

2019-2020 ANNUAL REPORT

Mission

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

Vision

Confederation College will enrich lives through learning.

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Message from the Chairperson of the Board

It has been my privilege to continue in my position as the Chairperson for the Board of Governors this past year. On behalf of the Board, I am pleased to recognize the incredible leadership demonstrated by members of Confederation College through this important and final year of the College's Strategic Plan, *Wiicitaakewin: The Path to 2020*.

Building on a critical foundation laid in 2018-19, Confederation College took some big steps forward in its commitment to addressing systemic racism. The College completed a review of its policies through a third party to determine if systemic barriers exist for minorities, and particularly for Indigenous peoples. In response to the final report provided, the College hired its first Equity and Human Rights Advisor in the fall of 2019 to help address policies and other areas requiring improvement. This led to the completion of a new Policy to Address Anti-Indigenous and Other Forms of Racism as well as a Companion Guide. The College also launched its Diversity, Equity and Indigenous Lens, a tool that will help ensure Confederation's policies, programs and practices are free of elements that knowingly or unknowingly enable the exclusion of Indigenous peoples. An Indigenous Equity and Decolonization Committee was established to further support the implementation of recommendations provided through the College's Systemic Racism Review Action Plan. Further living up to its reputation as a leader in Indigenous Education, Confederation College proudly hosted the 4th Annual Truth and Reconciliation Gathering in partnership with Indigenous Peoples' Education Circle and Colleges Ontario.

A year of uncharted territory, 2020 has required Confederation to overcome significant challenges including a malware incident and the COVID-19 pandemic. College leadership has remained steadfast in its response to these challenges and in its commitment to supporting student success and the health and safety of the College community. We thank them for that leadership and acknowledge the hundreds of dedicated and passionate employees who quickly mobilized to maintain the high quality of education for which Confederation College is known, in a new remote environment.

Hope and innovation are the cornerstones of Confederation College's future. This past year, the Board helped to lead the College in the development of a new five-year Strategic Plan, which will provide the roadmap needed to reach new heights. Consultation sessions saw close to 500 stakeholders from across northwestern Ontario offer their highly valued input as this plan was developed. On behalf of the Board, I would like to extend my deep gratitude to everyone who contributed throughout the process. We look forward to the plan's launch this fall. Building on past successes, we are confident this new plan will ensure Confederation College continues to excel at inspiring learners to succeed in their lives and careers.

Kristen Oliver
Chairperson

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Message from the President

With the completion of the 2019-20 academic year, we were proud to complete our Strategic Plan, *Wiicitaakewin: The Path to 2020* at Confederation College. This final stage of our plan was marked with several key accomplishments in our efforts to advance our College through our strategic pillars: **Access and Success**, **Community Prosperity** and **Institutional Excellence**.

Access and Success

Expansion of pathways, partnerships and learning opportunities has been the overarching theme for our work in this area this year. We created 15 pathways through ONCAT funded projects, the majority of which reflect a model in which college graduates receive full recognition for their diploma. Three of these projects resulted in formal partnerships to share how to create Indigenous pathways and programming that break down barriers for learners. We also signed a revised MOU with longstanding partner Oshki-Wenjack to expand programming. We are excited to be in the final stages of development for a new Anishinaabemowin Language Program, which is set to launch in January 2021. We continue to strengthen our integration of Indigenous Learning Outcomes across our programs, and ensure a balanced program mix through our Academic Plan, supporting our responsiveness to local labour market needs.

Community Prosperity

A number of MOUs and Articulation Agreements were renewed and deepened our ties to our local communities and employers. We continue to provide literacy and basic skills training to 9 Matawa communities through *LES (Literacy and Essential Skills) is More*. We also successfully piloted our first year of the Start Your Own Business general elective offered in partnership with the Northwestern Ontario Innovation Centre and RBC's Future Launch program. An average of 28 students per semester developed their own business ideas and connected with mentors in our community who helped guide them. We expect this number to grow as more students have the opportunity to develop entrepreneurial skills through this elective.

Institutional Excellence

A series of regional campus moves and renovations have improved the learning environments for our students across northwestern Ontario. We were pleased to host grand opening events for our relocated Northshore Campus in Marathon and our newly built Sioux Lookout Campus. We also relocated our Greenstore Campus to Longlac and look forward to celebrating a grand opening in the future. Our TEC Campaign remains ahead of schedule with an anticipated completion of fall 2020. With the generosity of many donors, we have been able to ensure those studying in our Technology, Education and Collaboration (TEC) Hub have access to leading-edge equipment and enhanced learning capacity. In continuation of our efforts to complete a systemic racism review, started in the 2018-19 academic year, we received a final report from our third party consultant and have been proud to take many steps towards implementation of the recommendations provided. Part of this work has included expansion of our Negahneewin Education Strategy and the development of several new resources for our employees. Our next Strategic Plan has also been informed and shaped by this work.

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As we ushered in the New Year, it seemed that 2020 was destined to be a year defined by our ability to overcome adversity. Thanks to the incredible leadership of our Senior Team and the deep commitment of our employees, we were able to successfully recover from a malware incident in late January, effectively mitigating the impact to the College. Not long after that, we began facing the global challenges brought forth by the unprecedented COVID-19 pandemic. I have been both impressed and inspired by the efforts of our team of employees at Confederation College. We quickly adapted to new realities and throughout, have prioritized our students' success and the health and safety of our entire College community.

As we look ahead to what comes next, we are motivated by our new Strategic Plan which will be launched in the fall of 2020. The new plan will see a renewed focus on the strategic pillars of Access and Success, Community Prosperity and Institutional Excellence, while further prioritizing Indigenous Learning through its addition as a pillar. During our consultation process, we were pleased to see considerable participation and engagement from our numerous stakeholders. Their input played a critical role in affirming our directions and ensuring our new plan reflects the interests and needs of our students, employees and communities. This plan will guide us for the next five years and set us on a journey of courage, equity and relationships.

Kathleen Lynch
President

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Strategic Plan



The Path to 2020

Confederation College: 2017-2020 Strategic Plan

To deliver its Mission and Vision, Confederation College commits to fostering Access and Success, Community Prosperity and Institutional Excellence encompassing the following 10 goals.

The College aspires to be an institution that supports:

Access and Success

1. Provides access to a broad range of programs, pathways and learning opportunities.
2. Cultivates a flexible and supportive learning environment that helps learners meet and achieve their career and life goals.
3. Builds relationships through reconciliation¹ that inform learners' success.
4. Fosters an environment for all learners to experience the Negahneewin Council Vision.

Community Prosperity

5. Is responsive to the training and development needs of communities and employers.
6. Enriches the quality of life, prosperity and sustainability of its diverse communities.
7. Leads and supports innovation and entrepreneurship through partnerships with business and industry.

Institutional Excellence

8. Manages its human, financial and physical resources responsibly and sustainably in order to exceed College and sector indicators of quality and success.
9. Is an employer of choice.
10. Is recognized as a leader in Indigenous learning in Canada.

¹"Reconciliation" is an ongoing journey to engage all Canadians in dialogue that revitalizes and promotes a mutually respectful relationship between Aboriginal and non-Aboriginal peoples in order to build vibrant, resilient and sustainable communities in reference to the Truth and Reconciliation Commission of Canada: Calls to Action Report.

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ACCESS and SUCCESS



The Path to 2020

Confederation College excels in attracting, supporting and graduating a diverse² range of learners.

The demographics of northwestern Ontario are **changing**. For the first time in over four decades, Confederation is **re-inventing** its student population and reaching out beyond its traditional catchment base to attract new and different groups of students. In order to better recruit students, support their success and respond to the demand for skilled graduates, the College will **increase its focus on the attraction, support and retention of Indigenous youth as well as students from southern Ontario and other countries**. Helping students access programs of their choice and, at the same time, building awareness of market trends, will help to ensure that programs are both reachable and relevant. **Aligning the College's facilities, infrastructure and technology with diverse preferences that support a balanced lifestyle** will be central to engaging with students and helping them succeed. The process of reconciliation will frame the College's priorities for learner success. Confederation aspires to be a leader in advancing Indigenous learning and culture; in turn, these aspects will be integrated into a flexible and supportive learning environment for all.

