investments. The College's exposure to foreign exchange risk is very low due to minimal business activities conducted in a foreign currency.

Credit risk

Counterparty credit risk is the risk of loss arising from the failure of a counterparty to fully honor its financial obligations with the College. To manage the risk, the College has established an investment policy with required minimum credit quality standards and issuer limits. The credit risk from accounts receivable is low as the majority of balances are due from government agencies and corporate sponsors.

The credit risks on investments held are as follows:

Credit rating	2019	2018
AAA	18.6%	22.4%
AA	25.7%	22.7%
A	36.3%	36.5%
BBB	19.4%	18.4%
	100.0%	100.0%

Liquidity risk

Liquidity risk is the risk that the College will encounter difficulty in meeting obligations associated with its financial liabilities. The College maintains a short-term line of credit that is designed to ensure that funds are available to meet current and forecasted financial requirements in the most cost effective manner. As at June 30, 2019 the College has (1) a lease line of credit of \$4.5 million (2018 - \$4.5 million) which has not been withdrawn and (2) a revolving line of credit of \$1.5 million (2018 - \$1.5 million) which has not been withdrawn.

Interest rate risk

Interest rate risk is the risk to the College's earnings that arise from the fluctuations in interest rates and the degree of volatility of these rates. This risk is managed by investment policies that limit the term to maturity of certain fixed income securities that the College holds. If interest rates increased by 1.0% and all other variables are held constant, the potential loss in fair value to the College would be approximately 3.8% of total investments (2018: 3.5%). Interest risk on the College's debt is managed through fixed-rate agreements with Alberta Capital Finance Authority (Note 11). The maturity and effective market yield of interest bearing investments are as follows:

	< 1 year	1 - 5 years	> 5 years	Average effective market yield
Cash and cash equivalents	100%	0%	0%	n/a
Portfolio investments, Canadian government and corporate bonds	5.22%	21.48%	73.29%	2.54%

**KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019**

7. Accounts Receivable

	2019	2018
Trade receivables	\$ 555,449	\$ 629,462
Accrued receivables	9,084,936	5,744,628
Loan receivables from staff	8,740	25,346
Canada Revenue Agency (Goods and Services Tax)	124,640	817,447
Student receivables	32,135	-
Less: Allowance for doubtful accounts	(50,489)	(24,367)
	\$ 9,755,411	\$ 7,192,517

Accounts receivable are unsecured and non-interest bearing. Trade receivables are related to corporate training, continuing education and other rentals.

Accrued receivables balance includes amount owed from the Ministry of Advanced Education of \$8,580,003 (2018 - \$5,035,796) and an additional \$nil (2018 - \$1,224) from other Government of Alberta departments and agencies. These amounts are also included in government transfers balances (Note 23).

Loans receivable from staff includes computer loans that are repaid within 30 months with no interest.

8. Loan Receivable

During fiscal 2015, the College entered into a lease agreement with YMCA of Wood Buffalo by providing a renovated space. The College charges YMCA of Wood Buffalo interest on the capital cost of the renovations at a rate of 2.92% per annum. The capital cost is to be repaid by YMCA of Woof Buffalo over a period of 15 years.

Principal payments in each of the next five years and thereafter are as follows:

	2019
2020	\$ 28,942
2021	29,799
2022	30,680
2023	31,588
2024	32,523
Thereafter	209,836
	\$ 363,368

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

9. Investment In and Advances to Government Business Enterprise (Note 25)

On July 4, 2013, the College transferred 611.04 acres of land development to the Land Trust with a cost base of \$6,876,225. This transaction occurred outside the course of normal operations, and was measured at its carrying value.

Included in sales of services and products is \$450,000 (2018 - \$450,000) in service fees related to cost recoveries from the Land Trust. The transaction occurred in the normal course of operations and was measured at the exchange amount. The exchange amount has been agreed to and established by the Land Trust and the College through a signed master service agreement.

