

Annual Report

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Board chair's Message



The 2022-23 academic year signifies a time of renewal and growth as we move beyond the challenges of the COVID-19 pandemic. Confederation College has consistently demonstrated resilience and adaptability, enabling us to provide a safe learning and working environment for our students and College community.

The College has fully resumed in-person learning activities, and employees returned to campus in the fall of 2022. The past year has required flexibility and innovation in response to changing circumstances, and we are thrilled to see our community back and fully engaged. Staff, students, and the entire College have embraced change and worked diligently to achieve their goals, fostering positive and productive relationships.

Now in the third year of our 2020-2025 Strategic Plan: Kaa-anokaatekin ("work that is now carried"), Confederation College continues to make substantial progress in support of its four pillars: Access and Success; Indigenous Learning; Institutional Excellence; and Community Prosperity, as evidenced in this report.

The College and its students remain vital contributors to the northwestern economy, contributing \$703.3 million annually to the economy of northwestern Ontario. While the pandemic did affect enrollment in Ontario Colleges in 2021-22, including Confederation College, enrollment has rebounded to pre-pandemic levels in the 2022-23 academic year, and have even exceeded the 2019-2020 enrollment, with a total enrollment of 7,153 postsecondary and non-postsecondary students. Our student demographics have continued to evolve, demonstrating a promising outlook for the future.

On behalf of the Board of Governors, I extend congratulations to the employees of Confederation College and express our gratitude for their unwavering spirit as they continue to change lives through learning. We are filled with hope and anticipation for the year ahead

Daryl Skworchinski

Board of Governors, Chair

President's Message



A handwritten signature in black ink that reads "Kathleen Lynch". The signature is written in a cursive, flowing style.

Kathleen Lynch, President.

Confederation College launched its current Strategic Plan, Kaa-anokaatekin, or Work That is Now Carried, in 2020. We are pleased to be able to provide an update on the third year of this plan. It was developed through collaboration with our employees, students, and community partners. Integrating the voices of our stakeholders was very important to us, to create a plan that we can all believe in. And, as a guide for our direction and decision making, it is proving flexible enough to adjust to the changing times.

When Confederation College launched the Strategic Plan three years ago, we had no way of knowing the global landscape was about to dramatically change, and as a result the way we deliver education. Thank goodness Confederation College has always taught to students at a distance using technology. The pandemic forced the college to innovate even more and find creative new ways to ensure we could continue to deliver first class experiential learning to all students, without the benefit of face-to-face education.

While the college was able to adapt in the face of the global crisis, we are now seeing a substantial rebound toward, and even in some areas, exceeding pre-pandemic levels. It has been great to see students and staff back on campus.

The College has been able to stay true to the direction of its Strategic Plan and have made significant progress in each of the four pillars: Access and Success, Indigenous Learning, Institutional Excellence, and Community Prosperity.

Our success has been evident from our achievements over the past twelve months. The college has seen a jump of more than 2,000 postsecondary and non-postsecondary students, to a total of 7,153, and we are proud to say that our student body has become more diverse. More than half of our student population is made up of International and Indigenous learners.

Confederation College has continued to score high in two Key Performance Indicators. Our Graduate Satisfaction Rate is 83.5% and Graduate Employment Rate is 91.1%. Moving forward we will continue our work to improve Graduation Rates.

At the Report to the Community presentation in May 2023, we were able to highlight some of the accomplishments we have made in the past year toward the four pillars of the Strategic Plan. Some examples include:

Pillar 1 Access & Success:

We launched the Northshore Mining Readiness project, where the College is training 82 students across a series of mining related and pre trade programs, involving four mines (Boart Longyear, Barrick Gold, Alamos Gold, Argonaut Gold).

Confederation College partnered with other Northern Ontario Colleges and the Northern Ontario Service Deliverers Association (NOSDA) to create free access to training for a new Pre-Early Childhood Education (ECE) Certificate program to attract new people to ECE programming. To date we have had 15 students complete this program.

In partnership with the Student Union and our college staff, held President's Culture Talks for students and staff to highlight different cultures on campus. The goal was to educate each other and provide lunch to match the cultural theme. Five sessions were held with well over 1,000 attending overall. These talks were streamed to the regional campuses. We will be continuing this series into the next school year.

Pillar 2 Indigenous Learning:

The college launched an Anishinaabemowin General Elective Language course, that ran with a completely full intake. The college is developing a follow up course. This allows students from all disciplines to develop an understanding of Indigenous language.

Confederation College is also partnering with Grassy Narrows on the Mercury Care Home that will be built in their community and prepare community members to be employed at the home. The partnership kicked off with the Personal Support Worker Program being offered Grassy Narrows. We have secured funding to provide Academic Upgrading and will continue to partner to meet the training and post- secondary needs of the community.

Pillar 3 Institutional Excellence:

Our fundraising and efforts to secure grant funding have been widely successful this year, with \$1.3 Million from NRCan for Smart Renewables and Electrification Pathways (SREP) project to support an energy roadmap, energy dashboard, renewable energy curriculum development, \$889,975 through Fednor's Jobs and Growth Fund (JGF) to support the Evergreen Outdoor Learning space project, and \$5 Million for infrastructure renewal within the School of Aviation. The John Andrews Foundation has generously donated \$125,000 and the Ontario government through the Northern Ontario Heritage Fund Corporation (NOHFC) has provided \$447,750 to support the Setting the Stage Campaign to renew and revitalize Confederation College's Dibaajimogamig Lecture Theatre.

Pillar 4 Community Prosperity:

Perhaps our most significant achievement is in contract training. The number of training sessions offered jumped from 46 in 2021/22, to 198 in 2022/23. Those sessions were offered in 33 communities and served nearly 800 students.

As we celebrate the achievements of the past year, we are excited to continue our work towards creating a college that is inclusive, innovative, and responsive to the needs of our learners and communities. The progress we have made in the four pillars is a testament to the dedication and resilience of our college faculty, staff, students, alumni, and our many partners. After seeing a significant rebound from the challenges of the pandemic, we now look forward to building on these new successes and exploring opportunities for growth and development

Kaa-anokaatekin

Work that is now carried



Strategic
Plan
2020-2025

In October 2020, Confederation College launched its new 2020-2025 Strategic Plan, Kaa-anokaatekin (“work that is now carried”). This plan offers several new features including an Indigenous Learning pillar, and refreshed institutional values of Courage, Equity and Relationships. Through this plan, the College continues to build meaningful relationships across the region to ensure that it delivers timely and accessible programming to meet the needs of the diverse students and communities it serves.

The following mission, vision and values ground the College's strategic directions and operational outcomes:

Mission

Confederation College inspires students to succeed in their lives and careers.

Vision

Confederation College enriches lives through learning.

Negahneewin Vision

Confederation College commits to realizing the Negahneewin Vision through reconciliation and renewed relationships with Indigenous peoples as partners for change in education. This is achieved by building common ground between Indigenous and non-Indigenous peoples through a mutual understanding of history, a shared vocabulary and rich dialogue. [See the full Negahneewin Vision.](#)

Values

Courage:

willing to take action or make decisions that may be difficult or challenging.

Equity:

facilitating fair and just outcomes for all individuals to achieve their full potential.

Relationships:

supporting teamwork and collaboration with the individuals and communities we serve.

Access and Success | Indigenous Learning | Institutional Excellence | Community Prosperity



Status legend:

Complete	Delayed
On Track	Incomplete

Pillar 1 Access and Success Initiatives		
1	Goal 1 – Offer multiple pathways for student success through flexible programming.	
1.1	Expand opportunities for new and unique programming across our campuses, and through partnerships, to meet the needs of students and communities	
1.1.1	Develop a strategy to revitalize regional and distance education, develop micro credentials, contract training, partnerships, etc.	
1.1.2	Reach out to First Nation communities and Tribal Councils to determine how we can best meet the needs of communities	
2	Goal 2 - Create a learning environment to support the unique needs of a changing student body.	
2.1	Develop a Strategic Enrolment Management (SEM) Steering group to create specific strategies to address recruitment, retention and graduation and programming challenges	
2.1.1	Develop metrics to measure the effectiveness of recruitment and retention activities on enrolment, retention, and graduation rates	
2.1.2	Create new program capacity targets based on historical and potential enrolment	
2.2	Develop creative ways to support and expand student recruitment and retention	
2.2.1	Create early alert system and interventions to support underrepresented students and increase retention	
2.2.2	Expand seats in high demand programs and create a plan to address physical changes	
2.2.3	Create bursaries and credits for high school students in High Skills Major programming to incentivize enrolment	
2.2.4	Create metrics to ensure optimization of international enrolment opportunities and use internal as well as provincial benchmarks to measure improvement	
2.3	Ensure all graduates leave with an appreciation of global citizenship	
2.3.1	Create opportunities to highlight the different cultures on campus	
2.3.2	Inspire and prepare students to live as global citizens by integrating principles Indigenous Learning Outcomes (ILO) into curriculum and learning resources	

Pillar 2 Indigenous Learning Initiatives		
3	Goal 3 - Implement and support the knowledge and cultural traditions of Indigenous peoples as part of our commitment to reconciliation.	
3.1	Embed Indigenous knowledges, cultures, and languages as a foundation of the College's fabric and landscape, through the creation of respectful and affirming relationships for Indigenous students, families, and communities on all of our campuses	
3.1.1	Ensure each regional campus has relationships with Indigenous communities and Elders in their area and campus space reflects and supports Indigenous culture and practices	
3.1.2	Establish Indigenous Research Protocols and Indigenous Quality Assurance practices at the College by engaging with the Research Ethics Board to establish a process to review research proposals related to Indigenous people or communities at a committee of NRC	
3.1.3	Share our experience of decolonizing the library with other colleges	
3.1.4	Create a plan to successfully launch Indigenous language initiatives	
3.2	Ensure all students and employees understand the Negahneewin Vision	
3.2.1	In addition to our signage on every campus, we are formalizing an onboarding strategy including creating a corporate video to be used for staff and student orientation that includes the Negahneewin Vision and the history of Negahneewin Council at our college.	
4	Goal 4 - Engage in meaningful relationship building with Indigenous communities and organizations	
4.1	Implement the Mino Wijiwidowin (MW - Good Relations) Model within the College and as a way of working with our partners	
4.1.1	Create the communication and implementation strategy for MW across the College in alignment with college values and SDG (Sustainable Development Goals) Accord	
4.1.2	Develop a model of working with Indigenous communities through Contract Training (CT) and expand our CT partnerships with Indigenous communities and organizations	
4.2	Build strategies to support the recruitment of Indigenous students following principles of respect, relationships and reciprocity with Indigenous communities, partners, and organizations	
4.2.1	Create recruitment and programming strategies with Indigenous communities and partners through dialogue and creative ways to support access and success	

Section 4: Report on Previous Years Goals

Status legend:

■ Complete	■ Delayed
■ On Track	■ Incomplete

Pillar 3	Institutional Excellence Initiatives	
5	Goal 5 - Operate and communicate efficiently, effectively, and transparently.	
5.1	Research and implement solutions to improve student, employee, and external stakeholder experiences	
5.1.1	Implement solutions to support employees and students remotely	
5.1.2	Develop processes to reduce "red tape" internally	
5.1.3	Launch our new website and measure effectiveness in supporting interested students	
5.2	Optimize funding and programming, aligning with our funding mechanisms and other funding opportunities	
5.2.1	Optimize Grant and fundraising Revenue by taking advantage of funding opportunities through provincial, federal funding opportunities as well as financial institutions (banks) and foundations	
5.2.2	Implement a program viability action plan process for at risk programs	
5.2.3	Create guiding principles and a business plan template for applied degree programming to determine which programming should be pursued over the next 3-5 years	
6	Goal 6 - Embody and nurture the wisdom, skills and holistic practices needed to foster sustainability* in our community and beyond.	
6.1	Pursue opportunities to renew facilities and infrastructure to become a recognized leader in program delivery	
6.1.1	Refreshed the College's Student Success area on the main campus to promote access, privacy, and efficiency	
6.1.2	Optimize the use of TEC Hub and other facilities for applied research and partnerships with Industry	
6.1.3	Expand residence living opportunities to provide more options for student accommodation	
6.2	Undertake efforts to support the urgent need to address climate change, environmental and social sustainability	
6.2.1	Create a social sustainability hub within the college as part of Applied Research	
6.2.2	Implement the NRCan project including energy audit and benchmarking of all facilities, develop a roadmap to Net Zero by 2050, modify existing classroom equipment to monitor our output and develop curriculum for renewable energy course that could evolve into micro-credentials and a potential new program.	
6.2.3	Review our purchasing practices to ensure they support sustainability	
6.2.4	Install an energy dashboard that monitors all modes of energy across the college to verify usage and monitor progress of initiatives. BlackPAC software is part of the NRCan funding.	

