



# ANNUAL REPORT

2021-2022



We respectfully acknowledge that we are on Treaty No. 8 Territory, the traditional meeting grounds and gathering places of our 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, 2022, 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 JOE MACNEIL]

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

The Auditor General of the Province of Alberta, the institution's external auditor appointed under the *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 JAY NOTAY]

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**Jay Notay,**  
President & CEO

[ORIGINAL SIGNED BY ROBERT LESAGE]

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**Robert LeSage,**  
Vice President, Corporate Services & CFO

# MESSAGE FROM THE BOARD CHAIR

**...we are optimistic about the growth the campus is prepared to see and are motivated to shift away from crisis mode to opportunity-focused board governance.**



When looking back, it's no secret that Keyano College has had to navigate many challenges and hurdles in relation to the COVID-19 pandemic. However, the institution continues to pivot and adapt as our Wood Buffalo community changes and recovers. This past year we had the pleasure of welcoming Jay Notay as the new President & CEO to lead that path forward.

This year we saw all staff and students transition back to campus after operating remotely for the better part of two years, and as restoration and improvements to college grounds continue following the flood of 2020, we are optimistic about the growth the campus is prepared to see and are motivated to shift away from crisis mode to opportunity-focused board governance. A large focus of this involves creating inclusive spaces for every student to feel welcome and increasing and providing access to current and relevant programming.

The College received approval to deliver a new Business Administration Diploma – Hospitality and Tourism Management, starting in fall 2022. This is an apprenticeship-style program that will enable students to gain practical experience while learning from and networking with professionals from the local hospitality and tourism industry. The Human Services department also has received grant funding to run an apprenticeship-style Early Learning and Child Care program in early 2023. The College continues to work with other institutions to offer multiple collaborative degree options, as well as entrepreneurship activities that will allow us to build and strengthen our relationships with industry and community partners.

In speaking of those relationships, two of our 4th Class Power Engineering Students placed 2nd and 3rd in the National Pan Global Awards, and the University Studies Department hosted the first Climate Change Conference at Keyano College - Understanding our Changing Northern Communities to Navigate the Future. The conference brought together scientists, experts, organizations, Indigenous leaders, and other participants as partners to share and provide information about policies, programs, and tools in place to protect, mitigate and help Northern and Arctic communities to adapt. The College aims to continue to play a key role in addressing global issues, as well as shape the next generation for success.

Thank you to the Board of Governors, Executive team, faculty, and staff for your hard work and resilience. We look forward to what the future holds for Keyano College, in the 2022-23 Academic year and beyond.

[ORIGINAL SIGNED BY JOE MACNEIL]

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**Joe MacNeil,**  
Chair, Keyano College Board of Governors

# MESSAGE FROM THE PRESIDENT

It is my pleasure to be presenting the 2021-2022 Annual Report for Keyano College. This past year I've had the wonderful opportunity to become acquainted with the College, its role in the Wood Buffalo region, and the challenges and successes experienced over the past several years in order to gain a clear picture of where we stand and how we can best move forward.

After approximately two years of functioning in a virtual format as a result of the COVID-19 pandemic, we were met this year with the task of transitioning back to in-person operations, which was no small feat. I'd like to recognize the efforts in making the transition as smooth as possible, from the technical support to the warm welcoming of everyone back onto campus. It is so nice to see everyone be able to come together in one space again.

Many changes and improvements have taken place on campus, including the restoration of 25 student housing units, a new vendor for the cafeteria, a tub room for the Nursing program, a Physics lab renovation, and much more. We hope that our focus on creating a more accessible, inclusive and welcoming campus will entice more students to choose to study at Keyano College and make Fort McMurray their home. With additional international recruitment efforts in the works, we are preparing for our student base to grow significantly.

Despite experiencing a 5.3% funding cut of almost \$1.5 million dollars, the College was able to end this budget year with a slight operating surplus and to approve a balanced budget for 2022-23 with no cost-reducing layoffs. In addition to sound



fiscal restraint, we implemented several internal processes and procedures to become more efficient and effective, including new technological programs and systems.

We were also very pleased to welcome the public back for special events and performances. Keyano Theatre was finally able to celebrate their 40th Anniversary and put on several amazing shows, and the Keyano Huskies teams had incredible success with coaches and athletes winning several awards, including 11 student-athletes who were voted ACAC Conference All-stars. A milestone moment was the Indigenous Jersey Reveal in February 2022, showcasing artwork designed by Denésoliné artist Emma Voyageur from the Athabasca First Nation for the Men's and Women's Basketball, Soccer, and Volleyball team jerseys. We want to thank our Council, Municipality and community partners for working with us to continue to seek a community-based solution for providing arts and culture services to our region.

We have so many accomplishments to be proud of, and we have an exceptional group of people at Keyano College. I am looking forward to a successful 2022-23 academic year and all the new and exciting possibilities to come.

[ORIGINAL SIGNED BY JAY NOTAY]

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**Jay Notay,**  
Keyano College President & CEO

**With additional international recruitment efforts in the works, we are preparing for our student base to grow significantly.**

## 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, 2021, to June 30, 2022, and the investigation is ongoing. Further, Keyano College closed one disclosure reported in the period July 1, 2020, to June 30, 2022, and the College addressed all recommendations.

[ORIGINAL SIGNED BY JAY NOTAY]

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**Jay Notay,**  
Keyano College President & CEO

# OPERATIONAL OVERVIEW

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

Keyano College is 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 campuses in Fort McMurray (Clearwater Main Campus and Suncor Energy Industrial Centre (SEIC), and outreach to Fort Chipewyan, Conklin, Janvier, Fort McKay, and Gregoire Lake.

Keyano College offers programs that lead to dual credit programs, certificates, diplomas, certificates of qualification (trades), and collaborative baccalaureate degrees through relationships with other post-secondary institutions in Alberta. 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 most post-secondary institutions in Canada, Keyano College was significantly impacted by the COVID-19 pandemic. A cross-functional Operations Committee was created at the onset of the pandemic and continued into 2021-22. The COVID-19 Plan was developed and implemented and 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.

In October 2021, the fifth wave of the pandemic hit, and the College was forced to pivot and return to online delivery. While some programs had an in-person element, such as shops, labs, and clinical placements, most of the course delivery was through a hybrid or online format. Most classes did not return to in-person delivery until the Spring semester in May 2022.

Keyano College had no COVID-19 outbreaks in the 2021-22 academic year. However, COVID-19 had indirect impacts on Keyano College including not meeting the projected enrolment targets. Students expressed a desire for face-to-face delivery, resulting in delayed 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, the School of Health and Human Services, and the School of Trades and Heavy Industrial undertake credit programming in arts, humanities, sciences, social sciences, health, human services, business, esports, 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 and other career and personal enrichment opportunities. The program mix aims to satisfy both the training and skills acquisition needs of local businesses and industry and the community's special interests 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  
Gasfitter  
Heavy Equipment Technician  
Industrial Mechanic (Millwright)  
Steamfitter/Pipefitter  
Welder

## BUSINESS & ADMINISTRATIVE STUDIES

Business Administration Certificate – Business  
Business Administration Diploma – Accounting  
Business Administration Diploma – Esports Management  
Business Administration Diploma – Management  
Business Administration Diploma (Co-op) – Accounting  
Business Administration Diploma (Co-op) – Management  
Business Aviation Diploma – Airline Operations  
Business Aviation Diploma – Aviation Operations  
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)

## 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  
Power Engineering 4th Class Comprehensive

## PRE-EMPLOYMENT TRADES

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

## UNIVERSITY TRANSFER AND OPEN STUDIES

UT Bachelor of Arts  
UT Bachelor of Commerce  
UT Bachelor of Education – Elementary  
UT Bachelor of Education – Secondary  
UT Bachelor of Engineering  
UT Bachelor of Nursing  
UT Bachelor of Science  
UT Bachelor of Social Work

# ENROLMENT OVERVIEW (OR)

## GRADUATES



**426**

students graduated  
in 2021-22 <sup>1</sup>

## CREDIT PROGRAMMING QUALIFIED APPLICATIONS

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

**2,327**

COMPARED TO 2,276  
in 2020-21 <sup>2</sup>

## NON-CREDIT PROGRAMMING

Continuing Education  
Registrations: **1,889** <sup>2</sup>

Corporate Training  
Registrations: **326** <sup>2</sup>

Continuing Education  
Headcount: **790** <sup>2</sup>

Corporate Training  
Headcount: **197** <sup>2</sup>

**OVERALL TOTAL  
REGISTRATIONS:**

**2,882**

**OVERALL TOTAL  
UNIQUE HEADCOUNT:**

**981**

In the 2021-22 academic year, Keyano College submitted the proposal for the Hospitality and Tourism Management Diploma and received approval for delivery in the 2022-23 academic year.

<sup>1</sup> DATA COLLECTION AND REPORTING (DCAR)-LEARNER AND ENROLMENT REPORTING SYSTEM (LERS) | <sup>2</sup> KEYANO COLLEGE STUDENT INFORMATION SYSTEM (SIS)

# GOALS AND PERFORMANCE MEASURE

Keyano College signed the 2021-2022 Investment Management Agreement (IMA) for Public Post-Secondary Institutions with the Department of Advanced Education in late 2021. Keyano's performance metrics goals focused on Work Intergrated Learning. The College's baseline noted 56% of approved programs with work placements identified as part of that program, with a target of 70% of approved programs to have work placements by the end of 2021-22.

## 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.

### COLLABORATIVE DEGREES

**Bachelor of Business Administration**  
Northern Alberta Institute of Technology (NAIT)

**Bachelor of Education, Elementary Education**  
University of Alberta

**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)

**8**



**BACHELOR OF SCIENCE IN NURSING**

University of Alberta

**49**



**BACHELOR OF EDUCATION – ELEMENTARY EDUCATION**

University of Alberta

**39**

ENROLLMENT NUMBERS REPRESENTS STUDENTS ENROLLED IN THE COLLABORATIVE YEAR OF STUDY ONLY KEYANO COLLEGE STUDENT INFORMATION SYSTEM (SIS)

## COLLABORATION, TRANSFER AGREEMENTS, AND LEARNER PATHWAYS

Students can earn university credits, diplomas, and degrees by taking courses at Keyano College. Most university transfer courses at Keyano College are modeled 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

**193** Total advanced Credit /  
courses (transferred in) <sup>2</sup>

**120** Total Unique students granted  
advanced Credit (Transferred In) <sup>2</sup>

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

**254** Language Instruction for  
Newcomers to Canada (LINC) <sup>1</sup>

**32** Community Adult  
Learning Program (CALP) <sup>3</sup>

**12** Dual Credit-Electrician <sup>1</sup>

**13** Dual Credit-Heavy  
Equipment Technician <sup>1</sup>

**11** Dual Credit-Welder <sup>1</sup>

**9** Upgrading Academic Foundations <sup>1</sup>

<sup>1</sup> DATA COLLECTION AND REPORTING (DCAR)-LEARNER AND ENROLMENT REPORTING SYSTEM (LERS) | <sup>2</sup> KEYANO COLLEGE STUDENT INFORMATION SYSTEM (SIS) POWER-TAX APPLICATION REPORT | <sup>3</sup> DATABASE.CALP.CA

## HEALTHY CAMPUS, MENTAL HEALTH & WELLNESS

The Wellness Services team at Keyano College supports all students' mental health and well-being. 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 strives to promote 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 College's culture. The Committee also provides resources and tools to the College community to support wellness.

- 251 staff and students participated in formal training and skills development activities undertaken by the Keyano Wellness team.
- Wellness Coordinators held 449 mental health and addiction counseling appointments on campus in 2021-22.
- Over 150 unique students accessed Wellness Services (counselling appointments) in 2021-22.