Goal 1 - Provides access to a broad range of programs, pathways and learning opportunities (E 1.1)

- 1.1 Continue to implement a variety of flexible learning solutions that increase access to a broad range of learning pathways.
- 1.2 Increase awareness of pathways and prepare learners for success in their chosen career paths.
- 1.3 Expand partnerships with K-16 education providers and other agencies to support the success of all learners in their transition to post-secondary education.
- 1.4 Continue to enhance and review program relevance, mix and delivery to support engagement of a diverse group of prospective learners.

Goal 2 – Cultivates a flexible and supportive learning environment that helps learners meet and achieve their career and life goals (E 1.1)

- 2.1 Implement a cross-college, collaborative approach for student success.
- 2.2 Celebrate the cultural diversity on campus.
- 2.3 Support the unique needs of international students in reaching their personal, academic and career goals.

Goal 3 – Builds relationships through reconciliation¹ that inform learners' success. (E 1.2)

- 3.1 Implement comprehensive Indigenous language and cultural programming.
- 3.2 Engage in active Canadian reconciliation through implementation of the Truth and Reconciliation Commission (TRC) of Canada's Calls to Action in the education sector.
- 3.3 Create and sustain a professional development program to support employees in their understanding of historic/contemporary challenges in education for Indigenous students thereby supporting the development of an inclusive curriculum.

Goal 4 – Fosters an environment for all learners to experience the Negahneewin Council Vision. (E 2.2)

- 4.1 Respectfully reflect culture, language, knowledge and history in the classroom through Indigenous Learning Outcomes.
- 4.2 Integrate Indigenous knowledge and pedagogy in the classroom.
- 4.3 Create and sustain space that respects Indigenous peoples as integral to the future of Confederation College.

¹"Reconciliation" is an ongoing journey to engage all Canadians in dialogue that revitalizes and promotes a mutually respectful relationship between Aboriginal and non-Aboriginal peoples in order to build vibrant, resilient and sustainable communities in reference to the Truth and Reconciliation Commission of Canada: Calls to Action Report.

²"Diverse Learners" are defined as learners with a range of dimensions that includes but is not necessarily limited to: learning skills, socio-economic background, race and cultural heritage, physical and mental ability, gender and sexual orientation, religious and political beliefs, as well as geographic origin.

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COMMUNITY PROSPERITY



The Path to 2020

Confederation College fosters economic and social development in Northwestern Ontario and beyond.

As a result of its dedication to the surrounding area over many years, the College has developed a **strong network** of well-established relationships and continues to commit to **building collaborative partnerships** that not only enhance students' success and learning outcomes, but also **address northern realities** and respond to the **changing needs** of the regional economy. Strong relationships with communities, employers and industry allow the College to be responsive to emerging opportunities. Understanding the challenges and unique needs facing northwestern Ontario's diverse communities will help the College **engage with employers** to advance training opportunities that meet evolving needs. **Innovation and entrepreneurship** will be pathways to further support economic development. In these ways, the College will **ensure its graduates have the skills, knowledge and abilities** to perform in a rapidly changing labour market.

Goal 5 – Is responsive to the training and development needs of communities and employers. (E 2.1)

- 5.1 Continue to foster effective community, employer and industry connections to remain responsive to emerging opportunities and training needs.
- 5.2 Advocate for responsive contract training funding.
- 5.3 Implement a collaborative approach to placements, co-ops, career services, Advisory Committees and community outreach that strive to support a holistic approach for career development.
- 5.4 In partnership with stakeholders, investigate and advocate for new models for apprenticeship delivery across the north.

Goal 6 - Enriches the quality of life, prosperity and sustainability of its diverse communities. (E 2.2)

- 6.1 Support social innovation as a means to address the challenges faced by learners, employers and communities.
- 6.2 Increase our understanding of the unique challenges and needs facing northwestern Ontario's communities in order to align programs and delivery options to facilitate access and success.
- 6.3 Employ a holistic approach to learning that is responsive to diverse learning styles as well as the needs of communities in northwestern Ontario.

Goal 7 - Leads and supports innovation and entrepreneurship through partnerships with business and industry. (E 2.3)

- 7.1 Foster a culture that enhances opportunities for, and aligns resources with, innovation and entrepreneurship across the College.
- 7.2 Continue to develop partnerships that increase students' opportunities to explore innovation and entrepreneurship.
- 7.3 Showcase the College's efforts to advance innovation and entrepreneurship initiatives that help to grow economies in northwestern Ontario.

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INSTITUTIONAL EXCELLENCE



The Path to 2020

Confederation College is recognized as an excellent and progressive organization.

Confederation College has a proven track record in performing **above provincial averages**: graduate and employer satisfaction are areas where the College performs above the norm. Continuing to offer **best-in-class opportunities** for students and building pathways to develop **meaningful and sustainable** careers that meet the needs of the north are areas where the College will maintain its focus and further strive to exceed expectations. Formalizing a **performance measurement framework** will help the College assess and communicate its progress toward exceeding benchmarks and achieving its **strategic goals**. By investing in its human and physical resources, the College will contribute to a **positive learning and work environment**, creating a sustainable foundation from which to grow and be recognized.

Goal 8 - Manages its human, financial and physical resources responsibly and sustainably in order to exceed College and sector indicators of quality and success. (E 3.1, 3.2)

- 8.1 Effectively align resources with the College's annual Business Plan to support quality outcomes of students and to achieve strategic goals.
- 8.2 Develop and implement a performance measurement framework that reflects the goals of the College's strategic plan and that positions Confederation to exceed College and sector indicators of quality and success.
- 8.3 Invest in buildings and centres that contribute to a positive learning and work environment and that convey the uniqueness of Confederation College.
- 8.4 Refresh and renew the College's infrastructure and reporting structure in order to improve efficiencies during program and service delivery.

Goal 9 - Is an employer of choice. (E 3.3)

- 9.1 Attract and retain employees who have the knowledge, skills and experience to meet the mission and values of the College.
- 9.2 Continue to create a supportive environment and increase opportunities for employees to be engaged and contribute to the College community.
- 9.3 Create an employee recruitment strategy to ensure a qualified and diverse pool of applicants for part-time and temporary positions.

Goal 10 - Is recognized as a leader in Indigenous learning in Canada. (E 3.4)

- 10.1 Expand Indigenous programming to meet the needs of northwestern Ontario and beyond.
- 10.2 Actively engage in dialogue on how to advance and support Indigenous learning at Confederation College.
- 10.3 Determine Indigenous education strategies through research and policy development in collaboration with partners across Canadian and International environments.

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Ends Monitoring

The following table provides a metric summary of activity connected to the three ends policies of our Strategic Plan (2017 – 2020).

For each metric below, a three-year history on the data is presented.