Pillar 4	Community Prosperity Initiatives	
7	Goal 7 - Partner with communities to meet the evolving training and development needs of communities (employers, industries)	
7.1	Engage in community-based partnerships, applied research and training initiatives, promoting relationship building and community development to support student experiences and help communities prosper and diversify (see also 4.1.)	
7.1.1	Create a vision, mandate, and strategy for applied research within the College and communicate this internally and externally	
7.1.2	Align Workforce development activities with the needs of employers and government; network with regional employers and First Nations to expand opportunities	
7.1.3	Expand and recognize experiential learning through partnerships with industry, including applied research	
7.1.4	Secure multiyear NSERC (Natural Sciences and Engineering Research Council) funding to build applied research capacity at the college	
7.1.5	Participate in a regional mining workforce strategy to support mining expansion, programming and employment opportunities for students and graduates	
8	Goal 8 - Strengthen relationships with and celebrate Confederation College alumni.	
8.1	Establish a strategy to engage alumni, grow the College community and celebrate our graduates	
8.1.1	Work with Deans, faculty, and recruitment to engage alumni in programs through lectures, presentations, or employment fairs	
8.1.2	Survey alumni that have now signed up as a Confederation College alum and use results to adapt a communication and engagement approach	
8.1.3	Develop Indigenous and international Alumni strategies	

Access and Success | Pillar 1

Confederation College creates a positive, supportive environment that attracts students and meets their educational objectives.

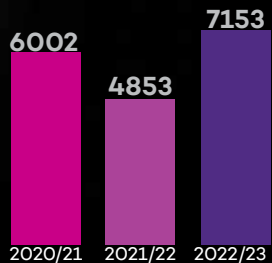
**Goal 1 -
Offer multiple pathways
for student success
through flexible
programming**

91.1%
Graduate Employment Rate

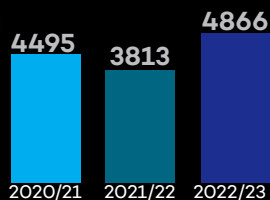
83.5%
Graduate Satisfaction Rate

Student Data

Number of postsecondary and non-postsecondary students

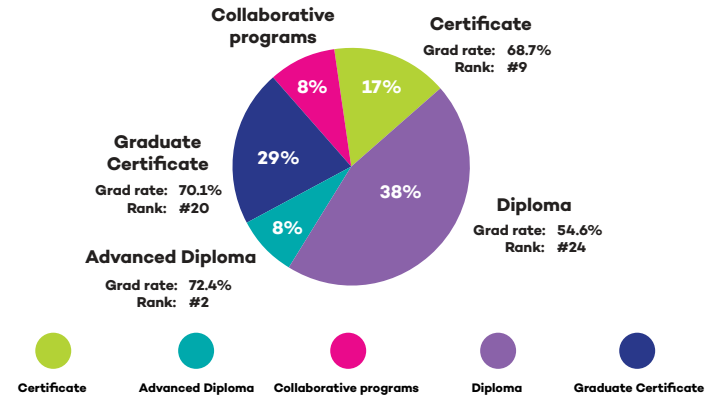


Number of postsecondary students

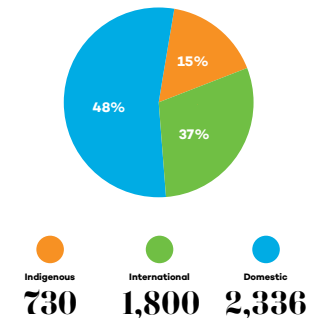


Postsecondary Students by Credential 2022/23

4,866
Postsecondary Students



Full-Time Postsecondary Students 2022/23



Distance Education students have grown to **11%** of our regional student body (up from 9%)

SCWI students who ladder into Apprenticeship programming: **84** **13%** up from 7% last year

Number of postsecondary students completing flexible courses **1,522** or **31%**
Up from 1043, or 27% from 2021/22

Total student participation in employment services and events **2,616**
Up from 1,522 in 2021/22

Access and Success | Pillar 1

Northshore Mining Project

Launched the Northshore Mining Readiness project where the College trained approximately 82 students across a series of mining related and pre trade programs, involving four mines (Boart Longyear, Barrick Gold, Alamos Gold, Argonaut Gold).



Energy Advisor Certification

Contract Training is working with Natural Resources Canada and the Canadian Institute for Energy Training (CIET) to train participants for an Energy Advisor Certification throughout the region. To date, 37 students have participated in Energy Advisor courses, six students have passed the Energy Advisor Exam, and two students are Registered Energy Advisors.



Pre ECE Certificate

Confederation College partnered with other Northern Ontario Colleges and the Northern Ontario Service Deliverers Association (NOSDA) to create free access to training for a new Pre-Early Childhood Education (ECE) Certificate program to attract new people to ECE programming.



Access and Success | Pillar 1

**Goal 2 -
Create a
learning environment
to support the unique
needs of a changing
student body**

78

2021/22



115

2022/23

College events with a focus on diversity,
equity, inclusion, or sustainability

1,019

2021/22



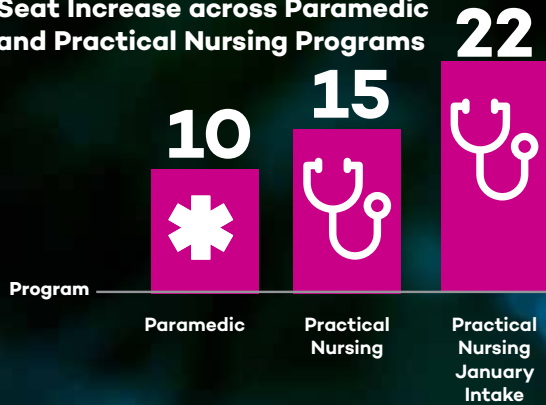
2,021

2022/23

Attendance and participation

Seat Expansion in High Demand Programs

Seat Increase across Paramedic and Practical Nursing Programs



- Expanded intakes for Personal Support Worker.
- Added a section to Engineering Business and Safety Management (two-year program with three intakes and a double intake for January intake).
- Received MCU approval to offer the Health Leadership program to Domestic students (previously offered only to International students).
- Expanded offerings in DE and regional campuses, including the Social Service Worker program and Onajigawin annually.

Culture Talks & Diversity Days

In partnership with the Student Union and our college staff, held President's Culture Talks for students and staff to highlight different cultures on campus. The goal was to educate each other and provide lunch to match the cultural theme. Five sessions were held with well over 1,000 attendees overall. These talks were streamed to the regional campuses.

Concluded by hosting Diversity Days during a week in March to celebrate the many diverse groups in our global campus community.



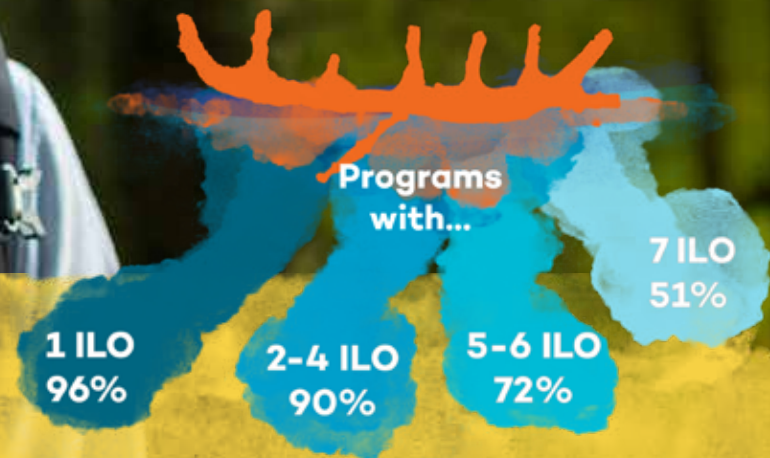
5 sessions | **1000+** attendees overall.



Indigenous Learning | Pillar 2

Confederation College aspires to be a leader in Indigenous learning in Canada

Confederation College's ILOs, provided by the Negahneewin Council, aim for students to gain Indigenous knowledge fostering community growth, social justice, reconciliation.



**Goal 3 -
Implement and support
the knowledge and
cultural traditions of
Indigenous peoples as
part of our commitment to
reconciliation**

Anishinaabemowin

- Anishinaabemowin General Elective course was developed and offered.
- In the process of developing a second, follow up course.
- Investigating opportunities to develop modules based on program content; 4 mini language classes were offered virtually through NAN.
- Exploring partnerships with others who currently offer language programming.

**Goal 4 -
Engage in
meaningful relationship building
with Indigenous communities
and organizations**

Grassy Narrows Partnership

We are partnering with Grassy Narrows on the Mercury Care Home that will be built in their community and preparing community members to be employed at the home.

The partnership kicked off with the Personal Support Worker Program being offered in community. We have secured funding to provide Academic Upgrading and will continue to partner to meet the training and post-secondary needs of the community.



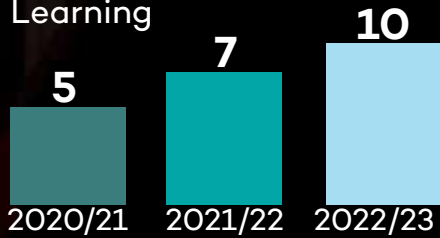
Institutional Excellence | Pillar 3

Confederation College is recognized as an excellent and progressive organization

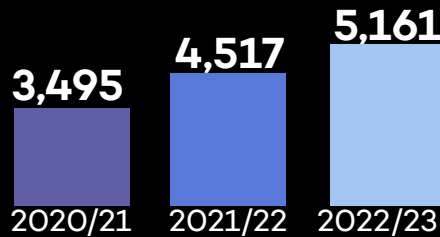
**Goal 5 -
Operate and
communicate efficiently,
effectively
and transparently**



Number of programs delivered through Asynchronous Online Learning



Number of students registered in online courses



Setting the Stage Campaign



The John Andrews Foundation has generously donated \$125,000 and the Ontario government through the Northern Ontario Heritage Fund Corporation (NOHFC) has provided \$447,750 to support the Setting the Stage Campaign to renew and revitalize Confederation College's Dibaajimogamig Lecture Theatre.

Blackbaud System

Blackbaud System has been purchased to provide an awards Management platform to create a more equitable process for students applying for bursaries, ensuring that donor criteria are met and creating a better experience for donors and students (one application process for any bursary).

Optimizing funding opportunities

- NRCAN funded \$1.3 million for Smart Renewables and Electrification Pathways (SREP) project to support an energy roadmap, energy dashboard, renewable energy curriculum development.
- Confederation College received \$889,975 through Fednor's Jobs and Growth Fund (JGF) to support the Evergreen Outdoor Classroom (EOC) project.
- The Joyce Family Foundation has generously donated \$1 million to support financial awards for students registered in Nursing, Health, and Technology Programs.
- \$5 Million has been raised for our Aviation Project to support infrastructure renewal that benefits students and faculty. Donors include:
 - NOHFC
 - FedNor
 - CEDC
 - Thunder Bay Airport Authority
 - Aero Recip
 - Summit Air
 - SUCCI

★ Institutional Excellence | Pillar 3

**Goal 6 -
Embody and nurture
the wisdom, skills and
holistic practices needed
to foster sustainability
in our community and
beyond**

- The College set a target to reach NetZero by 2040, based on a preliminary study. As of 2019, the College has achieved 38% of the goal, using 2008 as the benchmark year. The College's biomass boiler is expected to contribute to a further reduction, estimated at 43%. This puts the College ahead of the requirements of the Canadian Net-zero Emissions Accountability Act. Blackstone has also created a draft Greenhouse Gas Reduction Roadmap & Action Plan (GGRRAP).



In 2021 Confederation College signed the Sustainable Development Goals Accord. Over the past year, the college has undertaken many initiatives to address the 17 goals outlined in this accord. Here are a few highlights from 2022/23!

Energy and Carbon Thought Leadership Summit

Held an Energy and Carbon Thought Leadership Summit on March 30th. With 40+ participants from the City of Thunder Bay area and region representing 21 organizations and 3 Indigenous communities/organizations.