### APPROXIMATELY 150 EMPLOYEES PARTICIPATED IN THE FOLLOWING TRAINING EVENTS:

- Art of Relaxation
- Mindfulness and Reducing the Effects of Stress
- Indigenous Awareness Training
- Mental Health First Aid
- Managing Your Time and Energy
- Eating Plan for Stress Management
- Meditation and Creative Visualization Sessions

### KEYANO DEVELOPMENT DAY

- 34 Sessions
- 43 Facilitators
- 200 employees attended



# 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; and 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 continues to implement its Work-Integrated Learning Strategy to enhance current programming to include Work-Integrated Learning opportunities, collaborating with Apprenticeship and Industry Training (AIT) in reference to Bill 67, the Skilled Trades and Apprenticeship Education Act, as well as Alberta Advanced Education in the Expansion of Apprenticeship-Style Programs Grant which supports the development of new programs to be launched in 2022. Keyano College has also partnered with Alberta Advanced Education on the Alberta at Work – Targeted Enrollment Expansion Grant, the Grant which will support the expansion of targeted program enrollment in 2022-23.

**70% of programs at Keyano College have a work-integrated learning component.**

As of year end 2021-22, 70% 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 75% in 2022-23. 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 alums 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 transition between college and successful employment. It was free to all students and included 11 workshop options such as Personality Dimensions, Digital Literacy, Personal Branding, Interview Skills, Workplace Basics, Gender & Diversity, Networking & Communications. Students who completed the entire program had an opportunity to apply for a summer work placement opportunity with the Office of the Registrar. In 2021-22, 97 students registered for 22 total workshop offerings.

## RBC FUNDING

**\$50,000**

Employment Skills Certificate Program Funded By RBC

**22** Workshops <sup>1</sup>

**97** Number of students enrolled and attended <sup>1</sup>

## WORKSHOP NAMES

Digital Literacy Financial Literacy  
Gender & Diversity  
Interview Strategies  
Networking & Communication  
Networking Event Personal Branding  
Personality Dimensions  
Professional Photo for LinkedIn  
Professional Portfolio

<sup>1</sup> KEYANO COLLEGE STUDENT INFORMATION SYSTEM (SIS)

## HYFLEX DELIVERY

The hyflex course delivery mode was offered for the first time at Keyano College for the 2021-22 academic year; this was supported by the addition of six additional hyflex classrooms before the Fall 2021 semester. Our migration toward hyflex delivery has been heavily supported by Syncrude. The College has developed lightboard studios that allow instructors to prerecord course content. This further enables the College to deliver courses to students synchronously and asynchronously. The College has also utilized a suite of mobile technology carts to adapt classrooms from face-to-face to blended 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, non profit sector, and the local municipality. The Continuing Education Department collaborates with several Alberta post-secondary institutions, including NAIT, Northwest Polytechnic, 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, its members, and all Indigenous communities to provide Indigenous students access to postsecondary 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. In 2021-22 a Director of Applied Research and Innovation was hired. Extensive consultation began, and some initial reviews were started on internal systems that support Research and Development. Opportunities for Research and Development were explored. Keyano also initiated small research collaborations with industry and other post-secondary institutions.

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 that outlines the need for environmental stewardship and climate leadership will be facilitated by developing research methods to assist in anticipating and mitigating 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. During 2021-22 research began to establish a Centre of Excellence in Environmental Stewardship and Climate Leadership at Keyano College. Discussions were also held with Advanced Education in relation to this concept. Finally, the College will enhance Albertans' health and wellbeing through community-based collaborative research initiatives to meet the need to engage individuals and communities for a healthy Alberta.

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, 2022, 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

During the 2022 fiscal year (F2022) COVID-19 restriction eased and we saw the welcome return of students and staff to the campus.

The College has concluded all repairs associated with the 2020 flooding and had all facilities back to full operational capacity in 2022. Due to the increased flood risk associated with the Regional Municipality of Wood Buffalo (RMWB), the College cannot obtain overland flood insurance coverage. To manage this uninsured risk, the College invested in a flood barrier system deployed in the Spring of 2022. RMWB has also taken remediation steps to help protect the College against future flood risks. It is hoped that the cumulative efforts of the College and the RMWB will lead to the College again being able to procure overland flood insurance.

The College faced extraordinary financial challenges in F2022, with expected and budgeted government funding cuts (5.3%), but less expected was extraordinary inflation approaching 8%, higher utilities costs, increased competition for talent, and political/financial events that adversely impacted investments. The College prepared quarterly forecasts monitoring all these pressures, adjusting as required and finished the year with a modest operating surplus of \$332,000.

## FINANCIAL RESULTS

In 2020, the Ministry of Advanced Education introduced a performance-based funding model to tie a portion of the operating grant to certain performance expectations. The implementation of this model was postponed due to COVID-19. It has now been implemented and will be effective for the 2022-2023 fiscal year.

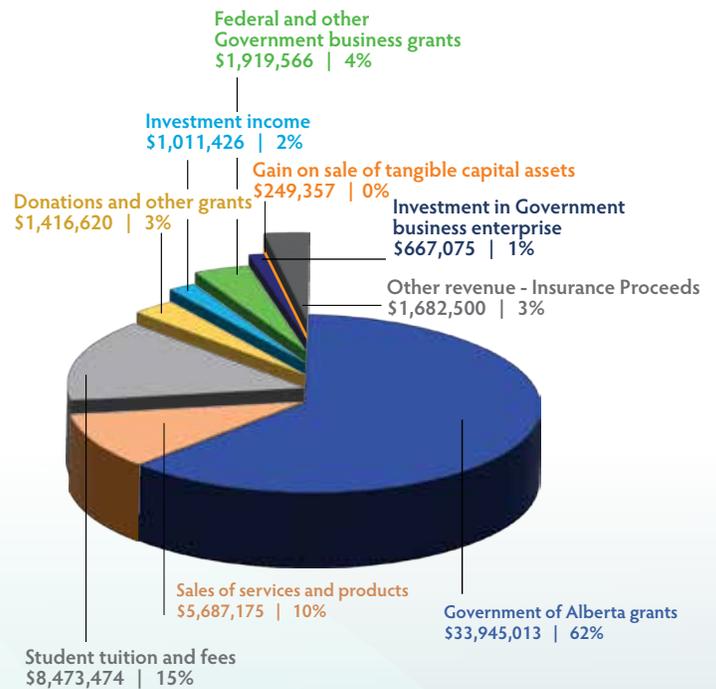
Total student enrolment increased by 86.4 (8.9%) Full Load Equivalents (FLEs) from 970.4 FLE in 2020-21 to 1,056.8 FLE in 2021-22 (certificate, diploma, and non-credential programs). The Operating and Program Support Grant (previously the Campus Alberta Grant) was reduced by 5.3% (\$1,530,512) from the previous year. Following the lifting of the 2014-15, tuition fee freeze by the Government of Alberta, a 7% increase was applied in the 2021-22 fiscal year to most programs.

On June 16, 2021, the membership of the Keyano College Foundation (Foundation) approved the voluntary wind-down and dissolution of the Foundation. When liquidation is complete, all remaining assets will be transferred to Keyano College. This dissolution continues and is expected to conclude in fiscal 2022-23.

The College ended the year with an operating surplus of \$331,830 a decrease of \$13,755 over the prior year and \$203,070 lower than budget.

## REVENUE

Total revenues for the year ended June 30, 2022, were \$55,052,205, an increase of \$369,016 over the prior year and \$5,244,653 lower than budget. Major components of revenue are as follows:



## GOVERNMENT OF ALBERTA GRANTS

Revenues from Alberta Government grants were \$33,945,013, a decrease of \$2,914,796 over the prior year and \$3,001,296 lower than budget. Government of Alberta Grants represent Keyano College's largest source of income, at 62% of total College revenue.

The decrease in revenue is predominately due to the following:

AMOUNT	EXPLANATION
\$1,753,382	Decrease in operating grant funding, 5.3%.
\$1,422,193	Decrease in amortization of grants provided for capital purposes due to lower capital spending than budget and due to change in useful life of buildings from 40 – 60 years. The amortization of grants matches the related amortization expense.
\$249,712	Decreased education contracts funded by Advanced Education (warehouse operations and computer workshop programs ended in the prior year) and decreased revenue for CALP and Mental Health grants as expenses were lower than anticipated.
(\$510,491)	Increase revenue from the Capital Maintenance Renewal (CMR) and Building Code grants. Projects were delayed in the prior year due to delays caused by flood restoration, COVID-19 restrictions, and staff shortages.

Government of Alberta grants are under budget mainly due to budgeted CMR and Building Code project expenses being coded to capital. This revenue will be reflected in grant revenue over the useful life of the related capital assets.

## SALES OF SERVICES AND PRODUCTS

Sales of services and products revenue of \$5,687,175 were \$2,707,823 higher than the prior year and \$1,825,056 lower than budget.

The increase in revenue is mainly due to the easing of COVID-19 restrictions. The College's staff and students could return to campus, and the Theatre & Arts Centre and Syncrude Sports and Wellness Centre (SSWC) were able to open to the public. There was also an increase in facility rental revenue due to a new lease at the Suncor Energy Industrial Campus (SEIC).

Sales of services and product revenue remained under budget because most COVID-19 restrictions were not lifted until January 2022. The budget was based on no restrictions and operations returning to pre-COVID levels.

## STUDENT TUITION AND FEES

Student tuition and fees revenue of \$8,473,474 was \$592,176 higher than the prior year and \$1,814,715 lower than budget. Student full load equivalents (FLE) have increased by 8.9% from the last year but had not yet fully recovered to pre-COVID-19 levels.

CREDENTIAL	2021-22* OFFICIAL FLE <sup>1</sup>	2020-21 OFFICIAL FLE <sup>1</sup>
Certificate	364.081	334.395
Diploma	284.638	216.714
Non-Credential	408.071	419.296
Keyano College Total	1,056.790	970.405
% Variance vs 2019-20		8.90%

\*2021-22 are unofficial as of August 9, 2022

## DONATIONS AND OTHER GRANTS

Donations and other grant revenue of \$1,416,620 were \$158,678 lower than the prior year and \$655,285 lower than budget. The variance to the preceding year is mainly due to reduced revenue from the SSWC donation reserve. The donation reserve is for repairs and maintenance of the SSWC building; the projects will vary yearly.

Donations are lower than the budget, mainly due to the delay of the SSWC roof replacement project.

## INVESTMENT INCOME

Investment income revenue of \$1,011,426 was \$178,411 higher than the prior year and \$257,150 higher than budget. The variance is mainly due to an increase in the realized investment gains (dividends and interest) over the preceding year. Market value gains or losses are not recorded in investment income, in accordance with PSAB standards. 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 \$1,919,566 was \$143,890 lower than the previous year and \$110,018 higher than the budget. The decrease over the prior year is mainly due to the decrease in grant funding for Language Instruction for Newcomers to Canada (LINC) and the completion of other grant programs (Red Cross Mental Health, Outbound Student Mobility, and Wood Buffalo Community Foundation).

Revenue is higher than budget due to the addition of non-budgeted Heritage Canada grants for the Theatre.

## INVESTMENT IN GOVERNMENT BUSINESS ENTERPRISE

Investment in Government business enterprise of \$667,075 was \$1,699,725 lower than the previous year and \$247,325 lower than budget. This represents the Land Trust's net comprehensive income for the year. Income is derived primarily from the rental of non-serviced laydown lots and from royalties earned on the gravel pit. The decrease is mainly due to lower royalty revenue from the previous year, \$2,519,640 versus \$3,760,085, and increased expenses due to bad debts, road maintenance, and recording liability for contaminated sites.