Metrics for the 2017-2020 Strategic Plan:		2017/18	2018/19	2019/20
<small>NOTES: - All information for 2017/18 is consistent with records from March 21, 2018. - All information for 2018/19 is consistent with records from March 27, 2019. - All information for 2019/20 is consistent with records from March 24, 2020. Numbers and percentages will vary when compared to other ministry reports.</small>				
Ends Policy One – Access and Success				
Strategic Direction One – Confederation College excels in attracting, supporting and graduating a diverse range of learners.				
a	Number of Postsecondary and Non-Postsecondary learners	6,500	6,955	7,745
	• Total number of Postsecondary learners	4,228 (65%)	4,708 (68%)	5,154 (67%)
b	Under-represented postsecondary learners	2,396 (57%)	2,837 (60%)	3,348 (65%)
	• First Generation	823 (19%)	829 (19%)	855 (17%)
	• Indigenous	730 (17%)	777 (18%)	791 (15%)
	• International	940 (22%)	1,324 (28%)	1,748 (34%)
	• Second Career	28 (<1%)	29 (<1%)	20 (<1%)
	• WSIB	4 (<1%)	4 (<1%)	5 (<1%)
	• Identified disabilities	561 (13%)	573 (12%)	588 (11%)
c	Academic upgrading learners who ladder into full-time: i. Postsecondary ii. Apprenticeship Studies	i. 107 (10%) ii. 5 (<1%)	i. 104 (10%) ii. 8 (<1%)	i. 125 (11%) ii. 9 (<1%)
d	Number of School College Work Initiative learners in 2019/20	1,226	1,114	1,075
e	School College Work Initiative learners who ladder into full-time: i. Postsecondary ii. Apprenticeship Studies	i. 353 (10%) ii. 41 (15.3%)	i. 423 (11%) ii. 57 (17%)	i. 475 (11%) ii. 64 (19%)
f	Confederation Bound i. Total number of high school students to enter Confederation Bound ii. Total number of Confederation Bound participants to apply to a postsecondary program iii. Total number of participants to enroll in a postsecondary program	i. 47 ii. 33 iii. 29	i. 46 ii. 27 iii. 23	i. 42 ii. 18 iii. N/A
g	Number of Learners participating in the MCU Credit Transfer System transferring in to Confederation College	402	354	353
h	Male/female ratio of postsecondary learners	46/54	48/52	49/51
i	Postsecondary learners completing flexible courses	1,064 (25%)	1,199 (26%)	1,268 (25%)
j	Postsecondary learners accessing programming through the Virtual College	1,201 (28%)	1,446 (31%)	1,487 (29%)
k	Learners in collaborative, multi-institutional programs (Collaborative or community based BScN, Mining diploma, Medical Laboratory Assistant diploma, etc.)	446 (7%)	445 (6%)	483 (6%)

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Ends Monitoring

The following table provides a metric summary of activity connected to the three ends policies of our Strategic Plan (2017 – 2020).

For each metric below, a three-year history on the data is presented.

Metrics for the 2017-2020 Strategic Plan:		2017/18	2018/19	2019/20
International Learners:				
l	International postsecondary learners	940 (22%)	1,324 (28%)	1,748 (34%)
m	International postsecondary graduates	479 (24%)	806 (39%)	TBD
n	International non-postsecondary learners	93 (7%)	17 (2%)	18 (2%)
Regional Learners:				
o	Number of Postsecondary programs delivered in regional locations	29	32	28
p	Postsecondary learners in regional locations	520 (12%)	605 (13%)	610 (12%)
q	Apprenticeship learners in regional locations	0	0	0
	Upgrading learners in regional locations	146 (25%)	129 (18%)	108 (14%)
r	Contract training learners in regional locations	390 (31%)	339 (33%)	453 (41%)
Southern Ontario Learners:				
s	Learners outside of northwestern Ontario accessing programming through the Virtual college	323 (16%)	390 (18%)	397 (18%)
t	Learners relocating to northwestern Ontario from southern Ontario for their studies	525 (8%)	505 (7%)	674 (9%)
Graduates:				
u	Graduation Rate from postsecondary programming. 2019 Provincial KPI Average = 67.2%	67.9%	67.5%	TBD
v	Graduate Employment Rate. 2019 Provincial KPI Average = 86.2%	87.9%	88.4%	TBD
w	Graduate Satisfaction Rate. 2019 Provincial KPI Average = 79.9%	83.0%	87%	TBD
x	Employer Satisfaction Rate. 2019 Provincial KPI Average = 89.6%	93.8%	78.6%	TBD
Ends Policy Two – Community Prosperity				
Strategic Direction Two – Confederation College fosters economic and social development in Northwestern Ontario and beyond.				
a	Number of postsecondary and non-postsecondary Indigenous Learners	1,066	1,097	1,156
b	Indigenous postsecondary learners	730 (17%)	777 (17%)	791 (15%)
	• Indigenous apprenticeship learners	18 (7%)	20 (6%)	19 (6%)
	• Indigenous upgrading learners	100 (20%)	218 (31%)	264 (34%)
	• Indigenous contract training learners	214 (17%)	404 (40%)	284 (26%) ¹
c	Indigenous postsecondary graduates	270 (16%)	274 (13%)	TBD
d	Indigenous apprenticeship graduates	N/A	N/A	N/A
e	Indigenous upgrading graduates	99 (75%)	57 (75%)	TBD
f	Indigenous School College Work Initiative learners laddering into postsecondary programming	84 (16%)	98 (21%)	105 (20%)
g	Postsecondary programming with Indigenous learning outcomes	58 (100%)	58 (100%)	58 (100%)

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Ends Monitoring

The following table provides a metric summary of activity connected to the three ends policies of our Strategic Plan (2017 – 2020).

For each metric below, a three-year history on the data is presented.

Metrics for the 2017-2020 Strategic Plan:		2017/18	2018/19	2019/20
Training Initiatives:				
h	Number of northwestern Ontario businesses receiving training	69	67	33
i	Number of training agreements with northwestern Ontario communities and number of communities served through these agreements	79	49	41
Integrated Employment Services:				
j	Number of employment clients served	3,722	4,395	4,662
k	Percentage of employment clients placed	69%	82%	86%
Applied Research/Entrepreneurism:				
l	Number of applied research projects in partnership with government, community or business organizations	21	21	23
m	Learners participating in experiential learning opportunities	1,746 (41%)	1,528 (32%)	3,121 (61%) ²
n	Learners participating in applied research projects	152 (4%)	188 (4%)	182 (4%)
o	Learners participating in entrepreneurship activities	971 (23%)	971 (21%)	391 (8%) ³
Ends Policy Three – Institutional Excellence				
Strategic Direction Three – Confederation College is recognized as an excellent and progressive organization.				
a	Number of postsecondary and non-postsecondary learners served:	6,500	6,955	7,745
	i. Postsecondary learners (includes full and part time)	4,228 (65%)	4,708 (68%)	5,154 (67%)
	ii. Apprenticeship learners	268 (4%)	345 (5%)	337 (4%)
	iii. Upgrading learners	507 (8%)	705 (10%)	766 (10%)
	iv. Contract training learners (activity not funded by MCU)	1,263 (19%)	1,016 (15%)	1,103 (14%)
	v. General interest learners	234 (4%)	181 (3%)	382 (5%)
b	Number of postsecondary full-time equivalent (FTE) learners	N/A	N/A	N/A
c	Learners leaving northwestern Ontario to attend programs at other Ontario Colleges	540	609 (30%)	518 (27%)
d	Postsecondary Student Satisfaction with the overall quality of their learning experience in their program. 2020 Provincial KPI Average = 75.5%	84.3%	79.2%	84.3%
e	Postsecondary Student Satisfaction with the concern of people at the college for their success. 2020 Provincial KPI Average = 57%	68%	66%	68%
f	Postsecondary Student Satisfaction with the overall quality of the services in the college. 2020 Provincial KPI Average = 61.1%	63.1%	66.5%	63.1%
g	Postsecondary Student Satisfaction with their overall college experience. 2020 Provincial KPI Average = 67%	75%	77%	75%

1 Finalized this data based on information from Workforce Development. 2019/20 number is lower as a result of Supercom's completion.

2 Institutional Research updated list of programs with experiential learning opportunities based on feedback from Deans. 2019/20 number is higher as a result of the updated list of programs with experiential learning opportunities.

3 Number based on data from Northwestern Ontario Innovation Centre on number of Confederation College students participating in entrepreneurial activities and enrolment in the entrepreneurship course out of the School of Business. 2019/20 number is lower as a result of the completion of the Partners in Innovation and Entrepreneurship (PIE) initiative.

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Analysis of Operational Performance

The following are examples of 2019/20 annual initiatives that helped to move our Strategic Plan: The Path to 2020 forward.