The focus of the summit was to provide an opportunity for Thunder Bay facilities operators to connect, share experiences, and leverage collective knowledge to establish pathways for a net zero community.

- The College hosted a Sustainable Development Goals Week (March 6-10) which involved several events to spread awareness on sustainability.
- The College undertook activities throughout the year towards building a social sustainability hub that supports the work of the SDG accord internally and externally. Activities included updating branding on the website and throughout the College, incorporation of SDG content in student engagement activities and curriculum in two programs, a family fun fair with a focus on water protection, meatless Mondays, planting a rain garden. Additionally, the College supported two community partners in applications for SDG related projects: Lakehead University for the Healthy Cities Initiative – Planning Grants for Implementing Urban Policy and the Lakehead Region Conservation Authority for the Great Lakes Protection Initiative Fund.
- Since we have implemented the use of Docusign, we have drastically improved the turnaround time of signing contracts and other documents that require multiple signatories. This includes new hires (including part-time faculty) that would have had to come on site to sign their contracts. Since inception (2021) we have saved Over 30K lbs of carbon emissions, 38K gallons of water, 13K lbs of wood and 2K lbs of waste which is equivalent to removing 2 cars from the road, saving 38 trees and 124,105 pages of paper. What would have taken weeks of workflow can now be accomplished in less than 7 days (93%) and in most cases less than a day (62%).

Number of sustainability and/or energy saving projects: **11**

Waste diversion rate: **19%**

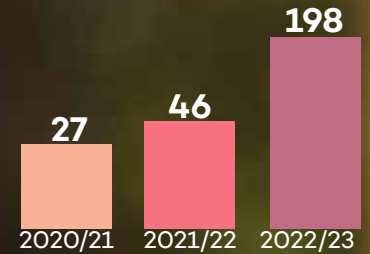


Community Prosperity | Pillar 4

Confederation College enriches the quality of life, prosperity and sustainability of diverse communities



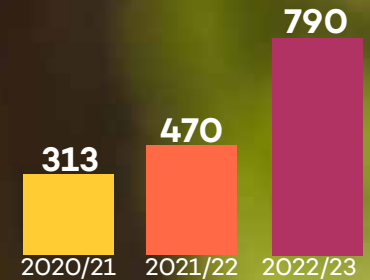
Contract Training in Northwestern Ontario



Number of training sessions



Number of communities served



Number of students served

**Goal 7 -
Partner with
communities to meet
their evolving training
and development needs
(employers, industries)**

Wilderness North Collaboration

Two faculty members and two students at Confederation College collaborated with Wilderness North on developing an assembly manual for their FuelBoss system. FuelBoss is an innovative fuel storage system built on the multi-purpose Air Tractor 802 aircraft platform, which provides reliable and safe refuelling operations to rural and remote environments. Student researchers, under the mentorship of faculty members, worked to create digital detailed process planning material and instructions for structural assembly, an integral duty of a methods technologist.

**Goal 8 -
Strengthen relationships with
and celebrate Confederation
College alumni**



Alumni Speakers Program

An Alumni Speakers Program has been launched to leverage our over 6,000 engaged alumni.

As part of this initiative, Alumni were matched with students from the Digital Marketing, Marketing Analytics program to be interviewed about their career journey after graduating from the College.

Section 6: Advisory College Council (ACC) Report to the Board

CONFEDERATION COLLEGE BOARD OF GOVERNORS

BOARD REPORT

MEETING TYPE:	Board	REPORT NUMBER:	16-2023
MEETING DATE:	May 10, 2023	DATE PREPARED:	March 16, 2023
SUBJECT:	Annual Advisory College Council (ACC) Report to the Board of Governors		

MOTION:

THAT with respect to Report No. 16-2023 relative to the Annual Advisory College Council (ACC) Report to the Board of Governors, we recommend that the report be approved.

PURPOSE:

To provide the Board of Governors with information pertaining to the Advisory College Council (ACC).

BACKGROUND:

The Ministry of College and Universities (MCU) Binding Policy Directive – Governance and Accountability Framework states “the board of governors is to ensure that an advisory college council is established, the purpose of which is to provide a means for students and staff of the college to provide advice to the president on matters of importance to students and staff. The Board of Governors is to ensure that the structure, composition, terms of reference and procedures for the council are established in by-law and a report from this advisory council shall be included in each college’s annual report.”

Section 26 – Advisory College Council of the Board’s By-law #1 outlines the Ministry’s Binding Policy Directive and Schedule D of the Board’s By-law outlines the Structure, Terms of Reference, and Procedures for the Advisory College Council.

DISCUSSION:

Meetings and Agenda Items

For the 2022-2023 academic year, the council has met monthly

except for September 2022. The meeting was cancelled due to the number of regrets for the meeting.

The council maintained a regular meeting work plan outlining meeting topics and discussions. These included reports and information sharing from each stakeholder group of the committee as well as presentations from other college departments.

Included at the October meeting was the introduction of the College’s new Diversity, Equity & Inclusion Advisor and a report from the Director of Applied Research and Innovation.

Other topic discussions throughout the year included Strategic and Academic Plans, enrolment, Enterprise Risk Management, Sustainability, and presentations from the presidents of SUCCI and OASA. Subsequently, these presentations were given at the Board of Governors Meeting held on January 11, 2023.

The last meetings of the academic year will be held on May 11 and June 8, 2023. The agendas will include standing items, a presentation from the region, Strategic Plan results and an update from the report from the Diversity, Equity & Inclusion Advisor.

Standing items on the Committee’s agendas included Health & Safety, Project Updates, Academic Plan and Decolonization Implementation, which also includes discussion regarding systemic racism.

ENDS:

This report relates to the “Institutional Excellence” pillar of the Board’s Ends, and the goal to operate and communicate efficiently, effectively, and transparently.

FINANCIAL IMPLICATIONS:

There are no financial implications with this report.

STAFFING IMPLICATIONS:

There are no staffing implications with this report.

RECOMMENDATION:

Given that the Board of Governors has met its obligations under the Ministry of College and Universities Binding Policy Directive – Governance and Accountability Framework, it is recommended that this report be approved.

ATTACHMENTS:

None

PREPARED BY:

Barbara Greer, Executive Assistant to the President and Secretary to the Board of Governors

REVIEWED BY

Advisory College Council and Kathleen Lynch, President

SUBMITTED BY:

Kathleen Lynch, President

Section 7: Enrolment Activities Report



College enrolment is rebounding following the Covid-19 pandemic. In 2022/23, 4,866 students were enrolled in postsecondary programming across the College with 2,287 students enrolled in non-postsecondary. The College also continued to serve a high percentage of underrepresented students, including First Generation, Indigenous, International, Second Career, WSIB and students with identified disabilities, who comprised 63% (3,101) of postsecondary student enrolment. Additionally, the College saw consistent numbers in student enrollment into programs that offer pathways into postsecondary such as Academic Upgrading and the School College Work Initiative, where 134 and 345 students laddered into postsecondary programming, respectively. Lastly, the College welcomed 275 students who transferred with prior Ministry of Colleges and Universities postsecondary education.

Indigenous Enrolment

Indigenous students continue to represent a sizable proportion of the student population. This past year, Indigenous students represented 15% (716) of the student body, with students registered in more than 60 programs at the College, including postsecondary and non-postsecondary programming.

Indigenous students are an active and important part of the College community. The College's Oshki Anishinawbeg Student Association (OASA), a student led organization at the College, and Indigenous Student Navigators held many in person events and workshops throughout the year that celebrated Indigenous cultures and communities, and were widely attended by Indigenous students, families, and community members.

The College continues its work on supporting the strategic directions of its Indigenous Learning Pillar and has several strategies underway to support Indigenous student enrollment and Indigenous studies programming at the College. This past year the College developed and successfully launched an Anishinaabemowin General Elective course and is exploring the development of a second course.

International Enrolment

International student enrolment has rebounded, and diversity of our campus has significantly changed since pre-pandemic, where international students represented 37% (1,815) of the student population in 2022/23. Overall, there were 46 nationalities represented with most students coming from India (70%), followed by the Philippines, Nepal, Viet Nam, Nigeria, Ghana, and China. The College offers seven post-graduate programs specifically targeted to international

student markets; however, international students are enrolled in a range of programs across the College with several college programs relying on their enrolment to meet annual seat targets. Specifically, International students were enrolled in more than 35 programs across the College, with 17 programs having high international student enrolment (1/3 of total enrolment). Overall, International students continue to show strong participation in the College community through attendance at community events and workshops that were held this year. In partnership with the Student Union and our college staff, the college held President's Culture Talks for students and staff to highlight the diverse cultures on campus. The goal was to educate each other regarding the different cultures on campus and provide lunch referencing the culture to share a little piece of home.

Programming across Northwestern Ontario

This past year, the College offered 65 postsecondary programs, with 28 of those programs delivered across its eight campuses across NWO. Distance Education and Regional campus students made up 11% (527) of our overall postsecondary enrollment. Additionally, Contract Training supports the delivery of training tailored to community needs across the region, including in Indigenous Communities. In 2022/23 Contract Training provided 198 training sessions across 33 communities in NWO, serving 790 students.



This report highlights the College's achievements and progress made in the pursuit of our mission to enhance educational opportunities and foster student success through effective fundraising and donor engagement.

Equal Opportunities for All Students

This year has been particularly significant for the Advancement Department, as we have undertaken a transformative initiative to improve equal access to bursaries and financial support for our students. At Confederation College, we strongly believe that every student should have the opportunity to pursue their educational dreams, regardless of their financial circumstances. Recognizing the vital role that bursaries and financial aid play in ensuring equal access to education, we have made it our priority to create a fair and inclusive system that supports students from all backgrounds.

The implementation of the Blackbaud awards and bursary management system marks a significant step forward in our commitment to equal access. This state-of-the-art platform will enable us to streamline and automate the entire bursary and financial aid process, ensuring efficiency, transparency, and accuracy in managing awards and distributing funds.

The impact of this implementation will be far-reaching, benefiting our students and the broader Confederation College community. By leveraging the power of technology, we aim to eliminate barriers that often hinder students from seeking financial assistance. The Blackbaud system will provide a user-friendly interface, allowing students to easily navigate the application process, access relevant information, and submit required documents in a secure and convenient manner.

With the Blackbaud awards and bursary management system in place, we anticipate a significant increase in efficiency and effectiveness, resulting in timely disbursement of funds to deserving students. This enhanced process will alleviate financial burdens and enable more students to concentrate on their studies, promoting academic success and reducing the risk of attrition.

Alumni Engagement

Previously, Confederation College lacked a dedicated resource solely focused on alumni engagement, resulting in limited communication and interaction with our former students. Recognizing the immense value and potential of engaging with our alumni, we made a strategic decision to prioritize alumni relations and establish a dedicated Alumni Engagement Officer.

Since the establishment of this office, our alumni engagement initiatives have seen remarkable progress. We have taken significant strides in reaching out to our alumni, forging meaningful connections, and building a vibrant network of proud Confederation College graduates. Our efforts have culminated in reaching out to over 6,000 alumni, fostering a sense of belonging and pride among our extended Confederation College family.

To achieve higher contact rates and deepen our engagement with alumni, we have devised a comprehensive plan that focuses on several key strategies:

- We have diversified our communication channels, leveraging social media platforms, email newsletters, and targeted alumni events to keep our graduates informed and connected. By utilizing these various channels, we aim to reach a wider audience and establish regular touchpoints with our alumni.
- Recognizing the wealth of knowledge and experience our alumni possess, we have launched mentoring and volunteer programs to facilitate meaningful connections between current students and alumni. These initiatives not only provide valuable guidance and support to our students but also strengthen the bond between the college and its graduates. There has been a significant uptake in alumni guest speakers for various engagements and courses within

Section 8: Advancement Report

programs.

