

ACAD 2015

2014-15 Annual Report

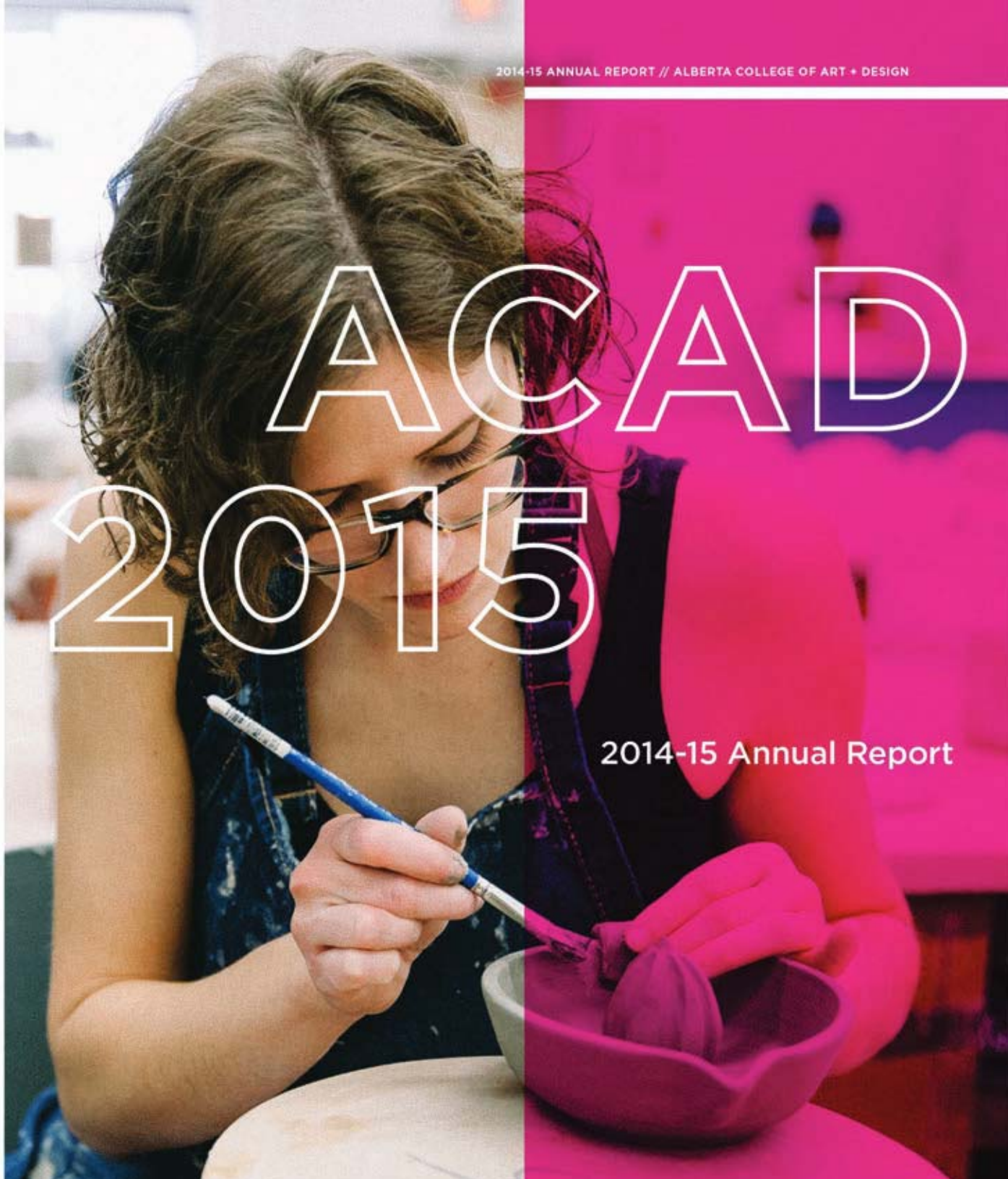




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ACCOUNTABILITY STATEMENTS + EXECUTIVE MESSAGES



BOARD OF GOVERNORS*

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PUBLIC MEMBER

CYNTHIA MOORE
PUBLIC MEMBER

NATASHA PASHAK
PUBLIC MEMBER

ACCOUNTABILITY STATEMENT

December 17, 2015

The Alberta College of Art and Design's Annual Report for the year ended June 30, 2015 was prepared under the Board's direction in accordance with the Fiscal Management Act and ministerial guidelines established pursuant to the Post-Secondary Learning Act. All material economic, environmental or fiscal implications of which we are aware have been considered in the preparation of this report.

M. CAROL RYDER
CHAIR, ACAD BOARD OF GOVERNORS

MANAGEMENT RESPONSIBILITY FOR REPORTING

December 17, 2015

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

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

The Auditor General of the Province of Alberta, the College's

A MESSAGE FROM CAROL RYDER BOARD CHAIR



ACAD's strategic goals and priorities are Student Potential + Success, Program Excellence + Research Creativity, Creativity + Community Engagement with an ongoing emphasis on Sustainability + Stewardship for the College.

By challenging the College and its collaborators to embrace these goals we continue to build upon our 89 year foundation as a leading centre for education and research and a catalyst for creative inquiry and cultural development for Calgary, for Alberta and globally.

There is a new energy within the institution and a willingness to move forward with a new Academic Plan and Enrolment Growth Plan that, in 2015, saw the goal of a Master of Fine Arts in Craft Media become a reality. We continue to measure our prosperity beyond monetary gain through a broader, balanced and interdependent lens that measures incremental successes as economic prosperity, social prosperity and cultural prosperity.

The 2014 -15 Annual Report focuses on the sustainability of the College and our accomplishments. While there are still challenges ahead, we also have many exciting opportunities that await us. I invite you to be a part of that future.

A MESSAGE FROM DANIEL DOZ PRESIDENT + CEO

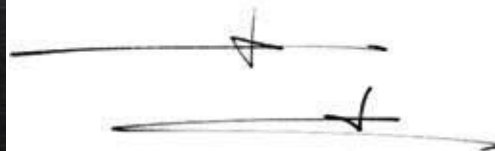


