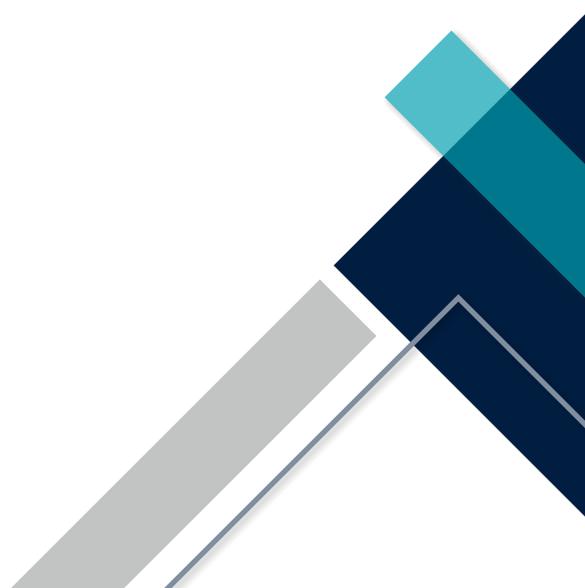




ANNUAL REPORT

2020-2021





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".

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ACCOUNTABILITY STATEMENT

Keyano College's Annual Report for the year ending June 30, 2021 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 SHELLEY POWELL, MBA, MSc, BASc]

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 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 institution audit committee, as well as approved by the Board of Governors and is prepared in accordance with the *Fiscal Planning and Transparency Act* and the *Post-Secondary Learning Act*.

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

[ORIGINAL SIGNED BY DALE MOUNTAIN]

Dale Mountain,
Interim President & CEO

[ORIGINAL SIGNED BY ROBERT LESAGE]

Robert LeSage,
Vice President, Corporate Services & CFO

MESSAGE FROM THE BOARD CHAIR

The resiliency of this community and the College never ceases to amaze and will continue to bring us closer and make us stronger.



Keyano College has been an integral part of the Fort McMurray Wood Buffalo Community for over 55 years. Humble beginnings defined the College as firmly committed to industry while expanding and growing with the needs of the ever changing community and economy. We have proudly taken on these challenges over our history, but the last few years have been like none we have ever experienced.

When reviewing 2020-2021, the challenges continued with the COVID-19 pandemic, delivering our programs online, budget cuts, all while rebuilding from the once in a century flood. The resiliency of this community and the College never ceases to amaze and will continue to bring us closer and make us stronger.

In the 2020-21 academic year, the College added three new programs including a Business Administration Diploma - Esports Management. The College continues to work with other institutions and offered multiple collaborative degree options. In addition, the College's university transfer programs, diploma programs, as well as evidence-based programming decisions will continue to contribute to learners getting jobs and starting businesses that help diversify the province's economy. Keyano College has created a Work-integrated Learning Strategy to enhance current programming and is collaborating with Alberta Apprenticeship and Industry Training (AIT) on a new technical training model.

The COVID-19 pandemic presented unique challenges to students, not only with online learning and isolation, but with mental health. The College was committed to having supports in place for their mental health and wellbeing. Counselling services, self-help peer groups, support resources, and Student Services and Wellness Services student check-ins were as important as the classes themselves. In addition, over 100 active employees participated in 16 virtual and in-person wellness sessions including such topics as Mental Health First Aid.

Keyano College continues to pivot and adapt as the community changes, recovers, and moves forward. We are pleased to present this report in the past tense and we are looking forward to brighter days.

[ORIGINAL SIGNED BY SHELLEY POWELL, MBA, MSc, BAsc]

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

MESSAGE FROM THE INTERIM PRESIDENT

I am pleased to be presenting the 2020-2021 Annual Report for Keyano College. I would like to recognize some challenges, issues, and also highlight some of our significant achievements from the last year.

Our challenges have been plentiful and obvious. Starting with a global pandemic, recovering from a “once in a century flood” that caused \$55 million in damages to a significant part of our infrastructure, funding reductions, and organizational change. Rarely does an institution deal with so many issues at the same time.

Just a few of our achievements include, our nursing faculty stepped up and helped with the Northern Lights Regional Health Centre when the situation became overwhelming. We pivoted and successfully managed operations and delivery of programming during a pandemic with limited positive cases at the College. This meant moving all programming to an on-line virtual format in response to COVID-19 in April 2020. In the fall of 2020, the College pivoted to a hyflex course delivery mode for some programs such as Childhood Studies, Educational Assistant, Nursing, Business, and Power Engineering.

The College delivered a balanced 2021 Budget without layoffs despite a 5% funding reduction from the Government of Alberta for a cumulative reduction of 17% in three years. The College received a positive report card from the Auditor General of Alberta and implemented an outstanding



recommendation. This is a milestone achievement given past performance and addressed legacy reporting issues dating back a decade. The College also achieved timely reporting to the Ministry of Advanced Education and Office of the Auditor General. These are milestone accomplishments given past record of lengthy delays since 2014.

In addition we received Ministerial approval for three new programs including Business Administration Diploma in Esports. We have been faced with so many challenges the last 18 months, but we have so many accomplishments to be proud of, and these are but a few. We have an exceptional group of people at Keyano College. As my tenure ends as Interim President & CEO, I look back at my time in the role and want to thank the senior leadership team, Keyano College staff, and faculty for the support. I am looking forward to a successful 2021-22 academic year and I am so pleased to welcome students back to campus. We are looking forward with gratitude and optimism.

[ORIGINAL SIGNED BY DALE MOUNTAIN]

Dale Mountain,
Interim President & CEO

We pivoted and successfully managed operations and delivery of programming during a pandemic while dealing with limited positive cases at the College.

PUBLIC INTEREST DISCLOSURE (WHISTLEBLOWER PROTECTION) ACT

Keyano College offers clear avenues for the safe disclosure of concerns related to wrongdoing and misconduct. Keyano College received one disclosure under the *Public Interest Disclosure (Whistleblower Protection) Act* from July 1, 2020 to June 30, 2021 and the investigation is ongoing.

[ORIGINAL SIGNED BY DALE MOUNTAIN]

Dale Mountain,
Interim President & CEO

OPERATIONAL OVERVIEW

Keyano College proudly resides in Treaty No. 8 Territory, the traditional meeting grounds and gathering places of Canada's First Nations, Métis, and Inuit peoples.

Keyano College is located in the Regional Municipality of Wood Buffalo (RMWB), in Alberta's northern region. Keyano College was established in 1965 as one of several Alberta Vocational Centres owned and operated by the provincial government. Ten years later, the institution changed its name to Keyano College, which is a Cree word for "sharing".

In 1978, Keyano College officially became a public community college with the appointment of its first Board of Governors. Keyano College'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 College supports the community with two campus in Fort McMurray, (Clearwater Main Campus and Suncor Energy Industrial Centre), and outreach to Fort Chipewyan, Fort McKay, and Gregoire Lake.

Keyano College offers programs that lead to dual credit programs, certificates, diplomas, certificates of qualification (trades), and baccalaureate degrees. Keyano College 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 is available to client companies.

Keyano College continues to provide local and relevant access to post-secondary learning while contributing to the Government of Alberta's long-term economic and social objectives.



THE IMPACT OF COVID-19

Like other post-secondary institutions in Canada, Keyano College was significantly impacted by the COVID-19 pandemic. The previously established cross-functional Operations Committee was continued, and a 2020-21 COVID-19 Plan was created and implemented. This included plans on course delivery, student housing, International Education, Health and Wellness, Human Resources, Finance, Information Technology (IT), and Facilities. Strict compliance with Alberta Health Services (AHS) COVID-19 guidance and measures were introduced. Keyano College had no COVID-19 outbreaks in the 2020-21 academic year.

Keyano College experienced a moderate decline in overall student enrolment due to COVID-19. Students expressed a desire for face-to-face delivery, resulting in the delay of their post-secondary studies until future years. Keyano College worked diligently to provide flexibility to students dealing with the impact of COVID-19, including mental health supports, virtual service delivery, and additional classroom supports.

ENROLLMENT PLAN AND PROGRAM CHANGES

Keyano College 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 English for Academic Purposes (EAP) program also provides English language learners (both domestic and international) with the language skills necessary to pursue academic studies.

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.



ACADEMIC UPGRADING AND LANGUAGE

Academic Foundations
 Advanced High School Equivalency
 College Preparation
 English for Academic Purposes
 General High School Equivalency
 Language Instruction for Newcomers to Canada (LINC)

APPRENTICESHIP

Carpenter
 CHEO – Mobile Crane Operator
 CHEO – Tower Crane Operator
 Crane and Hoisting Equipment Operator (Boom Truck)
 Electrician
 Heavy Equipment Technician
 Industrial Mechanic (Millwright)
 Steamfitter/Pipefitter
 Welder

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
 Business Administration Diploma (Co-op) – Accounting
 Business Administration Diploma (Co-op) – Business
 Business Aviation
 Human Resources Management Certificate
 Office Administration Certificate

CHILDHOOD STUDIES

Early Learning and Child Care Certificate
 Early Learning and Child Care Diploma
 Educational Assistant

ENVIRONMENTAL STUDIES

Community-Based Environmental Monitoring
 Environmental Technology Diploma
 Environmental Technology Diploma (Co-op)
 Mount Royal University - Bachelor of Science - Environmental Science

HUMAN SERVICES

Social Work Diploma

NURSING AND ALLIED HEALTH

Advanced Care Paramedic (ACP)
 Primary Care Paramedic (PCP)
 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

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
 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

ENROLMENT OVERVIEW

GRADUATES



405

students graduated
in 2020-21 ¹

CREDIT PROGRAMMING QUALIFIED APPLICATIONS

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

2,276

in 2020-21 COMPARED
TO 2,449 in 2019-20 ²

QUALIFIED APPLICATIONS TO REGISTRATION RATE



51%

was the qualified
application to
registration rate in
2020-21 ²

NON-CREDIT PROGRAMMING

Continuing Education
Registrations: **3,050** ³

Corporate Training
Registrations: **289** ³

Continuing Education
Headcount: **1,395** ³

Corporate Training
Headcount: **115** ³

**OVERALL TOTAL
REGISTRATIONS:**

3,339

**OVERALL TOTAL
UNIQUE HEADCOUNT:**

1,505 ⁴

In the 2020-21 academic year, Keyano College submitted the proposal for the Business Administration Diploma - Esports Management and received approval for delivery in the 2021-22 academic year.

¹ DATA COLLECTION AND REPORTING (DCAR)-LEARNER AND ENROLMENT REPORTING SYSTEM (LERS) | ² KEYANO COLLEGE STUDENT ENROLMENT SYSTEM (SIS) POWER-TAY APPLICATION REPORT | ³ KEYANO COLLEGE STUDENT ENROLMENT SYSTEM (SIS) POWERCAMPUS | ⁴ THE TOTAL UNIQUE HEADCOUNT IS NOT THE SUM OF THE INDIVIDUAL CREDENTIAL ENROLMENTS BECAUSE STUDENTS MAY BE ENROLLED IN MORE THAN ONE CREDENTIAL IN A GIVEN YEAR | ⁵ DATABASE.CALP.CA | ⁶ PROVIDER AND PROGRAM REGISTRY SYSTEM (PAPRS) | ⁷ ENROLLED CREDITS FOR FULL-TIME/PART-TIME STUDENTS ONLY, EXCLUDING APPRENTICESHIP STUDENTS, COURSES UNDER ACADEMIC UPGRADING, CERTIFICATE, DIPLOMA (EXCLUDING TRADES AND OCCUPATION RELATED PROGRAMS), AND UNIVERSITY STUDIES PROGRAMS CONSIDERED SUCCESSFUL COMPLETION WITH A MINIMUM GRADE OF C- OR 60%. COURSES UNDER TRADES AND OCCUPATION RELATED PROGRAMS CONSIDERED SUCCESSFUL COMPLETION WITH A MINIMUM GRADE OF 65%.

GOALS AND PERFORMANCE MEASURE

Keyano College is committed to achieving its goals and objectives as set out in the 2019/22 Comprehensive Institutional Plan. Keyano College's accomplishments are reported below and are strongly linked to Alberta's adult learning system principles – Accessibility, Affordability, Quality, Accountability, and Coordination.

LEGISLATED ROLES AND MANDATES

PATHWAYS TO DEGREE-GRANTING IN ALBERTA

Keyano College collaborates with Campus Alberta partners to offer high-quality, relevant life-long learning opportunities, collaborative degrees, and flexible transfer agreements. The College offers multiple Collaborative Degree options, including: a Bachelor of Business Administration with the Northern Alberta Institute of Technology (NAIT), a Bachelor of Science in Nursing and a Bachelor of Education – Elementary Education with the University of Alberta, and a Bachelor of Science in Environmental Science with Mount Royal University.