- We continued with our alumni recognition programs and awards to celebrate the achievements and contributions of our alumni as part of our annual nomination to Colleges Ontario. These initiatives not only inspire our current students but also serve as a catalyst for alumni engagement. By recognizing their successes, we encourage active participation and a sense of pride among our graduates. Below is a profile of Jason Rasevych, winner of the College's Ontario Premiers awards in the Business Category
 - Jason is an Anishinaabe from Ginoogaming First Nation and has 20 years of marketing, finance, strategy, governance, economic development experience, he was recognized as one of Canada's Top Economic Developers and has secured more than \$150 million for capital projects, legacy infrastructure, and business expansion with Indigenous groups. Jason has deep knowledge of Indigenous rights and the resource sector through his involvement in complex negotiations between First Nations, Industry and Government. He has led Indigenous groups to precedent setting agreements in the mining, forestry, energy, and broadband sectors resulting in equity for Indigenous peoples in natural resources and ownership of enabling infrastructure. In 2019, he co-founded the Anishnawbe Business Professional Association to advocate for the inclusion of Indigenous business in pursuit of economic reconciliation in Canada. Jason also leads Deloitte's Indigenous Trust service line, supports First Nations and Trustees to manage over \$500 million in invested funds, and supports the growth, education and development of First Nations and its members.
- We launched a new program called AlumniPERKs. Alumni PERKS is an interactive mobile app for alumni; an all-access pass to exclusive deals at local and national businesses, contests, events and more. PERKS provides a complete suite of engagement tools to help stay connected with our Alumni. The app/program facilitates the strengthening of alumni engagement through the offering of discounts, events, and exclusive benefits for our alumni,

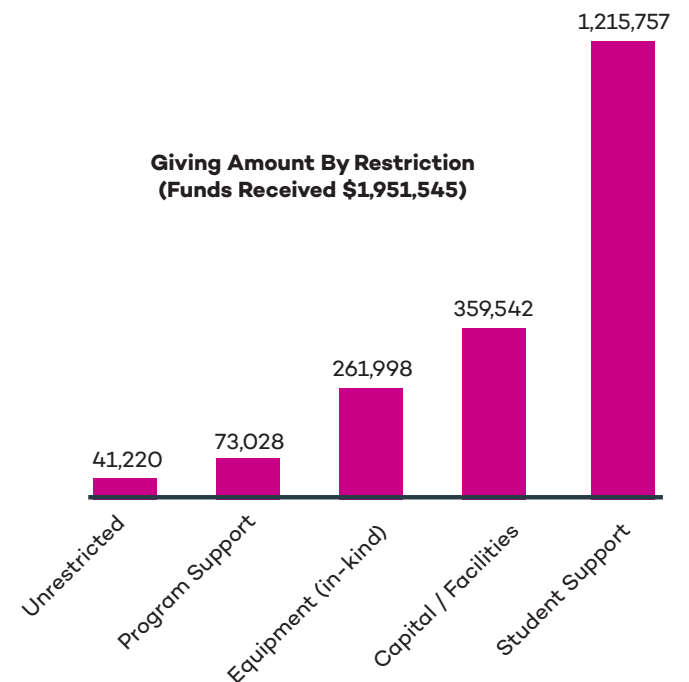
Financial Impacts on Students

On these pages are some of financial contributions we have been able to provide our students with:

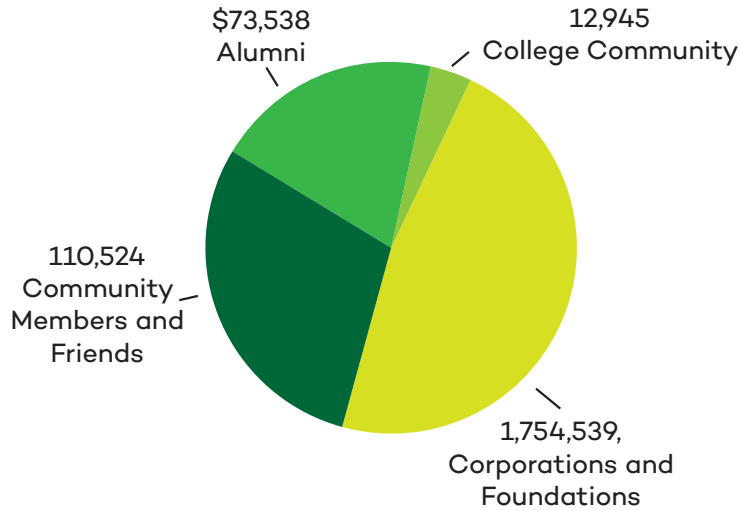
1326 students received \$1,092,177 in bursaries including \$168,597 in donor funded awards being provided to 122 students

OSAP funding distributed through our financial aid office \$13.9 million amongst 1,140 students

24 students received \$27,000 from donor funded awards



TOTAL RECEIVED \$1,951,545



encouraging our alumni to stay connected and keep in touch. To-date we have subscribed 606 alumni to PERKS.

Through these concerted efforts, we aspire to achieve higher contact rates and further strengthen our relationship with our alumni. By nurturing these connections, we can tap into the vast knowledge, resources, and opportunities our alumni possess, creating a mutually beneficial ecosystem that supports the growth and success of both our graduates and the college itself.

As we continue to expand our alumni engagement initiatives, we remain committed to building lasting relationships, celebrating the accomplishments of our alumni, and creating pathways for them to actively contribute to the growth and development of Confederation College.

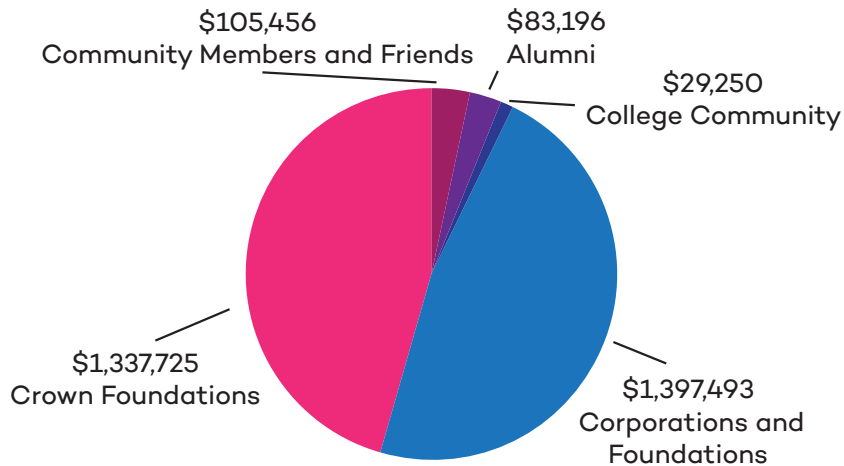
New and Longstanding Relationships

The Confederation College Advancement team has implemented tools to search for potential donors that would allow them to meet their philanthropic goals and for us to achieve our fund-raising goals. Through this we have developed strong, new relationships but have not forgotten about our longstanding partnerships that continue to support the College year over year.

Donors By Constituency

Confederation College raised \$2,953,122 and received \$1,951,545 in support of our students and programs. Most receipts come from Corporations and Foundations (90%) and trail quite far behind community members and friends, alumni, and college community members. In total, 62% of all the receipts are targeted to directly supporting students while the

TOTAL RAISED \$2,953,122



Section 8: Advancement Report

Donor Spotlights

Joyce Family Foundation Donates \$1,000,000 to Support Students

In October 2022, the Joyce Family Foundation made a transformational gift in support of Confederation College students. The board of the Foundation supported a contribution of \$1,000,000 in support of endowed bursaries for students entering select health and technology programs. This gift, the largest single private gift received by Confederation College, will be transformational in helping students to achieve their goals while addressing much needed shortages in these sectors in our region.

Thank you to the Joyce Family Foundation for their incredible gift in support of Confederation College students. Pictured in front of Ron Joyce's portrait are Maureen O'Neill of the JOYCE FAMILY FOUNDATION and Rob Zuback, Director, Advancement & External Relations. Confederation College is honored to fulfil the legacy of Ron Joyce and his family in supporting students in their quest to achieve their dreams.





Impala Canada

Confederation College has successfully established a strategic alliance with Impala Canada to launch an innovative program aimed at fostering increased student enrollment in crucial trades essential to the mining industry. As part of this collaboration, Impala Canada has generously pledged a substantial three-year financial contribution amounting to \$120,000. This noteworthy investment will be utilized to facilitate a targeted marketing initiative, specifically tailored towards recruiting aspiring individuals interested in pursuing careers in electrical, mechanical, and heavy equipment trades. Additionally, a significant portion of Impala's contribution will be allocated towards establishing a dedicated bursary fund, aimed at providing financial assistance to a select number of deserving students.

A prominent example of the program's impact was demonstrated by Evan Poile, a distinguished alumnus of the esteemed Manufacturing Tech - Millwright Apprenticeship program at Confederation College. Notably, Evan, who has now become an esteemed employee of Impala Canada, recently delivered an informative presentation to our current student body. During this engagement, he eloquently highlighted the multitude of advantages associated with pursuing a trade-oriented career, emphasizing the unique opportunities that await those who choose to collaborate with Impala Canada.

Donor Spotlights

Lecture Theatre

The Dibaajimogamig Lecture Theatre has undergone a transformative renovation, thanks to the generous contribution of \$125,000 from the John Andrews Foundation and \$655,000 in donations from NOHFC, and many employees and community members. This remarkable support has not only enabled the establishment of the John Andrews Foundation Stage but has also made the lecture theatre fully accessible to all patrons. Now equipped with state-of-the-art audio-visual equipment, this revitalized space pays tribute to Indigenous culture and traditions. For over 40 years, the John Andrews Foundation has consistently championed initiatives that align with our values, enriching the lives of Confederation College students and fostering the well-being of Northwestern Ontario communities. Their steadfast dedication continues to leave an indelible impact on our institution and the region.





CONFEDERATION
OF CANADA

WELCOME TO
THE DIBAAJIMOGAMIG
LECTURE THEATRE

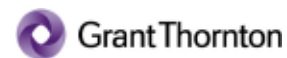
MEDIA ART



Financial Statements

The Confederation College of Applied
Arts and Technology

March 31, 2023



Independent Auditor's Report

Grant Thornton LLP
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To the Board of Governors of
The Confederation College of Applied Arts and Technology

Opinion

We have audited the financial statements of The Confederation College of Applied Arts & Technology ("the College"), which comprise the statement of financial position as at March 31, 2023, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of The Confederation College of Applied Arts & Technology as at March 31, 2023, and its results of operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

We 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 we identify during our audit.

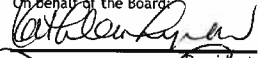
Grant Thornton LLP

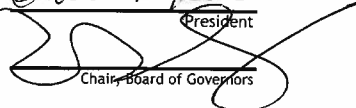
Thunder Bay, Canada
June 8, 2023

Chartered Professional Accountants
Licensed Chartered Accountants

1			
The Confederation College of Applied Arts and Technology			
Statement of Financial Position			
(Restated - Note 23)			
As at	March 31, 2023	March 31, 2022	
Assets			
Current			
Cash	\$ 25,844,216	\$ 66,163,351	
Current Portion of GIC Investments (Note 3)	24,000,000	-	
Accounts receivable (Note 4)	5,532,778	4,567,523	
Inventory	816,389	774,674	
Current portion of notes and long-term receivable (Note 5)	257,684	252,774	
Grants receivable	6,415,830	1,399,839	
Prepaid expenses	715,891	320,100	
	<u>63,582,788</u>	<u>73,478,261</u>	
Investment portfolio - endowments restricted (Note 6)	11,512,461	10,983,911	
GIC Investments (Note 3)	26,000,000	-	
Notes and long-term receivable (Note 5)	6,363,053	6,611,890	
Capital assets (Note 7)	<u>67,297,962</u>	<u>68,610,690</u>	
	<u>\$ 174,756,264</u>	<u>\$ 159,684,752</u>	
Liabilities			
Current			
Accounts payable and accrued liabilities (Note 8)	\$ 29,810,203	\$ 24,863,831	
Deferred revenue (Note 9)	8,889,711	9,867,037	
Vacation payable	2,967,929	2,966,582	
Current portion of long-term debt (Note 11)	<u>358,832</u>	<u>348,994</u>	
	<u>42,026,675</u>	<u>38,046,444</u>	
Post-employment benefits and compensated absences (Note 12)	2,227,000	2,236,000	
Deferred capital contributions (Note 13)	58,702,661	60,217,753	
Deferred capital contributions - construction in progress (Note 13)	-	-	
Asset Retirement Obligation (Note 10)	3,417,160	3,307,905	
Long-term debt (Note 11)	<u>8,763,903</u>	<u>9,122,735</u>	
	<u>115,137,399</u>	<u>112,930,837</u>	
Net Assets			
Unrestricted			
Operating	\$ 6,178,592	\$ 6,322,080	
Post-employment benefits and compensated absences	(2,227,000)	(2,236,000)	
Vacation Pay	<u>(2,967,929)</u>	<u>(2,966,582)</u>	
	<u>983,663</u>	<u>1,119,498</u>	
Invested in capital assets (Note 14)	6,392,313	6,079,884	
Internally and externally restricted (Note 15)	40,972,856	29,058,368	
Endowments restricted (Note 16)	<u>11,270,032</u>	<u>10,496,165</u>	
	<u>58,635,201</u>	<u>45,634,417</u>	
	<u>59,618,864</u>	<u>46,753,915</u>	
	<u>\$ 174,756,264</u>	<u>\$ 159,684,752</u>	