## INSURANCE PROCEEDS

Insurance proceeds of \$1,682,500 were \$1,558,337 higher than the previous year and was not a budgeted item. This year's insurance proceeds were related to the 2020 Fort McMurray flood and were for reimbursement of expenses paid by the College. The previous year's insurance proceeds were also related to the 2020 flood.

## GAIN ON SALE OF TANGIBLE CAPITAL ASSETS

The gain on the sale of tangible capital assets of \$249,357 was \$249,357 higher than the previous year and this was not a budgeted item. The increase is due to the sale of a haul truck that was donated to Keyano College in 2018.

## 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, 2022.

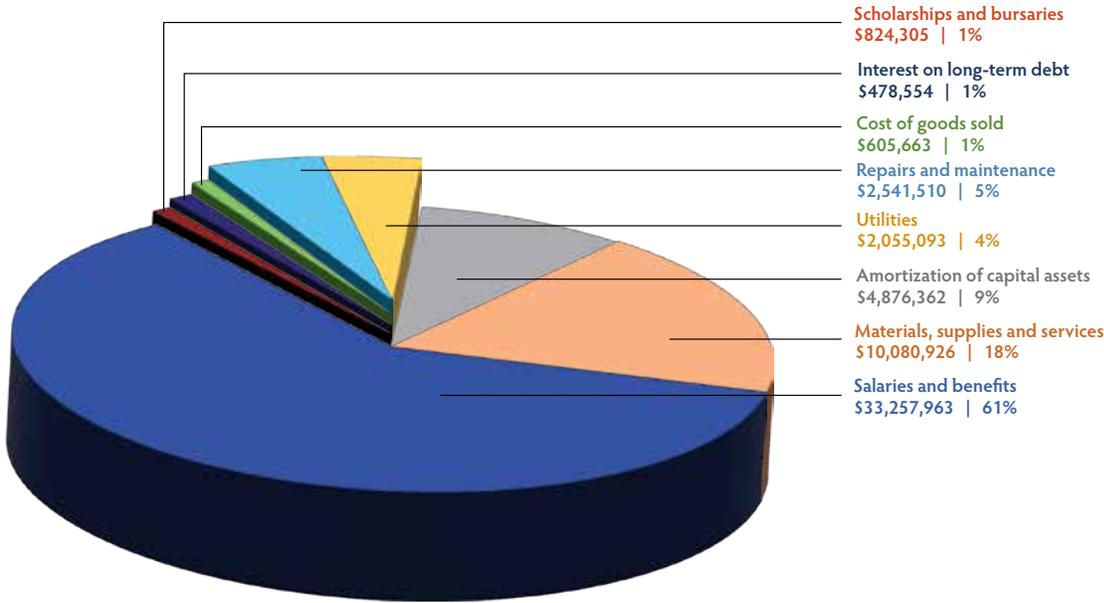
	OPERATING	SPENT DEFERRED CAPITAL EARNED	TOTAL
Government of Alberta grants	\$31,746,138	\$2,198,875	\$33,945,013
Sales of services and products	\$5,687,175	-	\$5,687,175
Student tuition and fees	\$8,473,474	-	\$8,473,474
Donations and other grants	\$979,208	\$437,412	\$1,416,620
Investment income	\$1,011,426	-	\$1,011,426
Federal and other government grants	\$1,919,566	-	\$1,919,566
Investment in government business enterprise	\$667,075	-	\$667,075
Gain on sale of tangible capital assets	\$249,357	-	\$249,357
Insurance proceeds	\$1,682,500	-	\$1,682,500
<b>Total revenue</b>	<b>\$52,415,918</b>	<b>\$2,636,287</b>	<b>\$55,052,205</b>



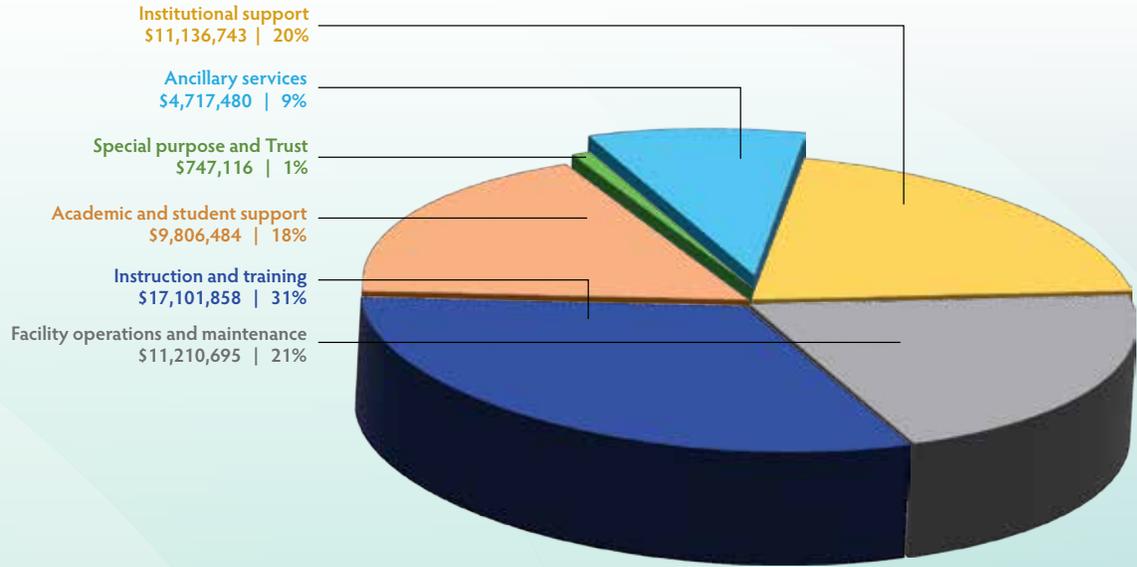
# EXPENSES

Total expenses for the year ended June 30, 2022, were \$54,720,376, an increase of \$382,771 over the prior year and a decrease of \$5,041,582 over budget. Salaries and benefits represented Keyano's single largest expense at 61% of the total. Major components of expenses are as follows:

## EXPENSE BY OBJECT



## EXPENSE BY FUNCTION



## SALARIES AND BENEFITS

Salaries and benefits of \$33,257,963 have increased by \$1,680,045 over the prior year and are \$140,715 lower than budget. Salary costs have increased by \$1,295,394, and benefits have increased by \$384,651. Salaries and benefits increased from the prior year due to a reduction of vacant positions and no COVID layoffs. The average vacancy rate for 2022 was 25 FTE, and 38 FTE in 2021.

## MATERIALS, SUPPLIES AND SERVICES

Materials, supplies, and services of \$10,080,926 have increased by \$1,475,506 over the prior year and are \$2,552,043 under budget. Expenses increased from the previous year due to the following:

\$451,512	New security contract and increased security patrols/staff due to COVID restrictions
\$305,512	Travel – mainly due to the easing of COVID restrictions and the ability for athletic team travel
\$253,984	Security project and additional software expenses for the simulators in Trades and Heavy Industrial
\$205,280	Increase in theatre expenses due to easing of COVID restrictions and the ability to hold in-person shows
\$132,214	Increase due to the photocopier lease classification change from capital to expense
\$84,770	Increase in insurance premiums over the prior year
\$42,234	Increase in custodial costs due to COVID-19

Materials, supplies, and services were under budget due to budgeted Capital Maintenance and Repairs program (CMR) materials, supplies, and services expenses being reclassified to repairs and maintenance and budgeted projects being delayed to next year.

## AMORTIZATION OF TANGIBLE CAPITAL ASSETS

Amortization of tangible capital assets of \$4,876,362 decreased by \$2,206,570 over the prior year and is \$1,318,927 under budget. The variance from the preceding year is due to the reduction of capital spending and decreased amortization expense as more assets become fully depreciated; Clearwater Campus was fully depreciated in the prior year. On July 1, 2021, the useful life of buildings also changed from 40 years to 60 years which amounted to a decrease of \$981,390 in amortization expense, which will be reflected in the future over a longer period.

## UTILITIES

Utilities of \$2,055,093 have increased by \$310,824 over the prior year and are \$410,150 higher than budget. Increased utility costs are due to an increase in rates over the previous year due to inflation, increased carbon tax, and increased usage as staff returned to work on campus and in-person learning resumed.

The utilities are over budget due to increased rates and anticipated savings in usage and distribution fees not being realized.

## REPAIRS AND MAINTENANCE

Repairs and maintenance of \$2,541,510 have decreased by \$1,027,795 over the prior year and are \$1,370,095 lower than budget. The decrease in the current year is mainly due to the asset retirement obligation of \$1,058,000 for the Riedel housing units being expensed in the prior year.

The College is under budget due to the timing of projects completed during the year, a portion of the budgeted building code project and budgeted roof repairs for SSWC were moved to the next fiscal year, and budgeted expenses for the security project were capitalized instead of expensed.

## COST OF GOODS SOLD

The cost of goods sold of \$605,663 has increased by \$71,608 over the prior year and is \$232,337 lower than budget. The cost of goods sold has increased over the previous year due to increased sales, and the easing of COVID-19 restrictions.

The College is under budget partially due to lower-than-budgeted enrolments.

## INTEREST ON DEBT

Interest on debt of \$478,554 decreased by \$55,061 over the prior year and is \$15,320 higher than the budget. This expense reflects borrowing costs in capital lease agreements and loans with the Alberta Treasury Board and Finance. Interest on debt has decreased as our loan values have decreased over the past year.

## SCHOLARSHIPS AND BURSARIES

Scholarships and bursaries of \$824,305 have increased by \$134,214 over the prior year and are \$147,065 over budget. Scholarships and bursaries vary year to year as they depend on award funding availability and students meeting award criteria.





## NET ASSETS

Net assets are accumulated operating surplus, internally restricted surplus, investments in tangible capital assets, endowments, and rereasurement gains and losses. Net assets are described in Note 16 to the consolidated financial statements. Net Assets decreased by \$172,938 (-0.3%) from \$54,100,856 in 2020-21 to \$53,927,918 in 2021-22 and is further disclosed as follows:

	2021-22	2020-21	INCREASE (DECREASE)	% CHANGE
Accumulated operating surplus	2,674,471	8,475,281	(5,800,810)	-68.4%
Internally restricted surplus	14,777,618	8,880,791	5,896,827	66.4%
Investment in tangible capital assets	30,915,988	30,680,175	235,813	0.8%
Endowments	5,636,619	5,391,753	244,866	4.5%
Accumulated rereasurement (loss wa)/gains	(76,778)	672,856	(749,634)	-111.4%
<b>Total</b>	<b>53,927,918</b>	<b>54,100,856</b>	<b>(172,938)</b>	<b>-0.3%</b>

## ACCUMULATED SURPLUS FROM OPERATIONS

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. The accumulated operating surplus of \$2,674,471 decreased by \$5,800,810, mainly due to a Board motion to transfer funds to an internally restricted surplus.

## INTERNALLY RESTRICTED SURPLUS

Internally restricted surplus of \$14,777,618 increased by \$5,896,827 in accordance with a Board motion to transfer funds from accumulated surplus from operations to provide for future capital programs.

## INVESTMENT IN TANGIBLE CAPITAL ASSETS

Investment in tangible capital assets of \$30,915,988 increased by \$235,813 over 2020-21. This consisted of capital acquisitions, \$1,259,527, debt repayment for capital leases, Alberta Treasury Board and Finance loans of \$1,324,685, and less amortization on tangible capital assets of \$2,240,075, and the net book value of tangible capital asset disposals of \$108,324.