Strategic Direction 1: Access and Success

Goal 1: Provides access to a broad range of programs, pathways and learning opportunities

Academic Plan/Program Mix: Develop an Academic Program Mix strategy (Academic Plan) to support the responsiveness of the College to local labour needs while supporting efficiency and effectiveness of academic programming to align with Strategic Mandate Agreement 3

- Program Mix document and strategy complete
- Program Health Matrix complete
- Establishing a more specific 3-year plan now regarding programming

International Enrolment and Private Partnership Exploration: Manage International enrolment and potential private partnership to prepare the College for the future

- Strategy and plan for international enrolment in place to balance the number of students and project the revenue and expenses
- Anticipate growing enrolment to approximately 40% of the student body (34% in 2019/20)
- Incorporate the enrolment ceiling of international students on campus with potential unique programming with our private partner; business case to be developed

Signed revised MOU with Oshki-Wenjack to expand programming

15 pathways created through ONCAT funded projects (majority 2 + 2)

- This work also resulted in 3 formal partnerships on sharing Indigenous programming and breaking down barriers to pursuing pathways

CPRIIL developed a toolkit for CC and other postsecondary institutions to document processes and create pathways for Indigenous learners

Goal 2: Cultivates a flexible and supportive learning environment that helps learners meet and achieve their career and life goals

Application submitted for funding to renovate Shuniah building first floor to provide easier access to Student Support/ Success Services

- Funding notification expected in spring/summer

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Goal 3: Builds relationships through reconciliation that inform learners' success

Anishinaabemowin Language Program in development

- Set to launch for fall 2020 as a certificate program with plan to expand to a diploma program

Equity and Human Rights Advisor hired (Sept. 2019)

Four Seasons of Reconciliation training continues

- Completed by 93% of full-time employees

Goal 4: Fosters an environment for all learners to experience the Negahneewin Council Vision

100% of programs have at least 2 integrated ILOs with an ultimate goal of 7 in all programs

Schedule developed to achieve this along with Negahneewin education strategy to support faculty education during the process

Indigenous input in the design/redesign and naming of facilities has been established in collaboration with Negahneewin Council

Strategic Direction 2: Community Prosperity

Goal 5: Is responsive to the training and development needs of communities and employers

MOUs and Articulation Agreements: Establish and renew strategic MOUs and articulation agreements to promote pathways for students and College partnerships

- New agreements with OSHKI to expand programming; Greenstone Gold and Minodahmun Development for mining techniques; Long Lake 58 and Greenstone Gold; ShweMiikaan – Shawanaga First Nation (Northeast region) road construction
- In discussion: 7 Generations Educational Institute
- Renewal in process: KKETS, AETS, FWFN
- ONCAT work mentioned earlier regarding Articulation agreement

Signed MOU with Greenstone Gold and Long Lake 58 First Nation

Three Skills Catalyst projects approved to assist with developing skilled labour force:

- Greenstone – two projects related to construction and mining
- ShweMiikaan – highway construction

Confederation College is the lead on one project with Long Lake 58 First Nation, and a partner and trainer on the other two

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Goal 6: Enriches the quality of life, prosperity and sustainability of its diverse communities

New campus in Longlac to better meet the needs of the learners in a supportive environment

Continue to provide literacy and basic skills training to 9 Matawa communities through LES is More

Skills Advance Ontario NE and NW project with Forestry Industry partners to create a consortium to address the labour needs of the forestry industry with a focus on Indigenous communities

Goal 7: Leads and supports innovation and entrepreneurship through partnerships with business and industry

3 Applied Research positions approved (FEDNOR funding)

RBC Future Launch Program funded the creation of GE182 Start Your Own Business

- Northwestern Ontario Innovation Centre piloted the delivery this year in both semesters, with an average of 28 students per semester
- Students developed their own business ideas and connected with mentors in our community who helped guide them

Strategic Direction 3: Institutional Excellence

Goal 8: Manages its human, financial and physical resources responsibly and sustainably in order to exceed College and sector indicators of quality and success

Strategic Plan Development (2020-25): Work with the BOG to develop a new strategic plan for Confederation College

- Review and update of mission/vision, draft pillars and ends with BOG (Oct. 2019)
- Strategic Plan Consultation Sessions (468 participants) and Core Values Sessions (217 participants) across the NWO region (Oct. 2019 – Feb. 2020)
- BOG confirmed Strategic Plan, mission, vision, values, pillars and ends by the BOG (Mar. 2020)
- Confirmed Pillars: Access and Success, Indigenous Learning, Institutional Excellence, Community Prosperity

Strategic Advancement Plan Development: Develop a strategic advancement plan

- Strategic advancement plan under development; first draft prepared
- We will complete this as part of this effort in our next Strategic Plan

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SMA3 Submission: Complete the SMA3 submission, choosing indicators which will optimize the College's funding allocation

- SMA3 is complete; finalized the metrics; working on data/benchmarks
- We have optimized the optional metrics, using our strongest programming and student numbers
- COVID-19 has paused the SMA3 process across the province
- We will re-evaluate the metrics after the pause

Evaluation of Organizational Restructuring: Evaluate the organizational restructuring completed in January 2019 and make required adjustments to the structure

- Evaluation completed in March 2020
- Input provided by all affected
- Changes working well

Response to Malware Incident: Respond to the unanticipated malware incident to mitigate the impact to the College

- Malware incident demonstrated strong IT planning and implementation, which benefited the College and the outcome
- Leadership from VP Finance and Administration, ED Organizational Effectiveness (Privacy Lead) and IT was outstanding, along with our Communications team
- Gathering of "lessons learned" and sharing this across the College exemplifies College's continuous quality improvement philosophy

Northshore Campus Grand Opening, relocation/renovation

- June 2019

Sioux Lookout Campus Grand Opening, new facility

- Oct. 2019

Greenstone Campus Relocation to Longlac

- Move complete. Grand Opening originally scheduled for June 2020 is now pending

McIntyre Cafeteria Renovation

- Anticipated completion: August 2020*

Fitness Centre demolition underway

- Anticipated completion: August 2020*

TEC Campaign remains ahead of original schedule

- Anticipated completion: fall 2020

*these completion dates are subject to change based on the impacts seen from the ongoing COVID-19 pandemic

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Goal 9: Is an employer of choice

\$40,694 on tuition reimbursement (11 employees)

\$53,401 on personal PD spending accounts (113 employees)

5 employees using Loan program to work on degree/certificate courses/programs

Part-Time Faculty Recruitment Campaign Developed

- 2 advertising campaigns (summer and fall 2019)
- Part-Time Faculty Open House (fall 2019)

Goal 10: Is recognized as a leader in Indigenous learning in Canada

Systemic Racism Review and Action Plan: Ensure the completion of all the components of the Systemic Racism Review and develop a plan to implement the recommendations

- Recommendations consolidated into an action plan/report
- Decolonization committee established with cross-College representation; a plan developed to implement the recommendations

Policy to Address Anti-Indigenous and Other Forms of Racism launched (Nov. 2019)

- Companion Guide and training launched (Jan. 2020)
- Diversity, Equity and Indigenous Lens launched (Jan. 2020)

Hosted 4th Annual Truth and Reconciliation Gathering in partnership with Indigenous Peoples' Education Circle and Colleges Ontario (Mar. 2020)

- Aligned with "A Celebration Showcasing Indigenous Cuisine" event (open to public)

COVID-19 Response (involves all pillars): Respond to the unanticipated COVID-19 pandemic to support students and employees while mitigating the impact to the College

Established a COVID-19 response team that meets regularly to review provincial information, plan and implement responses required to support our students and employees

Access and Success – all but 5 programs completed program requirements; raised over \$425,000 to support students in need through the COVID-19 Student Emergency Fund

Community Prosperity – continued training activities related to PSW programming to meet community needs

Institutional Excellence – provided extensive training and support to our faculty and students as well as support staff related to online teaching, evaluation, accessing the library and all College support services virtually; IT has provided exceptional support as well

2019-2020 ANNUAL REPORT

Advisory College Council Report to the Board



MEMORANDUM

Date: May 13, 2020

To: Board of Governors

From: Advisory College Council

Subject: **Advisory College Council Report to the Board**

As required by the Ministry of Training, College, and Universities (MTCU) Binding Policy Directives, Business Plan operating procedure, *“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. A report from this advisory council shall be included in each college’s annual report.”*

The college’s advisory council is providing this annual report as required by the ministry’s binding policy directives.