We at the Alberta College of Art and Design (ACAD) are engaged in the amazing act of creating. Thus it is not surprising that we are sometimes asked about our purpose of creating. Perhaps an answer can be found in this quote by the great American novelist Raymond Chandler “There are two kinds of truth; the truth that lights the way and the truth that warms the heart. The first of these is science, and the second is art.” So a core purpose at ACAD; to be engaged in creativity, is to seek truth in us, and around us.

This constant (and essential) search or quest can be explained by the simple fact that ACAD is actively engaged in producing the leaders of tomorrow - where we question today for a better tomorrow and use creativity as the vehicle for exploration and expression.

This past year at ACAD has seen many accomplishments that are transforming the institution to better engage 21st century learners. To accomplish this we have committed ourselves to a very thorough examination of who we are, where we want to go and where we need to go. This examination includes among other things; how we teach, what we teach, how we inhabit our space and how we engage internal and external communities to better serve the province of Alberta.

To that end, I invite you to explore our accomplishments and engage wherever possible in your own quest for truth through creativity.



DR. DANIEL DOZ
PRESIDENT + CEO



OPERATIONAL OVERVIEW



ONE OF FOUR

ART+ DESIGN
SCHOOLS
IN CANADA

MORE

GOVERNOR GENERAL
AWARD-WINNING FACULTY
THAN ANY OTHER
POST-SECONDARY INSTITUTION
IN CANADA



OPERATIONAL OVERVIEW

Founded in 1926, ACAD has been a major contributor to Canada's visual culture in the 20th century, with many of its graduates gaining significant national and international reputations as artists, designers and creative leaders. With an annual grant of just over \$12 million, an annual budget of \$20.6 million and employing over 200 staff, ACAD provides accredited degree-standard education and learning opportunities to 1,200 students enrolled in full- and part-time studies in a wide range of art, craft and design studio disciplines. This year marked a major milestone for ACAD. In addition to offering credentialed undergraduate degrees in a variety of program areas, the College launched its first graduate program, a Masters of Fine Art in Craft Media, making it the only college in the Province to offer and confer university-level undergraduate and now, graduate degree programs.