On behalf of the Board:


Cathleen Ryan
President


Chair, Board of Governors

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

Appendix A: Audited Financial Statements

2

**The Confederation College of Applied
Arts and Technology
Statement of Operations**
(Restated - Note 23)

For the year ended March 31	2023	2022
Revenue		
MCU Post Secondary Grant	\$ 8,925,631	\$ 11,662,847
MCU Performance Funding	11,129,416	8,460,838
MCU Northern & Rural	12,882,071	11,882,071
Other MCU Grant	2,760,291	2,218,288
Other Provincial Revenue	7,574,657	7,037,511
Tuition - Domestic	6,690,572	6,785,133
Tuition - International	21,716,912	14,686,595
Tuition - International Recovery Fee	1,136,625	675,644
Student Fees Revenue	4,263,825	3,235,043
Contract Training	6,125,231	2,590,460
Special Programs	9,414,070	6,721,772
Ancillary Operations	2,439,249	1,520,608
Facilities Renewal Fund (FRP)	2,277,900	3,208,345
Other Revenue	5,903,279	2,249,309
Deferred Capital Contribution	5,361,753	5,148,708
	108,601,482	88,083,173
Expenses		
Full Time Salaries & Benefits	\$ 43,334,211	\$ 41,311,572
Part Time Salaries & Benefits	12,799,024	12,640,263
Plant and Property Maintenance	1,168,993	4,135,517
Utilities	1,348,883	1,428,928
Contract Services	14,567,243	7,218,630
Furniture & Equipment	399,178	103,732
Office and Instructional Supplies	3,928,760	4,226,389
Insurance	1,441,516	999,904
Professional Dues & Audit Fees	3,450,115	2,092,550
Bank and Other Charges	400,124	307,537
Scholarships and Tuition Set-Aside	1,096,210	1,270,699
Travel and Professional Development	828,346	389,101
Rental of Facilities	480,116	435,797
Miscellaneous	2,137,492	1,435,086
Telecommunications & Software	1,962,695	1,821,214
Depreciation	7,135,681	6,484,741
Accretion	109,255	105,364
	96,587,842	86,407,025
Excess of revenue over expenses	\$ 12,013,640	\$ 1,676,148

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

3

**The Confederation College of
Applied Arts and Technology
Statement of Changes in Net Assets**

For the year ended March 31					2023	2022
						(Restated - Note 23)
	Unrestricted	Capital	Internally and Externally Restricted	Endowments Restricted	Total	Total
Balance, beginning of year	\$ 1,119,498	\$ 6,079,884	\$ 29,058,368	\$ 10,496,165	\$ 46,753,915	\$ 47,238,358
Prior Year Adjustment for ARO Obligation	-	-	-	-	-	(2,822,376)
Change in endowments during the year (Note 16)	-	-	-	773,867	773,867	362,871
Change in internally and externally restricted net assets (Note 15)	176,594	-	(99,152)	-	77,442	298,914
Excess of revenue over expenses	12,013,640	-	-	-	12,013,640	1,676,148
Transfer from unrestricted to internally restricted	(12,013,640)	-	12,013,640	-	-	-
Investment in capital assets (Note 14)	(312,429)	312,429	-	-	-	-
Balance, end of year	\$ 983,663	\$ 6,392,313	\$ 40,972,856	\$ 11,270,032	\$ 59,618,864	\$ 46,753,915

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

**The Confederation College of Applied Arts
and Technology
Statement of Cash Flows**

(Restated - Note 23)

For the year ended March 31	2023	2022
Net inflow (outflow) of cash related to the following		
Operating		
Excess of revenue over expenses	\$ 12,013,640	\$ 1,676,148
Items not involving cash:		
Amortization of deferred capital contributions	(5,361,753)	(5,148,708)
Depreciation of capital assets	7,135,681	6,484,741
Accretion of ARO Liability	109,255	105,364
Change in post-employment benefits	35,000	(42,000)
Change in accrued sick leave liability	(44,000)	(53,000)
	13,887,823	3,022,545
Change in non-cash working capital balances (Note 19)	(2,448,359)	4,838,183
	11,439,464	7,860,728
Financing		
Capital Lease	(20,082)	-
Repayment of long-term debt	(328,912)	(319,360)
	(348,994)	(319,360)
Capital		
Deferred capital contributions	3,846,661	1,667,439
Purchase of capital assets	(5,822,952)	(2,802,525)
	(1,976,291)	(1,135,086)
Investing		
Decrease in notes and long-term loans receivable	243,927	238,176
(Increase) in investment portfolio - Endowment Rest.	(528,550)	(487,742)
Increase in restricted assets	77,442	298,758
Decrease (Increase) in temporary investments	(50,000,000)	-
Increase in endowments, net awards	773,867	362,871
	(49,433,314)	412,063
Net cash inflow for the year	(40,319,135)	6,818,345
Cash, Beginning of year	66,163,351	59,345,005
Cash, End of year	25,844,216	66,163,351

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

**The Confederation College of Applied Arts and
Technology
Notes to Financial Statements**

March 31, 2023

1. Significant Accounting Policies

Description of Organization	The Confederation College of Applied Arts and Technology (The College), established in 1967, is an Ontario college of applied arts and technology duly established pursuant to Ontario regulation 34/03 made under the Ontario Colleges of Applied Arts and Technology Act, 2002. The College is an agency of the Crown and offers a full range of programs and educational services including full-time post-secondary programs, part-time credit and non-credit courses, specialty programs for business and industry, pre-employment and skills training programs, apprenticeship and cooperative/workplace training programs.
Basis of Presentation	The College is a not-for-profit organization and, as such, is exempt from income taxes under Section 149 of the Income Tax Act (Canada). The financial statements of the College have been prepared in accordance with Canadian public sector accounting standards for government not-for-profit organizations, including the 4200 series of standards, as issued by the Public Sector Accounting Board ("PSAB for Government NPOs").
Revenue Recognition	The College follows the deferral method of accounting for contributions, which include donations and government grants. Tuition fees and contract training revenues are recognized as income to the extent that the related courses and services are provided within the fiscal year of the College. Operating grants from the Ministry of Colleges and Universities and other government agencies are recorded as revenue in the year to which they relate. Grants approved but not received at the end of the fiscal year are accrued. Where a portion of a grant relates to a future year it is deferred and recognized in the subsequent year. Ancillary revenues including parking, bookstore, residence and other sundry revenue are recognized when products are delivered or services are provided to the student or client, the sales price is fixed and determinable, and collection is reasonably assured. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Externally restricted contributions and restricted investment income are recognized as revenue in the year in which the related expenses are incurred. Capital grants and restricted contributions for the purchase of capital assets are deferred and amortized into revenue at a rate corresponding with the amortization rate for the related capital assets. Endowment contributions and investment earnings are recognized as direct increases in endowed net assets.

Appendix A: Audited Financial Statements

6

The Confederation College of Applied Arts and Technology Notes to Financial Statements

March 31, 2023

1. Significant Accounting Policies (cont'd)

Cash and Cash Equivalents	Cash is defined as cash and short-term investments with maturity dates of less than 90 days.
Inventory	Inventory is valued at the lower of cost and net realizable value. Cost is determined on the first-in, first-out basis.
Capital Assets	Purchased capital assets are recorded at cost less accumulated amortization. Contributed capital assets are recorded at fair value at the date of contribution. Repairs and maintenance costs are charged to expense. Betterments that extend the estimated life of an asset are capitalized. When a capital asset no longer contributes to the College's ability to provide services or the value of future economic benefits associated with the capital asset is less than book value, the carrying value of the capital asset is reduced to reflect the decline in the asset's value.

Capital assets are capitalized on acquisition and amortized on a straight-line basis over their useful lives, which have been estimated to be as follows:

Buildings	-	40 years
Major equipment	-	10 years
Leasehold improvements	-	10 years
Site improvements	-	5 years
Furniture and equipment	-	5 years
Library books	-	5 years

Construction in progress relates to capital projects that are incomplete and not in service as at March 31, 2023. Amortization will commence upon substantial completion at the applicable rates noted above.

Retirement and Post-Employment Benefits and Compensated Benefits - The College provides defined retirement and post employment benefits and compensated absences to certain employee groups. These benefits include pension, health and dental, vesting sick leave and non-vesting sick leave. The College has adopted the following policies with respect to accounting for these employee benefits:

- (i) The cost of post-employment future benefits are actuarially determined using management's best estimate of health care costs, disability recovery rates and discount rates. Adjustments to these costs arising from changes in estimates and experience gains and losses are amortized to income over the estimated average remaining service life of the employee groups on a straight-line basis.

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The Confederation College of Applied Arts and Technology Notes to Financial Statements

March 31, 2023

1. Significant Accounting Policies (cont'd)

- Retirement and Post-Employment Benefits and Compensated Benefits (Cont'd)**
 - (ii) The costs of the multi-employer defined benefit pension are the employer's contributions due to the plan in the period.
 - (iii) The cost of vesting and non-vesting sick leave benefits are actuarially determined using management's best estimate of salary escalation, employees' use of entitlement and discount rates. Adjustments to these costs arising from changes in actuarial assumption and/or experience are recognized over the estimated average remaining service life of the employees.
 - (iv) The discount rate used in the determination of the above-mentioned liabilities is equal to the College's internal rate of borrowing.

Financial Instruments - The College classifies its financial instruments at either fair value or amortized cost. The College's accounting policy for each category is as follows:

Fair Value

This category includes cash, guaranteed investment certificates (GICs), and equity instruments quoted in an active market. The College has designated its bond portfolio that would otherwise be classified into the amortized cost category at fair value as the College manages and reports performance of it on a fair value basis.

The guaranteed investment certificates (GICs) are invested in various certificates with maturity terms of 180 days to 4 years, at interest rates ranging from 4.45% to 5.45%. The College's management has the ability and intention to hold the investments to maturity.

Equity instruments and bonds are initially recognized at cost and subsequently carried at fair value. Unrealized changes in fair value for unrestricted investments are recognized in the statement of remeasurement gains and losses until they are realized, when they are transferred to the statement of operations. Changes in fair value on restricted investments are recognized as increases/decreases in the endowments restricted fund.

Transaction costs related to financial instruments in the fair value category are expensed as incurred.

Where a decline in fair value is determined to be other than temporary, the amount of the loss is removed from accumulated remeasurement gains and losses and recognized in the statement of operations. On sale, the amount held in accumulated remeasurement gains and losses associated with that instrument is removed from net assets and recognized in the statement of operations.

**The Confederation College of Applied Arts and
Technology
Notes to Financial Statements**

March 31, 2023

1. Significant Accounting Policies (cont'd)

Amortized Cost

This category includes accounts receivable, notes and long-term receivable, grants receivable, accounts payable and accrued liabilities, long-term debt and vacation pay. They are initially recognized at cost and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets.

Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instrument.

Writedowns on financial assets in the amortized cost category are recognized when the amount of a loss is known with sufficient precision and there is no realistic prospect of recovery. Financial assets are then written down to net recoverable value with the writedown being recognized in the statement of operations.

**Liability for
Contaminated
Sites**

A contaminated site is a site at which substances occur in concentrations that exceed the maximum acceptable amounts under an environmental standard. Sites that are currently in productive use are only considered a contaminated site if an unexpected event results in contamination. A liability for remediation of contaminated sites is recognized when the College is directly responsible or accepts responsibility; it is expected that future economic benefits will be given up; and a reasonable estimate of the amount can be made. The liability includes all costs directly attributable to remediation activities including post remediation operations, maintenance and monitoring. The liability is recorded net of any expected recoveries.

**Management
Estimates**

The preparation of financial statements in conformity with PSAB for Government NPOs requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the period. Actual results could differ from these estimates. Areas of key estimation include determination of fair value for long-term investments, allowance for doubtful accounts, amortization of capital assets and actuarial estimation of post-employment benefits and compensated absences liabilities.