For the 2019-2020 academic year, the council has met on a monthly basis with the exception of a cancelled meeting in February. The April 2nd meeting was also cancelled: with our altered working environment as a result of COVID-19, it was necessary to cancel the meeting in order to implement remote working tools and establish on-line meetings for the remainder of 2019-2020.

The council maintained a regular meeting cycle outlining meeting topics and discussions. These included reports from each stakeholder group of the committee as well as presentations from other college departments. Attendance from all stakeholder groups has been excellent.

Presentation of the Ombuds report provided an overview of usage trends by students, faculty and staff along with recommendations for the college community’s consideration. The new Ombuds person was introduced to the council on April 30, 2020 where he provided a vision for his up-coming 2019-2020 report, which is due in the fall. He also addressed the Ombuds recommendations from the 2018-2019 report.

New to the council was a report from the Equity and Human Rights Advisor on April 30, 2020. The advisor will continue to bring regular reports to the council.

In recognition of and honouring traditions as outlined in the Truth and Reconciliation Commission Report, the council committed to opening their meetings with a ceremony. Also, the council has added as a regular agenda item, a commitment to close each meeting with a “Reflection;” each council member sharing their own thoughts and reflection of the current meeting.

Standing items on the Committee’s agendas included Health & Safety, Project Updates, and the recent addition of updates for Program Mix and the Decolonization Committee. A stand-alone agenda item was added to allow time for information sharing was allotted to each constituency group. This has helped the college to address constituent issues. Other topic discussions throughout the year included Strategic Plan consultation, program mix, enrolment and systemic racism.

The last meeting on May 28 and June 19 will include standing items, presentations on activities in the region and Access & Success, a presentation from our union leads as well as evaluating the committee.

2019-2020 ANNUAL REPORT

Enrolment Activities Report

Confederation College continues to play an important role in increasing access to and supporting success in postsecondary education. In 2019-2020, the College had a total of 5154 students enrolled across its 58 postsecondary programs, offering multiple intakes for number of programs including in January, May and September. This past year, the College also offered 28 of its postsecondary programs across its eight regional campuses, with regional students making up 12% (610) of our postsecondary enrollment. The also College serves a high percentage of underrepresented students, including First Generation, Indigenous, International, Second Career, WSIB and students with identified disabilities, who comprised 65% of our postsecondary student enrolment for 2019-2020.

Additionally, the College continues to see consistent numbers in student enrollment into programs that offer pathways into postsecondary such as Academic Upgrading, and the School College Work Initiative, which saw 125 and 475 students ladder into the College, respectively. Additionally, the College welcomed 353 transfer students who participated in the Ministry of Colleges and Universities (MCU) Credit Transfer System.

Indigenous students continue to represent a large proportion of our student population. This year, Indigenous students represented 15% (791) of our student demographic, 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 our College community. The College's Oshki Anishinawbeg Student Association(OASA) and Apiwin staff held a number of events and workshops throughout the year that celebrate Indigenous cultures and communities that were widely attended by Indigenous students, families, and community members.

This past year, Confederation College had another record number of international students, who represented 34% (1748) of the student population. Overall, there are 29 nationalities represented by our international student population. The majority of students come from India (87%), followed by Vietnam, China, and South Korea. While there are several program that experience high International student enrollment, International students are registered in more than 40 programs across the College. International students continue to show strong participation in the College community and College events held throughout the year. Additionally, the College continues to see many International students running for and holding positions on the Colleges Student Association, SUCCI (Student Union of Confederation College Inc).

2019-2020 ANNUAL REPORT

Appendix A: Audited Financial Statements

As at	March 31, 2020	March 31, 2019
The Confederation College of Applied Arts and Technology		
Statement of Financial Position		
1		
Assets		
Current		
Cash	\$ 49,199,280	\$ 36,154,220
Accounts receivable (Note 3)	5,511,785	7,271,211
Inventory	688,534	883,536
Current portion of notes and long-term receivable (Note 4)	456,000	454,409
Grants receivable	1,846,600	959,422
Prepaid expenses	245,236	509,746
	<u>57,947,435</u>	<u>46,232,544</u>
Investment portfolio - endowments restricted (Note 5)	8,723,228	9,419,568
Notes and long-term receivable (Note 4)	6,877,548	6,686,218
Construction in progress (Note 6)	-	2,242,704
Capital assets (Note 7)	77,126,067	77,415,749
	<u>\$ 150,674,278</u>	<u>\$ 141,996,783</u>
Liabilities		
Current		
Accounts payable and accrued liabilities (Note 8)	\$ 17,370,094	\$ 14,052,396
Deferred revenue (Note 9)	10,683,477	5,662,539
Vacation pay	3,133,348	3,365,285
Current portion of long-term debt (Note 10)	310,902	629,762
	<u>31,497,821</u>	<u>23,709,982</u>
Post-employment benefits and compensated absences (Note 11)	2,267,000	2,339,000
Deferred capital contributions (Note 12)	68,101,588	70,442,906
Deferred capital contributions - construction in progress (Note 12)	-	577,653
Long-term debt (Note 10)	9,742,557	10,122,900
	<u>111,608,966</u>	<u>107,192,441</u>
Net Assets		
Unrestricted		
Operating	\$ 7,901,192	\$ 5,842,551
Post-employment benefits and compensated absences	(2,267,000)	(2,339,000)
Vacation Pay	(3,133,348)	(3,365,285)
	<u>2,500,844</u>	<u>138,266</u>
Invested in capital assets (Note 13)	6,586,941	5,305,128
Internally and externally restricted (Note 14)	21,388,163	20,124,840
Endowments restricted (Note 15)	8,589,364	9,236,108
	<u>36,564,468</u>	<u>34,666,076</u>
	<u>39,065,312</u>	<u>34,804,342</u>
	<u>\$ 150,674,278</u>	<u>\$ 141,996,783</u>

On behalf of the Board:

President

Chair, Board of Governors

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

2		
The Confederation College of Applied Arts and Technology Statement of Operations		
For the year ended March 31	2020	2019
Revenue		
Post Secondary Grants	\$ 32,040,764	\$ 40,166,684
Other Provincial Grants	12,839,538	11,240,244
Tuition Fees - Domestic	6,872,386	10,158,946
Other Student Fees	4,386,796	3,776,380
Tuition Fees - International	18,561,610	18,361,151
Contracts and Programs	4,727,950	9,340,122
Ancillary Operations	3,040,112	3,242,470
Amortization of deferred capital contributions (Note 12)	5,354,979	4,999,320
Other Revenue	2,499,347	3,396,694
	90,323,482	104,682,011
Expenses		
Full-time Salaries and Benefits	\$ 41,237,260	\$ 39,997,604
Part-Time Salaries and Benefits	12,343,307	13,597,374
Restructuring Costs	-	771,918
Plant and Property Maintenance	3,380,708	3,419,561
Contract Services	9,539,564	11,041,480
Furniture & Equipment	497,092	432,614
Miscellaneous	1,089,850	1,110,928
Office and Instructional Supplies	6,077,243	6,279,215
Professional Dues & Audit Fees	887,457	809,677
Scholarships and Tuition Set-Aside	1,067,088	996,882
Telecommunications & Software	1,644,564	1,358,869
Travel and Professional Development	1,062,886	943,435
Depreciation	6,674,700	6,139,707
	85,501,718	86,899,264
Excess of revenue over expenses	\$ 4,821,764	\$ 17,782,747