COLLABORATIVE DEGREES

- Bachelor of Business Administration**
Northern Alberta Institute of Technology (NAIT)
- Bachelor of Education, Elementary Education**
University of Alberta
- Bachelor of Science in Environmental Science**
Mount Royal University
- Bachelor of Science in Nursing**
University of Alberta

NUMBER OF STUDENTS IN COLLABORATIVE DEGREE PROGRAMS



BACHELOR OF BUSINESS ADMINISTRATION
Northern Alberta Institute of Technology (NAIT)

15³



BACHELOR OF SCIENCE IN NURSING
University of Alberta

46³



BACHELOR OF EDUCATION – ELEMENTARY EDUCATION
University of Alberta

26³



BACHELOR OF SCIENCE IN ENVIRONMENTAL SCIENCE
Mount Royal University

9¹

COLLABORATION, TRANSFER AGREEMENTS, AND LEARNER PATHWAYS

Students can earn university credits, diplomas, and degrees by taking courses at Keyano College. The majority of university transfer courses at Keyano College are modelled on the University of Alberta courses. However, students can successfully apply to transfer to the University of Lethbridge, the University of Calgary, and MacEwan University.

ADVANCED CREDIT AND TRANSFER OUT

295 Total advanced Credit /
courses (transferred in)³

124 Total Unique students granted
advanced Credit (Transferred In)³

Several initiatives related to learner pathways also exist at Keyano College. Namely, (1) the LINC program, funded by the Government of Canada; (2) the English for Academic Purposes Program (EAP); (3) the Community Adult Learning Program (CALP); and (4) Dual Credit, which is a partnership between Keyano College and local and regional school districts. These programs contribute to learner pathways by supporting students to obtain necessary admission requirements or advanced credit towards credentialed programs.

UNIQUE STUDENTS PARTICIPATING IN LEARNER PATHWAYS

229 Language Instruction for
Newcomers to Canada (LINC)¹

10 English for Academic
Purposes Program (EAP)¹

103 Community Adult
Learning Program (CALP)⁵

18 Dual Credit-Electrician³

14 Dual Credit-Heavy
Equipment Technician³

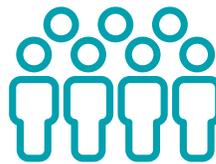
10 Dual Credit-Welder³

¹ DATA COLLECTION AND REPORTING (DCAR)-LEARNER AND ENROLMENT REPORTING SYSTEM (LERS) | ² KEYANO COLLEGE STUDENT ENROLMENT SYSTEM (SIS) POWER-TAY APPLICATION REPORT | ³ KEYANO COLLEGE STUDENT ENROLMENT SYSTEM (SIS) POWERCAMPUS | ⁴ THE TOTAL UNIQUE HEADCOUNT IS NOT THE SUM OF THE INDIVIDUAL CREDENTIAL ENROLMENTS BECAUSE STUDENTS MAY BE ENROLLED IN MORE THAN ONE CREDENTIAL IN A GIVEN YEAR | ⁵ DATABASE.CALP.CA | ⁷ PROVIDER AND PROGRAM REGISTRY SYSTEM (PAPRS) | ⁸ ENROLLED CREDITS FOR FULL-TIME/PART-TIME STUDENTS ONLY, EXCLUDING APPRENTICESHIP STUDENTS. COURSES UNDER ACADEMIC UPGRADING, CERTIFICATE, DIPLOMA (EXCLUDING TRADES AND OCCUPATION RELATED PROGRAMS), AND UNIVERSITY STUDIES PROGRAMS CONSIDERED SUCCESSFUL COMPLETION WITH A MINIMUM GRADE OF C- OR 60%. COURSES UNDER TRADES AND OCCUPATION RELATED PROGRAMS CONSIDERED SUCCESSFUL COMPLETION WITH A MINIMUM GRADE OF 65%.

HEALTHY CAMPUS, MENTAL HEALTH & WELLNESS

The Wellness Services team at Keyano College supports the mental health and wellbeing of all students. Students have direct access to counselling services, self-help peer groups, support resources, workshops, and training. Universal interventions are also a priority at Keyano College, with multiple sessions delivered to whole classes, such as Inquiring Minds and Mindfulness programs for student athletes.

Keyano College also strives to ensure the promotion of a healthy learning environment through its Healthy Campus Committee. Through the Healthy Campus Committee, the College identifies behaviours that represent wellness and demonstrates these behaviours to the College community with the intent to embed these behaviours in Keyano College culture. The Committee also provides resources and tools to the College community to support wellness.



Over 150 unique students accessing wellness services (counselling appointments) in the 2020-21 academic year. ¹



49% of active employees took part in a wellness survey in the 2020-21 academic year aimed at assessing employee feedback on various wellness topics. ²



Over 100 active employees participated in 16 virtual and in-person sessions including such topics as Mental Health First Aid, Building a Culture of Strength, and Gratitude in the Workplace. ³

¹ CLOCKWORK DATABASE | ² HEALTHY CAMPUS: HEALTH AND WELLNESS SURVEY (JANUARY 2021) | ³ HEALTHY CAMPUS COMMITTEE DATA REPOSITORY.
⁴ PROVIDER AND PROGRAM REGISTRY SYSTEM (PAPRS) | ⁵ RBC FUTURE SKILLS GRANT | ⁶ KEYANO COLLEGE STUDENT ENROLMENT SYSTEM (SIS) POWERCAMPUS

PROGRAMMING AND STUDENT SUPPORT TO MEET THE NEEDS OF STUDENTS AND EMPLOYERS

WORK-INTEGRATED LEARNING

Keyano College is committed to supporting Alberta's Recovery Plan, particularly following the COVID-19 pandemic, global recession, and world oil price collapse. Through broad-based partnerships, Keyano College makes evidence-based programming decisions that contribute to learners getting jobs and starting businesses that help diversify the province's economy. To ensure alignment with Alberta's Recovery Plan and the Alberta 2030 mandate, Keyano College has created a Work-integrated Learning Strategy to enhance current programming to include Work-integrated Learning opportunities, collaborating with Apprenticeship and Industry Training (AIT) as a new technical training model is established under Bill 67 *Skilled Trades and Apprenticeship Education Act* and by increasing pre and post-diploma learner pathways.

56% of programs at Keyano College have a work-integrated learning component. ⁴

Currently, 56% of the College's programs have a Work-integrated Learning component, with the goal to increase the number of approved programs with a Work-integrated Learning component to 70% in 2021-22. More programs with Work-integrated Learning will foster strong links that help organizations in the RMWB build a more resilient future for Alberta's economic recovery and growth.

STUDENT EMPLOYMENT SUPPORT

Keyano College strives to ensure current students and alumni are successful in their careers by connecting them with employers. Students can access numerous publications that cover job search skills, personal finance, career planning and enhancement, entrepreneurship, employee rights, and a range of other topics. Resources are also available for pick up at the Clearwater Campus.

Through the Royal Bank of Canada (RBC) grant funding, Keyano College offered the Employment Skills Certificate. This program was designed to help students make the transition between college and successful employment. It was free to all students and covered the workplace basics including Personality Dimensions, Digital Literacy, Personal Branding, Interview Skills, Workplace Basics, Gender & Diversity, Networking & Communications, and ended with a networking event. Students who completed the full program had an opportunity to apply for a summer work placement opportunity with the Office of the Registrar. In 2020-21, over 70 students registered for various sessions and 25 successfully completed the full program.

RBC FUNDING

\$50,000

Employment Skills Certificate Program Funded By RBC ⁵

18 Workshops ⁶

53 Number of students enrolled and attended ⁶

WORKSHOP NAMES

Personal Branding
Interview Strategies
Workplace Basics
Gender & Diversity
Networking & Communication
Networking Event
Personality Dimensions
Digital Literacy
Financial Literacy



HYFLEX DELIVERY

In the 2020-21 academic year, Keyano College developed the first of a suite of hyflex delivery classrooms. This classroom was used throughout the winter and spring semesters for online delivery and hyflex delivery training. The hyflex course delivery mode will be offered for the first time at Keyano College for the 2021-22 academic year. Our migration toward hyflex has been heavily supported by Industry.

The College has installed studios that allows instructors to pre-record classes. This will further enable the College to deliver courses to students synchronously and asynchronously. The College has also created a suite of mobile technology carts for the adaptation of classrooms from face-to-face to online delivery.

PROGRAM ADVISORY AND COLLABORATION WITH OTHER LEARNING PROVIDERS

Keyano College has several advisory boards that help inform our program planning. Members of the advisory boards come from diverse backgrounds, including the banking sector, industry, students, Keyano College employees, and the local municipality. The Continuing Education Department also collaborates with several Alberta post-secondary institutions, including NAIT, Grand Prairie Regional College, and MacEwan University.

Keyano College is responsible for regional stewardship, collaborating 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 RMWB. Through the Community Adult Learning Program (CALP), Keyano College 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 College also has an Indigenous Education Committee. The College works closely with Alberta Labour, Athabasca Tribal Council, and their members, and all Indigenous communities to provide Indigenous students access to post-secondary education.

STRATEGIC RESEARCH

Keyano College participates in Labour Education Applied Research North (LEARN) and collaborates on research on industry trends, specific occupations, training opportunities, and other related topics such as demographic trends and community needs. This helps to ensure evidence-based programming decisions. Keyano College is also part of a network of researchers in post-secondary institutions through Alberta Innovates and the Regional Innovation Networks (RIN), including the Wood Buffalo Research Innovation Network, Start-up YMM, and the Fort McMurray Wood Buffalo Economic Development and Tourism (FMWBEDT). In 2020-21, Keyano College received official notice of approval for National Sciences and Engineering Research (NSERC), Social Sciences and Humanities Research Council (SSHRC), and the Canadian Institutes of Health Research (CIHR) accreditation, which will enhance the development of research initiatives as the College implements its applied research and innovation centre.

In the 2020-21 academic year, Keyano College laid the foundation for applied research by developing a strategic plan for applied research at Keyano College. The strategic plan identifies priority goals for the College in the 2021-22 academic year, including dedicated personnel to lead this

initiative and create a faculty advisory committee to guide applied research and innovation activities. This will work to ensure applied research can be integrated into every program.

Keyano College plans to align with Alberta's Research and Innovation Framework (ARIF) with the implementation of an applied research and innovation centre. Compliance will be established through economic diversification and job creation which will catalyze growth and diversification of the economy. The framework which outlines the need for environmental stewardship and climate leadership will be facilitated through the development of research methods to assist in anticipation and mitigation of environmental impacts. ARIF's framework for effective resource management will be accomplished through the College enabling opportunities for cost-effective discovery, development and production of natural resources. Finally, to meet the need to engage individuals and communities for a healthy Alberta, the College will enhance Albertans' health and wellbeing through community-based collaborative research initiatives.

Faculty at Keyano College engaged in research and scholarly activities, including those in the collaborative degree programs.



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, 2021, and offers a detailed discussion on the following:

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

OPERATING ENVIRONMENT OVERVIEW

Throughout the year, Keyano College continued to address the effects of the COVID-19 pandemic, as program delivery remained online with modified face-to-face for labs, clinicals, and placements.

The College completed the flood restoration work during the year, bringing Keyano College's Clearwater Main Campus, Bob Lamb Centre, Syncrude Sport & Wellness Centre, Oilsands Power and Process Engineering Lab, Penhorwood Residences, and Reidel Residences back into productive use. As of June 30, 2021, the estimated total insured property loss was \$55 million, approximately \$40 million of which was paid by the insurer while the College paid its insurance deductible of \$1 million towards flood restoration expenses by June 30, 2020 and the balance remains due from the insurer. Control of the flood restored building was returned back to the College for classes in September 2020, with the exception of the Bob Lamb building which was returned to the College in March 2021.

There are two parts to the flood insurance claim: property loss and business interruption. The College's insurance coverage was \$100 million, with a deductible of \$1 million. Both of these claims are still ongoing as at June 30, 2021.

Due to the increased flood risk associated with the Regional Municipality of Wood Buffalo (RMWB), the College was unable to

obtain overland flood insurance coverage for the 2021 fiscal year. To manage this uninsured risk, the College invested in a Tiger Dam flood barrier system that was deployed in the Spring of 2021. The College continues to collaborate with the RMWB to address risk of overland flooding.

In 2021, the total student enrolment declined by 144.07 (12.9%) Full Load Equivalents (FLEs) in certificate, diploma, and non-credential programs from 1,112.533 FLE in 2019-20 to 968.462 FLE in 2020-21. Effective April 1, 2020, Alberta introduced performance-based funding model to determine a portion of funding for post-secondary institutions. Financial and non-financial metrics will be used to tie performance into expenditure targets, enrolments, graduation rates, to name a few. The implementation of performance-based funding model was postponed due to the COVID-19 pandemic. Unrelated to the performance-based funding model, the Operating and Program Support Grant (previously the Campus Alberta Grant) was reduced by 6.0% (\$1,827,671) from the previous year. Following the lifting 2014-15 tuition fee freeze by the Government of Alberta, a 7% increase was implemented in the 2020-21 fiscal year on most programs.

On June 16, 2021, the Membership of the Keyano College Foundation (Foundation) approved the voluntary wind-up and dissolution of the Foundation in accordance with *Companies Act (Alberta) RSA 2000, C-21*. Consequently, the Membership appointed a liquidator and legal counsel to oversee the discharge of the Foundation's liabilities and the distribution of its assets to those entitled. Business of the Foundation has now ceased. The liquidator posted a notice to all creditors on July 22, 2021. The liquidator will issue a letter to Alberta Gaming, Liquor, and Cannabis Commission (AGLC) giving notice and requesting permission to disburse all deferred gaming revenue to licensed organizations. Costs to liquidate the assets of the Foundation, including future administration costs and professional fees will be recorded when incurred. Any remaining assets will be transferred to Keyano College. This dissolution process is expected to take several months to complete.