On June 26, 2015, the College entered into a signed agreement with the Land Trust that set the terms of repayment of the principal amount upon demand of the College. Until such demand is made, the Land Trust covenants and agrees to accrue compounding interest monthly. The advances are to bear interest at a rate not to exceed the expected rate of return set by the investment policy of the College. As at June 30, 2019 the interest rate was 2.8% (2018 - 2.8%) with no covenants or repayment plan. The College records interest income on the advances to the Land Trust of \$334,959 (2018 - \$325,722).

Interest revenue and other advances in the amount of \$334,959 (2018 - \$325,722) were non-cash transactions and have been excluded from the consolidated statement of cash flows.

The balance represents the investment in the Land Trust with the following breakdown:

	2019	2018
100 Class "A" common voting shares⁽¹⁾	\$ 10	\$ 10
Opening advances	\$ 11,810,100	\$ 11,484,378
Interest on advances	334,959	325,722
Total advances to Keyano College Land Trust	12,145,059	11,810,100
Opening accumulated investment earnings	3,973,909	3,629,234
Current investment earnings (Note 25)	699,360	344,675
Total accumulated earnings	4,673,269	3,973,909
	<u>\$ 16,818,338</u>	<u>\$ 15,784,019</u>

⁽¹⁾ The Board of Governors of Keyano College is the registered holder of 100 Class "A" common voting shares of the Keyano College Land Trust Corporation.

10. Employee Future Benefit Liabilities

Defined benefit plan accounted for on a defined contribution basis.

The Local Authority Pension Plan ("LAPP") is a multi-employer contributory defined benefit pension plan for support staff members and is accounted for on a defined contribution basis. At December 31, 2018, the LAPP reported an actuarial surplus of \$3,469,347,000 (December 31, 2017 - \$4,835,515,000). An actuarial valuation of the LAPP was carried out as at December 31, 2017 and was then extrapolated to December 31, 2018. The pension expense recorded in these consolidated financial statements is \$2,761,405 (2018 - \$2,983,297). Other than the requirement to make additional contributions, the College does not bear any risk related to the LAPP.

**KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019**

11. Debt

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

	Collateral*	Maturity	Interest Rate	2019	2018
Debtures payable to Alberta Capital Finance Authority:					
Campus Development Project	1	June 2026	6.5%	\$ 2,479,657	\$ 2,745,407
Deferred Housing Maintenance	2	December 2020	3.4%	310,315	507,985
Power & Process Lab	3	June 2032	2.9%	14,290,985	15,164,544
				17,080,957	18,417,936
Obligations under capital leases	4	Various	0% to 5.6%	180,461	419,179
				\$ 17,261,418	\$ 18,837,115

*Collateral:

- (1) Title to building with a net book value of \$3,409,397 (2018 - \$3,654,370) (Note 13).
- (2) None.
- (3) Title to the land for the College's Suncor Energy Industrial Campus main building with a net book value of \$403,400 (2018 - \$578,209).
- (4) Title to leased assets with a net book value of \$146,629 (2018- \$244,382) (Note 13).

Principal and interest repayments are as follows:

	Principal	Interest	Total
2020	\$ 1,523,772	\$ 595,726	\$ 2,119,498
2021	1,427,055	531,543	1,958,598
2022	1,301,048	477,435	1,778,483
2023	1,351,047	427,435	1,778,482
2024	1,403,279	375,204	1,778,483
Thereafter	10,255,217	1,267,256	11,522,473
	\$ 17,261,418	\$ 3,674,599	\$ 20,936,017

Interest expense on debt is \$641,896 (2018 - \$698,185) (Note 21) and is included in the consolidated statement of operations.