**The Confederation College of Applied Arts and
Technology
Notes to Financial Statements**

March 31, 2023

1. Significant Accounting Policies (cont'd)

Asset Retirement

An asset retirement obligation is recognized when, as at the financial reporting date, all the following criteria are met:

Obligations

There is a legal obligation to incur retirement costs in relations to a tangible capital asset;
The past transaction or event giving rise to the liability has occurred;
It is expected that future economic benefits will be given up; and
A reasonable estimate of the amount can be made.

The liability is recorded at an amount that is the best estimate of the expenditure required to retire a tangible capital asset at the financial statement date. This liability is subsequently reviewed at each reporting date and adjusted for the passage of time and for any revisions to the timing, amount required to settle obligation or the discount rate. As all asset retirement obligations are estimated to be settled by the end of 2071, the College used an inflation rate of 2% to help determine the future value of the estimated obligation. This inflation rate is in line with the Bank of Canada's inflation-control target.

Upon the initial measurement of an asset retirement obligation, a corresponding asset retirement cost is added to the carrying value of the related tangible capital asset if it is still in productive use. This cost is amortized over the useful life of the tangible capital asset. If the related tangible capital asset is unrecognized or no longer in productive use, the asset retirement costs are expensed. The discount rate used to determine the asset retirement cost was determined as a weighted average reflecting the Government's cost of borrowing on initial recognition and on subsequent changes to expected cash flows, which is most closely associated with the period to settlement of the obligation.

Appendix A: Audited Financial Statements

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The Confederation College of Applied Arts and Technology Notes to Financial Statements

March 31, 2023

2. Financial Instrument Classification

The following table provides cost and fair value information of financial instruments by category. The maximum exposure to credit risk would be the carrying value as shown below.

	2023		
	Fair Value	Amortized Cost	Total
Cash	\$ 25,844,216	\$ -	\$ 25,844,216
Accounts receivable	-	5,532,778	5,532,778
GIC Investments	50,000,000	-	50,000,000
Investment portfolio	11,512,461	-	11,512,461
Notes and long-term receivable	-	6,620,737	6,620,737
Accounts payable and accrued liabilities	-	29,810,203	29,810,203
Long-term debt	-	9,122,735	9,122,735
	\$ 87,356,677	\$ 51,086,453	\$ 138,443,130
	2022		
	Fair Value	Amortized Cost	Total
Cash	\$ 66,163,351	\$ -	\$ 66,163,351
Accounts receivable	-	4,567,523	4,567,523
GIC Investments	-	-	-
Investment portfolio	10,983,911	-	10,983,911
Notes and long-term receivable	-	6,864,664	6,864,664
Accounts payable and accrued liabilities	-	24,863,831	24,863,831
Long-term debt	-	9,471,729	9,471,729
	\$ 77,147,262	\$ 45,767,747	\$ 122,915,009

The College's bank accounts are held at one chartered bank and as a result are exposed to the credit risk arising from this concentration to the extent that the account balances exceed the federally insured limits. The bank accounts earn interest at prime less 1.75% (4.95% at March 31, 2023).

The College's Guaranteed Investment Certificates (GICs) are held at one chartered bank, with various maturity dates ranging from 180 days to 4 years. Interest is earned at rates from 4.45% to 5.45% over the various GICs.

The College's credit facilities include an approved operating line of credit with the Royal Bank of \$1,500,000 with interest at bank prime less 0.6% (6.1% at March 31, 2023). At year end the outstanding balance under this credit facility agreement was \$nil (2021 - \$nil).

In addition, the College, has an approved revolving credit facility with the Royal Bank in the amount of \$1,650,000. Of this amount, \$nil (2022 - \$nil) was outstanding with respect to the Royal Bank loans described in Note 9.

The College also has total approved financing with the Ontario Financing Authority in the amount of \$13,335,844. Of this amount, \$9,094,285 (2022-\$9,423,197) was outstanding as described in Note 9. Of the approved amount, \$6,606,126 is repayable by SUCCI (Student Union of Confederation College Inc.).

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The Confederation College of Applied Arts and Technology Notes to Financial Statements

March 31, 2023

2. Financial Instrument Classification (cont'd)

Included in the investment portfolio are Canadian Bonds with a maturity profile as indicated below.

	2023				
	Within 1 year	2 to 5 years	6 to 10 years	Over 10 years	Total
Carrying Value: Bonds	\$ 1,084,837	\$ 2,178,564	\$ 1,244,507	\$ 712,157	\$ 5,220,065
Total	\$ 1,084,837	\$ 2,178,564	\$ 1,244,507	\$ 712,157	\$ 5,220,065
Percent of total	21%	42%	24%	13%	
	2022				
	Within 1 year	2 to 5 years	6 to 10 years	Over 10 years	Total
Carrying Value: Bonds	\$ 940,417	\$ 2,428,027	\$ 1,079,712	\$ 715,520	\$ 5,163,675
Total	\$ 940,417	\$ 2,428,027	\$ 1,079,712	\$ 715,520	\$ 5,163,675
Percent of total	18%	47%	21%	14%	

The following table provides an analysis of financial instruments that are measured at fair value subsequent to initial recognition, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities using the last bid price;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

**The Confederation College of Applied Arts and
Technology
Notes to Financial Statements**

March 31, 2023

2. Financial Instrument Classification (cont'd)

	2023			
	Level 1	Level 2	Level 3	Total
Cash	\$ 25,844,216	\$ -	\$ -	\$ 25,844,216
Guaranteed Investment Certificates	50,000,000	-	-	50,000,000
Investment portfolio	3,592,156	7,920,305	-	11,512,461
	<u>\$ 79,436,372</u>	<u>\$ 7,920,305</u>	<u>\$ -</u>	<u>\$ 87,356,677</u>
	2022			
	Level 1	Level 2	Level 3	Total
Cash	\$ 66,163,351	\$ -	\$ -	\$ 66,163,351
Investment portfolio	4,037,167	6,946,744	-	10,983,911
	<u>\$ 70,200,519</u>	<u>\$ 6,946,744</u>	<u>\$ -</u>	<u>\$ 77,147,262</u>

There were transfers of \$973,561 between Level 1 and Level 2 for the years ended March 31, 2023 and transfers of \$1,039,272 for 2022. There were also no transfers in or out of Level 3.

3. GIC Investments

Investments consist of Guaranteed Investment Certificates of \$50,000,000 [2022 - \$nil] maturing dates ranging from May 2023 to January 2027 yielding interest rates of 4.45% to 5.45%.

4. Accounts Receivable

Accounts receivable are comprised of balances receivable from students, Sponsoring agencies and Corporate clients for contract training. Credit risk is mitigated to some extent by requiring that payment be received before a student is allowed to register, unless they have certain pre-qualified conditions, such as funding through the Ontario Student Assistance Program, sponsorship funding, or split-fee tuition fee option.

	2023	2022
Students and sponsors	\$ 369,300	\$ 362,884
General	5,368,640	4,407,329
Allowance for doubtful accounts	(205,162)	(202,691)
	<u>\$ 5,532,778</u>	<u>\$ 4,567,523</u>

**The Confederation College of Applied Arts and
Technology
Notes to Financial Statements**

March 31, 2023

5. Notes and Long-term Receivable

In April 2016, the Student Union of Confederation College Inc. (SUCCI) entered into a funding and contribution agreement with the College to finance a contribution towards the new Wellness Centre. Amounts are to be paid to the College until the SUCCI contribution of \$8.5 million, together with the deemed Ontario Financing Authority (OFA). Interest rate thereon per annum, is paid in full. The OFA debt is repayable over the next 21 years, and bears a fixed interest rate of 2.969% (Note 11). The current portion of the long-term receivable represents the principal loan payments due within one year.

	2023	2022
General	\$ 14,610	\$ 19,608
SUCCI Student Levy Receivable	6,606,127	6,845,056
Total	<u>6,620,737</u>	<u>6,864,664</u>
Current Portion	<u>257,684</u>	<u>252,774</u>
	<u>\$ 6,363,053</u>	<u>\$ 6,611,890</u>

6. Investment Portfolio - Endowments Restricted

The College's investment portfolio is comprised of a number of different securities carrying a variety of terms and conditions. Investments consist of the following:

	2023		2022	
	Market	Cost	Market	Cost
Endowed				
Canadian equities	\$ 2,982,893	\$ 2,880,206	\$ 3,032,400	\$ 2,635,859
Canadian fixed income	5,219,290	5,981,451	4,695,309	4,998,012
Foreign equities	2,996,119	3,301,362	2,471,884	2,719,693
Foreign fixed income	-	-	266,810	269,757
Cash and equivalents account	314,159	308,992	517,508	520,387
	<u>\$ 11,512,461</u>	<u>\$ 12,472,011</u>	<u>\$ 10,983,911</u>	<u>\$ 11,143,708</u>

The cash and equivalents account does not earn interest. Canadian and foreign bonds are comprised of a number of different bonds, with maturity dates ranging from 2023 to 2065, and yield an average of 4.81% (2022 - 4.95%) over the term of the investments.

Appendix A: Audited Financial Statements

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The Confederation College of Applied Arts and Technology Notes to Financial Statements

March 31, 2023

7. Capital Assets

	2023		2022 (Restated - Note 23)	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Land	\$ 295,057	\$ -	\$ 295,057	\$ -
Site improvements	2,071,108	2,026,211	2,014,986	2,014,986
Buildings	111,245,293	54,707,480	111,245,292	52,408,776
Bridge	2,910,386	545,089	2,910,386	428,674
Leasehold improvements	333,188	333,188	333,188	333,188
Furniture and equipment	96,983,251	92,327,033	94,257,710	88,392,308
Library books	20,000	20,000	20,000	20,000
Major equipment	7,586,575	4,770,100	4,383,781	4,232,373
ARO - Building	1,006,586	677,463	1,006,586	661,485
ARO - Equipment	73,299	56,614	73,299	55,376
Work in Progress	236,397	-	617,572	-
	\$ 222,761,140	\$ 155,463,178	\$ 217,157,857	\$ 148,547,167
Capital Assets Net book value	\$ 67,297,962		\$ 68,610,690	

8. Accounts Payable and Accrued Liabilities

	2023	2022
Trade	\$ 27,193,835	\$ 21,907,248
Accrued liabilities	615,002	582,227
Government remittances	1,141,381	730,305
Accrued salaries	859,985	1,644,052
	\$ 29,810,203	\$ 24,863,831

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The Confederation College of Applied Arts and Technology Notes to Financial Statements

March 31, 2023

9. Deferred Revenue

	2023	2022
Ontario Ministry of Colleges and Universities		
Aboriginal Educational and Training Strategy	\$ -	\$ -
Apprentice training	1,387	-
Campus safety	-	15,172
Capital Campaign TEC Hub	-	63,937
Collaborative nursing	214,925	598,469
Employment programs	772,827	836,180
Other MCU	-	1,079,415
MCU Clinical (Nursing Enrolment)	276,693	278,375
Second career	536,185	500,345
Special needs and tutoring	-	-
CODE SCWI	194,288	431,828
College service fee	466,227	382,923
IT residence infrastructure	52,441	33,065
Miscellaneous contracts and projects	3,499,559	3,185,496
Post-secondary Tuition	2,520,259	2,042,317
Student IT fee	191,427	159,978
Student tech fee	163,493	259,539
	\$ 8,889,711	\$ 9,867,037

10. Asset Retirement Obligation

The College's financial statements include an asset retirement obligation for the removal of asbestos in several buildings owned by the College as well as a liability for the removal of hazardous materials in equipment. The related asset retirement costs are being amortized on a straight-line basis. The liability has been estimated using a net present value technique with a discount rate of 3.29% (2022: 3.29%) where the majority will be incurred over the next 35 years. The liability for all retirement obligations is expected to be settled by the end of 2071.

Asbestos Obligation:

The College owns and operates several buildings that are known to have asbestos, which represents a health hazard upon demolition of the building, resulting in a legal obligation to remove it. Following the adoption of PS 3280 - Asset Retirement Obligations, Confederation College recognized an obligation related to the removal and post-removal care of the asbestos in these buildings as of April 1, 2022. These buildings have a revised useful life of 80 years from the date they were constructed with the recent rehabilitation and enhancements to extend the useful life of the buildings.