## ENDOWMENTS

The endowment balance of \$5,636,619 has increased by \$244,866 from the prior year. Endowments consist of externally restricted donations received by the College. In the current year, the College received \$137,031 in new donations and earned \$107,835 in capitalized investment income.

## ACCUMULATED REMEASUREMENT LOSS

Market value changes to non-endowment investments are recorded in the statement of accumulated remeasurement gains (losses). At the end of F2022 related investments were (\$76,778) below cost. Accumulated remeasurement gains (market value) decreased by \$749,634 over the prior year, of which \$140,497 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 2021-22, the College spent \$3,791,791 on tangible capital assets in the categories below:

	ADDITIONS	WORK IN PROGRESS	TOTAL ADDITIONS	COMMENTS
Land	-	-	-	
Land improvements	66,366	-	66,366	Additions include the following site improvements: (1) Plug ins SEIC back lot (2) Heating plant fencing
Building and renovations	-	1,286,161	1,286,161	Building code and security upgrade
Equipment	850,123	1,427,128	2,277,251	Additions include 5 Hyflex class rooms, food services inventory, remediation of 25 Reidel units, new fitness machines for SSWC, a wheel loader and other equipment
Computer hardware and software	13,642	148,370	162,013	Additions include phase 2 of ReQlogic
<b>Total</b>	<b>\$930,131</b>	<b>\$2,861,660</b>	<b>\$3,791,791</b>	

In 2021-22, the College disposed of tangible capital assets with a net value of \$108,324 in the categories below:

TANGIBLE CAPITAL ASSEST CATEGORY	COST	EFFECT OF DISPOSAL/ WRITE DOWN ON ACCUM AMORTIZATION	NET DISPOSAL/ WRITE DOWN	COMMENTS
Land	-	-	-	
Land improvements	-	-	-	
Building and renovations	-	-	-	
Equipment	731,178	623,360	107,818	Includes haul truck, pianos and small equipment
Computer hardware and software	235,396	234,890	506	
<b>Total</b>	<b>\$966,574</b>	<b>\$858,250</b>	<b>\$108,324</b>	

## 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 2015, the Land Trust Board of Directors suspended further development of lands, due to the slowdown in the Alberta economy. The development was further impacted by the 2016 Fort McMurray Wildfire, which created more uncertainty.



The Land Trust currently generates income from renting un-serviced laydown lots to companies primarily in the construction and transport industries. In 2017, the Land Trust entered into a lease contract with a third party to excavate gravel and sand at the Saline Creek gravel pit.

For the year ended June 30, 2022, the Land Trust had revenues of \$2,519,640 (2021 - \$3,760,085), resulting in a comprehensive income of \$667,075 (2021 - \$2,366,800). The decrease in comprehensive income was primarily due to decreased royalty revenues, as the gravel pit nears the end of its useful life and increased expenditures.

As of June 30, 2022, the College had an investment in a government business enterprise (Land Trust) of \$22,095,317 (2021 - \$21,063,966). The Keyano College Land Trust is consolidated in the College financial statements on a modified equity basis.



# CAPITAL REPORT

## CAPITAL PLAN

The College continues to have modest goals in its capital plan with slight expansion. A substantial portion of the budget is allocated to Health and Safety items, maintenance, and updating and replacing existing assets. The College has several projects to support the renewal of academic spaces.

The College has continued to see project delays and inflationary pressure related to COVID-19 and supply chain challenges. For some specialized equipment, delivery times have extended from a few months to close to a year.

The roofing project also started and is a major investment to address with leaking issues on several buildings that are impacting the safety and building condition. The College engaged a roofing expert to inspect all College roofs and to help develop the project scope. Following a procurement process, a company was awarded the work, and the project began in April 2022. The project was completed by the end of September 2022.

### TYPES OF PROJECTS AND FUNDING SOURCES

PROPOSED/NEW/ EXPANSION/ MAINTENANCE	DESCRIPTION	TOTAL PROJECT \$ COST	FUNDING SOURCE	
<b>Priority Projects (Top 3 Capital Priorities)</b>				
Maintenance	Esports Arena	900,000	100% Keyano	
Maintenance	Science/Biology	2,800,000	100% Keyano	
Maintenance	Roofing Project	1,200,000	40% Keyano 60% GOA	College Capital and Goa Roofing Grant
Maintenance	Paramedic Tub Room	50,000	100% Keyano	
Maintenance	Code Remediation	2,600,000	20% Keyano 80% GOA	Code Remediation Grant/College Self Funded
Maintenance	Facilities Grounds Storage	100,000	100% Keyano	
Maintenance	Clearwater Hall (Envelope Repairs)	1,000,000	100% Keyano	Not Funded
Maintenance	SEIC Parking Lot Rehabilitation	200,000	100% Keyano	
Maintenance	Riedel Student Housing Restoration Phase 1 & 2	320,000	100% Keyano	
Maintenance	Riedel Student Housing Restoration Phase 3	500,000	100% Keyano	
Maintenance	Heating/Mechanical System Repairs	500,000	100% Keyano	

Due to the nature of the Code Remediation Project it has been divided into several smaller projects with multiple contractors. The project is about 60% complete and is projected to finish in February 2023.



## PROJECT TIMELINES AND STATUS

PROJECT DESCRIPTOR	PROJECT TIMELINES	START DATE	COMPLETION DATE	PROJECT STATUS	PROGRESS MADE TO DATE
Esports Arena	January 2022 - December 2022	Jan-21	Dec-22	Project commenced Jan 2021	Architectural design work complete, RFP awarded
Science/Biology	May 2019 – September 2023	Oct-21	Sep-23	Const. Man engaged	AHU/Mech ordered, Casework finalized, work to commence Aug 2022
Roofing Project	March 2022 - October 2022	Mar-22	Oct-22	Contract awarded	Penhorwood 75% complete, CWC, CWH, BL & SSWC
Paramedic Tub Room	August 2021- December 2021	Aug-21	Dec-21	Project complete	Complete
Code Remediation	February 2021- February 2023	Feb-21	Feb-23	Ongoing	60% Complete
Facilities Grounds Storage	March 2022 – September 2022	Mar-22	Sep-22	Ongoing	Product onsite, awaiting assembly
Clearwater Hall (Envelope Repairs)	June 2022 – September 2022	Jan-22	Sep-23	On Hold	Preliminary structural review
SEIC Parking Lot Rehabilitation	April 2021 – August 2022	Jun-21	Jul-21	Complete	Complete
Riedel Student Housing Restoration Phase 1 & 2	June 2021 – August 2021	Jun-21	Aug-21	Complete	25 of 82 Units renovated
Riedel Student Housing Restoration Phase 3	June 2022 – December 2022	Jul-22	Dec-22	Procurement Stage	20 Units to be renovated
Heating/Mechanical System Repairs	January 2022 – August 2025	Mar-22	Aug-22	Planning	Engineering Report expected in October 2022

The College continues to work on renewing the Science/ Biology Lab to enhance the learning experience and upgrade to the current code. This project has a construction manager in place, and Phase 1 will be completed in the summer of 2022. The project has had some delays due to the need for specialized products. Some delivery times have been up to ten months. This has necessitated that the project be divided into several phases to minimize the impact on program delivery.

The College has continued to renovate the Riedel properties; it has been doing small incremental renovations to improve the space. The College has estimated that a complete renewal of the Riedel Housing would be close to \$30 million.

Although most of the flood restoration at the Clearwater Campus was completed, the work in the Bob Lamb was

ongoing and completed in December 2021. The remaining work in the Bob Lamb consisted mainly of furniture installation and the opening of the Testing Centre.

The College has been working with a consulting firm to develop a College master plan. The plan has reviewed the Colleges programs, vision, and physical infrastructure in addition to room capacity and utilization rates. The review also consisted of a condition review and will assist in developing longer-term maintenance and capital planning.

As part of the review of college assets, the College has also been exploring the divesture of several underutilized or surplus assets. The College has also explored the potential of renting currently underutilized spaces. A decision on divesture will be made in the Fall of 2022.

# INFORMATION TECHNOLOGY SERVICES

During the 2021/2022 year, the Information Technology Services (ITS) team made improvements in five key areas:

- IT service delivery
- IT infrastructure
- Hyflex classroom technology
- Cybersecurity
- Operational efficiencies

## IT SERVICE DELIVERY

IT has implemented a new IT Service Management (ITSM) platform during this timeframe to better serve students, faculty, and staff. This ITSM platform uses industry-standard techniques and technologies to improve the performance of the delivery of services from IT.

IT significantly expanded the use of Microsoft Intune, the online device management platform Keyano employs for all IT end-user devices. Implementing compliance policies and configuration profiles through Microsoft Intune has helped to standardize configurations and ensure a consistent computing experience for end users on campus or remote workers, as long as the device is Internet-connected.

IT has developed a project and portfolio framework. This framework standardizes definitions and processes around IT projects and portfolio management. A standardized approach to projects and the IT portfolio improves resource management, project alignment, and project reporting/insight. The project and portfolio management platform are tightly integrated with the IT Service Management platform.

## IT INFRASTRUCTURE

IT has completed significant work towards two multi-year IT infrastructure projects.

In collaboration with the Facilities Department, structured cabling has been replaced in the Suncor Energy Industrial Campus (SEIC), the Bob Lamb building, the Syncrude Sport and Wellness Center (SSWC), and the Clearwater Hall, and approximately 70% of the Clearwater Campus. This upgrade modernizes the structured cabling across campus, provides a

more redundant and resilient network, and ensures that the cabling meets fire and building code requirements.

The access control system across campus is in progress to be replaced with a large part of the building and programming of the system happening during the 2021-22 fiscal year. The upgrade to this system replaces an obsolete access control system with a modern and robust access control system.

The security camera system is being modernized along with the access control system. During the 2021-22 fiscal year, the core infrastructure for the closed-circuit television (CCTV) system was implemented. This system is integrated with the access control system to provide greater security to the students, faculty, and staff of Keyano College.

## HYFLEX CLASSROOM TECHNOLOGY

Five additional classrooms were configured with hyflex capabilities, expanding the College's ability to deliver course materials simultaneously with students in class and remotely. This technology, paired with conferencing and communication technology such as Zoom and Microsoft Teams, provides Keyano faculty with the ability to deliver high-quality lectures synchronously or asynchronously.

This same technology was used to outfit the Board of Governor's meeting room, providing modernized meeting amenities for college leadership.

## CYBERSECURITY IMPROVEMENTS

During the 2021-22 fiscal year, IT has implemented several key cybersecurity improvements for the college. The most notable improvement was the rollout of multifactor authentication for all staff and students. Other improvements included the implementation of a modern endpoint detection and response (EDR) platform, which brings with it a large set of tools for managing and mitigating cybersecurity threats. This platform also includes a comprehensive cloud-based security monitoring platform for improving the security posture of the IT portfolio.

## OPERATIONAL EFFICIENCIES

In collaboration with the College's Finance and Procurement departments, IT rolled out a new procurement, requisitioning, and invoicing solution for the College. This project introduces much-needed efficiencies in the procurement process of the College. A greater amount of insight into the procurement life cycle and better controls for procurement processes have been achieved with this upgrade.

Additionally, implementing cloud-based storage for employee files eased local storage needs and provided greater reliability for accessing these files.

# 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 for 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.

Continuing Education staff continued to consult with community organizations, assessed learner readiness, skills, and progress and delivered on-demand training to the rural communities.

Students have the option to self-identify Indigenous status on their applications for credit programs. This assists in two ways. First, seats are reserved for Indigenous students in high-demand programs such as Nursing, Practical Nursing, and Social Work. 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 can facilitate access to financial assistance. Collaboration between Indigenous Education and all student services departments allows us to work closely and seamlessly to support 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. A steering committee governed all workforce initiative programs with representation from the community, provincial funder, and industry partners.