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

12. Deferred Revenue

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

	2019			2018	
	Unspent externally funded grants and donations	Tuition, fundraising and other fees	Total	Total	
Balance, beginning of year	\$ 12,419,027	\$ 2,634,012	\$ 15,053,039	\$	20,995,703
Grants, tuition, and donations	12,593,767	3,004,904	15,598,671		14,819,798
Investment income	246,570	-	246,570		124,720
Unrealized gains on investments	110,850	-	110,850		130,843
Transfers to spent deferred capital contributions	(2,310,857)	-	(2,310,857)		(510,095)
Other transfers	1,073,741	(1,594,336)	(520,595)		(94,000)
Recognized as revenue	(9,638,596)	(2,371,640)	(12,010,236)		(20,413,932)
Balance, end of year	<u>\$ 14,494,502</u>	<u>\$ 1,672,940</u>	<u>\$ 16,167,442</u>	<u>\$</u>	<u>15,053,039</u>

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

13. Tangible Capital Assets

	2019						2018	
	Land	Land Improvements	Buildings & Renovations	Equipment ⁽¹⁾	Computer Hardware & Software	Other ⁽²⁾	Total	Total
Cost								
Balance, beginning of year	\$ 12,980,333	\$ 1,825,321	\$ 154,333,656	\$ 36,059,629	\$ 7,582,879	\$ 3,277,403	\$ 216,059,221	\$ 220,093,635
Acquisitions	-	-	363,652	473,068	187,317	-	1,024,037	5,697,488
Disposals, including write-downs	-	-	-	(1,902,037)	-	-	(1,902,037)	(9,731,903)
	12,980,333	1,825,321	154,697,308	34,630,660	7,770,196	3,277,403	215,181,221	216,059,221
Accumulated Amortization								
Balance, beginning of year	\$ -	\$ 646,566	\$ 74,888,396	\$ 22,381,776	\$ 6,772,679	\$ 2,928,753	\$ 107,618,170	\$ 107,266,019
Amortization expense	-	81,493	4,328,918	3,195,798	235,743	148,553	7,990,505	8,443,911
Effects on disposals, including write-downs	-	-	-	(1,670,683)	-	-	(1,670,683)	(8,091,761)
	-	728,059	79,217,314	23,906,891	7,008,422	3,077,306	113,937,992	107,618,170
Net book value at June 30, 2019	\$ 12,980,333	\$ 1,097,262	\$ 75,479,994	\$ 10,723,769	\$ 761,774	\$ 200,097	\$ 101,243,229	\$ 108,441,052
Net book value at June 30, 2018	\$ 12,980,333	\$ 1,178,755	\$ 79,445,261	\$ 13,677,853	\$ 810,200	\$ 348,650	\$ 108,441,052	

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

⁽²⁾ Other tangible capital assets include audio/visual equipment and library books.

Buildings and renovations includes work in progress of \$nil (2018 - \$1,119,228). Computer hardware and software includes work in progress of \$359,729 (2018 - \$294,150). Furniture and equipment includes work in progress of \$nil (2018 - \$1,042,755). Acquisitions during the year includes gift-in-kind contributions of \$350,000 (2018 - \$nil). During the year there was a write down of tangible capital assets of \$nil (2018 - \$1,503,971) for assets where management has assessed there is no remaining value.

Total cost of capital leases included in equipment is \$1,189,180 (2018 - \$1,189,180), accumulated amortization is \$1,042,551 (2018 - \$726,765) and amortization expense is \$190,116 (2018 - \$79,215).

Gift-in-kind contributions, acquisitions in accounts payable and accrued liabilities, bank indebtedness and capital leases are non-cash transactions and have been excluded from the consolidated statement of cash flows.

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

14. 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).

	<u>2019</u>	<u>2018</u>
Spent deferred capital contributions		
Balance, beginning of year	\$ 56,909,621	\$ 62,333,357
Transfers from unspent externally restricted grants and donations	2,310,857	510,095
Expended capital recognized as revenue	(5,041,170)	(5,933,831)
Balance, end of year	<u>\$ 54,179,308</u>	<u>\$ 56,909,621</u>