ACAD is one of only four art and design schools in the country and it is the only college in the Province with a provincial mandate to deliver art and design education. The College is also one of the only Canadian specialized art and design higher education institutions to be granted substantial equivalency by the National Association of Schools of Art and Design (NASAD). This international designation opens critical paths for ACAD undergraduate students to pursue graduate degrees and also brings new students to Alberta. Broadening international outlook and internationalizing a CV are competitive advantages in demand by organizations while aligning with the Alberta government's desire for Albertans to be global citizens.

Finally, the College is ranked as one of the top post-secondary institutions in job placement and career satisfaction particularly in the design degree programs where 96% of our graphic



GOALS, PRIORITY INITIATIVES, EXPECTED
OUTCOMES + PERFORMANCE MEASURES

7



GOALS,
PRIORITY
INITIATIVES,
EXPECTED
OUTCOMES





VISION STATEMENT

The Alberta College of Art + Design will be a preeminent catalyst institution for cultural development locally, provincially, nationally and internationally. We will manifest unconditional excellence in our programs, practices and policies in a laboratory environment that is committed to unconstrained inquiry and collegiality. As a place of cultural research, we are all colleagues on a journey of discovery while enhancing our leadership role within the cultural field. We aspire only to the highest level of excellence in what we endeavor, measured not by our past accomplishments but by our imaginations and what is humanly possible.

MISSION STATEMENT

The Alberta College of Art + Design is a leading centre for education and research, and a catalyst for creative inquiry and cultural development. We engage the world and create possibilities.

VALUES

The members of the ACAD community hold a set of complementary values that are fundamental to the College's identity and operations.

- / We value the creative process and all that is implied by that.
- / We are deeply committed to experimentation, free inquiry, research, and the evolution of culture.
- / We demand excellence in our practices, our support for our students, faculty and staff and our external communities.
- / Our support for human and professional development is reflected in our policies, practices and programs.
- / We value our role in the society; we seek innovative paths for participation for the College, our students, alumni and faculty and staff.
- / We value the joy and good humor that derives from being a creative institution; we believe in a celebration of our creative processes.
- / We value calculated risk-taking and entrepreneurship.
- / We are all learners, working together in a transparent environment that is willing to embrace change.

GOALS, PRIORITY INITIATIVES, EXPECTED OUTCOMES AND PERFORMANCE MEASURES

2014-15 was the second full year of our rolling Comprehensive Institutional Plan (CIP), a plan developed based on the College's Strategic Plan: Inspiring Passionate Learning approved late in 2012. Much has been accomplished since the approval of the strategic plan and during these two years of implementation of the Comprehensive Institutional Plan. Foundational changes are shaping significant opportunities for the College both inside and out and focusing attention on creating the best student learning experience; an experience that is internationally recognized as one of the leading and most respected voices for art, craft and design in the world. Below are highlights of some of the initiatives undertaken by College staff and faculty in support of our strategic direction.



GOAL ONE

REALIZING STUDENT POTENTIAL IN ART, CRAFT AND DESIGN

STATUS: IN PROGRESS

COMPLETION DATE: JUNE 30, 2017

The College is recognized as a leader in the quality of the student experience and opportunity it provides, the engagement it fosters and the success it produces. We equip our students with the skills and passion to learn throughout their lives; with the adeptness to not just navigate constant change but to lead and thrive; and with the spirit to find a true sense of social

STRATEGIC OBJECTIVE 1.1

Develop and implement an institution-wide enrollment management plan that addresses recruitment, admissions, enrollment, retention and graduation rates at the College, particularly those from diverse backgrounds and under-represented populations.