## FOUNDATIONAL LEARNERS

### FOUNDATION LEARNING

Foundational Learning was offered at the Clearwater Campus in Fort McMurray for the fall 2021 semester. Learners could enter the programs at skill levels below grade 10. The fall cohort was comprised of 9 students several of whom were recipients of LINC tuition vouchers to support them in their studies. Students received instruction in both Foundational English Language Arts and Foundational Mathematics. Fall semester began with the program being offered face-to-face but, in response to COVID-19, switched to a synchronous online mode of delivery. Six students successfully completed and graduated from the program with each receiving their Academic Foundations Certificate.

### 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 high school equivalency courses to work towards their Keyano College High School Equivalency Diploma or to meet post-secondary admission requirements. Most classes were offered in a face-to-face mode of delivery at the beginning of the semester but, in response to COVID-19, switched to a synchronous online mode of delivery.

### 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. LINC focuses on practical language use supported by traditional classroom activities. Keyano College offers part-time LINC instruction from absolute beginner to upper-intermediate levels – Canadian Language Benchmarks (CLB) 0-6. All LINC class levels are offered in-person with additional online classes available for higher level LINC classes (CLB 4-6).

### ENGLISH FOR ACADEMIC PURPOSES (EAP)

The EAP program is intended 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 who 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 part, due to travel restrictions for international students, EAP did not run in 2021-2022.

## 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 by providing learning strategies applied in context.
- Providing training and access to assistive technology to develop independent learners.
- Providing mental health support in the form 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 quiet and collaborative spaces.
- Developing a student life program to build student relationships with Keyano College.
- Providing academic success coaching to at-risk students who need individualized support to develop the skills to thrive in the post-secondary environment.
- Developing policies and practices that support students with learning barriers.

Student Services continues to focus on removing the stigma associated with having a disability. Universal Design for Learning is an educational framework that Keyano College incorporates to ensure that learning environments are barrier-free for students with disabilities. Keyano College strives to create a learning culture where students with disabilities can receive timely and necessary support. 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 promoted 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 band funding for eligible Indigenous students. We were able to provide \$6,200 in food vouchers in 2021-22 for students experiences food insecurities and \$2,500 in emergency student loans. Our mental health coordinators and wellness navigator work closely with the Wood Buffalo Food Bank to refer students or navigators to provide emergency food bags.

Our student awards are a collaborative effort between Keyano College and the community. 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 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 2021-22, Keyano College provided **375** students with awards valued at \$567,837.



## INDIGENOUS STUDENT PROGRAM PARTICIPATION (credit programming only)



**83** CERTIFICATES <sup>1</sup>



**20** DIPLOMA <sup>1</sup>

**131**



UNIQUE HEADCOUNT <sup>1</sup>

**68.725**

FULL LOAD EQUIVALENT  
(FLEs) IN 2021-22 <sup>1</sup>

<sup>1</sup> DATA COLLECTION AND REPORTING (DCAR)-LEARNER AND ENROLMENT REPORTING SYSTEM (LERS)



## ADDITIONAL SERVICES AVAILABLE TO COMMUNITY MEMBERS

### KEYANO COLLEGE THEATRE & ARTS CENTRE

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

Keyano Theatre reopened and safely welcomed in-person performances starting July of 2021. The Theatre presented three live theatre productions beginning in August with our young actor's summer intensive, called Drama Force, where 34 young actors, ages 9-17, spent three weeks learning acting, dance, and choreography to present fully produced performances in the main theatre of *Disney's Moana Jr.*

In November, we brought our community actors back on stage with four performances of the Broadway musical review *All Together Now!* to re-start our 40th-anniversary celebrations. Then in February, Keyano Theatre presented the famous musical *Mary Poppins*, which sold out four of seven shows to capacity (1873 patrons) and had 53 volunteers involved between onstage and backstage duties.

The Syncrude Arts Alive professional touring artist series resumed presentation in November of 2021 with seven artists ranging from Tom Jackson's Christmas special to rising country star Tebey and the acrobatic touring act, Barely Methodical Troupe, from Ireland with their performance of *Bromance*.

The fall of 2021 saw an increase in Arts Studio rentals with over 80 new or returning clients and repeating events using our specialized studio spaces. One room was upgraded with a sprung dance floor to help meet the increasing demand.

On the financial side, the Theatre received (for the fourth year) the RMWB Strategic Partners grant for the 2022 calendar as well as continued support from Canadian Heritage to assist with re-opening and supporting professional workers in live arts and music sectors. The Theatre also applied for and received the Cultural Spaces grant.

## SYNCRUDE SPORT AND WELLNESS CENTRE

The Syncrude Sport & Wellness Centre (SSWC) is a premier facility built in 2007 and equipped to host basketball, badminton, floor hockey, indoor soccer, futsal, and volleyball as well as other college and community events. Since the 2020 Fort McMurray flood, several upgrades have been completed at the SSWC, including a new hardwood floor, a new turf, and a new synthetic floor in the three large fieldhouses. The Centre has several other tenants, including the Fort McMurray Youth Soccer Association, YMCA Daycare, Alberta School of Massage, and Accel Physio.

There has been an increase in memberships since the building has reopened to full capacity after the significant impact of the COVID-19 pandemic.

The SSWC is home to the Keyano College Huskies, the College's athletics teams. There are currently six Varsity teams which include Men's and Women's teams for the sports of basketball, volleyball, and soccer. Also, there are three Club teams, including Men's and Women's cricket and Esports. In total, over 150 student-athletes participate on these teams. Students come from various parts of Alberta, Canada, and a number of other countries.

## TESTING SERVICES

Keyano College's Testing Services is an authorized testing facility that provides testing services to Keyano students, non-Keyano students, and external organizations. The external organizations include other post-secondary institutions across Canada, government agencies, corporations, and professional regulatory bodies. Keyano's Testing Services staff are certified testing facilitators for the Differential Aptitude Test (DAT), General Educational Development (GED), Alberta Water and Wastewater Certification, and Canadian English Language Proficiency Index Program (CELPIP). Testing Services also oversees safety certifications, including Workplace Hazardous Materials Information System (WHMIS).





# INTERNATIONAL EDUCATION AND GLOBAL CITIZENSHIP

This year, Keyano College continued implementing the strategy document – Meet the World at Keyano College. Efforts this year centered around supporting international students through the pandemic and providing an alternative mode of delivery to minimize interruption in the completion of their studies. Keyano College continued to work with international recruitment agencies to attract and retain qualified international students. Like last year, Keyano College experienced growth in its international student numbers.

Keyano College also worked with the Fort McMurray Wood Buffalo Economic Development and Tourism (FMWBEDT) on regional branding materials as part of the collaboration between both organizations to attract and retain international students in the region. Planning is also underway for Keyano College's first agent familiarization tour.

This academic year, Keyano College also continued with the implementation of the International Education and Global Citizenship Strategic Plan. The College secured grant funding from the Department of Foreign Affairs, Trade, and Development Canada for the Faculty Mobility for Partnership Building Program initiative. This grant helped improve the knowledge of Canadian values and know-how among key foreign audiences and provide opportunities for Canadian scholars to maintain and develop contacts and institutional partnerships outside Canada. Keyano College is also in the implementation phase of the Outbound Student Mobility Pilot Program, a grant-funded initiative by Colleges and Institutes Canada (CICan).

As part of its commitment to model global citizenship (as captured in Meet the World at Keyano College), Keyano College submitted its application to the World University Service of Canada (WUSC) Student Refugee Program (SRP) to sponsor a refugee student next academic year.

## INTERNATIONAL STUDENTS

CREDENTIAL	PROGRAM	2021-22		
		PROJECTED FLE	ACTUAL FLE	VARIANCE
Certificate	Business Administration Certificate	2,400	5,100	113%
	Early Learning and Child Care Certificate	-	12,282	-
	Educational Assistant	-	1,053	-
	Human Resources Management Certificate	3,542	6,375	80%
	Office Administration Certificate	0,967	2,234	131%
	4th Class Power Engineering	-	0,250	-
Diploma	Business Administration Diploma-Accounting	11,500	16,817	46%
	Business Administration Diploma-Management	40,400	60,367	49%
	Esports Management	2,700		(100%)
	Business Administration Diploma-Coop Accounting	4,285	1,900	-
	Business Administration Diploma-Coop Management	6,418	4,267	-
	Early Learning and Child Care Diploma	5,038	2,459	(51.2%)
	Environmental Technology Diploma	4,409	3,189	(27.7%)
	Practical Nurse	2,881	6,098	112%
	Social Work Diploma	4,037	0,819	(79.7%)
Non-Credential	Open Studies	0,300	0,767	156%
	Upgrading	21,033	7,204	(65.7%)
	UT: Bachelor or Arts	0,733	0,167	(77.2%)
	UT: Bachelor of Education	3,266	0,700	(78.6%)
	UT: Bachelor of Engineering	0,800	-	(100.0%)
	UT: Bachelor of Science	0,833	-	(100.0%)
	UT: Bachelor of Social Work	-	0,100	-
	UT: Bachelor of Nursing	2,644	1,777	(32.8%)
<b>Keyano College International Total</b>		<b>118,186</b>	<b>133,925<sup>1</sup></b>	<b>13%</b>

### TOP 5 HIGHEST ENROLLED PROGRAMS<sup>1</sup>



Business Administration  
Diploma-Management  
Business Administration  
Diploma-Accounting  
Early Learning and Child Care Certificate  
Upgrading - College Preparation  
Human Resources Management

**13%** Percentage of international students relative to the total student population<sup>1</sup>

**26** Number of Countries<sup>1</sup>

### TOP 5 HIGHEST COUNTRIES<sup>1</sup>



India  
Philippines  
Jamaica  
Nigeria  
Brazil

<sup>1</sup> DATA COLLECTION AND REPORTING (DCAR)-LEARNER AND ENROLMENT REPORTING SYSTEM (LERS)



# **APPENDIX:** CONSOLIDATED FINANCIAL STATEMENTS

KEYANO COLLEGE CONSOLIDATED FINANCIAL  
STATEMENTS YEAR ENDED JUNE 30, 2022

# **KEYANO COLLEGE**

CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2022

**KEYANO COLLEGE  
CONSOLIDATED FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022**

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**KEYANO COLLEGE  
STATEMENT OF MANAGEMENT RESPONSIBILITY  
YEAR ENDED JUNE 30, 2022**

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The consolidated financial statements of Keyano College have been prepared by management in accordance with Canadian public sector accounting standards as described in note 2 to the consolidated financial statements. The consolidated financial statements present fairly the consolidated financial position of Keyano College as at June 30, 2022 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]

\_\_\_\_\_  
Jatinder Notay  
President & CEO

[Original signed by Robert LeSage]

\_\_\_\_\_  
Robert LeSage, MBA, CPA, CGA, (retired)  
Vice President, Corporate Services/  
Chief Financial Officer

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, 2022, 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, 2022, 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]