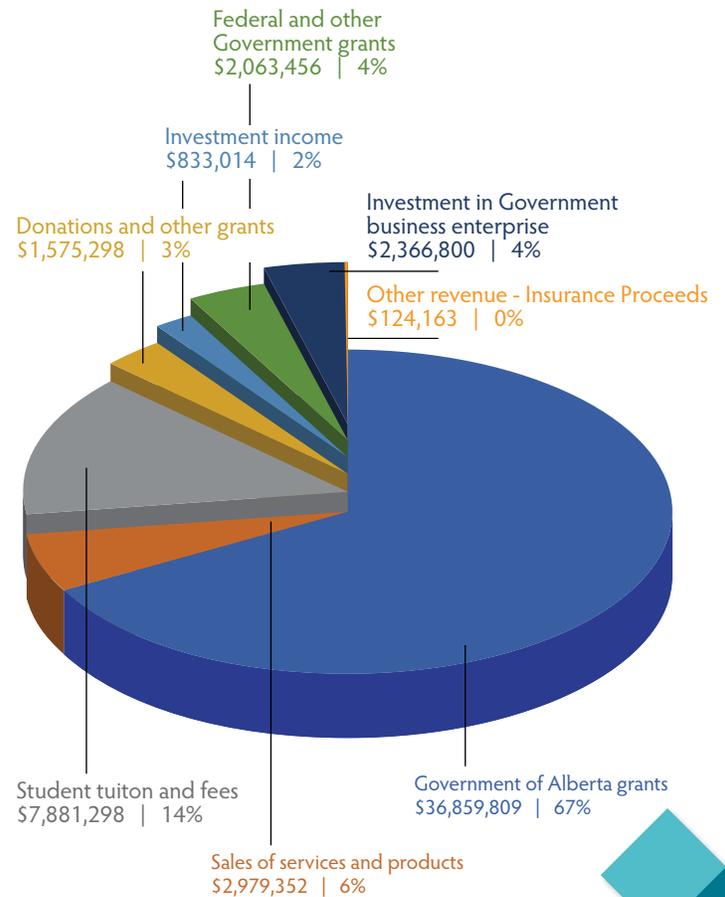
FINANCIAL RESULTS

The College ended the year with an operating surplus of \$345,585; an increase of \$801,501 over the prior year and \$654,415 lower than budget.

REVENUE

Total revenues for the year ended June 30, 2021, were \$54,683,190, a decrease of \$12,521,108 over the prior year and \$7,539,038 lower than budget. Revenue from the Government of Alberta represented Keyano College's largest source of income, at 67% of total College revenue. Major components of revenue are as follows:

REVENUE BY SOURCE



SALES OF SERVICES AND PRODUCTS

Sales of services and products revenue of \$2,979,352 was \$2,948,070 lower than prior year and \$4,055,948 lower than budget.

The majority of the decrease in revenue is due to COVID-19 and flood restoration. Details are as follows:

AMOUNT	EXPLANATION
\$870,364	Housing revenue – Reidel units were closed for the year due to flood restoration efforts and Clearwater Hall and Penhorwood units were affected by COVID-19 restrictions (online learning, occupancy limits).
\$698,719	Lower facility rental revenue (due to building closures from flooding and due to COVID-19 restrictions), lower parking revenue (online learning and staff working from home), and absence of food services vendor.
\$530,199	Gala was cancelled in F2021 due to COVID-19.
\$325,507	Theatre revenue was lower due to theatre being closed for majority of the year.
\$271,187	Lower Syncrude Sport & Wellness Centre (SSWC) membership dues due to closures from flood restoration and COVID-19 restrictions.
\$252,093	Lower bookstore revenue due to COVID-19 restrictions, lower foot traffic (online learning and staff working from home).

Sales of services and products is mainly under budget due to COVID-19 and closures to Reidel housing units, Bob Lamb, and SSWC from the F2020 Fort McMurray Flood.

STUDENT TUITION AND FEES

Student tuition and fees revenue of \$7,881,298 was \$150,856 lower than the prior year and \$1,846,682 lower than budget. FLE has decreased 13% from the prior year.

CREDENTIAL	2020-21* OFFICIAL FLE ¹	2019-20 OFFICIAL FLE ¹
Certificate	334.395	443.334
Diploma	216.714	152.303
Non-Credential	419.296	516.896
Keyano College Total	970.405	1,112.533
% Variance vs 2019-20		-13%

GOVERNMENT OF ALBERTA GRANTS

Revenues from Alberta Government grants were \$36,859,809, a decrease of \$9,033,360 over the prior year and \$2,767,245 lower than budget.

The decrease in revenue is due to the following:

AMOUNT	EXPLANATION
\$3,500,000	Decreased Cost of Living funding. Grant ended in June 2020.
\$2,756,427	Decreased IMP spending in current year due to COVID-19 and flood remediation work.
\$2,684,750	Decrease in operating grant funding.
\$147,039	Reduction of Apprenticeship seat funding and Alberta Athletic Award grants.
\$130,852	Completion of grant programs, Wood Buffalo RIN, Anti-Racism, AB Innovates.
\$60,937	Reduction of revenue due to lower program expenditures in current year.

Decrease was partially offset by an increase in earned spent deferred capital revenue, \$93,843, due to increased capital purchased from grants, and the addition of the warehouse operations integrated training contract, \$152,801.

Government of Alberta grants are under budget mainly due to a decrease in Infrastructure Maintenance Program (IMP) spending, \$1,755,228 due to delays caused by flood restoration, COVID-19 restrictions and staff shortages. Other items include delayed planned repurposing of expired grants, \$500,000, and lower than budget education contracts, \$524,250

DONATIONS AND OTHER GRANTS

Donations and other grant revenue of \$1,575,298 was \$360,823 lower than the prior year and \$113,772 lower than budget. The variance to prior year is primarily due to the reduction of unamortized deferred capital contributions (UDCC) revenue. This is due to lower contributed capital purchases.

Donations are slightly lower than budget due a combination of reduced UDCC revenue and donations from the Keyano College Foundation.

INVESTMENT INCOME

Investment income revenue of \$833,014 was \$4,064 higher than the prior year and \$28,785 higher than budget. The variance is due to an increase in realized investment gains over the prior year. The year-over-year rate of return increased from 1.5% (2020) to 3.4% (2021). 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

Grant revenue from federal and other government sources of \$2,063,456 was \$187,413 higher than the prior year and \$341,997 higher than budget. Increase over the prior year is mainly due to an increase in the Language Instruction for Newcomers to Canada (LINC) funding.

Revenue is higher than budget due to the addition of an RMWB theatre sustaining grant and to increased LINC funding.

INVESTMENT IN GOVERNMENT BUSINESS ENTERPRISE

Investment in Government business enterprise of \$2,366,800 was \$1,186,663 higher than prior year and \$749,664 higher than budget. This represents the Land Trust net comprehensive income for the year. Income is derived primarily from rental of non-serviced laydown lots and from royalties earned on the gravel pit. The increase is attributed to royalty revenue earned during the year, was \$1,874,953 versus \$1,624,932. Expenditures decreased over prior year (environmental liability, security, governance review, bad debts), from \$1,393,284 versus \$2,450,801.

INSURANCE PROCEEDS

Insurance proceeds of \$124,163 was \$1,406,139 lower than the previous year and \$124,163 higher than budget. Insurance proceeds received were for the 2020 Fort McMurray Flood. The previous year's insurance proceeds were due to the settlement of the 2016 Wildfire business interruption claim.

¹ DATA COLLECTION AND REPORTING (DCAR)-LEARNER AND ENROLMENT REPORTING SYSTEM (LERS) | ² KEYANO COLLEGE STUDENT ENROLMENT SYSTEM (SIS) POWER-TAY APPLICATION REPORT | ³ KEYANO COLLEGE STUDENT ENROLMENT SYSTEM (SIS) POWER-CAMPUS | ⁴ THE TOTAL UNIQUE HEADCOUNT IS NOT THE SUM OF THE INDIVIDUAL CREDENTIAL ENROLMENTS BECAUSE STUDENTS MAY BE ENROLLED IN MORE THAN ONE CREDENTIAL IN A GIVEN YEAR | ⁵ DATABASE.CALP.CA | ⁶ PROVIDER AND PROGRAM REGISTRY SYSTEM (PAPRS) | ⁷ ENROLLED CREDITS FOR FULL-TIME/PART-TIME STUDENTS ONLY, EXCLUDING APPRENTICESHIP STUDENTS, COURSES UNDER ACADEMIC UPGRADING, CERTIFICATE, DIPLOMA (EXCLUDING TRADES AND OCCUPATION RELATED PROGRAMS), AND UNIVERSITY STUDIES PROGRAMS CONSIDERED SUCCESSFUL COMPLETION WITH A MINIMUM GRADE OF C- OR 60%. COURSES UNDER TRADES AND OCCUPATION RELATED PROGRAMS CONSIDERED SUCCESSFUL COMPLETION WITH A MINIMUM GRADE OF 65%.

SPENT DEFERRED CAPITAL REVENUE EARNED

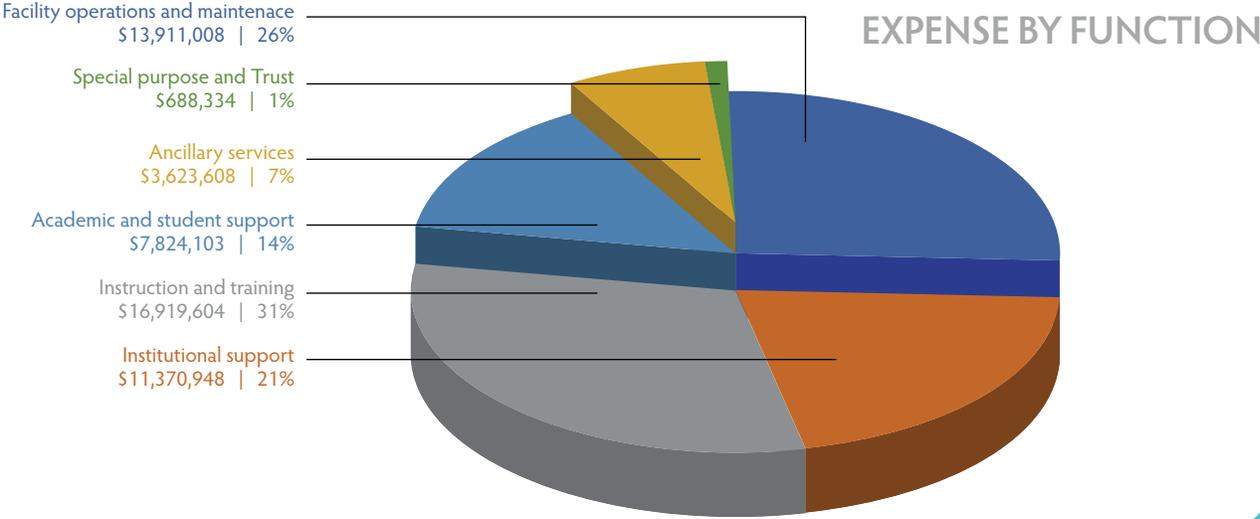
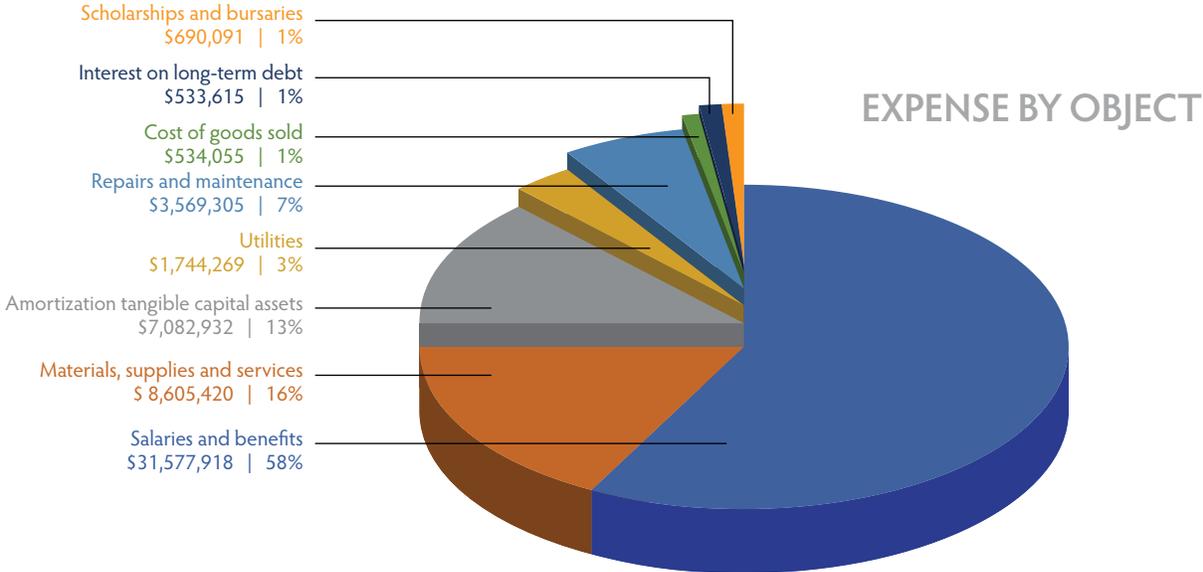
Tangible capital assets purchased with externally restricted funds result in an obligation to the College to use the acquired assets over their useful lives in the provision of College services. Under Public Sector Accounting Standards (PSAS), spent deferred capital when earned as revenue must be attributed 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, 2021.