ACTION ITEMS	2013-14 FIRST YEAR OF ROLLING CIP	2014-15 ACTIONS COMPLETED
Set targets for domestic, international and under-represented student populations	Completed short term targets	Monitor short term targets
Optimize scheduling timetable and increase access to high demand programs	Completed Number of sections reduced	Number of sections reduced
Evaluate and simplify admission, timetabling and registration processes	Changes made	Continue making changes
Implement recommendation of the curriculum review	Participated in discussions on curriculum review with Academic Office	Implemented changes to curriculum approved by Academic Council
Develop partnerships that allow ACAD courses to be delivered in outlying/rural communities	Partnered with Calgary Board of Education on Dual Credit initiative that would be available to all provincial school boards	Dual Credit initiative approved.
Align class sizes to current facilities	Registrar-directed room audit completed High-level discussion on Main Mall Planning Project initiated	Short term class utilization plan was not complete Funding for Main Mall project was not secured

PERFORMANCE INDICATORS	SCORE
Number of international students	Increase of 0.3%
Number of Aboriginal students	Increase of 1% to 10.2% Met target one year early
Number of partnerships and joint degree programs	6 new partnerships and 12 new partnerships or collaborative degree/credential programs under review
Percentage increase in admission and enrollment in high demand programs	Increase in BDes Communication Design of 1 admitted/enrolled cohort in 2013/14 continuing in 2014/15

STRATEGIC OBJECTIVE 1.2

Develop and implement a comprehensive recruitment campaign to increase the number and diversity of qualified applicants.

ACTION ITEMS	2013-14 FIRST YEAR OF ROLLING CIP	2014-15 ACTIONS COMPLETED
Create new recruitment collateral including a View Book, online campaign, and other advertising opportunities for the next three years	Completed	Completed
Continue to recruit nationally and provincially in Edmonton, Calgary and rural regions	Continuing (provincial)	Completed (provincial and national) Enrollment Growth Plan - part of Sustainability Plan is in progress
Continue to explore additional recruitment strategies for international students, particularly from the United States		Enrollment Growth Plan, part of Sustainability Plan, is in process
Continue to conduct portfolio reviews in key target areas and bring the faculty to the students	Continuing	Portfolio reviews continued to be an integral part of recruitment however, they will be reduced due to lack of funding
Develop a specific recruitment strategy for the new MFA graduate program	Completed	New recruitment collateral created Enrollment Growth Plan, part of Sustainability Plan, is in process

PERFORMANCE INDICATORS	SCORE
Number of international students	Increase of 0.3%
Number of Aboriginal students	Increase of 1% to over 10.2% - met target one year early
Access to high demand programs	Increased enrollment of one cohort to BDes Communication Design and continued in 2014/15
Number of partnerships and joint degree programs	6 new partnerships and 12 new partnerships or collaborative degree/credential programs under review
Number of applications from rural Alberta	1% increase in applications from rural Alberta
Number of partnerships with Aboriginal	2 partnerships under agreement review

STRATEGIC OBJECTIVE 1.3

Provide superior, flexible student services and campus environment that support student success and retention.