W. Doug Wylie FCPA, FCMA, ICD.D  
Auditor General

October 26, 2022  
Edmonton, Alberta

**KEYANO COLLEGE**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2022**

	2022	2021
<b>Financial assets excluding portfolio investments restricted for endowments</b>		
Cash (Note 4)	\$ 8,840,721	\$ 8,494,584
Portfolio investments - non-endowment (Note 5)	4,936,907	5,317,942
Accounts receivable (Note 7)	3,394,900	2,088,832
Inventories held for sale	192,492	461,793
Loan receivable (Note 8)	273,946	304,627
Investment in and advances to government business enterprises (Note 9)	22,095,317	21,063,966
	<u>39,734,283</u>	<u>37,731,744</u>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	6,631,379	5,953,400
Debt (Note 11)	13,055,620	14,380,305
Liability for contaminated sites (Note 12)	929,611	1,058,000
Deferred revenue (Note 13)	17,978,264	16,367,185
	<u>38,594,874</u>	<u>37,758,890</u>
<b>Net financial assets/(net debt) excluding portfolio investments restricted for endowments</b>	<u>1,139,409</u>	<u>(27,146)</u>
Portfolio investments - restricted for endowments (Note 5)	7,451,051	8,026,132
<b>Net financial assets</b>	<u>8,590,460</u>	<u>7,998,986</u>
<b>Non-financial assets</b>		
Tangible capital assets (Note 14)	90,395,297	91,588,192
Prepaid expenses	1,365,878	1,041,418
	<u>91,761,175</u>	<u>92,629,610</u>
<b>Net assets before spent deferred capital contributions</b>	<u>100,351,635</u>	<u>100,628,596</u>
Spent deferred capital contributions (Note 15)	46,423,717	46,527,740
<b>Net assets (Note 16)</b>	<u>\$ 53,927,918</u>	<u>\$ 54,100,856</u>
<b>Net assets is comprised of:</b>		
Accumulated surplus	\$ 54,004,696	\$ 53,428,000
Accumulated rereasurement (losses)/gains	(76,778)	672,856
	<u>\$ 53,927,918</u>	<u>\$ 54,100,856</u>

Contractual rights (Notes 19)

Contingent liabilities and contractual obligations (Notes 18 and 20)

**Approved by the Board of Governors:**

[Original signed by Joe MacNeil]

\_\_\_\_\_  
Chair, Board of Governors

[Original signed by Kim Farrell]

\_\_\_\_\_  
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, 2022**

	Budget (Note 28)	2022	2021
<b>Revenues</b>			
Government of Alberta grants (Note 23)	\$ 36,946,309	\$ 33,945,013	\$ 36,859,809
Student tuition and fees	10,288,189	8,473,474	7,881,298
Sales of services and products (Note 9)	7,512,231	5,687,175	2,979,352
Federal and other government grants (Note 23)	1,809,548	1,919,566	2,063,456
Insurance proceeds		1,682,500	124,163
Donations and other grants	2,071,905	1,416,620	1,575,298
Investment income	754,276	1,011,426	833,014
Investment in government business enterprise (Notes 9 and 25)	914,400	667,075	2,366,800
Gain on sale of tangible capital assets		249,357	-
	<b>60,296,858</b>	<b>55,052,206</b>	54,683,190
<b>Expenses (Note 21)</b>			
Instruction and training	17,877,916	17,101,858	16,919,604
Facility operations and maintenance	15,257,895	11,210,695	13,911,008
Institutional support	10,898,385	11,136,743	11,370,948
Academic and student support	10,369,795	9,806,484	7,824,103
Ancillary services	4,669,998	4,717,480	3,623,608
Special purpose and Trust	687,969	747,116	688,334
	<b>59,761,958</b>	<b>54,720,376</b>	54,337,605
<b>Annual operating surplus</b>	<b>534,900</b>	<b>331,830</b>	345,585
<b>Endowment contributions and capitalized investment income</b>			
Endowment contributions (Note 16)	-	137,031	55,500
Endowment capitalized income (Note 16)	-	107,835	104,632
<b>Annual surplus</b>	<b>534,900</b>	<b>576,696</b>	505,717
<b>Accumulated surplus, beginning of year</b>		<b>53,428,000</b>	52,922,283
<b>Accumulated surplus, end of year (Note 16)</b>	<b>\$ 534,900</b>	<b>\$ 54,004,696</b>	\$ 53,428,000

*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, 2022**

	<b>Budget</b>		
	<b>(Note 28)</b>	<b>2022</b>	<b>2021</b>
<b>Annual surplus</b>	<b>\$ 534,900</b>	<b>\$ 576,696</b>	<b>\$ 505,717</b>
Acquisition of tangible capital assets (Note 14)	<b>(2,500,000)</b>	<b>(3,791,791)</b>	(3,437,479)
Amortization of tangible capital assets (Note 14)	<b>6,195,289</b>	<b>4,876,361</b>	7,082,932
Loss on disposal of tangible capital assets (Note 14)		<b>108,324</b>	232,118
(Increase) in prepaid expenses		<b>(324,459)</b>	(335,268)
(Decrease) in spent deferred capital contributions (Note 15)		<b>(104,023)</b>	(3,331,213)
(Decrease)/increase in accumulated remeasurement (losses)/gains		<b>(749,634)</b>	452,590
<b>Increase in net financial assets</b>		<b>591,474</b>	1,169,397
<b>Net financial assets, beginning of year</b>		<b>7,998,986</b>	6,829,589
<b>Net financial assets, end of year</b>		<b>\$ 8,590,460</b>	<b>\$ 7,998,986</b>

*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, 2022**

	<u>2022</u>	<u>2021</u>
<b>Accumulated remeasurement gains, beginning of year</b>	<b>\$ 672,856</b>	<b>\$ 220,266</b>
Unrealized (losses)/gains attributable to:		
Portfolio investments - non-endowment	<b>(609,137)</b>	523,867
Amounts reclassified to the consolidated statement of operations:		
Portfolio investments - non-endowment	<b>(140,497)</b>	<b>(71,277)</b>
Change in accumulated remeasurement (losses)/gains	<b>\$ (749,634)</b>	<b>\$ 452,590</b>
<b>Accumulated remeasurement (losses)/gains, end of year</b>	<b>\$ (76,778)</b>	<b>\$ 672,856</b>

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

**KEYANO COLLEGE**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**YEAR ENDED JUNE 30, 2022**

	2022	2021
<b>Operating transactions</b>		
Annual surplus	\$ 576,696	\$ 505,717
Add (deduct) non-cash items:		
Amortization of tangible capital assets (Note 14)	4,876,361	7,082,932
Gain on disposal of tangible capital assets	(249,357)	-
Gain on disposal of portfolio investments	(140,497)	(71,277)
Non-cash investment income	-	(132,706)
Write down of tangible capital assets	-	196,858
Expended capital contributions recognized as revenue (Note 15)	(2,636,287)	(4,095,619)
Investment earnings in government business enterprise (Note 9)	(667,075)	(2,366,800)
Government business enterprise non-cash interest revenue (Note 9)	(364,276)	(354,229)
Change in non-cash items	1,395,565	764,876
(Increase) in accounts receivable (Note 7)	(1,306,068)	(884,415)
Decrease in inventories for held for sale	269,301	68,702
Increase in accounts payable and accrued liabilities	677,980	606,443
Increase in deferred revenue (Note 13)	2,530,978	3,590,485
(Decrease)/increase in liability for contaminated sites (Note 12)	(128,389)	1,058,000
(Increase) in prepaid expenses	(324,460)	(335,268)
<b>Cash provided by operating transactions</b>	<b>3,114,907</b>	<b>4,868,823</b>
<b>Capital transactions</b>		
Acquisition of tangible capital assets (Note 14)	(3,791,791)	(3,437,479)
Proceeds on sale of tangible capital assets	357,176	35,259
<b>Cash applied to capital transactions</b>	<b>(3,434,615)</b>	<b>(3,402,220)</b>
<b>Investing transactions</b>		
Loan receivable repayments (Note 8)	30,681	29,799
Purchases of portfolio investments	(2,933,753)	(812,743)
Proceeds on sale of portfolio investments	2,361,338	1,622,107
<b>Cash provided by (applied to) investing transactions</b>	<b>(541,734)</b>	<b>839,163</b>
<b>Financing transactions</b>		
Debt repayment (Note 11)	(1,324,685)	(1,449,171)
Increase in spent deferred capital contributions, less expended capital contributions recognized as revenue (Note 15)	2,532,264	764,406
<b>Cash provided by (applied to) financing transactions</b>	<b>1,207,579</b>	<b>(684,765)</b>
<b>Increase in cash (Note 4)</b>	<b>346,137</b>	<b>1,621,001</b>
<b>Cash, beginning of the year</b>	<b>8,494,584</b>	<b>6,873,583</b>
<b>Cash, end of the year</b>	<b>\$ 8,840,721</b>	<b>\$ 8,494,584</b>

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

**KEYANO COLLEGE**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2022**

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**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 - Canadian 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, liabilities, revenues and expenses 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, 2022**

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**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.

**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.

**KEYANO COLLEGE**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2022**

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

**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.

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.

**KEYANO COLLEGE**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2022**

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

**f) Tangible Capital Assets (Note 3)**

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:

	<u>Useful Life</u>
Land improvements	20 - 40 years
Buildings and renovations	10 - 60 years (2021: 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.

**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.

**KEYANO COLLEGE  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022**

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

**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 26).

**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 accounting policies of the GBEs are not adjusted to conform to those of the other government organizations. 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.

On August 4, 2022, the Board of Directors of Keyano College Land Trust approved motions to distribute the lands and other properties to Keyano College and to wind down Keyano College Land Trust (Note 27).

**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. It does not include airborne contaminants. The College recognizes a liability for remediation of contaminated sites when the following criteria have been met:

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

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

**KEYANO COLLEGE**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2022**

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

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

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

These liabilities reflect the College's best estimate, as of June 30, of the amount required to remediate the sites to the current minimum standard of use prior to contamination. Where possible, provisions for remediation are based on environmental assessments completed on a site; for those sites where an assessment has not been completed, estimates of the remediation are completed using information available for the site and by extrapolating from the cost to clean up similar sites. This liability is reported in liability for contaminated sites in the Consolidated Statement of Financial Position.

**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 Syncrude 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, 2022**

**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 Changes in Accounting Standards**

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 issued PS 3400 Revenue. This accounting standard has been deferred by PSAB, and is effective for fiscal years on or after April 1, 2023. 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. Purchased intangibles 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. Public private partnerships provides guidance on how to account for infrastructure when procured under these types of arrangements.

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

**3. Change in accounting estimate (Note 2(f))**

During fiscal year 2022, management reviewed the estimated useful lives of its buildings as part of its periodic facility condition assessment. Based on this review, management revised the estimated useful life of buildings as an asset class after considering (i) the College's use of its buildings, (ii) buildings condition, and (iii) expected ongoing building maintenance. As a result, the estimated useful life of building asset class with a carrying amount of \$67,518,213 at July 1, 2021, was extended from 40 to 60 years to coincide with the expected service life as determined by a management appointed third party expert. This resulted in a \$981,390 decrease in amortization expense and a \$510,880 decrease in expended capital recognized as revenue. The change in accounting estimate will be applied prospectively with no restatement of prior year amounts.

**4. Cash**

	<u>2022</u>	<u>2021</u>
Cash	\$ 8,840,721	\$ 8,399,371
Restricted cash	-	95,213
	<u>\$ 8,840,721</u>	<u>\$ 8,494,584</u>

Restricted cash relates to a casino bank account with external restrictions from Alberta Gaming, Liquor and Cannabis (AGLC). This account was closed due to the wind-up of the Foundation.