	OPERATING	SPENT DEFERRED CAPITAL EARNED	TOTAL
Government of Alberta grants	\$33,238,736	\$3,621,072	\$36,859,809
Sales of services and products	\$2,979,352	-	\$2,979,352
Student tuition and fees	\$7,881,298	-	\$7,881,298
Donations and other grants	\$1,100,752	\$474,547	\$1,575,298
Investment income	\$833,014	-	\$833,014
Federal and other government grants	\$2,063,456	-	\$2,063,456
Investment in government business enterprise	\$2,366,800	-	\$2,366,800
Insurance proceeds	\$124,163	-	\$124,163
Total revenue	\$50,587,571	\$4,095,619	\$54,683,190



EXPENSES

Total expenses for the year ended June 30, 2021 were \$54,337,605, a decrease of \$13,322,609 over prior year and a decrease of \$6,884,623 over budget. Salaries and benefits represented Keyano College's single largest expense at 58% of the total. Major components of expenses are as follows:



AMORTIZATION OF TANGIBLE CAPITAL ASSETS

Amortization of tangible capital assets of \$7,082,932 decreased by \$526,762 over the prior year and \$182,213 lower than budget. The variance from the prior year is due to a reduction in capital spending reducing amortization expense as more assets become fully depreciated.

UTILITIES

Utilities of \$1,744,269 have decreased by \$132,224 over the prior year and \$175,126 higher than budget. This savings is due to buildings being offline for flood remediation work and due to decreased power usage as staff worked remotely and students completed learning online.

Utilities are over budget due to lower than estimated savings and usage.

REPAIRS AND MAINTENANCE

Repairs and maintenance of \$3,569,305 decreased by \$936,539 over the prior year and \$1,294,850 higher than budget. Decrease is due to Infrastructure Maintenance Program (IMP) projects being placed on hold while the College focused on flood remediation.

The College is over budget due to repairs and maintenance to the SSWC building (offset with deferred donations from the SSWC reserve account) and upgrades to Penhorwood, and Reidel student housing units.

COST OF GOODS SOLD

Cost of goods sold of \$534,055 has decreased by \$148,664 over the prior year and is \$295,612 lower than budget. Cost of goods sold has decreased due to lower bookstore sales and lower enrollment.

SALARIES AND BENEFITS

Salaries and benefits of \$31,577,918 have decreased by \$7,144,218 over the prior year and are \$1,848,252 lower than budget. Salary costs have decreased by \$7,008,892 and benefits have decreased by \$135,326. Salaries are down from prior year due to:

\$3,392,039	Fort McMurray Cost of Living Allowance (COLA), funding ended on June 20, 2020
\$2,498,398	Salaries, reduced FTE from prior year
\$1,118,455	Reduction of severance from prior year
\$144,751	Decreased pension and health insurance expense, partially offset by increased vacation expense.

Salaries are under budget mainly due to in year vacancy savings from COVID-19 and impact of the 2020 Fort McMurray Flood. The average vacancy rate for the year was 38 FTE.

MATERIALS, SUPPLIES AND SERVICES

Materials, supplies and services of \$8,605,420 decreased by \$4,077,705 over the prior year and are \$5,983,855 lower than budget. Reduced spending is mainly due to COVID-19 restrictions (reduction of service contracts, absence of travel, SSWC and theatre closures, reduced materials due to online learning, and staff working remotely).

INTEREST ON DEBT

Interest on debt of \$533,615 decreased by \$63,678 over the prior year and is \$2,442 higher than budget. This expense reflects borrowing costs in capital lease agreements and loans with the Alberta Treasury Board and Finance.

SCHOLARSHIPS AND BURSARIES

Scholarships and bursaries of \$690,091 decreased by \$292,819 over the prior year and are \$47,109 lower than budget. The decrease is mainly due to a change in athletic awards. The College now administers tuition waivers to student athletes versus awarding an internally funded scholarship. Scholarships and bursaries will vary year to year as they are dependent on the availability of award funding and students meeting award criteria.



NET ASSETS

Net assets are comprised of accumulated operating surplus, internally restricted surplus, investments in tangible capital assets, endowments and remeasurement gains and losses, and is described in Note 15 to the consolidated financial statements. Net Assets increased by \$958,307 (1.8%) from \$53,142,549 in 2019-20 to \$54,100,856 in 2020-21 and is further disclosed as follows:

	2020-21	2019-20	INCREASE (DECREASE)	% CHANGE
Accumulated operating surplus	8,475,281	9,032,540	(557,259)	-6.2%
Internally restricted surplus	8,880,791	8,880,791	-	0.0%
Investment in tangible capital assets	30,680,175	29,777,331	902,844	3.0%
Endowments	5,391,753	5,231,621	160,132	3.1%
Accumulated remeasurement gains	672,856	220,266	452,590	205.5%
Total	54,100,856	53,142,549	958,307	1.8%

ACCUMULATED OPERATING SURPLUS

The accumulated operating surplus is the net result of life-to-date operating surpluses at Keyano College which have not been designated for specific purposes through internally restricted surplus or investment in tangible capital assets. Accumulated operating surplus decreased by \$557,259, which is made up of the 2020-21 annual operating surplus and change in the investment in tangible capital assets.

INTERNALLY RESTRICTED SURPLUS

Internally restricted surplus did not change from the prior year.

INVESTMENT IN TANGIBLE CAPITAL ASSETS

Investment in tangible capital assets increased by \$902,844 over 2019-20. This consisted of capital acquisitions, \$2,673,101, debt repayment for capital leases and Alberta Treasury Board and Finance loans \$1,449,171, less amortization on tangible capital assets \$2,987,314 and net book value of tangible capital asset disposals \$232,114.

ENDOWMENTS

The endowment balance of \$5,391,753 has increased by \$160,132 from the prior year. Endowments consist of externally restricted donations received by the College. In the current year the College received \$55,500 in new donations and earned \$104,632 in capitalized investment income.

ACCUMULATED REMEASUREMENT GAINS

Remeasurement gains are an instrument to adjust operating investment portfolio to fair market value and is reported as \$672,856 on June 30, 2021. Accumulated remeasurement gains increased by \$452,590 over the prior year of which \$71,277 was reclassified as realized gains in the consolidated statement of operations

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 2020-21, the College spent \$3,437,479 on tangible capital assets in the categories below:

	ADDITIONS	WORK IN PROGRESS	TOTAL ADDITIONS	COMMENTS
Land	-	-	-	-
Land improvements	275,521	-	275,521	Paving at Suncor Energy Industrial Campus
Building and renovations	216,486	174,258	390,744	Reidel roofing, Reidel restoration
Equipment	1,183,000	749,202	1,932,202	Trades teaching equipment, laser cutter, Tiger Dam flood barrier system, and other equipment
Computer hardware and software	541,478	176,430	717,908	SEM250, ARMA and ReQlogic phase 1
Other	121,104	-	121,104	-
Total	\$2,337,589	\$1,099,890	\$3,437,479	

In 2020-21, the College disposed of tangible capital assets with the original cost of \$7,512,190 in the categories below:

TANGIBLE CAPITAL ASSEST CATEGORY	COST	EFFECT OF DISPOSAL/WRITE DOWN ON ACCUM AMORTIZATION	NET DISPOSAL/WRITE DOWN
Land	21,797	-	21,797
Land improvements	-	-	-
Building and renovations	-	-	-
Equipment	3,138,333	3,193,871	(55,538)
Computer hardware and software	1,930,820	1,668,463	262,357
Other	2,421,240	2,417,738	3,502
Total	\$7,512,190	\$7,280,072	\$232,118

For the year ended June 30, 2021 the Land Trust had revenues of \$3,760,085 (2020 - \$3,630,938) resulting in comprehensive income of \$2,366,800 (2020 - \$1,180,137). The increase in comprehensive income was primarily due to increased gravel lease royalty revenues and decreased expenditures.

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 McMurray. 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.

In December 2020, the Keyano College Land Trust Board of Directors approved an Amended and Restated Land Trust Agreement and revised By-Laws and policies to modernize and better define the purpose of 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, 2021 the Land Trust had revenues of \$3,760,085 (2020 - \$3,630,938) resulting in comprehensive income of \$2,366,800 (2020 - \$1,180,137). The increase in comprehensive income was primarily due to increased gravel lease royalty revenues and decreased expenditures.

As at June 30, 2021 the College had an investment in government business enterprise (Land Trust) of \$21,063,966 (2020 - \$18,342,937). 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 that was 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 restructured and transferred all Advancement activities and employees, except for casino gaming activity governed under Alberta Gaming, Liquor, and Cannabis (AGLC), to Keyano College. In 2020-21, the Foundation Board of Directors and Membership assessed the cost-benefit of maintaining the Foundation given the sharp decline in gaming revenues and high cost of overheads.

On June 16, 2021, the Membership of the Foundation approved the voluntary wind-up and dissolution of the Foundation in accordance with *Companies Act (Alberta) RSA 2000, C-21*. Consequently, the Membership appointed a liquidator and legal counsel to oversee the discharge of the Foundation's liabilities and the distribution of its assets to those entitled. Business of the Foundation has now ceased. The liquidator posted a notice to all creditors on July 22 2021. The liquidator will issue a letter to AGLC giving notice and requesting permission to disburse all deferred gaming revenue to licensed organizations. Costs to liquidate the assets of the Foundation, including future administration costs and professional fees will be recorded when incurred. Any remaining assets will be transferred to Keyano College. This dissolution process is expected to take several months to complete.

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 deficit of \$43,181 for the year-ended June 30, 2021, a decrease of \$51,910 over the prior year. In 2020-21 revenues were \$7,225, a decrease of

\$15,739 over the prior year. The decrease reflects the transfer of advancement and fundraising activities from the Foundation to the College. As at June 30, 2021, \$1,262,766 of cash, receivables and a guaranteed investment certificate remain in the Foundation, of which \$94,508 is deferred gaming revenue.



CAPITAL REPORT

CAPITAL PLAN

The College has a modest Capital Plan with most activities related to maintenance of assets and with some minor expansion with the construction of a storage shed and the provision of emergency power to the Syncrude Technology Centre and the Bob Lamb Building. The College has successfully secured a \$2.6 million grant to address some building code-related deficiencies and has also committed \$600,000 in the capital budget to address similar issues in housing.

TYPES OF PROJECTS AND FUNDING SOURCES

PROPOSED/NEW/ EXPANSION/ MAINTENANCE	DESCRIPTION	TOTAL PROJECT COST (\$)	FUNDING SOURCES	FUNDING RECEIVED TO DATE AND SOURCE	REVISED FUNDING SOURCE
Priority Projects (Top 3 Capital Priorities)					
Maintenance	Code Remediation	2,600,000	80% GOA 20% Keyano	Currently 100% funded by Infrastructure Grant and College Capital Budget	
Maintenance	Biology/Chemistry Lab Renovation	2,550,000	100% Keyano	College Funded	
Maintenance	Heating and Mechanical System Repairs	500,000	20% Keyano 80% GOA	Not Funded	
Other Projects					
Maintenance	Riedel Student Housing Restoration	28,300,000	100% GOA	Not Funded	
Maintenance	SSWC Roofing Repairs	1,500,000	100% Keyano	Not Funded	
Maintenance	Clearwater Hall Student Housing Envelop Repairs	1,000,000	100% Keyano	Not Funded	
Maintenance	Clearwater Hall Student Housing Sprinkler Installation	2,300,000	100% Keyano	Not Funded	
Maintenance	Clearwater Campus Roof Repairs	1,000,000	100% GOA	Government Roofing Grant	
Maintenance	SEIC Parking Lot Paving	240,000	100% Keyano	College Capital Budget	
Maintenance	Clearwater Campus Parking Lot Paving and Curb Repairs	300,000	100% Keyano	Not Funded	
Maintenance	Emergency Power Bob Lamb and STC	200,000	100% Keyano	Not Funded	
Expansion	Facilities Storage Shed	100,000	100% Keyano	Not Funded	

PROJECT TIMELINES AND STATUS

PROJECT DESCRIPTOR	PROJECT TIMELINES	EXPECTED START DATE	EXPECTED PROJECT COMPLETION	PROJECT STATUS	PROGRESS MADE IN THE LAST 12 MONTHS
Code Remediation	February 2021 – March 2022	Jun-21	Jun-22	Project commenced June 2021	15% complete of Bob Lamb building is complete
Biology/Chemistry Lab Renovation	May 2019 – September 2022	Jan-22	Aug-22	Working with the Construction on Tender Package	
Heating and Mechanical System Repairs	January 2022 – August 2024	Jan-22	Aug-24	Planning Stage	Completed some valve changes and rooftop unit repairs
Flood Restoration	May 2020 - August 2021	May-20	Aug-21	Substantially complete	Restoration work is complete with some content still being replaced
SSWC Roofing Repairs	June 2021 – August 2022	Jan-21	Aug-22	Planning Stage and funding is not secured	
Clearwater Hall Student Housing Envelop Repairs	June 2022 – August 2022	Jan-22	Oct-22	Planning Stage project is not yet approved	
Clearwater Hall Student Housing Sprinkler Installation	June 2022 – August 2022	Jan-23	Sep-23	Planning Stage and the project is not yet approved	
Clearwater Campus Roof Repairs	June 2021 – August 2022	Jan-21	Aug-22	Planning Stage and funding cost is not secured	
SEIC Parking Lot Paving	April 2021 – July 2021	Apr-21	Jul-21	Complete	100% complete
Clearwater Campus Parking Lot Paving and Curb Repairs	January 2022 – August 2022	Jan-22	Aug-22	Planning Stage	
Emergency Power Bob Lamb and STC	June 2022 – October 2022	Jun-22	Oct-22	Planning Stage	
Facilities Storage Shed	June 2022 – September 2022	Jun-22	Sep-22	Planning Stage	
Riedel Student Housing Restoration	June 2021 – August 2025	Jun-21	Aug-25	Planning Stage	The College repaired 20 units in 2021 but an additional 60 units are in need of renovation



The College has submitted approximately \$40 million in Building and Land Information Management System (BLIMS) applications with the Government of Alberta. Thus far, the only application that has been approved is the building code remediation project. The College has also submitted a significant funding request for the renovation of the Riedel Student Housing Complex and several projects for Clearwater Hall Student Housing.