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

2019-2020 ANNUAL REPORT

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

For the year ended March 31

						2020	2019
	Unrestricted	Capital	Internally and Externally Restricted	Endowments Restricted	Total	Total	
Balance, beginning of year	\$ 138,266	\$ 5,305,128	\$ 20,124,840	\$ 9,236,108	\$ 34,804,342	\$ 16,799,846	
Change in endowments during the year (Note 15)	-	-	-	(646,744)	(646,744)	355,323	
Change in internally and externally restricted net assets (Note 14)	-	-	34,415	-	34,415	(182,908)	
Excess of revenue over expenses	6,141,485	(1,319,721)	-	-	4,821,764	17,782,747	
Transfer from unrestricted to internally restricted	(3,800,000)	-	3,800,000	-	-	-	
Transfer from internally restricted to unrestricted	41,528	-	(41,528)	-	-	-	
Investment in capital assets (Note 13)	(20,435)	2,601,534	(2,529,564)	-	51,535	49,334	
Balance, end of year	\$ 2,500,844	\$ 6,586,941	\$ 21,388,163	\$ 8,589,364	\$ 39,065,312	\$ 34,804,342	

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

4		
The Confederation College of Applied Arts and Technology Statement of Cash Flows		
For the year ended March 31	2020	2019
Net inflow (outflow) of cash related to the following		
Operating		
Excess of revenue over expenses	\$ 4,821,764	\$ 17,782,747
Items not involving cash:		
Amortization of deferred capital contributions	(5,354,979)	(4,999,320)
Depreciation of capital assets	6,674,700	6,139,707
Change in post-employment benefits	(41,000)	32,000
Change in accrued sick leave liability	(31,000)	(37,000)
	<u>6,069,485</u>	<u>18,918,134</u>
Change in non-cash working capital balances (Note 18)	<u>9,438,463</u>	<u>(3,646,645)</u>
	<u>15,507,948</u>	<u>15,271,489</u>
Financing		
Long-term debt advances	-	-
Repayment of long-term debt	(699,203)	(759,086)
	<u>(699,203)</u>	<u>(759,086)</u>
Capital		
Deferred capital contributions	2,435,999	14,442,440
Construction in progress	2,242,704	13,292,235
Purchase of capital assets	(6,333,477)	(31,426,757)
	<u>(1,654,774)</u>	<u>(3,692,082)</u>
Investing		
(Increase) decrease in notes and long-term loans receivable	(192,921)	708,971
(Increase) in investment portfolio - Endowment Rest.	696,340	(352,103)
Increase (decrease) in restricted assets	34,415	(182,908)
Increase (decrease) in endowments, net awards	(646,744)	355,323
	<u>(108,911)</u>	<u>529,283</u>
Net cash inflow for the year	<u>13,045,060</u>	<u>11,349,604</u>
Cash, Beginning of year	<u>36,154,220</u>	<u>24,804,616</u>
Cash, End of year	<u>49,199,280</u>	<u>36,154,220</u>

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, 2020

1. Significant Accounting Policies

Description of Organization	<p>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.</p> <p>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).</p>
Basis of Presentation	<p>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").</p>
Revenue Recognition	<p>The College follows the deferral method of accounting for contributions, which include donations and government grants.</p> <p>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.</p> <p>Operating grants from the Ministry of Training, 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.</p> <p>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.</p> <p>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.</p> <p>Externally restricted contributions and restricted investment income are recognized as revenue in the year in which the related expenses are incurred.</p> <p>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.</p> <p>Endowment contributions and investment earnings are recognized as direct increases in endowed net assets.</p>

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

March 31, 2020

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, 2020. 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.

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

March 31, 2020

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 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.

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, 2020

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, 2020

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.

	2020		
	Fair Value	Amortized Cost	Total
Cash	\$ 49,199,280	\$ -	\$ 49,199,280
Accounts receivable	-	5,511,785	5,511,785
Investment portfolio	8,723,228	-	8,723,228
Notes and long-term receivable	-	7,333,547	7,333,547
Accounts payable and accrued liabilities	-	17,370,094	17,370,094
Long-term debt	-	10,053,459	10,053,459
	\$ 57,922,508	\$ 40,268,886	\$ 98,191,394
	2019		
	Fair Value	Amortized Cost	Total
Cash	\$ 36,154,220	\$ -	\$ 36,154,220
Accounts receivable	-	7,271,211	7,271,211
Investment portfolio	9,419,568	-	9,419,568
Notes and long-term receivable	-	7,140,627	7,140,627
Accounts payable and accrued liabilities	-	14,052,396	14,052,396
Long-term debt	-	10,752,662	10,752,662
	\$ 45,573,788	\$ 39,216,896	\$ 84,790,684

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% (0.7% at March 31, 2020).

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% (1.85% at March 31, 2020). At year end the outstanding balance under this credit facility agreement was \$nil (2019 - \$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 (2019 - \$138,884) was outstanding with respect to the Royal Bank loans described in Note 10.

The College also has total approved financing with the Ontario Financing Authority in the amount of \$13,335,844. Of this amount, \$10,053,459 (2019 - \$10,613,778) was outstanding as described in Note 10. Of the approved amount, \$6,665,887 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, 2020

2. Financial Instrument Classification (cont'd)

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

	2020				
	Within 1 year	2 to 5 years	6 to 10 years	Over 10 years	Total
Carrying Value: Bonds	551,219	2,454,889	62,014	180,195	3,248,317
Total	\$ 551,219	\$ 2,454,889	\$ 62,014	\$ 180,195	\$ 3,248,317
Percent of total	17%	75%	2%	6%	
	2019				
	Within 1 year	2 to 5 years	6 to 10 years	Over 10 years	Total
Carrying Value: Bonds	626,271	2,090,645	102,446	195,704	3,015,066
Total	\$ 626,271	\$ 2,090,645	\$ 102,446	\$ 195,704	\$ 3,015,066
Percent of total	21%	70%	3%	6%	

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).

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

March 31, 2020

2. Financial Instrument Classification (cont'd)

	2020			
	Level 1	Level 2	Level 3	Total
Cash	\$ 49,199,280	\$ -	\$ -	\$ 49,199,280
Investment portfolio	8,723,228	-	-	8,723,228
	<u>\$ 57,922,508</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 57,922,508</u>

	2019			
	Level 1	Level 2	Level 3	Total
Cash	\$ 36,154,220	\$ -	\$ -	\$ 36,154,220
Investment portfolio	9,419,568	-	-	9,419,568
	<u>\$ 45,573,788</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 45,573,788</u>

There were no transfers between Level 1 and Level 2 for the years ended March 31, 2020 and 2019. There were also no transfers in or out of Level 3.

3. 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.

	2020	2019
Students and sponsors	\$ 525,391	\$ 795,573
General	<u>4,986,394</u>	<u>6,475,638</u>
	<u>\$ 5,511,785</u>	<u>\$ 7,271,211</u>

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

March 31, 2020

4. 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 22 years, and bears a fixed interest rate of 2.969% (Note 10). The current portion of the long-term receivable represents the principal loan payments due within one year.

	2020	2019
General	\$ 31,248	\$ 34,341
SUCCI Student Levy Receivable	7,302,300	7,106,286
Total	7,333,548	7,140,627
Current Portion	456,000	454,409
	\$ 6,877,548	\$ 6,686,218

5. 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:

	2020		2019	
	Market	Cost	Market	Cost
Endowed				
Canadian equities	\$ 1,821,402	\$ 1,600,591	\$ 2,376,257	\$ 1,752,314
Canadian fixed income	4,774,877	5,498,482	4,507,411	4,793,446
Foreign equities	1,505,999	1,037,393	1,957,369	1,356,632
Foreign fixed income	429,024	516,275	467,984	503,764
Cash and equivalents account	191,926	191,926	110,547	110,547
	\$ 8,723,228	\$ 8,844,667	\$ 9,419,568	\$ 8,516,703

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 2020 to 2077, and yield an average of 5.33% (2019 - 2.64%) over the term of the investments.