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

15. Net Assets

	Accumulated surplus from operations	Investment in tangible capital assets	Internally restricted surplus (Note 16)	Endowments	Total
Net assets, as at June 30, 2017	\$ 4,574,958	\$ 28,476,509	\$ 12,966,774	\$ 4,665,516	\$ 50,683,758
Annual operating surplus	2,814,254				2,814,254
Endowments					
New donations	-	-	-	81,450	81,450
Capitalized investment income	-	-	-	51,457	51,457
Transfer to endowments	-	-	-	94,000	94,000
Tangible capital assets					
Acquisition of tangible capital assets	-	5,187,393	(5,187,393)	-	-
Amortization of tangible capital assets	2,510,080	(2,510,080)	-	-	-
Debt repayment	(3,180,640)	3,180,640	-	-	-
Net book value of tangible capital asset disposals	1,640,145	(1,640,145)	-	-	-
Net board appropriation to internally restricted surplus (Note 16)	(512,843)	-	512,843	-	-
Change in accumulated remeasurement gains (losses)	(265,740)	-	-	-	(265,740)
Net assets, as at June 30, 2018	7,580,214	32,694,317	8,292,224	4,892,423	53,459,178
Annual operating surplus	489,041				489,041
Endowments					
New donations	-	-	-	44,500	44,500
Capitalized investment income	-	-	-	26,449	26,449
Tangible capital assets					
Acquisition of tangible capital assets	(402,608)	402,608	-	-	-
Work in progress transfers funded by contributed capital	1,689,432	(1,689,432)	-	-	-
Amortization of tangible capital assets	2,949,335	(2,949,335)	-	-	-
Debt repayment	(1,575,697)	1,575,697	-	-	-
Net book value of tangible capital asset disposals	231,355	(231,355)	-	-	-
Net board appropriation to internally restricted surplus (Note 16)	(469,454)	-	469,454	-	-
Change in accumulated remeasurement gains (losses)	(545,375)	-	-	-	(545,375)
Net assets, as at June 30, 2019	9,946,243	29,802,500	8,761,678	4,963,372	53,473,793
Net assets is comprised of:					
Accumulated surplus	9,582,400	29,802,500	8,761,678	4,963,372	53,109,950
Accumulated remeasurement gains and losses	363,843	-	-	-	363,843
Balance as at June 30, 2019	\$ 9,946,243	\$ 29,802,500	\$ 8,761,678	\$ 4,963,372	\$ 53,473,793

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

16. Internally Restricted Surplus

Internally restricted surplus represent amounts set aside by the College's Board of Governors for specific purposes. The Board passed a motion for internally restricted surplus on May 30, 2014 where the unrestricted operating surplus is to be maintained at 5% of the budgeted operating revenues; \$2,000,000 is to be restricted for educational purposes and the rest is restricted for future capital activities. Those amounts are not available for other purposes without the approval of the Board and do not have interest allocated to them. This policy is under review and no adjustment has been made for fiscal 2018/19. Total restricted professional development for the year per agreement with Faculty Association is \$225,894 (2018 - \$197,400). Total restricted housing reserve for the year is \$243,560 (2018 - \$315,443) as per the Board of Governors resolution passed on April 22, 2016.

17. Contingent Assets

The College, in the conduct of its normal activities, initiated legal matters and insurance claims where possible assets are being sought. These contingent assets are not recognized in the consolidated financial statements. While the outcomes of these matters cannot be reasonably estimated at this time, the College believes that any settlement will not have a material effect on the consolidated financial position or the consolidated results of operations of the College.

In October 2019, the College accepted a settlement offer of \$1,530,302 on its outstanding business interruption insurance claim that arose from the 2016 Fort McMurray Wildfire. No asset has been recorded in these financial statements with respect to this claim.

18. Contingent Liabilities

At June 30, 2019, the College was named as defendant in one (2018: two) specific legal action. The total claimed in the legal case approximates \$162,047 (2018: \$162,047). The second claim from 2018 was withdrawn in 2019 and no payment was made by the College.

The College has identified hazardous substances including asbestos, in one of its buildings which is temporarily out of service. Although not a current health hazard, upon renovation or demolition of this facility, the College may be required to take appropriate remediation procedures to remove these contaminants. As the College has no legal obligation to remove these contaminants as long as they remain contained and do not pose a public health risk, the fair value of the obligation cannot be reasonably estimated due to the indeterminate timing and scope of the removal. No liability has been recognized for this building as further testing and evaluation is required to determine the extent of possible remediation activities.