The College has identified major issues with the heating, ventilation, and air conditioning (HVAC) systems, and this will require a substantial investment. Currently, an application of \$500,000 was submitted in BLIMS to begin the restoration of the systems that have deteriorated over the years. The College has committed to ongoing maintenance, but initial exploration indicated major issues with the systems. This project will begin with the hiring of a consultant to review the extent of deterioration and repairs required.

The top priority project is renovations of the College Science Labs that started in 2020-21 and is expected to be completed in 2022-23. The Physics lab was renovated in 2020-21. In the coming year the Biology lab will require the replacement of flooring, casement furniture, updates to air handling systems, and the construction of an explosion proof room. The College is working with a consultant to develop the tender documents for this project.

Although the bulk of flood remediation work was completed by September 2020, additional work continued on the Bob Lamb Building which was completed in June 2021 and Riedel Housing in May 2021. These projects were much smaller than the ones that occurred on the Syncrude Sport & Wellness Centre (SSWC), Oilsands Power and Process Engineering Lab (OPPEL), and Clearwater Campus. The total restoration cost was in excess of \$55 million. The final construction work was completed on the Bob Lamb Building in the Summer of 2021. There was substantial damage to the building in the 2020 flood and insurance paid for substantial repairs to the first floor and the subfloor. The College also invested in several projects to renew the building concurrent with restoration, including the repair of the HVAC system, painting of second floor and exterior siding.

The restoration of the Riedel Townhouses was completed in the Spring of 2021. Most of the damage occurred in the basements. This required the complete sanitizing of the units and the replacement of hot water tanks, furnaces, and laundry. The College used insurance and internal funds to update 20 units with new flooring, updated bathrooms, and installed new countertops. The repairs will make the units more appealing in the rental market as most of the units are in a poor condition.

INFORMATION TECHNOLOGY SERVICES

The Information Technology Services (ITS) team continues to work to expand functionality to support its clients. As part of the College's response to the COVID-19 pandemic, much of the College's programming moved to online mode of delivery. As more staff and students have moved online this has required some changes to the operations of the IT department.

In the past year the team has expanded capacity to respond to remote users by expanding its licenses of BeyondTrust Remote Support (formerly Bomgar). This tool allows for ITS to support remote users and diagnose and resolve many issues from a distance. The ITS team has also deployed Azure Active Directory (Azure AD) and Intune, cloud-based services to better support remote users. Intune is an enterprise mobility management (EMM) service. This new service allows the College ITS team to better protect College data, and the team is better able to:

- manage the mobile devices that have been provide to faculty and staff.
- manage the client apps.
- ensure devices and apps are compliant with company security requirements.

Azure AD is Microsoft's enterprise cloud-based identity and access management (IAM) solution. With many users working offsite Azure AD in conjunction with intune allowed the IT team to better manage software distribution and device and user management.

With the movement to online learning the College also made the decision to invest in technologies that would support

hyflex delivery of courses. HyFlex is a course design model that supports a flexible course structure that gives students the option of attending sessions in the classroom, participating online, or doing both. Students can change their mode of attendance based on their need or preference.

Similar to hyflex the College also invested in two production rooms that would support live delivery of courses or could be used as production studio's for improved content for developing content for asynchronous online course delivery or to support faculty who wish to use the flipped classroom model.

IT SELF FUNDED PROJECTS AND PURCHASES	BUDGET (\$)	STATUS
Enterprise Software Enhancement	75,000	Complete
IT Infrastructure Monitoring Software	20,000	Complete
Network Core Switch Replacement	150,000	Complete
Fort Chip Server Complete	25,000	Complete
Hyflex Phase 1	650,000	Substantially Complete
Azure Site Recovery	45,000	Substantially Complete
Bookstore System Migrated to Cloud Hosting	8,000	Complete
IT Security (CCTV Server)	35,000	Complete
Security System Upgrade	1,000,000	Ongoing
Hyperconverged Infrastructure	100,000	Planning
Internet Redundancy	120,000	Planning

Many of the key projects that ITS is pursuing or developing are moving away from capital fund to subscription based cloud services. The ITS team has been moving to shift the phone service to a MS Teams system and decommissioning the on-premise phone system. In addition, other solutions are being implemented like the integration platform as a service (IPPAS), and Information Technology Service Management (ITSM) solution, data warehouse, and Business Intelligence (BI) tools using the cloud technologies.

It is anticipated that over the next few years the trend from capital intensive investments to subscription services will accelerate. This is expected to place increased pressure on the ITS budget. Although the shift is expected to save money there may be a need to find operational savings to fund future projects.

REGIONAL STEWARDSHIP, FOUNDATIONAL LEARNING, UNDERREPRESENTED LEARNERS

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 College 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 College 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 Department assisted Keyano College in better serving Indigenous learners and Indigenous communities in the region. Indigenous Education programming was focused on improving access to learning opportunities in Fort McMurray and the rural communities in partnership with the Athabasca Tribal Council and other Indigenous stakeholder groups. The Community Adult Learning Program fostered learner transitions to the post-secondary system and focused on the needs of Indigenous learners in particular.

In 2020-2021 Keyano College leased the Fort Chipewyan Campus to Mikisew Cree First Nation to provide the community with an alternative high school. Learning centres in Fort McKay and Gregoire Lake were closed due to COVID-19.

Learning centre staff continued to consult with community organizations; assessed learner readiness, skills, and progress; and delivered full-time literacy, and foundational learning instruction virtually. In addition, a Regional Coordinator supported foundational level curriculum development, delivered staff professional development, and provided administrative guidance.

Students have the option of identifying Indigenous status on their application. This assists in two ways. First, in high demand programs such as Nursing, Practical Nursing, and Social Work, 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 concerted 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 College 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 College 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.

Keyano College delivered the third cohort of the Community-Based Environmental Monitoring certificate program in Fort McMurray in the 2020-21 academic year. 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.



FOUNDATIONAL LEARNERS

LITERACY AND FOUNDATION LEARNING

Keyano College'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 grades 10 to 12 environments. All programs were offered virtually in response to COVID-19.

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 RMWB learners were able to register in online high school equivalency courses. International students who were unable to travel to Canada were able to enroll in various academic upgrading courses throughout the year.

LANGUAGE INSTRUCTION FOR NEWCOMERS TO CANADA (LINC)

Keyano College offers free English language and settlement training classes through the LINC program. LINC is funded by Immigration, Refugees and Citizenship Canada and is only available to Permanent Residents, Convention Refugees, and Protected Persons, 18 years or older. 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 College offers part-time LINC instruction from low beginner to upper-intermediate levels – Canadian Language Benchmarks (CLB) 0-6.

ENGLISH FOR ACADEMIC PURPOSES (EAP)

The EAP program intends to meet an existing gap in Keyano College's program offerings. Target students include residents of the RMWB who have met all the requirements of the LINC program and individuals that are not eligible for the LINC program including international students that apply to the College and do not meet the English language requirements. The EAP program will provide our graduate LINC students the English language instruction they need to be successful for academic study in Canadian post-secondary institutions. The EAP program will also focus on the development of academic study skills to show students how to learn for continued success in the future. The EAP program is primarily designed to help prepare English language learners for post-secondary education in Canada. In its inaugural offering in winter 2021, there were 10 international students enrolled in the first two levels of EAP.

ADULT BASIC EDUCATION

Keyano College'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 their General Education Development Test (GED). These programs were sponsored through Alberta Labour & Immigration 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 and the Métis Locals.



LEARNERS WHO ARE DIFFERENTLY ABLED

The Student Services Department supports students with functional limitations due to a disability by providing accommodations, adaptive technologies and learning strategies to facilitate learning. Services and supports provided include, but are not limited to:

- 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 through the Academic Success Centre.
- Maintaining a variety of study areas to support individual learning needs, including, both quiet spaces and collaborative spaces.
- Developing a student life program to build student relationships with Keyano College.
- Providing academic success coaching to students who are at-risk or need individualized support to develop the skills to thrive in the post-secondary environment.
- Developing policies and practices that support students with learning barriers.

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 disability. Universal Design for Learning is an

educational framework that Keyano College is incorporating to ensure that learning environments are barrier-free for students with disabilities. Keyano College is striving to create a learning culture where students with disabilities can receive timely and necessary supports. Another priority for the College this academic year was supporting students through connections within the College and the community. This helped to ensure access and promotes an inclusive learning culture.

LEARNERS FROM LOW-INCOME BACKGROUNDS, SCHOLARSHIPS, AND FINANCIAL SUPPORT

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 were able to provide \$500 in grocery cards for students experiencing a food crisis and our mental health coordinators and wellness navigator work closely with the Wood Buffalo Food Bank to refer students or to provide emergency food bags.

Our student awards are a collaborative effort between Keyano College and the community to provide 435 students with cash awards. Together, we work to remove the financial barriers that could impede educational success. In 2020-21, 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 and Pre-employment programs had the opportunity to apply for the Alberta Works Learner Income Support program. Full-time Keyano College students could also access the Student Emergency Fund, which is designed to help students address unexpected financial challenges.

Overall, in 2020-21, Keyano College provided 435 students with awards valued at \$690,091.



PROGRAM PARTICIPATION (credit programming only)



101 CERTIFICATES ¹



15 DIPLOMA ¹

43 NON-CREDENTIAL ¹

158 
UNIQUE HEADCOUNT ⁴

75.049
FULL LOAD EQUIVALENT
(FLEs) IN 2020-21 ¹

STUDENT SUCCESS

22% Percentage of enrolled credits
successfully completed in 2020-2021 ⁸

¹ DATA COLLECTION AND REPORTING (DCAR)-LEARNER AND ENROLMENT REPORTING SYSTEM (LERS) | ² KEYANO COLLEGE STUDENT ENROLMENT SYSTEM (SIS) POWER-TAY APPLICATION REPORT | ³ KEYANO COLLEGE STUDENT ENROLMENT SYSTEM (SIS) POWERCAMPUS | ⁴ THE TOTAL UNIQUE HEADCOUNT IS NOT THE SUM OF THE INDIVIDUAL CREDENTIAL ENROLMENTS BECAUSE STUDENTS MAY BE ENROLLED IN MORE THAN ONE CREDENTIAL IN A GIVEN YEAR | ⁵ DATABASE.CALP.CA | ⁷ PROVIDER AND PROGRAM REGISTRY SYSTEM (PAPRS) | ⁸ ENROLLED CREDITS FOR FULL-TIME/PART-TIME STUDENTS ONLY, EXCLUDING APPRENTICESHIP STUDENTS. COURSES UNDER ACADEMIC UPGRADING, CERTIFICATE, DIPLOMA (EXCLUDING TRADES AND OCCUPATION RELATED PROGRAMS), AND UNIVERSITY STUDIES PROGRAMS CONSIDERED SUCCESSFUL COMPLETION WITH A MINIMUM GRADE OF C- OR 60%. COURSES UNDER TRADES AND OCCUPATION RELATED PROGRAMS CONSIDERED SUCCESSFUL COMPLETION WITH A MINIMUM GRADE OF 65%.



ADDITIONAL SERVICES AVAILABLE TO COMMUNITY MEMBERS

KEYANO COLLEGE THEATRE & ARTS CENTRE

Keyano College Theatre & Arts Centre is the largest performing arts venue in Northern Alberta featuring two state of the art live theatres, supporting workshops, and several studio and teaching spaces.

The Theatre's 2020-21 season and 40th anniversary of special performances and concerts was postponed to 2021-22 due to the mandated COVID-19 shutdown of live events.

Keyano College Theatre programs, produces, and provides access to professional touring artists, live theatre, and engaging community events. Keyano College Theatre is committed to being an integral part of the arts community and continued with ongoing planning throughout the past year. The Arts Centre is also home to Arts Council Wood Buffalo, Multicultural Association of Wood Buffalo and Keyano College Box Office. Due to the Spring flood of 2020, one local dance company lost its studio space and an agreement was made to have access to the Arts Centre's fully equipped dance studios and allowed them to continue providing after school dance instruction to our regions young performers.