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The Confederation College of Applied Arts
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Notes to Financial Statements

March 31, 2020

6. Construction in Progress

	2020	2019
Sioux Lookout Campus	\$ -	\$ 2,242,704
	\$ -	\$ 2,242,704

7. Capital Assets

	2020		2019	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Land	\$ 295,057	\$ -	\$ 295,057	\$ -
Site improvements	2,014,986	2,014,986	2,014,986	2,014,986
Buildings	111,244,353	47,777,624	108,780,157	45,420,351
Bridge	2,851,153	195,844	2,044,936	81,797
Leasehold improvements	333,188	333,188	333,188	333,188
Furniture and equipment	90,620,520	80,204,762	88,477,865	76,881,590
Library books	20,000	20,000	20,000	20,000
Major equipment	4,330,558	4,037,344	4,169,012	3,967,540
	\$ 211,709,815	\$ 134,583,748	\$ 206,135,201	\$ 128,719,452
Capital Assets Net book value	\$ 77,126,067		\$ 77,415,749	

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The Confederation College of Applied Arts
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8. Accounts Payable and Accrued Liabilities

	2020	2019
Trade	\$ 14,958,021	\$ 11,601,417
Accrued liabilities	404,009	389,311
Government remittances	1,107,990	
Accrued salaries	900,074	2,061,668
	<u>\$ 17,370,094</u>	<u>\$ 14,052,396</u>

9. Deferred Revenue

	2020	2019
Ontario Ministry of Training, Colleges and Universities		
Aboriginal Educational and Training Strategy	\$ 48,196	\$ 39,390
Apprentice training	3,688	67,655
Campus safety	76,164	54,127
Capital Campaign TEC Hub	100,384	63,937
Collaborative nursing	657,273	528,919
Employment programs	158,313	205,558
Other MTCU	3,160,534	2,011,255
Ontario MTCU bursaries	-	101,116
Second career	513,565	496,920
Special needs and tutoring	7,356	6,385
CODE SCWI	194,288	582,343
College service fee	172,614	190,095
IT residence infrastructure	95,394	67,819
Miscellaneous contracts and projects	1,723,127	954,804
Post-secondary Tuition	3,181,712	24,178
Student IT fee	255,870	75,805
Student tech fee	334,998	192,233
	<u>\$ 10,683,477</u>	<u>\$ 5,662,539</u>

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

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10. Long-term Debt

	2020	2019
Royal Bank Loan for Ryan Hall renovations, repaid in year	\$ -	\$ 138,884
Ontario Financing Authority loan for Residence retrofit repaid in year	-	258,446
Ontario Financing Authority loan for Wellness Centre repayable at \$303,132 semi-annually including interest at 2.969% due 2042	10,053,459	10,355,332
Total	10,053,459	10,752,662
Current portion	310,902	629,762
	\$ 9,742,557	\$ 10,122,900

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

Date	Amount
2021	\$ 310,902
2022	319,360
2023	328,912
2024	338,750
2025	348,124
Thereafter	8,407,411
	\$ 10,053,459

Of the approved amount of the OFA loan for the Wellness Centre, \$6.7 million is repayable by SUCCI (Student Union of Confederation College Inc.) (Note 4).

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The Confederation College of Applied Arts and Technology

Notes to Financial Statements

March 31, 2020

11. 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.

	2020			
	Post-employee Benefits	Non-vesting sick leave	Vesting sick leave	Total liability
Accrued employee future benefits obligations	\$ 553,000	\$ 2,197,000	\$ 48,000	\$ 2,798,000
Value of plan assets	(121,000)	-	-	(121,000)
Unamortized actuarial gains (losses)	58,000	(637,000)	169,000	(410,000)
	<u>\$ 490,000</u>	<u>\$ 1,560,000</u>	<u>\$ 217,000</u>	<u>\$ 2,267,000</u>
	2019			
	Post-employee Benefits	Non-vesting sick leave	Vesting sick leave	Total liability
Accrued employee future benefits obligations	\$ 579,000	\$ 1,529,000	\$ 90,000	\$ 2,198,000
Value of plan assets	(104,000)	-	-	(104,000)
Unamortized actuarial gains	56,000	41,000	148,000	245,000
	<u>\$ 531,000</u>	<u>\$ 1,570,000</u>	<u>\$ 238,000</u>	<u>\$ 2,339,000</u>
	2020			
	Post-employee Benefits	Non-vesting sick leave	Vesting sick leave	Total expense
Current year benefit cost	\$ (33,000)	\$ 84,000	\$ 4,000	\$ 55,000
Interest on accrued benefit obligation	2,000	31,000	2,000	35,000
Amortized actuarial losses	(5,000)	(1,000)	(6,000)	(12,000)
	<u>\$ (36,000)</u>	<u>\$ 114,000</u>	<u>\$ -</u>	<u>\$ 78,000</u>
	2019			
	Post-employee Benefits	Non-vesting sick leave	Vesting sick leave	Total expense
Current year benefit cost	\$ 41,000	\$ 78,000	\$ 4,000	\$ 123,000
Interest on accrued benefit obligation	2,000	39,000	3,000	44,000
Amortized actuarial losses	(6,000)	(6,000)	-	(12,000)
	<u>\$ 37,000</u>	<u>\$ 111,000</u>	<u>\$ 7,000</u>	<u>\$ 155,000</u>

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

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

March 31, 2020

11. 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, 2020 indicated an actuarial surplus on a going concern basis of \$2.9 billion. The College made contributions to the Plan and its associated retirement compensation arrangement of \$4,485,261 (2019 - \$4,336,853), 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, 2020 of the future benefits was determined using a discount rate of 1.60% (2019 - 2.20%)

b) Drug costs

Drug costs were assumed to increase at a 8.0% rate for 2018 and decrease proportionately thereafter to an ultimate rate of 4.0% in 2040 (2019 - 4.0% in 2040).

c) Hospital and other medical

Hospital and other medical costs were assumed to increase at 4.0% per annum in 2020 (2019 - 4.0%). Medical premium increases were assumed to increase at 6.55% per annum in 2020 and decrease proportionately thereafter to an ultimate rate of 4.0% in 2040 (2019 - 4.0% in 2040).

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

March 31, 2020

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

Post-Employment Benefits (Cont'd)

d) Dental costs

Dental costs were assumed to increase at 4.0% per annum (2019 - 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:

	2020	2019
Wage and salary escalation		
Academic	2.00%	2.00%
Support	1.50%	1.50%
Discount rate	2.20%	2.60%

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 23.7% and 0 to 46.1 days respectively for age groups ranging from 20 and under to 65 and over in bands of 5 years.

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

March 31, 2020

12. 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:

	2020	2019
Balance, beginning of year	\$ 71,020,568	\$ 61,577,449
Add contributions for capital purposes	2,435,999	14,442,440
Less amortization of deferred capital contributions	(5,354,979)	(4,999,320)
Balance, end of year	68,101,588	71,020,568
Deferred capital contributions relating to construction in progress, end of year	-	577,653
Deferred capital contributions balance, end of year	\$ 68,101,588	\$ 70,442,915

13. Net Assets - Investment in Capital Assets

	2020	2019
Capital assets, net book value	\$ 77,126,067	\$ 79,658,453
Less amounts financed by:		
Working capital	313,621	313,610
SUCCI Student Levy Receivable (Note 4)	7,302,300	7,106,286
Long-term debt (Note 10)	(10,053,459)	(10,752,662)
Deferred capital contributions (Note 12)	(68,101,588)	(71,020,559)
Invested in capital assets, end of year	\$ 6,586,941	\$ 5,305,128

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

March 31, 2020

14. 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.

	2020	2019
Tuition set aside for student assistance	\$ 1,309,684	\$ 1,158,282
Scholarships and bursaries	146,535	217,937
Contributions for capital expenditures	300,168	208,467
Donations	73,932	211,218
Applied Research	5,307	5,307
Special Projects	12,514,464	10,590,000
TEC Hub Campaign Commitment	800,000	-
Student Village	-	200,000
Parking Lot Development	400,000	400,000
Critical IT Infrastructure Upgrade	1,204,444	1,500,000
Long-term Sustainability	4,400,000	4,400,000
Sioux Lookout High School Project	-	1,000,000
Employee professional development	93,629	93,629
Environmental Sustainability	140,000	140,000
	<u>\$ 21,388,163</u>	<u>\$ 20,124,840</u>

The Ministry of Training , 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.