Keyano College Land Trust (the Trust) leases part of its land to various third party companies who use it as laydown yards. There is a risk of contamination at these sites arising primarily from the nature of the tenants' business operations. Therefore, in October 2019, the Trust engaged an expert to conduct a phase I environmental site assessment (ESA) on the land under lease. Based on the preliminary results of phase I ESA, the Trust management will request a phase II ESA, which will involve taking samples of soil to determine the extent of contamination. Until the expert's work is complete, the Trust management is unable to verify the extent to which contamination may exceed established government standards. Therefore no liability has been recorded for these sites at June 30, 2019. If remediation activities are required for these sites, a liability will be recorded net of the amount borne by the tenants per the tenant agreements, when the extent becomes measurable.

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

19. 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.

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

	Operating Leases
2020	\$ 371,678
2021	212,155
2022	196,912
2023	119,783
2024	31,469
Thereafter	-
	\$ 931,997
Total at June 30, 2018	\$ 447,004

20. 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	Operation, Maintenance and interest amounts from Capital Leases	Information Systems and Technology	Theatre	Long-term Leases	Total
2020	\$ 2,530,330	\$ 2,426,402	\$ 366,360	\$ 47,709	\$ 56,400	\$ 5,427,201
2021	122,423	-	86,552	-	-	208,975
2022	95,077	-	81,748	-	-	176,825
2023	92,655	-	48,781	-	-	141,436
2024	89,780	-	-	-	-	89,780
Thereafter	-	-	-	-	-	-
	\$ 2,930,265	\$ 2,426,402	\$ 583,441	\$ 47,709	\$ 56,400	\$ 6,044,217
Total at June 30, 2018	\$ 2,281,953	\$ 5,171,115	\$ 750,017	\$ 30,100	\$ 98,400	\$ 8,331,585

**KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019**

21. Expense by Object

The following is a summary of expense by object:

	2019		2018
	Budget (Note 26)	Actual	Actual
Salaries and benefits	\$ 39,164,176	\$ 38,202,557	\$38,621,235
Materials, supplies and services	14,782,604	17,136,598	30,193,712
Amortization of tangible capital assets	8,624,931	7,990,505	8,443,911
Utilities	2,230,744	2,142,093	2,153,322
Repairs and maintenance	4,438,282	2,085,302	2,195,400
Cost of goods sold	655,000	875,479	774,432
Interest on debt (Note 11)	-	641,896	698,185
Scholarships and bursaries	770,000	719,777	342,828
Fundraising expenses	36,000	1,082,157	1,377,173
	\$ 70,701,737	\$ 70,876,364	\$84,800,198

22. Related Parties

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

The College has liabilities with Alberta Capital Finance Authority (Note 11). There were no other related party transactions during the year that met PS 2200 disclosure requirements.

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

23. Government Transfers

	2019	2018
Grants from Government of Alberta		
Advanced Education:		
Operating	\$ 38,122,686	\$36,912,669
Capital	2,799,605	4,875,293
Apprenticeship	1,318,351	834,752
Other	943,915	1,316,638
Total Advanced Education	43,184,557	43,939,352
Other post-secondary institutions	54,647	-
Other Government of Alberta departments and agencies:		
Environment and Parks	239,818	-
Culture, Multiculturalism and Status of Women	52,907	-
Community and Social Services/ Children's Services	63,599	5,200
Other	-	259,965
Total other Government of Alberta departments and agencies	356,324	265,165
Total contributions received	43,595,528	44,204,517
Restricted expended capital recognized as revenue	3,833,249	4,710,994
Add: change in deferred contributions	1,873,558	10,324,276
	\$ 49,302,335	\$59,239,787
Federal and other government grants		
Contributions received	255,407	1,048,347
Less: deferred revenue	1,239,815	-
Revenue	\$ 1,495,222	\$ 1,048,347
Accounts receivable (Accrued receivables (Note 7))		
Advanced Education	8,580,003	5,035,796
Other Government of Alberta departments and agencies	-	1,224
Alberta public post-secondary institutions	-	595
	\$ 8,580,003	\$ 5,037,615
Accounts payable		
Advanced Education	\$ 520,595	\$ 193,207