**KEYANO COLLEGE**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2022**

**5. Portfolio Investments**

	<b>2022</b>	2021
Portfolio investments - non-endowment	<b>\$ 4,936,907</b>	\$ 5,317,942
Portfolio investments - restricted for endowments	<b>7,451,051</b>	8,026,132
Total portfolio investments at fair market value	<b>\$ 12,387,958</b>	\$ 13,344,074

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

	<b>2022</b>			<b>Total</b>
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
Bonds				
Canadian government and corporate bonds	<b>\$ 6,128,050</b>	\$ -	\$ -	<b>\$ 6,128,050</b>
Equities				
Canadian equity fund	<b>\$ 3,391,871</b>	-	-	<b>3,391,871</b>
Foreign equity fund	<b>\$ 2,733,484</b>	-	-	<b>2,733,484</b>
Other				
Cash and money market	<b>134,553</b>	-	-	<b>134,553</b>
Total portfolio investments	<b>\$ 12,387,958</b>	\$ -	\$ -	<b>\$ 12,387,958</b>
	<b>100.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>100.0%</b>

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

**KEYANO COLLEGE**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2022**

**5. 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).

**6. Financial Risk Management**

The College is exposed to the following risks:

**Market price risk**

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

The College assesses its portfolio sensitivity to a percentage increase or decrease in the market prices. The sensitivity rate is determined using the historical annualized standard deviation for the total portfolio investment pool over a four year period as determined by Bissett Investment Management. At June 30, 2022, if market prices had a 10% (2021 – 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 \$1,164,074 (2021 - \$1,288,697).

**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:

<b>Credit rating</b>	<b>2022</b>	<b>2021</b>
AAA	<b>26.9%</b>	14.5%
AA	<b>25.4%</b>	28.6%
A	<b>31.6%</b>	36.8%
BBB	<b>15.9%</b>	19.7%
Below BBB	<b>0.2%</b>	0.4%
	<b>100.0%</b>	100.0%

**KEYANO COLLEGE**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2022**

**6. 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, 2022 the College has (1) a lease line of credit of \$4.5 million (2021 - \$4.5 million) which has not been withdrawn and (2) a revolving line of credit of \$1.5 million (2021 - \$1.5 million) which has not been withdrawn.

**Interest rate risk**

Interest rate risk is the risk to the College's earnings that arise from the fluctuations in interest rates and the degree of volatility of these rates. This risk is managed by investment policies that limit the term to maturity of certain fixed income securities that the College holds. If interest rates increased by 1.0%, and all other variables are held constant, the potential loss in fair value to the College would be approximately 3.8% of total investments (2021 - 3.5%). Interest risk on the College's debt is managed through fixed-rate agreements with the Department of Treasury Board and Finance (Note 11).

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

	< 1 year	1 - 5 years	> 5 years	Average effective market yield
Cash and cash equivalents	100%	0%	0%	n/a
Portfolio investments, Canadian government and corporate bonds	0.71%	35.17%	64.12%	-1.60%

**7. Accounts Receivable**

	<b>2022</b>	<b>2021</b>
Trade receivables	\$ 893,961	\$ 860,108
Accrued receivables	364,849	384,741
Receivable from Foundation liquidation (Note 26)	1,108,422	-
Property loss insurance receivable	742,611	124,163
Canada Revenue Agency (Goods and Services Tax)	232,514	631,718
Student receivables	159,219	197,392
Less: Allowance for doubtful accounts	(106,676)	(109,290)
	<b>\$ 3,394,900</b>	<b>\$ 2,088,832</b>

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

Trade receivables balance includes \$62,980 (2021 - \$191,870) from other Government of Alberta departments and agencies. These amounts are also included in government transfers balances (Note 23).

Included in the accounts receivable balance is \$nil (2021 - \$69,046) 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, 2022**

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**8. Loan Receivable**

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

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

2023	\$	31,588
2024		32,523
2025		33,486
2026		34,477
2027		35,497
Thereafter		106,375
<b>Total at June 30, 2022</b>	<b>\$</b>	<b><u>273,946</u></b>
Total at June 30, 2021	\$	<u>304,627</u>

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

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

Included in sales of services and products is \$250,000 (2021 - \$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. Accounts payable includes an amount of \$2,500 (2021 - \$18,120) which arose from an over-billing in relation to the 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, 2022 the interest rate was 2.8% (2021 - 2.8%) with no covenants or repayment plan. The College records interest income on the advances to the Land Trust of \$364,276 (2021 - \$354,229).

Interest revenue and other advances in the amount of \$364,276 (2021 - \$354,229) were non-cash transactions and have been excluded from the consolidated statement of cash flows.

On August 4, 2022, the Board of Directors of Keyano College Land Trust approved motions to distribute the lands and other properties to Keyano College and to wind down Keyano College Land Trust (Note 27).

**KEYANO COLLEGE**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2022**

**9. Investment In and Advances to Government Business Enterprise (Note 25) (cont'd)**

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

	2022	2021
<b>100 Class "A" common voting shares<sup>(1)</sup></b>	<b>\$ 10</b>	<b>\$ 10</b>
Opening advances	<b>\$ 12,843,750</b>	12,489,521
Interest on advances	<b>364,276</b>	354,229
Total advances to Keyano College Land Trust	<b>13,208,026</b>	12,843,750
Opening accumulated investment earnings	<b>8,220,206</b>	5,853,406
Current investment earnings (Note 25)	<b>667,075</b>	2,366,800
Total accumulated earnings	<b>8,887,281</b>	8,220,206
	<b>\$ 22,095,317</b>	<b>\$ 21,063,966</b>

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

**10. Employee Future Benefit Liabilities**

**Defined benefit plan accounted for on a defined contribution basis**

The Local Authority Pension Plan ("LAPP") is a multi-employer contributory defined benefit pension plan for support staff members and is accounted for on a defined contribution basis. At December 31, 2021, the LAPP reported an actuarial surplus of \$11,922,370,000 (December 31, 2020 - \$4,961,337,000). An actuarial valuation of the LAPP was carried out as at December 31, 2020 and was then extrapolated to December 31, 2021. The pension expense recorded in these consolidated financial statements is \$2,309,923 (2021 - \$2,272,238). Other than the requirement to make additional contributions, the College does not bear any risk related to the LAPP.

**11. Debt**

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

	Collateral*	Maturity	Interest Rate	2022	2021
Debentures payable to the Department of Treasury Board and Finance (Note 22):					
Campus Development Project	1	June 2026	6.5%	<b>\$ 1,548,870</b>	1,878,863
Power & Process Lab	2	June 2032	2.9%	<b>11,454,272</b>	12,427,402
				<b>13,003,142</b>	14,306,265
Obligations under capital leases	3	Various	1.21%	<b>52,478</b>	74,040
				<b>\$ 13,055,620</b>	<b>\$ 14,380,305</b>

\*Collateral:

(1) Title to building with a net book value of \$3,020,706 (2021 - \$3,099,452) (Note 14).

(2) Title to the land for the College's Suncor Energy Industrial Campus main building with a net book value of \$51,094 (2021 - \$53,783).

(3) Title to leased assets with a net book value of \$43,747 (2021 - \$65,620) (Note 14).

**KEYANO COLLEGE**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2022**

**11. Debt (cont'd)**

Principal and interest repayments are as follows:

	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2023	\$ 1,373,671	\$ 429,568	\$ 1,803,239
2024	1,427,017	376,221	1,803,238
2025	1,463,974	320,698	1,784,672
2026	1,514,907	263,575	1,778,482
2027	1,123,656	203,928	1,327,584
Thereafter	6,152,395	485,528	6,637,923
<b>Total at June 30, 2022</b>	<b>\$ 13,055,620</b>	<b>\$ 2,079,518</b>	<b>\$ 15,135,138</b>
Total at June 30, 2021	\$ 14,380,305	\$ 2,558,073	\$ 16,938,378

Interest expense on debt is \$478,554 (2021 - \$533,615) (Note 21) and is included in the consolidated statement of operations.

**12. Liability for Contaminated Site**

The composition of liabilities is as follows:

	<b>2022</b>	<b>2021</b>
Balance, beginning of year	\$ 1,058,000	\$ -
Addition to liabilities during the year	-	1,058,000
Change in estimate related to existing sites	(128,389)	-
Balance, end of year	<b>\$ 929,611</b>	<b>\$ 1,058,000</b>

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 of 4.24% (2021 - 1.14%) at June 30, 2022.

**13. Deferred Revenue**

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

	<b>2022</b>			<b>2021</b>	
	<b>Unspent externally restricted grants and donations</b>	<b>Tuition, fundraising and other fees</b>	<b>Total</b>	<b>Total</b>	
Balance, beginning of year	\$ 13,720,855	\$ 2,646,330	\$ 16,367,185	\$	11,785,785
Grants, tuition, and donations	7,815,505	12,170,531	19,986,036		17,021,748
Investment income	476,196	-	476,196		245,223
Unrealized (losses)/gains on investments	(1,131,398)	-	(1,131,398)		683,075
Transfers to spent deferred capital contributions	(2,188,613)	(343,650)	(2,532,263)		(764,405)
Other transfers	(110,458)	-	(110,458)		-
Recognized as revenue	(4,884,709)	(10,192,325)	(15,077,034)		(12,604,241)
Balance, end of year	<b>\$ 13,697,378</b>	<b>\$ 4,280,886</b>	<b>\$ 17,978,264</b>	<b>\$</b>	<b>16,367,185</b>

**KEYANO COLLEGE**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2022**

**14. Tangible Capital Assets**

	2022						2021	
	Land	Land Improvements	Buildings & Renovations	Equipment <sup>(1)</sup>	Computer Hardware & Software	Other <sup>(2)</sup>	Total	Total
<b>Cost</b>								
Balance, beginning of year	\$ 12,958,536	\$ 2,389,965	\$ 155,194,208	\$ 33,974,513	\$ 7,096,911	\$ 1,146,742	\$ 212,760,875	\$ 216,835,586
Prior year WIP adjustments	-	174,257	(174,257)	(339,977)	(167,541)	507,518	-	-
Acquisitions	-	227,047	1,122,910	2,132,595	106,970	202,269	3,791,791	3,437,479
Disposals, including write-downs	-	-	-	(731,178)	(235,396)	-	(966,574)	(7,512,190)
	<u>12,958,536</u>	<u>2,791,269</u>	<u>156,142,861</u>	<u>35,035,953</u>	<u>6,800,944</u>	<u>1,856,529</u>	<u>215,586,092</u>	<u>212,760,875</u>
<b>Accumulated Amortization</b>								
Balance, beginning of year	\$ -	\$ 928,641	\$ 87,675,996	\$ 25,688,430	\$ 5,992,227	\$ 887,390	\$ 121,172,684	\$ 121,369,823
Amortization expense	-	144,066	1,942,558	2,388,219	325,368	76,150	4,876,361	7,082,932
Effects on disposals, including write-downs	-	-	-	(623,360)	(234,890)	-	(858,250)	(7,280,072)
	<u>-</u>	<u>1,072,707</u>	<u>89,618,554</u>	<u>27,453,289</u>	<u>6,082,705</u>	<u>963,540</u>	<u>125,190,795</u>	<u>121,172,683</u>
<b>Net book value at June 30, 2022</b>	<b>\$ 12,958,536</b>	<b>\$ 1,718,562</b>	<b>\$ 66,524,307</b>	<b>\$ 7,582,664</b>	<b>\$ 718,239</b>	<b>\$ 892,989</b>	<b>\$ 90,395,297</b>	<b>\$ 91,588,192</b>
<b>Net book value at June 30, 2021</b>	<b>\$ 12,958,536</b>	<b>\$ 1,461,324</b>	<b>\$ 67,518,213</b>	<b>\$ 8,286,083</b>	<b>\$ 1,104,684</b>	<b>\$ 259,352</b>	<b>\$ 91,588,192</b>	

<sup>(1)</sup> Equipment includes vehicles, heavy equipment, office equipment, furniture and leasehold improvements.

<sup>(2)</sup> Other tangible capital assets include audio/visual equipment.

Buildings and renovations includes work-in-progress of \$1,122,910 (2021 - \$174,258). Computer hardware and software includes work-in-progress of \$87,605 (2021 - \$176,430). Furniture and equipment includes work-in-progress of \$1,805,046 (2021 - \$749,202).