15. 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.

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

March 31, 2020

15. 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:

OSOTF I

	2020	2019
Schedule of changes in Endowment Fund Balance		
Fund balance, beginning of year	\$ 3,675,470	\$ 3,675,470
Cash donations received	460	-
Fund balance, end of year	3,675,930	3,675,470
Schedule of changes in Expendable Funds Available for Awards		
Fund balance, beginning of year	1,004,467	844,045
Unrealized investment gain (loss) net of direct investment-related expenses and preservation of capital contributions	(264,947)	269,102
Bursaries awarded (2020 = 178, 2019 = 282)	(62,257)	(108,680)
Expendable fund balance, end of year	677,263	1,004,467
Total endowment fund balance, end of year	\$ 4,353,193	\$ 4,679,937
Market value of fund, end of year	\$ 4,353,193	\$ 4,679,937

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

March 31, 2020

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

OSOTF II Second Phase

	2020	2019
Schedule of changes in Endowment Fund Balance		
Fund balance, beginning of year	\$ 252,078	\$ 252,078
Schedule of changes in Expendable Funds Available for Awards		
Fund balance, beginning of year	153,474	138,923
Unrealized investment gain (loss) net of direct investment- related expenses and preservation of capital contributions	(22,960)	23,281
Bursaries awarded (2020 = 7, 2019 = 23)	(1,780)	(8,730)
Expendable fund balance, end of year	128,734	153,474
Total endowment fund balance, end of year	\$ 380,812	\$ 405,552
Market value of fund, end of year	\$ 380,812	\$ 405,552

OTSS

	2020	2019
Schedule of changes in Endowment Fund Balance		
Fund balance, beginning of year	\$ 3,341,256	\$ 3,304,955
Eligible cash donations received	40,231	36,301
	3,381,487	3,341,256
Schedule of changes in Expendable Funds Available for Awards		
Fund balance, beginning of year	809,363	665,314
Unrealized investment gain (loss) net of direct investment- related expenses and preservation of capital contributions	(234,981)	236,399
Bursaries awarded (2020 = 132 2019 = 110)	(100,510)	(92,350)
Expendable fund balance, end of year	473,872	809,363
Total endowment fund balance, end of year	\$ 3,855,359	\$ 4,150,619
Market value of fund, end of year	\$ 3,855,359	\$ 4,150,619

**The Confederation College of Applied Arts
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15. Net Assets - Endowments Restricted (Cont'd)

Reports of OTSS awards issued for the period of April 1, 2019 to March 31, 2020:

Status of Recipients	OSAP Number	Recipients Amount	Non-OSAP Number	Recipients Amount	Number	Total Amount
Full-time	76	\$ 62,950	56	\$ 37,560	132	\$ 100,510
Part-time	n/a	n/a	n/a	n/a	n/a	n/a
Total	76	\$ 62,950	56	\$ 37,560	132	\$ 100,510

	2020	2019
Grand total of endowment funds, end of year	\$ 8,589,364	\$ 9,236,108

16. Commitments

The College has leased realty for the Aviation Centre of Excellence at an annual rental of approximately \$87,456, with annual increases of 2.5%, and an expiry date of 2053.

17. 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.

During the year, the College began the process of demolishing the Fitness Centre (Neebing Building). The demolition cost is estimated at \$522,631. At March 31, 2020, the demolition phase was approximately 44% complete. The site restoration phase is estimated to cost \$597,000, which will be funded by the College's reserve funds for this purpose.

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

March 31, 2020

18. Statement of Cash Flows

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

	2020	2019
Grants receivable	\$ (887,178)	\$ (66,234)
Accounts receivable	1,759,426	(2,161,116)
Inventory	195,002	(98,266)
Prepaid expenses	264,510	(148,162)
Accounts payable and accrued liabilities	3,317,702	3,269,016
Vacation pay	(231,937)	258,089
Deferred revenue	5,020,938	(4,699,972)
	\$ 9,438,463	\$ (3,646,645)

19. 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.

**The Confederation College of Applied Arts
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20. 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 (2019 - \$300,000).

The College's investment policy operates within the constraints of the investment guidelines issued by the MTCU 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 \$552,768 (2019- \$735,451) 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 MAESD. 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, 2019

20. 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 10).

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, 2020, total equity in the portfolio was \$3,600,000, 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 \$360,000. Equities represent approximately 41.20% 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
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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. COVID-19

On January 30, 2020, the World Health Organization (“WHO”) announced a global health emergency because of a new strain of coronavirus, the “COVID-19 outbreak”. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. As a result of this, on March 23, 2020, the government of Ontario ordered the closure of all non-essential businesses effective March 24, 2020, through to at least May 29, 2020. In addition, the Canadian government has imposed travel restrictions to Canada until further notice.

On March 17, the College closed its campuses and learning sites and they remain closed to the date of the auditor’s report. Currently, the plan for continuing education throughout the summer term offered by the College will be through online curriculum, and continue to be subject to the guidance of public health authorities. The College’s plan for the fall term is to have a mix of online program and course delivery with some on-campus activities, for programs that have significant in-person components, which could have implications on number of course offerings, enrollment and ancillary revenues.

A significant portion of the College’s tuition revenues is derived from international students. If the Canadian border remains closed, this will impact the College’s ability to earn revenue from International students who choose to defer their studies until in class sessions resume and travel restrictions are lifted.

As the impacts of COVID-19 continue, there could be further impact on the College, its students and funding sources. Management is actively monitoring the effect on its financial condition, liquidity, operations, suppliers, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the College is not able to fully estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity at this time.

23. Comparative Figures

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

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Appendix B: Key Performance Indicators

The tables below summarize the 2019-2020 results on the Student Satisfaction Key Performance Indicators (KPI) for the College in comparison to provincial averages, as well as the College's graduation rate. At this time, 2019-2020 results on college to college comparisons for KPI data, provincial graduation rates, graduate employment rates, and graduate satisfaction rates are unavailable.

Student Satisfaction KPI

This table represents the average of the four capstone questions (13, 24, 39, 49). Results on the individual questions are provided in the following tables.

	% Satisfied and Very Satisfied	% Neither Satisfied nor Dissatisfied	% Dissatisfied and Very Dissatisfied
College	79.6	15.7	4.7
Province	75.9	18.1	6

Capstone Question 13: OVERALL, your program is giving you knowledge and skills that will be useful in your future career.

	% Satisfied and Very Satisfied	% Neither Satisfied nor Dissatisfied	% Dissatisfied and Very Dissatisfied
College	88.8	8.2	3
Province	87.1	9.3	3.6

Capstone Questions 24: The OVERALL quality of the learning experiences in this program.

	% Satisfied and Very Satisfied	% Neither Satisfied nor Dissatisfied	% Dissatisfied and Very Dissatisfied
College	84.4	11.2	4.3
Province	79.3	15	5.6

Capstone Question 39: The OVERALL quality of the services in the college.

	% Satisfied and Very Satisfied	% Neither Satisfied nor Dissatisfied	% Dissatisfied and Very Dissatisfied
College	66.8	25.9	7.3
Province	63.6	27.9	8.4

Capstone Question 49: The OVERALL quality of the facilities/resources in the college.

	% Satisfied and Very Satisfied	% Neither Satisfied nor Dissatisfied	% Dissatisfied and Very Dissatisfied
College	78.2	17.6	4.2
Province	73.5	20.1	6.4

Graduation Rate

		% Graduation Rate
2019-2020	College	60.24
	Province	N/A

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Appendix C:
**Summary of Advertising and Marketing
Complaints Received**

There have been no advertising or marketing complaints in 2019-2020.