The transition and recognition of asset retirement obligations involved an accompanying increase to the buildings, major equipment, and equipment capital assets and the restatement of prior year numbers (see Note 23 - Asset Retirement Obligation Change in Accounting Policy & Prior Period Adjustment)

**The Confederation College of Applied Arts and
Technology**
Notes to Financial Statements

March 31, 2023

10. Asset Retirement Obligation (cont'd.)

	2023		2022 - (Restated - Note 23)	
	Building	Equipment	Building	Equipment
Balance at Beg. Of Year	\$ 3,200,685	\$ 107,220	\$ 3,098,737	\$ 103,805
Liabilities Incurred	-	-	-	-
Liabilities Settled	-	-	-	-
Accretion	105,303	3,952	101,948	3,415
Revisions in Estimate	-	-	-	-
	<u>\$ 3,305,988</u>	<u>\$ 111,172</u>	<u>\$ 3,200,685</u>	<u>\$ 107,220</u>
Total ARO Liability	\$ 3,417,160		\$ 3,307,905	

11. Long-term Debt

	2023	2022
Ontario Financing Authority loan for Wellness Centre repayable at \$303,132 semi-annually including interest at 2.969% due 2042	\$ 9,094,285	9,423,197
Current portion	338,750	328,912
Total	<u>8,755,535</u>	<u>9,094,285</u>

The scheduled principal amounts repayable within the next five years and thereafter are as follows:

Date	OFA
2024	338,750
2025	348,124
2026	359,973
2027	370,069
2028	381,130
Thereafter	7,296,239
	<u>\$ 9,094,285</u>

Of the approved amount of the OFA loan for the Wellness Centre, \$6.6 million is repayable by SUCCI (Student Union of Confederation College Inc.) (Note 4).

**The Confederation College of Applied Arts and
Technology**
Notes to Financial Statements

March 31, 2023

11. Long-term Debt (cont'd.)**Obligations Under Capital Leases**

	2023	2022
Kubota Capital Lease for Tractor, repayable \$1,618 monthly repaid in year 2024	\$ 28,450	48,532
Current Portion	20,082	20,082
Total	<u>8,368</u>	<u>28,450</u>

Obligations under capital leases are secured by certain plant and office equipment. The future minimum lease payments for the next five years and thereafter are as follows:

Date	Amount
2024	20,082
2025	8,368
	<u>\$ 28,450</u>

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**The Confederation College of Applied Arts and
Technology**
Notes to Financial Statements

March 31, 2023

12. Post-employment Benefits and Compensated Absences Liability

The following tables outline the components of the College's post-employment benefits and compensated absences liabilities and the related expenses.

	2023			
	Post-employee Benefits	Non-vesting sick leave	Vesting sick leave	Total liability
Accrued employee future benefits obligations	\$ 581,000	\$ 1,824,000	\$ 45,000	\$ 2,450,000
Value of plan assets	(137,000)	-	-	(137,000)
Unamortized actuarial gains (losses)	43,000	(127,000)	(2,000)	(86,000)
	<u>\$ 487,000</u>	<u>\$ 1,697,000</u>	<u>\$ 43,000</u>	<u>\$ 2,227,000</u>

	2022			
	Post-employee Benefits	Non-vesting sick leave	Vesting sick leave	Total liability
Accrued employee future benefits obligations	\$ 546,000	\$ 1,945,000	\$ 35,000	\$ 2,526,000
Value of plan assets	(142,000)	-	-	(142,000)
Unamortized actuarial gains (losses)	48,000	(281,000)	85,000	(148,000)
	<u>\$ 452,000</u>	<u>\$ 1,664,000</u>	<u>\$ 120,000</u>	<u>\$ 2,236,000</u>

	2023			
	Post-employee Benefits	Non-vesting sick leave	Vesting sick leave	Total expense
Current year benefit cost	\$ 48,000	\$ 130,000	\$ 1,000	\$ 179,000
Interest on accrued benefit obligation	2,000	58,000	1,000	61,000
Amortized actuarial losses	(10,000)	16,000	(71,000)	(65,000)
	<u>\$ 40,000</u>	<u>\$ 204,000</u>	<u>\$ (69,000)</u>	<u>\$ 175,000</u>

	2022			
	Post-employee Benefits	Non-vesting sick leave	Vesting sick leave	Total expense
Current year benefit cost	\$ (31,000)	\$ 175,000	\$ 1,000	\$ 145,000
Interest on accrued benefit obligation	1,000	38,000	1,000	40,000
Amortized actuarial losses	(8,000)	52,000	(81,000)	(37,000)
	<u>\$ (38,000)</u>	<u>\$ 265,000</u>	<u>\$ (79,000)</u>	<u>\$ 148,000</u>

Above amounts exclude pension contributions to the Colleges of Applied Arts and Technology pension plan, a multi-employer plan, described below.

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**The Confederation College of Applied Arts and
Technology**
Notes to Financial Statements

March 31, 2023

12. Post-Employment Benefits and Compensated Absences Liability (cont'd.)

Retirement Benefits

CAAT Pension Plan

All full-time employees of the College, and any part-time employees who opt to participate, are members of the Colleges of Applied Arts and Technology Pension Plan (the "Plan"), a multi-employer jointly-sponsored defined benefit plan for public colleges in Ontario and other employers. The College makes contributions to the Plan equal to those of employees. Contribution rates are set by the Plan's governors to ensure the long-term viability of the Plan. Since the Plan is a multi-employer plan, the College's contributions are accounted for as if the plan were a defined contribution plan with the College's contributions being expensed in the period they come due.

Any pension surplus or deficit is a joint responsibility of the members and employers and may affect future contribution rates related to full-time members. The College does not recognize any share of the Plan's pension surplus or deficit as insufficient information is available to identify the College's share of the underlying pension assets and liabilities. The most recent actuarial valuation filed with pension regulators as at January 1, 2022 indicated an actuarial surplus on a going concern basis of \$4.4 billion. The College made contributions to the Plan and its associated retirement compensation arrangement of \$4,585,243 (2022 - \$4,459,050), which has been included in the statement of operations.

Post-Employment Benefits

The College extends post employment life insurance, health and dental benefits to certain employee groups subsequent to their retirement. The College recognizes these benefits as they are earned during the employees' tenure of service. The related benefit liability was determined by an actuarial valuation study commissioned by the College Employer Council.

The major actuarial assumptions employed for the valuations are as follows:

a) Discount rate

The present value as at March 31, 2023 of the future benefits was determined using a discount rate of 3.4% (2022 - 2.9%)

b) Hospital and other medical

Medical premium increases were assumed to increase at 6.16% per annum in 2023 and decrease proportionately thereafter to an ultimate rate of 4.0% in 2040 (2022 - 4.0% in 2040).

**The Confederation College of Applied Arts and
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Notes to Financial Statements

March 31, 2023

12. Post-Employment Benefits and Compensated Absences Liability (Cont'd.)

Post-Employment Benefits (Cont'd)

c) Dental costs

Dental costs were assumed to increase at 4.0% per annum (2022 - 4.0%).

Compensated Absences

Vesting Sick Leave

The College has provided for vesting sick leave benefits during the year. Eligible employees, after 10 years of service, are entitled to receive payment for their accumulated sick days at 50% of their accumulated sick leave credit on termination or retirement to a maximum of 6 months' salary. The program to accumulate sick leave credits ceased for employees hired after March 31, 1991. The related benefit liability was determined by an actuarial valuation study commissioned by the College Employer Council.

Non-Vesting Sick Leave

The College allocates to certain employee groups a specified number of days each year for use as paid absences in the event of illness or injury. These days do not vest and are available immediately. Employees are permitted to accumulate their unused allocation each year, up to the allowable maximum provided in their employment agreements. Accumulated days may be used in future years to the extent that the employees' illness or injury exceeds the current year's allocation of days. Sick days are paid out at the salary in effect at the time of usage. The related benefit liability was determined by an actuarial valuation study commissioned by the College Employer Council.

The assumptions used in the valuation of vesting and non-vesting sick leave are the College's best estimates of expected rates of:

	2023	2022
Wage and salary escalation		
Academic	1.00%	1.00%
Support	1.00%	1.25%
Discount rate	3.40%	2.90%

The probability that the employee will use more sick days than the annual accrual and the excess number of sick days used are within ranges of 0% to 26.2% and 0 to 51 days respectively for age groups ranging from 20 and under to 65 and over in bands of 5 years.

**The Confederation College of Applied Arts and
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Notes to Financial Statements

March 31, 2023

13. Deferred Capital Contributions

Deferred capital contributions represent the unamortized amount and unspent amount of donations and grants received for the purchase of capital assets. The amortization of capital contributions is recorded as revenue in the statement of operations and is calculated on the same basis as the amortization expense related to the acquired/constructed capital assets. The changes in the deferred capital contributions balances are as follows:

	2023	2022
Balance, beginning of year	\$ 60,217,753	\$ 63,699,022
Add contributions for capital purposes	3,846,661	1,667,439
Less amortization of deferred capital contributions	(5,361,753)	(5,148,708)
Balance, end of year	58,702,661	60,217,753
Deferred capital contributions relating to construction in progress, end of year	-	-
Deferred capital contributions balance, end of year	\$ 58,702,661	\$ 60,217,753

14. Net Assets - Investment in Capital Assets

	2023	2022
Capital assets, net book value	\$ 67,297,962	\$ (Restated - Note 23) 68,610,690
Less amounts financed by:		
Working capital	313,620	313,620
SUCCI Student Levy Receivable (Note 5)	6,606,127	6,845,056
Long-term debt (Note 11)	(9,122,735)	(9,471,729)
Deferred capital contributions (Note 13)	(58,702,661)	(60,217,753)
Invested in capital assets, end of year	\$ 6,392,313	\$ 6,079,884

Appendix A: Audited Financial Statements

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**The Confederation College of Applied Arts and
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Notes to Financial Statements

March 31, 2023

15. Net Assets - Internally and Externally Restricted

Internally restricted net assets represents money set aside by College senior management for various strategic initiatives and committed for specific purposes as identified below.

	2023	2022
Tuition set aside for student assistance	\$ 1,971,019	\$ 2,045,048
Scholarships and bursaries	264,308	156,250
Contributions for capital expenditures	192,626	196,304
Donations	788,304	741,212
Special Projects	24,961,000	13,235,326
TEC Hub Campaign Commitment	-	295,000
Parking Lot Development	2,400,000	2,400,000
Critical IT Infrastructure Upgrade	1,602,032	1,102,032
Long-term Sustainability	8,293,567	8,293,567
Employee professional development	-	93,629
Environmental Sustainability	500,000	500,000
	<u>\$ 40,972,856</u>	<u>\$ 29,058,368</u>

The Ministry of Colleges and Universities requires a certain portion of the additional tuition fee revenue generated by announced fee increases to be set aside for student assistance.

16. Net Assets - Endowments Restricted

Externally restricted net assets include restricted donations received by the College where the endowment principal is required to be maintained intact. The investment income generated from these endowments must be used in accordance with the various purposes established by donors. The College ensures, as part of its fiduciary responsibilities, that all funds received with a restricted purpose are expended for the purpose for which they were provided.

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**The Confederation College of Applied Arts and
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Notes to Financial Statements

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16. Net Assets - Endowments Restricted (Cont'd)

Externally restricted endowment funds include grants provided by the Government of Ontario from the Ontario Student Opportunity Trust Fund ("OSOTF") Phase I and II, and the Ontario Trust for Student Support ("OTSS") programs and other such restricted contributions that were not matched. Under these government programs, the government matches funds raised by the College. The purpose of the programs is to assist academically qualified individuals who, for financial reasons, would not otherwise be able to attend College. The investment income generated from endowments must be used in accordance with the OSOTF and the OTSS guidelines.