ACTION ITEMS	2013-14 FIRST YEAR OF ROLLING CIP	2014-15 ACTIONS COMPLETED
Complete review of all policies and processes related to student services to ensure there are no unnecessary barriers for students	Initiated	Procedure review completed and policies sent for approval Business Process review for registrar initiated
Investigate additional supports—learning supports, disabilities supports, and mental health counselling	Established a Mental Health Task Force with ACADSA. Developed new program for ESL and/or learners needing more support	Mental Health Task Force recommendations accepted – in progress New program for ESL not continued (not funded)
Develop a college-wide academic advising strategy (e.g., students at risk)	Initiated Identified needed add on to ERP to support Academic Advising. Completed RFP	Postponed ERP to support Academic Advising pending curriculum review
Work with ACADSA to enhance student life programs on campus	Hired incumbent president of ACADSA to develop student handbook and make recommendations for student life	Completed Handbook Student life position cut (no funding) ACADSA VP left so no student life activities initiated (not funded by ACAD)
Continue to provide strong orientation programs for new students	Initiated. Organized student committee to help develop orientation for Fall 2014	New orientation completed
Identify additional support programs for all students (e.g., daycare, housing, etc.)	Initiated	Planned Aboriginal Career Resource (funded) Continued to work with SAIT re: housing

PERFORMANCE INDICATORS	SCORE
Number of supports for under-represented groups (Aboriginal students; students with disabilities)	Creation of new Aboriginal Student Ambassador with plans for new resources next year
Number of supports for international students	Created two new initiatives to support International Students
Number of supports for students	3 new initiatives in 2014/15: aboriginal programming, dedicated financial aid advising and health and wellness initiatives
Number of students retained (1/2/3 years)	Data under review

STRATEGIC OBJECTIVE 1.4

Work with other provincial, national and international institutions to ensure that transfer into and out of the College especially progression into graduate level programs outside of ACAD is seamless for students (see also Goal 2).

ACTION ITEMS	2013-14 FIRST YEAR OF ROLLING CIP	2014-15 ACTIONS COMPLETED
Increase seamless learner pathways that support student mobility and success (e.g., transfer agreements, block transfers, PLAR activity, 2 + 2)	2+2 Degree Completion Proposals have been approved and funded for development	Completed Academic Plan Developed BDes Fashion, BDes Costume (Olds) (postponed until funding is restored) Additional 2+2 BFA/BDes developed ArtStream Certificate developed for Ministry approval PLAR procedure developed Initiated discussions on new degree completion programs
Explore dual credit opportunities with other K-12 system	Grant Application Completed (declined) New application submission prepared	New grant application approved
Complete NASAD re-accreditation (see Goal 2—Strategic Objectives 2.2 and 2.4)		Preparation for NASAD Substantial Equivalency Review in progress (funded)

PERFORMANCE INDICATORS	SCORE
Number of articulation agreements	2 signed, 3 under review
Number of mobility partners	42 Mobility partners, 6 new agreements signed and 10 new agreements under review
Number of partnership with other colleges, universities, agencies and organizations	Dual Credit Proposal with CBE approved. ArtStream Certificate (ACAD and Bow Valley College) developed for Ministry approval
Number of dual credit agreements	One dual credit agreement approved
AUCC membership	In progress
NASAD foreign equivalency	Site Visit scheduled for March 2016

STRATEGIC OBJECTIVE 1.5

Improve financial support for students to reduce barriers to post-secondary education and to support for sustaining enrichment activities that engage students as global citizens.

ACTION ITEMS	2013-14 FIRST YEAR OF ROLLING CIP	2014-15 ACTIONS COMPLETED
Review Awards Program (scholarships and bursaries) at ACAD	Comprehensive Review Complete	Awards Plan to align with Enrollment Management Plan under development
Expand the Mobility/Travel Abroad program, including residency programs, and secure new sources of funding		Travel/ Residency guidelines developed Six new exchange agreements signed, Ten new agreements under review
Continue to fund scholarships for career development and alumni career development	Alumni relations review complete	Alumni Discovery Initiative funded and implemented Three alumni career development scholarships available Communication implemented