Our planned 2020-21 season included a broad range of performance genres with family performances, classical music, comedy, and music from across the nation and is now scheduled for the 2021-22 season. The Drama Series, which produces three community theatre productions per year was cancelled due to the impact of COVID-19.

The Prairie Regional Presenters Coalition, a multi-province group of professional presenters and venues, of which Keyano College Theatre is a major participant, attracts performers that would otherwise be unavailable to Fort McMurray. Throughout the COVID-19 pandemic, this organization led the way with pandemic safety and protocols to operate our venues in a safe, comfortable and responsible manner when allowed to do so.

Keyano College Theatre & Arts Centre continues to be supported with an annual sustaining grant from the RMWB to cover operating expenses previously covered by the College.

SYNCRUDE SPORT AND WELLNESS CENTRE

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

There was a decrease in memberships from 2019-20 to 2020-21 due to the significant impact of the COVID-19 pandemic and the 2020 flood.

The SSWC is home to the Keyano College Huskies, the College's athletics teams. Huskies Athletics saw the cancellation of the Alberta Colleges Athletics Conference (ACAC) 2020-21 season due to the impact of COVID-19.

TESTING SERVICES

Keyano College'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 College 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 (CELP). 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).





INTERNATIONAL EDUCATION AND GLOBAL CITIZENSHIP

The primary focus for Keyano College this year was implementation of stage two of the strategy document – Meet the World at Keyano College. Stage two entails growing the number of international recruitment agencies to help in the attraction of qualified international students to Keyano College. The COVID-19 pandemic continues to pose significant challenges in student recruitment efforts. Despite the challenges, the College grew the number of international recruitment agencies by over 35%.

Keyano College also established a new partnership with the Fort McMurray Wood Buffalo Economic Development and Tourism (FMWBEDT) to attract and retain international students in the region. The three year agreement include initiatives that advance the objectives of both organization, such as agent familiarization tours, place brand materials and incentives programs for students and recruitment agents. The College also launched an International Student Ambassador program aimed at encouraging international student referrals to Keyano College.

Another important aspect of the strategy document – Meet the World at Keyano College – is to provide services to support the arrival and transition of international students to Canada and Fort McMurray. To that end, the International Preparatory Course was launched this academic year. The International Preparatory Course is an orientation course designed to help international students with the transition to life in Alberta, Canada and succeeding at Keyano College. All accepted international students are automatically registered in the course and can access it throughout the duration of their program. Airport pick-ups were also offered to all international students at no cost.

This academic year, Keyano College also began the implementation of the International Education and Global Citizenship Strategic Plan. Specifically, the College secured grant funding from Colleges and Institutes Canada (CICan) to develop an outbound student mobility program. The College also began the process to partner and support the World University Service of Canada (WUSC) Student Refugee Program (SRP).

INTERNATIONAL STUDENTS

CREDENTIAL	PROGRAM	2020-21		
		PROJECTED FLE	ACTUAL FLE	VARIANCE
Certificate	Business Administration Certificate-Accounting	0.000	1.000	-
	Business Administration Certificate-Management	0.000	3.967	-
	Early Learning and Child Care Certificate	0.000	4.795	-
	Educational Assistant	1.079	0.000	-
	Human Resources Management Certificate	0.875	8.000	814%
	Office Administration Certificate	4.000	0.933	(76.7%)
	4th Class Power Engineering	0.000	0.500	-
Diploma	Business Administration Diploma-Accounting	13.400	7.350	(45.1%)
	Business Administration Diploma-Management	30.900	37.285	21%
	Early Learning and Child Care Diploma	7.800	4.460	(42.8%)
	Environmental Technology Diploma	7.533	1.221	(83.8%)
	Practical Nurse	1.830	3.014	65%
	Social Work Diploma	3.636	1.911	(47.4%)
Non-Credential	Open Studies	0.833	1.668	100%
	Mount Royal - Bachelor of Science - Environmental Science	1.000	0.000	(100.0%)
	Upgrading	23.508	10.806	(54.0%)
	UT: Bachelor or Arts	6.367	0.800	(87.4%)
	UT: Bachelor of Education	2.800	0.000	(100.0%)
	UT: Bachelor of Engineering	3.875	0.000	(100.0%)
	UT: Bachelor of Science	6.100	0.000	(100.0%)
	UT: Bachelor of Social Work	1.900	0.000	(100.0%)
UT: Bachelor of Nursing	0.000	0.972	-	
Keyano College International Total		117.436	88.682¹	(24.5%)

TOP 5 HIGHEST ENROLLED PROGRAMS ¹



Business Administration Diploma-Management
 Upgrading: College Preparation
 Business Administration Diploma-Accounting
 Human Resources Management Certificate
 Upgrading: English for Academic Purposes

7% Percentage of students relative to the total student population ¹

27 Number of Countries ¹

TOP 5 HIGHEST COUNTRIES ¹



India
 Philippines
 Jamaica
 Nigeria
 Algeria



APPENDIX: CONSOLIDATED FINANCIAL STATEMENTS

KEYANO COLLEGE CONSOLIDATED FINANCIAL
STATEMENTS YEAR ENDED JUNE 30, 2021

KEYANO COLLEGE

CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2021

**KEYANO COLLEGE
CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

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**KEYANO COLLEGE
STATEMENT OF MANAGEMENT RESPONSIBILITY
YEAR ENDED JUNE 30, 2021**

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, 2021 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 Keyano 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 to discuss the results of audit examinations and financial reporting matters. The external 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 Jatinder Notay]

[Original signed by Dale Mountain]

Jatinder Notay
President & CEO

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

Independent Auditor's Report

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, 2021, 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, 2021, 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

October 27, 2021
Edmonton, Alberta

KEYANO COLLEGE
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2021

	2021	2020
Financial assets excluding portfolio investments restricted for endowments		
Cash (Note 3)	\$ 8,494,584	\$ 6,873,583
Portfolio investments - non-endowment (Note 4)	5,317,942	5,470,754
Accounts receivable (Note 6)	2,088,832	1,204,417
Inventories held for sale	461,793	530,495
Loan receivable (Note 7)	304,627	334,426
Investment in and advances to government business enterprises (Note 8)	21,063,966	18,342,937
	37,731,744	32,756,612
Liabilities		
Accounts payable and accrued liabilities	5,953,400	5,346,957
Debt (Note 10)	14,380,305	15,829,476
Liability for contaminated sites (Note 11)	1,058,000	-
Deferred revenue (Note 12)	16,367,185	11,785,785
	37,758,890	32,962,218
Net debt excluding portfolio investments restricted for endowments	(27,146)	(205,606)
Portfolio investments - restricted for endowments (Note 4)	8,026,132	7,035,195
Net financial assets	7,998,986	6,829,589
Non-financial assets		
Tangible capital assets (Note 13)	91,588,192	95,465,763
Prepaid expenses	1,041,418	706,150
	92,629,610	96,171,913
Net assets before spent deferred capital contributions	100,628,596	103,001,502
Spent deferred capital contributions (Note 14)	46,527,740	49,858,953
Net assets (Note 15)	\$ 54,100,856	\$ 53,142,549
Net assets is comprised of:		
Accumulated surplus	\$ 53,428,000	\$ 52,922,283
Accumulated remeasurement gains	672,856	220,266
	\$ 54,100,856	\$ 53,142,549

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

Approved by the Board of Governors:

[Original signed by Shelley Powell]

Chair, Board of Governors

[Original signed by Kim Farwell]

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, 2021

	Budget (Note 27)	2021	2020
Revenues			
Government of Alberta grants (Note 22)	\$ 39,627,054	\$ 36,859,809	\$ 45,893,169
Student tuition and fees	9,727,980	7,881,298	8,032,154
Sales of services and products	7,035,300	2,979,352	5,927,422
Investment in government business enterprise (Notes 8 and 24)	1,617,136	2,366,800	1,180,137
Federal and other government grants (Note 22)	1,721,459	2,063,456	1,876,043
Donations and other grants	1,689,070	1,575,298	1,936,121
Investment income	804,229	833,014	828,950
Insurance proceeds		124,163	1,530,302
	62,222,228	54,683,190	67,204,298
Expenses (Note 20)			
Instruction and training	18,947,774	16,919,604	19,825,194
Facility operations and maintenance	10,183,757	13,911,008	17,602,457
Institutional support	16,751,685	11,370,948	12,624,947
Academic and student support	10,327,015	7,824,103	10,821,672
Ancillary services	4,525,147	3,623,608	5,392,570
Special purpose and Trust	486,850	688,334	1,393,374
	61,222,228	54,337,605	67,660,214
Annual operating surplus (deficit)	1,000,000	345,585	(455,916)
Endowment contributions (Note 15)	-	55,500	237,598
Endowment capitalized income (Note 15)	-	104,632	30,651
Annual surplus (deficit)	1,000,000	505,717	(187,667)
Accumulated surplus, beginning of year		52,922,283	53,109,950
Accumulated surplus, end of year	\$ 1,000,000	\$ 53,428,000	\$ 52,922,283

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, 2021

	Budget		
	(Note 27)	2021	2020
Annual surplus (deficit)	\$ 1,000,000	\$ 505,717	\$ (187,667)
Acquisition of tangible capital assets (Note 13)	(2,542,589)	(3,437,479)	(2,057,228)
Amortization of tangible capital assets (Note 13)	7,265,145	7,082,932	7,609,694
Disposal of tangible capital assets		232,118	225,000
Change in prepaid expenses		(335,268)	(136,934)
Change in spent deferred capital contributions (Note 14)		(3,331,213)	(4,320,355)
Change in accumulated remeasurement gains		452,590	(143,577)
Increase in net financial assets		1,169,397	988,933
Net financial assets, beginning of year		6,829,589	5,840,656
Net financial assets, end of year		\$ 7,998,986	\$ 6,829,589

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, 2021

	<u>2021</u>	<u>2020</u>
Accumulated remeasurement gains, beginning of year	\$ 220,266	\$ 363,843
Unrealized gains attributable to:		
Portfolio investments - non-endowment	523,867	44,080
Amounts reclassified to the consolidated statement of operations:		
Portfolio investments - non-endowment	(71,277)	(187,657)
Change in accumulated remeasurement gains	\$ 452,590	\$ (143,577)
Accumulated remeasurement gains, end of year	\$ 672,856	\$ 220,266

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

KEYANO COLLEGE
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2021

	2021	2020
Operating transactions		
Annual surplus (deficit)	\$ 505,717	\$ (187,667)
Add (deduct) non-cash items:		
Amortization of tangible capital assets (Note 13)	7,082,932	7,609,694
Gain on disposal of portfolio investments	(71,277)	(187,655)
Non-cash investment income	(132,706)	(151,766)
Write down of tangible capital assets	196,858	225,000
Expended capital recognized as revenue (Note 14)	(4,095,619)	(4,528,218)
Investment earnings in government business enterprise (Note 8)	(2,366,800)	(1,180,137)
Government business enterprise non-cash interest revenue (Note 8)	(354,229)	(344,462)
Change in non-cash items	764,876	1,254,789
(Increase) decrease in accounts receivable (Note 6)	(884,415)	8,550,994
Decrease (increase) in inventories for held for sale	68,702	(248,589)
Increase (decrease) in accounts payable and accrued liabilities	606,443	(513,943)
Increase (decrease) in deferred revenue (Note 12)	3,590,485	(4,315,601)
Increase in liability for contaminated sites (Note 11)	1,058,000	-
Increase in prepaid expenses	(335,268)	(136,934)
Cash provided by operating transactions	4,868,823	4,590,716
Capital transactions		
Acquisition of tangible capital assets, less in-kind donations (Note 13)	(3,437,479)	(2,049,676)
Proceeds on sale of tangible capital assets	35,259	-
Cash applied to capital transactions	(3,402,220)	(2,049,676)
Investing transactions		
Loan receivable repayments (Note 7)	29,799	28,942
Purchases of portfolio investments	(812,743)	(6,667,667)
Proceeds on sale of portfolio investments	1,622,107	7,083,228
Cash provided by investing transactions	839,163	444,503
Financing transactions		
Debt repayment (Note 10)	(1,449,171)	(1,431,942)
Increase in spent deferred capital contributions, less expended capital recognized as revenue, less in-kind donations (Note 14)	764,406	200,311
Cash applied to financing transactions	(684,765)	(1,231,631)
Increase in cash and cash equivalents	1,621,001	1,753,912
Cash, beginning of the year	6,873,583	5,119,671
Cash, end of the year	\$ 8,494,584	\$ 6,873,583

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

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

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*, 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, liability for contaminated sites, 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:

Financial Statement Component	Measurement
Cash and cash equivalents	Cost
Portfolio investments	Fair value and amortized cost
Inventories held for sale	Lower of cost or net realizable value
Accounts receivable	Lower of cost or net recoverable value
Loan receivable	Amortized cost
Accounts payable and accrued liabilities	Cost
Debt	Amortized cost
Liability for contaminated sites	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, 2021

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 that is other than temporary is not reversed for a subsequent increase in value.

For financial assets and liabilities measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense. Transaction costs are a component of cost for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value. Investment management fees are expensed as incurred. The purchase and sale of cash and 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, 2021

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 and conditions of the grant are satisfied.

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 contributions

Endowment contributions 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, 2021

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 curtailed to the available funding. 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.