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

24. Salary and Employee Benefits

	2019			2018	
	Base Salary ⁽¹⁾	Other Cash Benefits ⁽²⁾	Other Non-Cash Benefits ⁽³⁾	Total	Total
Governance					
Members of the Board of Governors	\$ -	\$ 4,826	\$ -	\$ 4,826	\$ 4,065
Executive					
President & CEO ⁽⁴⁾	235,100	12,480	32,334	279,914	301,167
Vice-Presidents:					
Vice-President Corporate Services & CFO ⁽⁵⁾	208,267	13,788	20,267	242,322	345,622
Vice President Infrastructure & Chief Information Officer ⁽⁶⁾	36,615	3,222	6,849	46,686	-
Vice-President Academic ⁽⁷⁾	215,803	132,092	26,357	374,252	299,887
Vice-President Community Relations ⁽⁸⁾	93,592	9,703	14,176	117,471	-
Vice-President External Relations & Advancement ⁽⁹⁾	-	-	-	-	258,673

(1) Base salary includes pensionable base pay.

(2) Other cash benefits include severance payments, honoraria, automobile allowances, living allowances, and other allowances.

(3) 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, and accidental death dismemberment insurance. An automobile is provided to the President & CEO for which no dollar amount is included in the above table.

(4) This position was occupied by two individuals at different times during the year ending June 30, 2018. The first incumbent departed on March 6, 2018, while the second was appointed on June 25, 2018.

(5) This position was occupied by two individuals at different times during the year. The first incumbent occupied the position until July 4, 2018, while the second incumbent occupied from July 9, 2018 to June 30, 2019.

(6) Vice President Infrastructure and Chief Information Officer was appointed on April 29, 2019.

(7) This position was occupied by two individuals at different times during the year. The first incumbent occupied the position from July 1, 2018 to January 28, 2019, while the second incumbent occupied from February 1, 2019 to June 30, 2019.

(8) Vice President Community Relations and Advancement was appointed on July 17, 2018 and departed on January 28, 2019.

(9) Vice President External Relations and Advancement was appointed on April 1, 2017 and departed on June 29, 2018.

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

25. Condensed Supplementary Financial Information of Keyano College Land Trust (Note 9)

The following table provides condensed financial information reported separately for Keyano College Land Trust. The Land Trust audited financial statements are prepared in accordance with the International Financial Reporting Standards.

	2019	2018
Assets		
Cash and cash equivalents	\$ 1,848,603	\$ 942,036
Accounts receivable	50,057	19,433
Prepaid expenses	119,905	118,061
Inventory - land for resale ⁽¹⁾	-	12,864,913
Property and equipment	-	4,378
Advance on land development fees ⁽²⁾	450,000	450,000
Investment property ⁽¹⁾	17,320,179	4,497,925
	\$ 19,788,744	\$ 18,896,746
Liabilities		
Bank Indebtedness and lot development loan	\$ -	\$ 2,931,327
Accounts payable and accrued liabilities	35,656	55,443
Advances from Keyano College	12,145,051	11,810,092
Due to Keyano College	10	10
Deferred lease rental revenue	2,795,743	4,200
Security deposits	139,015	121,765
	\$ 15,115,475	\$ 14,922,837
Equity		
Trust Surplus	\$ 4,673,269	\$ 3,973,909
	\$ 19,788,744	\$ 18,896,746
Comprehensive income		
Revenues	\$ 2,085,608	\$ 2,186,368
Expenses	(1,386,248)	(1,841,693)
	\$ 699,360	\$ 344,675

⁽¹⁾ During the year, Inventory - land for resale was transferred to investment property in accordance with IAS 40.57 to reflect the change in use of this property.

⁽²⁾ In 2015, the Trust advanced a payment of \$450,000 to the contractor for services to be rendered in the future. In prior years, the Trust classified this amount as inventory, however, in the current year, management reclassified it as an advance payment. This classification change has been applied retrospectively with restatement of comparative numbers.

26. Budget Figures

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

27. Comparative Figures

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



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