PERFORMANCE INDICATORS	SCORE
Number of awards	150 given out
Number of Aboriginal and under-represented populations	94.4 FLE
Retention rates for Aboriginal and at risk populations	Data not available
Length of time to complete degree	Average years to graduate is 4.2
Number of internships	In progress
Number of students participating in Mobility/Travel Abroad program	16 students participated in Mobility Exchange in 2014/15
Financial support for enrichment activities	Support for studio residency, visiting artist/scholar program, travel Abroad program, career development program, research funding evident
Percentage of students employed after graduation	Ranked as one of the top post-secondary institutions in job placement and career satisfaction particularly in the design degree programs where 96% of our graphic design and advertising graduates find employment within the first year of graduating
Percentage of students starting their	30% AGOS 2012



GOAL TWO

DELIVERING PROGRAM EXCELLENCE AND PUSH THE BOUNDARIES OF RESEARCH AND CREATIVITY

STATUS: IN PROGRESS

COMPLETION DATE: JUNE 30, 2017

By offering diverse and cross-disciplinary programs that prepare students personally, professionally and intellectually for life; that lead in addressing diversity at all levels; and that open a network of opportunities around the world, ACAD is recognized as Canada's leading art and design college. ACAD is recognized as an institution that excels at providing both depth of discipline through the values of the studio environment as well as the breadth, flexibility and scholarly achievement that the 21st century demands. The pursuit of knowledge is fundamental to the identity and integrity of post-secondary institutions. By 2020, ACAD is a global contributor of excellence in creative professional practice, research and scholarship. ACAD is seen by the Government of Alberta as a strong partner in delivering on provincial strategies, specifically accessibility, competitiveness and economic development.

STRATEGIC OBJECTIVE 2.1

Expand the research culture within the College; refine and enhance ACAD's Institutional Research Plan defining ACAD's approach to scholarly research/creative activities; and set milestones and measures for its development, achievement and funding.

ACTION ITEMS	2013-14 FIRST YEAR OF ROLLING CIP	2014-15 ACTIONS COMPLETED
Develop a hiring strategy	Ten-year hiring plan developed This Plan achieves and maintains ratio	Ten searches were completed Four permanent faculty were hired Director of Research and Graduate Studies hired Curriculum Coordinator hired
Expand Teaching, Leadership, and Research Awards of Excellence	First year of implemented Four Teaching Awards, two Research Awards given	Second year of implementation
Assess capacity to conduct applied research to meet regional industry needs and student engagement, and develop research capacity	Research Advisory Committee Terms of Reference established in Procedure 300.07.01	Research Advisory Committee composition established Website interface established Hired Director of Research and Graduate Studies
Implement Academic Rank	Academic Rank implemented Promotion applications received	Established and implemented promotion (phase II of the implementation, phase III underway) Full review completed
Evaluate faculty	400.18.01 faculty evaluation approved Sessional faculty received interim evaluations by April 1	Formal and interim evaluations for permanent and sessional faculty completed
Develop partnerships with local post-secondary institutions to deliver resources to faculty and students (teaching and learning centre)	Ambrose University is a partner in providing Moodle as an electronic learning platform	Completed the development of strategy to engage with local PSIs
Enhance applied research and commercialization activities to be responsive and align with Alberta Research and Innovation Plan	SEGENS - AACTI /Calgary Herald Project completed (Principle Investigator - K. Lesick)	Research Advisory Committee continued to review Institutional Research Strategy
Explore research opportunities for students		Work on strategy is ongoing

PERFORMANCE INDICATORS	SCORE
Number of peer adjudicated national and international exhibitions by faculty	160
Number of publications by faculty in peer-reviewed journals and exhibition catalogues	61
Number and monetary value of grants and research stipends	Approximately \$90,000
Number of refereed papers delivered at national and international conferences	Approximately 33
Number of symposia developed and organized by ACAD faculty	3
Percentage of institutional budget allocated to the Library and learning resources	2.5%
Number of IKG-led intensive student workshops directed by visiting artists	18
Number of visiting artist/scholars public talks and student participation	55
Number of students and faculty directly engaged in IKG programming and collaborative projects	472
Number of symposia developed and organized by the IKG	4
Number of IKG publications	3
Number of grants and research awards for IKG research and exhibitions	4

STRATEGIC OBJECTIVE 2.2

Expand, strengthen and formalize the evaluative processes that support and acknowledge research and teaching excellence at ACAD.