Total cost of capital leases included in equipment is \$109,367 (2021 - \$109,367), accumulated amortization is \$65,620 (2021 - \$43,747) and amortization expense is \$21,873 (2021 - \$70,750). 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, 2022**

**15. 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>2022</u>	<u>2021</u>
<b>Spent deferred capital contributions</b>		
Balance, beginning of year	\$ 46,527,740	\$ 49,858,953
Transfers from unspent externally restricted grants and donations	2,532,264	764,406
Expended capital contributions recognized as revenue	<u>(2,636,287)</u>	<u>(4,095,619)</u>
Balance, end of year	<u>\$ 46,423,717</u>	<u>\$ 46,527,740</u>

**16. Net Assets**

	<u>Accumulated surplus from operations</u>	<u>Investment in tangible capital assets</u>	<u>Internally restricted surplus (Note 17)</u>	<u>Endowments</u>	<u>Total</u>
<b>Net assets, as at June 30, 2020</b>	\$ 9,252,806	\$ 29,777,331	\$ 8,880,791	\$ 5,231,621	\$ 53,142,549
<b>Annual operating surplus</b>	345,585				345,585
<b>Endowments</b>					
New donations	-	-	-	55,500	55,500
Capitalized investment income	-	-	-	104,632	104,632
<b>Tangible capital assets</b>					
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)	-	-	-
<b>Change in accumulated remeasurement gains</b>	452,590	-	-	-	452,590
<b>Net assets, as at June 30, 2021</b>	9,148,137	30,680,175	8,880,791	5,391,753	54,100,856
<b>Annual operating surplus</b>	331,830				331,830
<b>Endowments</b>					
New donations	-	-	-	137,031	137,031
Capitalized investment income	-	-	-	107,835	107,835
<b>Tangible capital assets</b>					
Acquisition of tangible capital assets	(1,259,527)	1,259,527	-	-	-
Amortization of tangible capital assets	2,240,075	(2,240,075)	-	-	-
Debt repayment	(1,324,685)	1,324,685	-	-	-
Net book value of tangible capital asset disposals	108,324	(108,324)	-	-	-
<b>Net Board appropriation to internally restricted surplus</b>	(5,896,827)		5,896,827		
<b>Change in accumulated remeasurement losses</b>	(749,634)	-	-	-	(749,634)
<b>Net assets, as at June 30, 2022</b>	<u>2,597,693</u>	<u>30,915,988</u>	<u>14,777,618</u>	<u>5,636,619</u>	<u>53,927,918</u>
<b>Net assets is comprised of:</b>					
Accumulated surplus	2,674,471	30,915,988	14,777,618	5,636,619	54,004,696
Accumulated remeasurement losses	(76,778)	-	-	-	(76,778)
<b>Balance as at June 30, 2022</b>	<u>\$ 2,597,693</u>	<u>\$ 30,915,988</u>	<u>\$ 14,777,618</u>	<u>\$ 5,636,619</u>	<u>\$ 53,927,918</u>

**KEYANO COLLEGE  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022**

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**17. Internally Restricted Surplus**

Internally restricted surplus represent amounts set aside by the College's Board of Governors for specific purposes. On June 29th 2022, 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 with the remainder being 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. At the June 29th, 2022 Board of Governors meeting an additional \$5,896,827 (2021 - \$nil) was transferred from Accumulated surplus from operations to Internally restricted surplus.

**18. Contingent Liabilities**

At June 30, 2022, the College was named as a defendant in one (2021: three) specific legal actions. The total claimed in specific legal cases approximates \$87,347 (2021: \$249,395). The resulting loss from these claims, 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, 2021 and was increased to \$493,397 on June 30, 2022. The increase is based on an updated estimate prepared by environmental experts that was completed July 5, 2022. This estimate was adjusted for three lots which have commenced/completed cleanups in 2022.

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

The College's ongoing efforts to assess environmental liabilities may result in additional environmental remediation 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, 2022**

**19. Contractual Rights**

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

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

	<b>Operating Leases</b>
2023	\$ 925,397
2024	836,496
2025	794,142
2026	129,531
2027	-
Thereafter	-
Total at June 30, 2022	<b><u>\$ 2,685,566</u></b>
Total at June 30, 2021	<b><u>\$ 196,334</u></b>

**20. Contractual Obligations**

The College has contractual obligations which are commitments that will become liabilities in the future when the terms of the contracts or agreements are met. The estimated aggregate amount payable for the unexpired terms of these contractual obligations are as follows:

	<b>Service Contracts</b>	<b>Operation, Maintenance and interest amounts from Capital Leases</b>	<b>Information Systems and Technology</b>	<b>Long-term Leases</b>	<b>Total</b>
2023	\$ 3,087,779	\$ 1,560,199	\$ 1,141,464	\$ -	\$ 5,789,442
2024	1,136,868	-	267,601	-	1,404,469
2025	486,820	-	162,433	-	649,253
2026	18,970	-	139,586	-	158,556
2027	4,590	-	18,689	-	23,279
Thereafter	-	-	-	-	-
Total at June 30, 2022	<b><u>\$ 4,735,027</u></b>	<b><u>\$ 1,560,199</u></b>	<b><u>\$ 1,729,773</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 8,024,999</u></b>
Total at June 30, 2021	<b><u>\$ 3,485,308</u></b>	<b><u>\$ 1,778,791</u></b>	<b><u>\$ 772,545</u></b>	<b><u>\$ 23,600</u></b>	<b><u>\$ 6,060,244</u></b>

**KEYANO COLLEGE**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2022**

**21. Expense by Object**

The following is a summary of expense by object:

	<u>2022</u>		<u>2021</u>
	<u>Budget (Note 28)</u>	<u>Actual</u>	<u>Actual</u>
Salaries and benefits	\$ 33,398,678	\$ 33,257,963	\$ 31,577,918
Materials, supplies and services	12,632,969	10,080,926	8,605,420
Amortization of tangible capital assets	6,195,289	4,876,362	7,082,932
Repairs and maintenance	3,911,605	2,541,510	3,569,305
Utilities	1,644,943	2,055,093	1,744,269
Scholarships and bursaries	677,240	824,305	690,091
Cost of goods sold	838,000	605,663	534,055
Interest on debt (Note 11)	463,234	478,554	533,615
	<u>\$ 59,761,958</u>	<u>\$ 54,720,376</u>	<u>\$ 54,337,605</u>

**22. Related Parties**

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

The College has liabilities with the Department of Treasury Board and Finance as outlined in Note 11. There were no other related party transactions during the year that met PS 2200 disclosure requirements.

**23. Government Transfers**

	<u>2022</u>	<u>2021</u>
Grants from Government of Alberta		
Advanced Education:		
Operating	\$ 28,228,489	\$ 29,981,871
Capital	3,565,819	5,342,605
Apprenticeship	745,090	784,317
Other	2,403,551	702,093
Total Advanced Education	<u>34,942,949</u>	<u>36,810,886</u>
Other Government of Alberta departments and agencies:		
Alberta Foundation of the Arts	-	35,803
Culture and Status of Women	-	109,836
Community and Social Services	64,632	72,891
Labour and Immigration	153,770	234,027
Other	-	8,001
Total other Government of Alberta departments and agencies	<u>218,402</u>	<u>460,558</u>
Total contributions received	<u>35,161,351</u>	<u>37,271,444</u>
Restricted expended capital contributions recognized as revenue	2,198,875	3,621,072
Add: change in deferred contributions	<u>(3,415,213)</u>	<u>(4,032,707)</u>
	<u>\$ 33,945,013</u>	<u>\$ 36,859,809</u>
Federal and other government grants		
Contributions received	1,917,925	1,826,820
Add: change in deferred revenue	1,641	236,636
	<u>\$ 1,919,566</u>	<u>\$ 2,063,456</u>

**KEYANO COLLEGE**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2022**

**24. Salary and Employee Benefits**

	2022			2021	
	Base Salary <sup>(1)</sup>	Other Cash Benefits <sup>(2)</sup>	Other Non-Cash Benefits <sup>(3)</sup>	Total	Total
<b>Governance</b>					
Members of the Board of Governors	\$ -	\$ -	\$ -	\$ -	\$ 2,793
<b>Executive</b>					
President & CEO <sup>(4)</sup>	226,804	6,000	35,870	268,674	276,649
Vice-Presidents and Executive Director:					
Vice-President Corporate Services & CFO <sup>(5)</sup>	175,905	3,250	28,430	207,585	229,249
Vice President Infrastructure & Chief Information Officer	210,000	6,000	32,813	248,813	247,832
Vice-President Academic	206,042	6,000	32,813	244,855	243,874
Executive Director, Human Resources	162,143	9,960	29,712	201,815	201,950

(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 2022.

(3) Other non-cash benefits include the College's share of all employee benefits and contributions or payments made on behalf of employees.

(4) This position was occupied by two individuals at different times during the year. The position was occupied by an interim candidate from July 1, 2021 to October 3, 2021 when they were replaced by a permanent appointment who occupied position from October 4, 2021 to June 30, 2022.

(5) This position was occupied by three individuals though the year. A contract, temporary individual occupied position July 1, 2021 to September 30, 2021 and April 7, 2022 to June 30, 2022. A second VP & CFO occupied the position from October 4, 2021 to December 31, 2021. A third interim VP & CFO was appointed January 1, 2022 to April 6, 2022.

**KEYANO COLLEGE**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2022**

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

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

	<b>2022</b>	2021
<b>Assets</b>		
Cash and cash equivalents	\$ 5,596,386	\$ 4,114,045
Accounts receivable	145,160	243,600
Prepaid expenses	86,661	93,063
Advance on land development fees	54,400	250,000
Investment property	17,192,202	17,234,861
	<b>\$ 23,074,809</b>	<b>\$ 21,935,569</b>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	\$ 827,099	\$ 720,173
Advances from Keyano College	13,208,016	12,843,740
Due to Keyano College	10	10
Deferred lease rental revenue	16,263	10,800
Security deposits	136,140	140,640
	<b>\$ 14,187,528</b>	<b>\$ 13,715,363</b>
<b>Equity</b>		
Trust Surplus	\$ 8,887,281	\$ 8,220,206
	<b>\$ 23,074,809</b>	<b>\$ 21,935,569</b>
<b>Comprehensive income</b>		
Revenues	\$ 2,519,640	\$ 3,760,085
Expenses	(1,852,565)	(1,393,285)
	<b>\$ 667,075</b>	<b>\$ 2,366,800</b>

**KEYANO COLLEGE  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022**

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**26. 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.

An amount of \$1,108,422 representing due from the Foundation liquidation Trustee to the College is included in accounts receivable (Note 7).

**27. Subsequent Events - Dissolution of Keyano College Land Trust**

On August 4, 2022, the Board of Directors of Keyano College Land Trust approved motions to distribute the lands and other properties to Keyano College and to wind down Keyano College Land Trust (KCLT). These motions will require Keyano College to approve a similar motion, accepting these lands and properties. This process is expected to take several months to complete. Management believes that this transfer will have no income tax consequences.

The Keyano College Land Trust board resolutions occurred after June 30, 2022 and will not have an impact on these consolidated financial statements.

Keyano College Land Trust financial statements are included in these consolidated financial statements on a modified equity basis. Under the modified equity method, the accounting policies are not adjusted to conform to that of the other government entities.

**28. Budget Figures**

The College's 2021-22 budget was approved by the Board of Governors and submitted to the Minister of Advanced Education.

**29. Approval of Financial Statements**

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

**30. Comparative Figures**

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



**THE KEYANO ADVANTAGE.**





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