Leases of tangible capital assets which transfer substantially all the benefits and risks of ownership are accounted for as leased tangible capital assets. Capital lease liabilities are recognized 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.

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.

**KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

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

g) Foreign Currency Translation

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

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

h) Employee Future Benefits

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.

i) 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. The Foundation is currently being wound-up in accordance with Companies Act (Alberta) RSA 2000, C-21 (Note 25).

Investment in Keyano College Land Trust

The College controls Keyano College Land Trust Corporation, the trustee of Keyano College Land Trust (the "Land Trust") and is a beneficiary of the Land Trust. The financial statements of the Land Trust are included in the consolidated financial statements of the College as a government business enterprise using the modified equity method. Under the modified equity method the equity method of accounting is modified only to the extent that the business enterprise's accounting principle are not adjusted to conform to those of the College. The College's investment in this entity is recorded at cost and is increased for the proportionate share of post-acquisition earnings and decreased by post acquisition losses and distributions received.

**KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

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

j) 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. Contaminated sites occur when an environmental standard exists and contamination exceeds the environmental standard.

Contaminated sites in productive use:

A liability for remediation of contaminated sites from an operation(s) that is in productive use is recognized net of any expected recoveries when all of the following criteria are met:

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

Contaminated sites no longer in productive use:

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

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

k) 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.

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.

**KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

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

l) Funds and Reserves

Certain amounts, as approved by the Board of Governors, are set aside in accumulated operating surplus for future operating and capital purposes. Transfers to/from funds and reserves are an adjustment to the respective fund when approved.

m) Future Accounting Changes

In August 2018, the Public Sector Accounting Board (PSAB) issued PS 3280 Asset retirement obligations. This accounting standard has been deferred by PSAB, and is effective for fiscal years beginning on or after April 1, 2022. Asset retirement obligations provides guidance on how to account for and report a liability for retirement of a tangible capital asset.

In November 2018, PSAB approved PS 3400 Revenue. This accounting standard has been deferred by PSAB, and is effective for fiscal years on or after April 1, 2023. PS 3400 Revenue provides guidance on how to account for and report on revenue, specifically addressing revenue arising from exchange transactions and unilateral transactions.

In November 2020, PSAB issued PSG-8 Purchased Intangibles. This accounting guideline is effective for fiscal years starting on or after April 1, 2023. PSG-8 provides guidance on how to recognize intangibles as non-financial assets.

In April 2021, PSAB issued PS 3160 Public Private Partnership. This accounting standard is effective for fiscal years starting on or after April 1, 2023. This standard provides guidance on how to account and report on infrastructure procured through public private partnership agreements.

Management has not yet adopted these standards , and is currently assessing their impact on the consolidated financial statements.

3. Cash

	<u>2021</u>	<u>2020</u>
Cash	\$ 8,399,371	\$ 6,779,032
Restricted cash	95,213	94,551
	<u>\$ 8,494,584</u>	<u>\$ 6,873,583</u>

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

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

4. Portfolio Investments

	2021	2020
Portfolio investments - non-endowment	\$ 5,317,942	\$ 4,661,367
Portfolio investments - restricted for endowments	8,026,132	7,035,195
Total portfolio investments at fair market value	13,344,074	11,696,562
Guaranteed investment certificate non-endowment at amortized cost	-	809,387
	<u>\$ 13,344,074</u>	<u>\$ 12,505,949</u>

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 \$5,317,942 (2020 - \$5,470,754).

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

	2021			
	Level 1	Level 2	Level 3	Total
Portfolio investments at fair value				
Bonds				
Canadian government and corporate bonds	\$ -	\$ 5,712,962	\$ -	\$ 5,712,962
Equities				
Canadian equity fund	-	3,378,943	-	3,378,943
Foreign equity fund	-	4,193,627	-	4,193,627
Other				
Cash and money market	58,542	-	-	58,542
Total portfolio investments	<u>\$ 58,542</u>	<u>\$ 13,285,532</u>	<u>\$ -</u>	<u>\$ 13,344,074</u>
	<u>0.4%</u>	<u>99.6%</u>	<u>0.0%</u>	<u>100.0%</u>

	2020			
	Level 1	Level 2	Level 3	Total
Portfolio investments at fair value				
Bonds				
Canadian government and corporate bonds	\$ -	\$ 5,381,955	\$ -	\$ 5,381,955
Equities				
Canadian equity fund	-	2,518,317	-	2,518,317
Foreign equity fund	-	3,452,909	-	3,452,909
Other				
Cash and money market	343,381	-	-	343,381
Total portfolio investments	<u>\$ 343,381</u>	<u>\$ 11,353,181</u>	<u>\$ -</u>	<u>\$ 11,696,562</u>
	<u>2.9%</u>	<u>97.1%</u>	<u>0.0%</u>	<u>100.0%</u>

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

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

4. Portfolio Investments (cont'd)

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).

5. Financial Risk Management

The College is exposed to the following risks:

Market price risk

The College is exposed to market price risk - the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual security, its issuer or general market factors affecting all securities. To manage this risk, the College has established an investment policy with a target 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 Bissett Investment Management. At June 30, 2021, if market prices had a 10% (2020 – 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 \$1,288,697 (2020 - \$1,078,552).

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	2021	2020
AAA	14.5%	15.8%
AA	28.6%	29.5%
A	36.8%	34.4%
BBB	19.7%	19.8%
Below BBB	0.4%	0.5%
	100.0%	100.0%

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

5. Financial Risk Management (cont'd)

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, 2021 the College has (1) a lease line of credit of \$4.5 million (2020 - \$4.5 million) which has not been withdrawn and (2) a revolving line of credit of \$1.5 million (2020 - \$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 3.5% of total investments (2020 - 3.9%). Interest risk on the College's debt is managed through fixed-rate agreements with the Department of Treasury Board and Finance (Note 10).

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

	<u>< 1 year</u>	<u>1 - 5 years</u>	<u>> 5 years</u>	<u>Average effective market yield</u>
Cash and cash equivalents	100%	0%	0%	n/a
Portfolio investments, Canadian government and corporate bonds	1.07%	31.06%	67.87%	0.00%

6. Accounts Receivable

	<u>2021</u>	<u>2020</u>
Trade receivables	\$ 984,271	\$ 556,102
Accrued receivables	384,741	562,407
Loan receivables from staff	-	1,955
Canada Revenue Agency (Goods and Services Tax)	631,718	125,052
Student receivables	197,392	46,302
Less: Allowance for doubtful accounts	(109,290)	(87,401)
	<u>\$ 2,088,832</u>	<u>\$ 1,204,417</u>

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

Trade receivables balance includes \$191,870 (2020 - \$19,302) from other Government of Alberta departments and agencies. These amounts are also included in government transfers balances (Note 22).

Included in the accounts receivable balance is \$69,046 (2020 - \$nil) receivable from Keyano College Land Trust in relation to the service agreement with the College.

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

7. 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 Wood Buffalo over a period of 15 years.

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

2022	\$ 30,680
2023	31,588
2024	32,523
2025	33,486
2026	34,477
Thereafter	141,873
Total at June 30, 2021	<u>\$ 304,627</u>
Total at June 30, 2020	<u>\$ 334,426</u>

8. Investment In and Advances to Government Business Enterprise (Note 24)

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 \$250,000 (2020 - \$250,000) 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, 2021 the interest rate was 2.8% (2020 - 2.8%) with no covenants or repayment plan. The College records interest income on the advances to the Land Trust of \$354,229 (2020 - \$344,462).

Interest revenue and other advances in the amount of \$354,229 (2020 - \$344,462) were 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, 2021

8. Investment In and Advances to Government Business Enterprise (Note 24) (cont'd)

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

	2021	2020
100 Class "A" common voting shares⁽¹⁾	\$ 10	\$ 10
Opening advances	\$ 12,489,521	\$ 12,145,059
Interest on advances	354,229	344,462
Total advances to Keyano College Land Trust	<u>12,843,750</u>	<u>12,489,521</u>
Opening accumulated investment earnings	5,853,406	4,673,269
Current investment earnings (Note 24)	2,366,800	1,180,137
Total accumulated earnings	<u>8,220,206</u>	<u>5,853,406</u>
	<u>\$ 21,063,966</u>	<u>\$ 18,342,937</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.

9. 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, 2020, the LAPP reported an actuarial surplus of \$4,961,337,000 (December 31, 2019 - \$7,913,261,000). An actuarial valuation of the LAPP was carried out as at December 31, 2019 and was then extrapolated to December 31, 2020. The pension expense recorded in these consolidated financial statements is \$2,272,238 (2020 - \$2,547,138). Other than the requirement to make additional contributions, the College does not bear any risk related to the LAPP.

10. Debt

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

	Collat Maturity	Interest Rate	2021	2020
Debentures payable to the Department of Treasury Board and Finance:				
Campus Development Project	1	June 2026	\$ 1,878,863	\$ 2,188,716
Deferred Housing Maintenance	2	December 2020	-	105,175
Power & Process Lab	3	June 2032	12,427,402	13,372,708
			<u>14,306,265</u>	<u>15,666,599</u>
Obligations under capital leases	4	Various	74,040	162,877
			<u>\$ 14,380,305</u>	<u>\$ 15,829,476</u>

*Collateral:

(1) Title to building with a net book value of \$3,099,452 (2020 - \$3,254,425) (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 \$53,783 (2020 - \$228,592).

(4) Title to leased assets with a net book value of \$65,620 (2020 - \$136,362) (Note 13).

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

10. Debt (cont'd)

Principal and interest repayments are as follows:

	Principal	Interest	Total
2022	\$ 1,322,610	\$ 480,629	\$ 1,803,239
2023	1,373,671	429,568	1,803,239
2024	1,427,018	376,221	1,803,239
2025	1,463,974	320,698	1,784,672
2026	1,514,907	263,575	1,778,482
Thereafter	7,278,125	687,382	7,965,507
	<u>\$ 14,380,305</u>	<u>\$ 2,558,073</u>	<u>\$ 16,938,378</u>

Interest expense on debt is \$533,615 (2020 - \$597,293) (Note 20) and is included in the consolidated statement of operations.

11. Liability for Contaminated Site

The composition of liabilities is as follows:

	2021	2020
Balance, beginning of year	\$ -	\$ -
Addition to liabilities during the year	1,058,000	-
Balance, end of year	<u>\$ 1,058,000</u>	<u>-</u>

The College has accepted responsibility to perform remediation work at the Riedel student housing apartments which is no longer in productive use. The building contains asbestos, lead and mould which makes it unsafe for human occupation. The liability associated with remediation was calculated based on the environmental site assessment work carried out by a third party expert. The liability was determined as the estimated future remediation cost discounted by the College's net borrowing rate at June 30, 2021.

This amount has been recorded as an expense in the facility operations and maintenance function on the consolidated statement of operations for the year ended June 30, 2021, and as a liability on the consolidated statement of financial position at June 30, 2021.

12. Deferred Revenue

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

	2021			2020	
	Unspent externally restricted grants and donations	Tuition, fundraising and other fees	Total	Total	
Balance, beginning of year	\$ 10,077,715	\$ 1,708,070	\$ 11,785,785	\$	16,167,442
Grants, tuition, and donations	8,237,557	8,784,191	17,021,748		12,946,595
Investment income	245,223	-	245,223		481,668
Unrealized gains (losses) on investments	683,075	-	683,075		(216,735)
Transfers to spent deferred capital contributions	(764,405)	-	(764,405)		(207,863)
Other transfers	12,474	(12,474)	-		(150,679)
Recognized as revenue	(4,770,784)	(7,833,457)	(12,604,241)		(17,234,643)
Balance, end of year	<u>\$ 13,720,855</u>	<u>\$ 2,646,330</u>	<u>\$ 16,367,185</u>	<u>\$</u>	<u>11,785,785</u>

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

13. Tangible Capital Assets

	2021						2020	
	Land	Land Improvements	Buildings & Renovations	Equipment ⁽¹⁾	Computer Hardware & Software	Other ⁽²⁾	Total	Total
Cost								
Balance, beginning of year	\$ 12,980,333	\$ 2,114,444	\$ 154,803,464	\$ 35,180,644	\$ 8,309,823	\$ 3,446,878	\$ 216,835,586	\$ 215,181,221
Acquisitions	-	275,521	390,744	1,932,202	717,908	121,104	3,437,479	2,057,228
Disposals, including write-downs	(21,797)	-	-	(3,138,333)	(1,930,820)	(2,421,240)	(7,512,190)	(402,863)
	<u>12,958,536</u>	<u>2,389,965</u>	<u>155,194,208</u>	<u>33,974,513</u>	<u>7,096,911</u>	<u>1,146,742</u>	<u>212,760,875</u>	<u>216,835,586</u>
Accumulated Amortization								
Balance, beginning of year	\$ -	\$ 815,940	\$ 83,449,841	\$ 26,592,606	\$ 7,295,207	\$ 3,216,229	\$ 121,369,823	\$ 113,937,992
Amortization expense	-	112,701	4,226,154	2,289,695	365,483	88,899	7,082,932	7,609,694
Effects on disposals, including write-downs	-	-	-	(3,193,871)	(1,668,463)	(2,417,738)	(7,280,072)	(177,863)
	<u>-</u>	<u>928,641</u>	<u>87,675,995</u>	<u>25,688,430</u>	<u>5,992,227</u>	<u>887,390</u>	<u>121,172,683</u>	<u>121,369,823</u>
Net book value at June 30, 2021	\$ 12,958,536	\$ 1,461,324	\$ 67,518,213	\$ 8,286,083	\$ 1,104,684	\$ 259,352	\$ 91,588,192	\$ 95,465,763
Net book value at June 30, 2020	\$ 12,980,333	\$ 1,298,504	\$ 71,353,623	\$ 8,588,038	\$ 1,014,616	\$ 230,649	\$ 95,465,763	

⁽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 \$174,258 (2020 - \$106,157). Computer hardware and software includes work-in-progress of \$176,430 (2020 - \$109,776). Furniture and equipment includes work-in-progress of \$749,202 (2020 - \$120,847). Acquisitions during the year includes gift-in-kind contributions of \$nil (2020 - \$7,552).