The College has recorded the following amounts under the programs:

	2023	2022
OSOTF I		
Schedule of changes in Endowment Fund Balance		
Fund balance, beginning of year	\$ 3,676,894	\$ 3,675,930
Prior year corrections to Award Allocations	(39,500)	-
Cash donations received	1,000	964
Fund balance, end of year	<u>3,638,394</u>	<u>3,676,894</u>
Schedule of changes in Expendable Funds Available for Awards		
Fund balance, beginning of year	1,613,577	1,427,565
Corrections to Endowed/Realized Gain Amounts (Rate Stabilization)	(152,002)	115,306
Unrealized investment gain (loss) net of direct investment-related expenses and preservation of capital contributions	132,217	130,066
Bursaries awarded (2023 = 180, 2022 = 153)	(143,415)	(59,360)
Expendable fund balance, end of year	<u>1,450,377</u>	<u>1,613,577</u>
Total endowment fund balance, end of year	<u>\$ 5,088,771</u>	<u>\$ 5,290,471</u>
Market value of fund, end of year	<u>\$ 5,088,771</u>	<u>\$ 5,290,471</u>

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16. Net Assets - Endowments Restricted (Cont'd)**OSOTF II Second Phase**

	2023	2022
Schedule of changes in Endowment Fund Balance		
Fund balance, beginning of year	\$ 252,078	\$ 252,078
Eligible cash donations received	-	-
	<u>252,078</u>	<u>252,078</u>
Schedule of changes in Expendable Funds Available for Awards		
Fund balance, beginning of year	225,256	205,279
Corrections to Endowed/Realized Gain Amounts (Rate Stabilization)	(13,788)	10,377
Unrealized investment gain (loss) net of direct investment-related expenses and preservation of capital contributions	11,993	11,705
Bursaries awarded (2023 = 10, 2022 = 6)	(4,670)	(2,105)
	<u>218,791</u>	<u>225,256</u>
Expendable fund balance, end of year	218,791	225,256
Total endowment fund balance, end of year	\$ 470,869	\$ 477,334
Market value of fund, end of year	\$ 470,869	\$ 477,334

OTSS

	2023	2022
Schedule of changes in Endowment Fund Balance		
Fund balance, beginning of year	\$ 3,404,907	\$ 3,381,487
Eligible cash donations received	1,097,134	23,420
	<u>4,502,041</u>	<u>3,404,907</u>
Schedule of changes in Expendable Funds Available for Awards		
Fund balance, beginning of year	1,323,453	1,190,955
Corrections to Endowed/Realized Gain Amounts (Rate Stabilization)	(136,050)	103,519
Unrealized investment gain (loss) net of direct investment-related expenses and preservation of capital contributions	118,341	116,769
Bursaries awarded (2023 = 127, 2022 = 119)	(97,393)	(87,790)
	<u>1,208,351</u>	<u>1,323,453</u>
Expendable fund balance, end of year	1,208,351	1,323,453
Total endowment fund balance, end of year	\$ 5,710,392	\$ 4,728,360
Market value of fund, end of year	\$ 5,710,392	\$ 4,728,360

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Notes to Financial Statements**

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16. Net Assets - Endowments Restricted (Cont'd)

Reports of OTSS awards issued for the period of April 1, 2022 to March 31, 2023:

Status of Recipients	OSAP Number	Recipients Amount	Non-OSAP Number	Recipients Amount	Number	Total Amount
Full-time	52	\$ 35,190	46	\$ 31,500	98	\$ 66,690
Part-time	n/a	n/a	n/a	n/a	n/a	n/a
Total	<u>52</u>	<u>\$ 35,190</u>	<u>46</u>	<u>\$ 31,500</u>	<u>98</u>	<u>\$ 66,690</u>
				<u>2023</u>		<u>2022</u>
Grand total of endowment funds, end of year		\$ 11,270,032				\$ 10,496,165

17. Commitments

The College has leased realty for the Aviation Centre of Excellence at an annual rental of approximately \$94,245, with annual increases of 2.5%, and an expiry date of 2053.

18. Contingencies

In the normal course of operations, the College is involved in a number of grievances and disputes. As of the date of this financial statement preparation, the likelihood and impact of these matters on the College's financial statements is unknown. Should any costs be incurred as a result of these matters, they will be expensed in the year of settlement.

Effective June 2019, the Province of Ontario enacted Bill 124 "Protecting a Sustainable Public Sector for future Generations Act, 2019". This legislation limited compensation increases to 1.0% per year for a three-year moderation period for both unionized and non-unionized employees in the Ontario public sector. The starting dates of the moderation period varied across entities and employee groups. On November 29, 2022, the Ontario Superior Court of Justice struck down Bill 124, finding it unconstitutional and declaring it to be "void and of no effect". On December 29, 2022, the Ontario government filed a Notice of Appeal with the Ontario Court of Appeal. The impact, if any, to Confederation College as a result of the Ontario Superior Court decision is not determinable at this time. As such, no provision has been made in the financial statements.

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Notes to Financial Statements

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19. Statement of Cash Flows

The change in non-cash working capital balances consists of the following:

	2023	2022
Grants receivable	\$ (5,015,991)	\$ (1,101,509)
Accounts receivable	(965,255)	(768,320)
Inventory	(41,715)	85,774
Prepaid expenses	(395,791)	(43,250)
Accounts payable and accrued liabilities	4,946,372	8,266,944
Vacation payable	1,347	(145,055)
Deferred revenue	(977,326)	(1,456,401)
	\$ (2,448,359)	\$ 4,838,183

20. Capital Disclosures

The College considers its capital to be the balance retained in net assets, which is generally the difference between its assets and liabilities as reported on the statement of financial position and includes unrestricted net assets, internally restricted net assets, investment in capital assets and restricted endowment net assets. The College receives funding from the provincial government for the delivery of its programs. These funds are maintained and disbursed under the terms of the funding agreements and management is responsible for adhering to the provisions of these agreements.

The College's objectives when managing capital are to safeguard its ability to continue as a going concern so that it can continue to provide delivery of its programs to the public. Colleges are required, under the current Ministry guidelines, to balance their budgets each year through a combination of managing expenses and utilizing reserves. Any in-year deficit not covered by reserves (accumulated deficits) must be recovered within two successive years under the Ministry's deficit recovery procedures.

Management maintains its capital by ensuring that annual operating and capital budgets are developed and approved by the Board of Governors based on both known and estimated sources of funding and financing available each year. These budgets are shared with all management to ensure that the capital of the College is maintained and are also published on the College's website or distributed to the public in hard copy upon request.

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**The Confederation College of Applied Arts and
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Notes to Financial Statements

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21. Financial Instrument Risk Management

Credit Risk

Credit risk is the risk of financial loss to the College if a debtor fails to make payments of interest and principal when due. The College is exposed to this risk relating to its cash, debt holdings in its investment portfolio, notes and long-term receivable and accounts receivable. The College holds its cash accounts with federally regulated chartered banks who are insured by the Canadian Deposit Insurance Corporation. In the event of default, the College's cash accounts are insured up to \$300,000 (2022 - \$300,000).

The College's investment policy operates within the constraints of the investment guidelines issued by the MCU and puts limits on the bond portfolio including portfolio composition limits, issuer type limits, bond quality limits, aggregate issuer limits, corporate sector limits and general guidelines for geographic exposure. All fixed income portfolios are measured for performance on a quarterly basis and monitored by management on a monthly basis. The guidelines permit the College's funds to be invested in bonds issued by the Government of Canada, a Canadian province or a Canadian municipality having a rating of A or better, or corporate investments having a rating of A (R-1) or better.

The maximum exposure to investment credit risk is outlined in Note 2.

Accounts receivable are ultimately due from students, sponsors or corporate agencies. An amount of \$205,162 (2022 - \$202,691) has been set up as an allowance for doubtful accounts. Credit risk is mitigated by financial approval processes before a student is enrolled and the highly diversified nature of the student population, and other internal controls built into the registration process.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of market factors. Market factors include three types of risk: currency risk, interest rate risk, and equity risk.

The College's investment policy operates within the constraints of the investment guidelines issued by the MCU. The policy's application is monitored by management, the investment managers and the Board of Governors. Diversification techniques are utilized to minimize risk. The Policy limits the investment in any one corporate issuer to a maximum of 10% of the College's total fixed income bonds.

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

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Notes to Financial Statements

March 31, 2023

21. Financial Instrument Risk Management (Cont'd)

Currency risk

Currency risk relates to the College operating in different currencies and converting non-Canadian earnings at different points in time at different foreign College levels when adverse changes in foreign currency College rates occur.

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

Interest rate risk

Interest rate risk is the potential for financial loss caused by fluctuations in fair value or future cash flows of financial instruments because of changes in market interest rates.

The College is exposed to this risk through its interest bearing investments (see note 5) and long-term debt (see note 9).

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

Equity risk

Equity risk is the uncertainty associated with the valuation of assets arising from changes in equity markets. The College is exposed to this risk through its equity holdings within its investment portfolio. At March 31, 2023, total equity in the portfolio was \$5,979,000, a 10% movement in the stock markets with all other variables held constant would have an estimated effect on the fair values of the College's equities of \$579,000. Equities represent approximately 52% of the fair value of the College's endowed investments, which is held for long-term investment gains, which mitigates the impact to market fluctuations on the value of the equities.

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

**The Confederation College of Applied Arts and
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Notes to Financial Statements

March 31, 2023

21. Financial Instrument Risk Management (Cont'd)

Liquidity risk

Liquidity risk is the risk that the College will not be able to meet all cash outflow obligations as they come due. The College mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting.

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

22. Comparative Figures

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

23. Asset Retirement Obligation Change in Accounting Policy & Prior Period Adjustment

The financial statement of the prior year has been restated to reflect a change in the accounting policy with respect to Asset Retirement Obligations (ARO). This change in accounting policy has been applied using a modified retroactive method. As a result of the adoption of this new accounting policy, the following changes have been made to the 2022 financial statements:

	2022
Increase (decrease) in ARO Tangible Capital Assets	\$ 1,079,885
Increase (decrease) in Accumulated Amortization of ARO assets	\$ 716,861
Increase (decrease) in ARO	\$ 3,307,905
Increase (decrease) in Opening Accumulated Surplus	\$ (2,822,376)
Increase (decrease) in Accretion expense	\$ 105,364

On April 1, 2022, the College adopted Public Accounting Standard P5 3280 - Asset Retirement Obligations. The new accounting standard provides guidance on the reporting of legal obligations associated with the retirement of certain tangible capital assets, such as asbestos removal in retired buildings by public sector entities. As a result, the presentation of the financial statements has changed from the prior year.

This standard was adopted on a modified retroactive application basis at the date of adoption. Under the modified retroactive method, the discount rate and assumptions used on initial recognition are those as of the date of adoption of the standard. As of the date of adoption of the standard, the relevant discount rate is 3.29% per annum.

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Notes to Financial Statements

March 31, 2023

23. Asset Retirement Obligation Change in Accounting Policy & Prior Period Adjustment (cont'd.)

Asbestos Obligation:

On April 1, 2022, Confederation College recognized an asset retirement obligation relating to several buildings owned by the College that contained asbestos. These buildings have been built/purchased over the past 50 years and the liability was measured on assets as of 1) the year asbestos became a legal obligation in Ontario or 2) the date when the asset was acquired.

In March of 1986, the Designated Substance - Asbestos on Construction Projects and in Buildings and Repair Operations (O. Reg. 278/05, s. 6, 8, 11-18) regulation came into effect. This regulation requires the College to handle and dispose of the asbestos in the prescribed manner when it is disturbed. The construction of the building and the implementation of this regulation gave rise to the College's asset retirement obligation.

Appendix B: Key Performance Indicators (KPIs)

Graduation Rate		
2021-22	College	60%
	Province	65.2%

Graduate Satisfaction Rate		
2021-22	College	83.5%
	Province	75.4%

Graduate Employment Rate		
2021-22	College	91.1%
	Province	83%

Employer Satisfaction Rate		
2021-22	College	66.7% *

*The response rate for this survey was three employers and is therefore not reliable.

Appendix C: Summary of Advertising and Marketing Complaints Received

There were no confirmed advertising and marketing complaints received for 2022/23.

Appendix D: List of Board of Governors

NAME	APPOINTMENT	REPRESENTATION	EXECUTIVE MEMBER
Edmond Collins	External	Thunder Bay	2 nd Vice Chair
Katy Commisso	External	Thunder Bay	
Isabel Delaney	Internal	Student	
Matt Dupuis	External	Thunder Bay	
Tesa Fiddler	External	Negahneewin Council	
Grace Filice	Internal	Support Staff	
Geoff Gillon	External	Rainy River	1 st Vice Chair
	LGIC		
Chris Heikkinen	External	Thunder Bay	
Gavin Hemeon	Internal	Faculty	
Kathleen Lynch	Internal	President	
Eveline O'Flaherty	External	Kenora / Red Lake	Member-at-Large
	LGIC		
David Paxton	LGIC	Thunder Bay	
Daryl Skworchinski	External	Eastern Region	Chair
Kimberly Smith	LGIC	Thunder Bay	
Tracie Smith	External	Thunder Bay	
Shane Strickland	Internal	Administrative	
Kim Vares	External	Dryden / Sioux Lookout	Member-at-Large