Total cost of capital leases included in equipment is \$109,367 (2020 - \$598,131), accumulated amortization is \$43,747 (2020 - \$461,769) and amortization expense is \$70,750 (2020 - \$119,626). The closing accumulated amortization balance has been reduced by the accumulated amortization on disposals. Gift-in-kind contributions 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, 2021

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>2021</u>	<u>2020</u>
Spent deferred capital contributions		
Balance, beginning of year	\$ 49,858,953	\$ 54,179,308
Transfers from unspent externally restricted grants and donations	764,406	207,863
Expended capital recognized as revenue	<u>(4,095,619)</u>	<u>(4,528,218)</u>
Balance, end of year	<u>\$ 46,527,740</u>	<u>\$ 49,858,953</u>

15. Net Assets

	<u>Accumulated surplus from operations</u>	<u>Investment in tangible capital assets</u>	<u>Internally restricted surplus (Note 16)</u>	<u>Endowments</u>	<u>Total</u>
Net assets, as at June 30, 2019	\$ 9,946,243	\$ 29,802,500	\$ 8,761,678	\$ 4,963,372	\$ 53,473,793
Annual operating deficit	(455,916)				(455,916)
Endowments					
New donations	-	-	-	237,598	237,598
Capitalized investment income	-	-	-	30,651	30,651
Tangible capital assets					
Acquisition of tangible capital assets	(1,849,365)	1,849,365	-	-	-
Amortization of tangible capital assets	3,081,476	(3,081,476)	-	-	-
Debt repayment	(1,431,942)	1,431,942	-	-	-
Net book value of tangible capital asset disposals	225,000	(225,000)	-	-	-
Net board appropriation to internally restricted surplus (Note 16)	(119,113)	-	119,113	-	-
Change in accumulated remeasurement gains	(143,577)	-	-	-	(143,577)
Net assets, as at June 30, 2020	9,252,806	29,777,331	8,880,791	5,231,621	53,142,549
Annual operating surplus	345,585				345,585
Endowments					
New donations	-	-	-	55,500	55,500
Capitalized investment income	-	-	-	104,632	104,632
Tangible capital assets					
Acquisition of tangible capital assets	(2,673,101)	2,673,101	-	-	-
Amortization of tangible capital assets	2,987,314	(2,987,314)	-	-	-
Debt repayment	(1,449,171)	1,449,171	-	-	-
Net book value of tangible capital asset disposals	232,114	(232,114)	-	-	-
Change in accumulated remeasurement gains	452,590	-	-	-	452,590
Net assets, as at June 30, 2021	9,148,137	30,680,175	8,880,791	5,391,753	54,100,856
Net assets is comprised of:					
Accumulated surplus	8,475,281	30,680,175	8,880,791	5,391,753	53,428,000
Accumulated remeasurement gains	672,856	-	-	-	672,856
Balance as at June 30, 2021	<u>\$ 9,148,137</u>	<u>\$ 30,680,175</u>	<u>\$ 8,880,791</u>	<u>\$ 5,391,753</u>	<u>\$ 54,100,856</u>

**KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

16. Internally Restricted Surplus

Internally restricted surplus represent amounts set aside by the College's Board of Governors for specific purposes. On May 30, 2014, the Board passed a motion for internally restricted surplus 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 2020/21. Total transfers to restricted professional development for the year per agreement with Faculty Association is \$nil (2020 - \$119,113).

17. Contingent Liabilities

At June 30, 2021, the College was named as a defendant in three (2020: seven) specific legal actions. The total claimed in two specific legal cases approximates \$249,395 (2020: \$197,094). For the third case, no specific amount has yet been claimed, the amount of this claim will be determined at trial. The resulting loss from the remaining claim, if any, cannot be determined.

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. In October 2019, the Land Trust engaged an expert to conduct a phase I environmental site assessment (ESA) on the land under lease. Based on the results of phase I ESA, management initiated a phase II ESA, which was completed in July 2020 to determine the extent of contamination. In accordance with Phase II ESA results, an accrual of \$488,000 for estimated future remediation costs was included in the Keyano College Land Trust's statement of comprehensive income for the year-ended June 30, 2020, in repairs and maintenance expense. The amount is also included in accounts payable and accrued liabilities on Keyano College Land Trust's statement of financial position at June 30, 2020 and June 30, 2021. No significant remediation work was conducted in the current fiscal year.

The College's ongoing efforts to assess contaminated sites may result in additional environmental liabilities related to newly identified sites, or changes in the assessments or intended use of existing sites. Any changes to the environmental liabilities will be accrued in the year in which they are assessed as likely and measurable.

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

18. 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
2022	\$ 99,117
2023	65,733
2024	31,484
2025	-
2026	-
Thereafter	-
Total at June 30, 2021	\$ 196,334
Total at June 30, 2020	\$ 518,900

19. 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	Long-term Leases	Total
2022	\$ 1,945,152	\$ 1,778,791	\$ 533,040	\$ 23,600	\$ 4,280,583
2023	1,000,647	-	187,419	-	1,188,066
2024	495,194	-	50,687	-	545,881
2025	44,315	-	1,399	-	45,714
2026	-	-	-	-	-
Thereafter	-	-	-	-	-
Total at June 30, 2021	\$ 3,485,308	\$ 1,778,791	\$ 772,545	\$ 23,600	\$ 6,060,244
Total at June 30, 2020	\$ 890,011	\$ -	\$ 734,979	\$ 62,100	\$ 1,687,090

**KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

20. Expense by Object

The following is a summary of expense by object:

	2021		2020
	Budget (Note 27)	Actual	Actual
Salaries and benefits	\$ 33,426,170	\$ 31,577,918	\$ 38,722,136
Materials, supplies and services	14,589,275	8,605,420	12,683,125
Amortization of tangible capital assets	7,265,145	7,082,932	7,609,694
Repairs and maintenance	2,274,455	3,569,305	4,505,844
Utilities	1,569,143	1,744,269	1,876,493
Scholarships and bursaries	737,200	690,091	982,910
Cost of goods sold	829,667	534,055	682,719
Interest on debt (Note 10)	531,173	533,615	597,293
	\$ 61,222,228	\$ 54,337,605	\$ 67,660,214

21. 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 the Department of Treasury Board and Finance as outlined in Note 10. 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, 2021

22. Government Transfers

	<u>2021</u>	<u>2020</u>
Grants from Government of Alberta		
Advanced Education:		
Operating	\$ 29,981,871	\$ 36,166,621
Capital	5,342,605	7,789,000
Apprenticeship	784,317	921,302
Other	702,093	1,007,685
Total Advanced Education	<u>36,810,886</u>	<u>45,884,608</u>
Other Government of Alberta departments and agencies:		
Alberta Foundation of the Arts	35,803	-
Culture, Multiculturalism and Status of Women	109,836	241,845
Community and Social Services	72,891	164,145
Labour and Immigration	234,027	11,747
Other	8,001	67,335
Total other Government of Alberta departments and agencies	<u>460,558</u>	<u>485,072</u>
Total contributions received	<u>37,271,444</u>	<u>46,369,680</u>
Restricted expended capital recognized as revenue	3,621,072	3,527,229
Add: change in deferred contributions	(4,032,707)	(4,003,740)
	<u>\$ 36,859,809</u>	<u>\$ 45,893,169</u>
Federal and other government grants		
Contributions received	1,826,820	1,808,301
Add: change in deferred revenue	236,636	67,742
	<u>\$ 2,063,456</u>	<u>\$ 1,876,043</u>

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

23. Salary and Employee Benefits

	2021			2020	
	Base Salary ⁽¹⁾	Other Cash Benefits ⁽²⁾	Other Non-Cash Benefits ⁽³⁾	Total	Total
Governance					
Members of the Board of Governors	\$ -	\$ 2,793	\$ -	\$ 2,793	\$ 5,207
Executive					
President & CEO ⁽⁴⁾	238,817	6,000	31,832	276,649	280,491
Vice-Presidents and Executive Director:					
Vice-President Corporate Services & CFO ⁽⁵⁾	203,673	5,819	19,757	229,249	221,645
Vice President Infrastructure & Chief Information Officer	210,000	6,000	31,832	247,832	259,061
Vice-President Academic	206,042	6,000	31,832	243,874	254,509
Executive Director, Human Resources	162,143	9,960	29,847	201,950	219,680

- (1) Base salary includes pensionable base pay.
- (2) Other cash benefits include severance payments, honoraria, automobile allowances, and other allowances. No severance or bonuses were paid out in fiscal 2021.
- (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 was provided to the former President & CEO (resigned May 8, 2020) for which no dollar amount is included in the above table. The College provided a non-cash rental subsidy of \$6,750 to the Vice-President Corporate Services & CFO in the current year.
- (4) This position was occupied by two individuals at different times during the year ending June 30, 2021. The first incumbent departed on May 8, 2020, the date at which his interim replacement was appointed.
- (5) This position was occupied from July 1, 2019 to May 7, 2020, and was vacant for the remainder of the year as the incumbent accepted a new appointment as Interim President & CEO. The new Vice President & CFO was appointed on July 13, 2020, with his contract expiring on June 30, 2021.

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

24. Condensed Supplementary Financial Information of Keyano College Land Trust (Note 8)

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.

	2021	2020
Assets		
Cash and cash equivalents	\$ 4,114,045	\$ 2,364,985
Accounts receivable	243,600	305,822
Prepaid expenses	93,063	130,012
Advance on land development fees	250,000	250,000
Investment property	17,234,861	17,277,520
	\$ 21,935,569	\$ 20,328,339
Liabilities		
Accounts payable and accrued liabilities	\$ 720,173	\$ 642,678
Advances from Keyano College	12,843,740	12,489,511
Due to Keyano College	10	10
Deferred lease rental revenue	10,800	1,211,219
Security deposits	140,640	131,515
	\$ 13,715,363	\$ 14,474,933
Equity		
Trust Surplus	\$ 8,220,206	\$ 5,853,406
	\$ 21,935,569	\$ 20,328,339
Comprehensive income		
Revenues	\$ 3,760,085	\$ 3,630,938
Expenses	(1,393,285)	(2,450,801)
	\$ 2,366,800	\$ 1,180,137

**KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

25. Dissolution of Keyano College Foundation

On June 16, 2021, the Membership of the Foundation approved the voluntary wind-up and dissolution of the Foundation in accordance with Companies Act (Alberta) RSA 2000, C-21. Consequently, the Membership appointed a Liquidator and legal counsel to oversee the discharge of the Foundation liabilities and the distribution of its assets to those entitled. Business of the Foundation has now ceased. The Liquidator posted a notice to all creditors on July 22 2021. The Liquidator will issue a letter to AGLC giving notice and requesting permission to disburse all deferred gaming revenue to licensed organizations. Costs to liquidate the assets of the Foundation, including future administration costs and professional fees will be recorded when incurred. Any remaining assets will be transferred to Keyano College. This dissolution process is expected to take several months to complete.

The Keyano College Foundation financial statements are included in these consolidated financial statements on a line-by-line basis.

26. Fort McMurray Flood

During the week of April 26th 2020, the College incurred significant flood damage to the main Clearwater Campus, Sports and Wellness Centre, Penhorwood and Riedel residences. Remediation and mitigation efforts to restore facilities and equipment to pre-flood condition were completed prior to June 30, 2021. The College is insured through AIG Insurance Company of Canada (AIG) as part of the Alberta Colleges, Universities & Technical Institutes Consortium.

There are two parts to the flood insurance claim: property loss and business interruption. The College's insurance coverage is \$100 million, with a deductible of \$1,000,000. Both of these claims are ongoing.

As of June 30, 2021, the estimated total property loss was \$55 million. The total value of this claim at June 30, 2021 was \$46 million with an additional \$9 million of additional claims yet to be submitted to the insurer. As of June 30, 2021, the insurer had paid approximately \$40 million, while the college paid its insurance deductible of \$1 million towards flood restoration expenses. Control of the flood restored buildings was returned back to the College during fiscal 2021.

The flood restoration costs and insurance claim amounts are subject to a degree of estimation and measurement uncertainty, particularly as it relates to the property loss and business interruption loss. As of June 30, 2021, both the property loss and business interruption claims are still in progress.

27. Budget Figures

Budgeted figures have been provided for comparison purposes and have been derived from the College's 2020-21 Board approved budget.

28. Approval of Financial Statements

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

29. Comparative Figures

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



THE KEYANO ADVANTAGE.





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