ACTION ITEMS	2013-14 FIRST YEAR OF ROLLING CIP	2014-15 ACTIONS COMPLETED
Review academic procedures	Procedures approved and in effect: / 300.08.01 Creating and Developing New Curriculum, / 300.10.01 Minors, / 300.11.01 Curricular Change, / 300.12.01 Program Suspension, / 500.18.01 Degree Requirements, / 300.07.01 Research, Artistic and Creative Investigations Ethics, / 300.09.01 U/G Program Review, / Articulation and Transfer Agreement Guideline, 400.18.01 Faculty Evaluation, 400.03 Hiring Practices	Graduate Procedures, Promotion (Rank) Guideline Degree Requirements as required for 500-level courses for MFA 500.07.01 Grading and Progression Procedure, revised 500.08.01 Grade Appeal Procedure, revised Credit-Contact Rubric, approved
Review academic programs and ensure programs are in demand, develop full potential of learners (critical thinkers, ethical citizens, entrepreneurial spirit) and build on the strengths and advance Campus Alberta system	300.09.01 Undergraduate program review and cyclical program review template approved Program review schedule established	College wide review complete Program reviews scheduled for Glass and Ceramics
Utilize current and develop new opportunities for teaching and learning spaces	Registrar directed room audit completed High-level discussion on Main Mall Planning Project initiated	Completed curriculum review Completed allocation of graduate student studio space and seminar space

PERFORMANCE INDICATORS	SCORE
Faculty awards for teaching and research excellence	4 Awards
Faculty teaching and learning space is developed and utilized	In progress

STRATEGIC OBJECTIVE 2.3

Provide engaging learning opportunities in a collaborative environment for students and faculty that articulates the strengths of ACAD's traditional curriculum and identifies how these will be maintained in a contemporary, student-centered universal presentation framework.

ACTION ITEMS	2013-14 FIRST YEAR OF ROLLING CIP	2014-15 ACTIONS COMPLETED
Continue to develop the visiting artists/scholar program	Funding sources identified Terms of Reference for ACAD Professional Activities Funding Committee developed to adjudicate proposals	Committee established and process revised Call for proposals to be aligned with Faculty Professional Affairs schedule Adjudication of awards by appropriate committees
Continue to offer public talks	ACAD/ACADFA Symposium held April 7, 9 and 10 held	Two ACAD/ ACADFA Symposiums held (November and March)
Enhance degree programs to accommodate minors	300.10.01 Minors (approved by Academic Council in April)	Two minors implemented, new under review
Develop partnerships with local post-secondary institutions to deliver resources to faculty and students	Ambrose University is a partner in providing technical and training support for implementation of Moodle as a learning management platform The Alberta Library (TAL) launched an online group catalogue providing wider access to shared resources between public and Campus Alberta Libraries	The utilization of Moodle as a first stage Online Repository has been successfully implemented
Develop and use open educational resources to support reduced costs for learners		Initial development has been completed
Continue to implement Moodle as a virtual learning environment	Moodle implemented campus wide	Strategic review of platform not completed (no funding available)
Identify opportunities for distance learning and leverage technologies to enhance educational programs for the benefit of learners		Completed investigation option to offer content on eCampus Alberta and alignment with ACAD instructional delivery model Strategy development in progress
Implement the teaching and learning centre model and transform library space	Review of Research and Academic Affairs Structure to deliver quality Writing Centre moved to the Library	Implement RAA structure completed A Learning and Teaching committee has been established to help drive the shift towards a more learner centric

PERFORMANCE INDICATORS	SCORE
Number of visiting artists/scholars, public talks and student participation	86
Number of public exhibitions by students, staff and faculty	15 public exhibitions by faculty, student and staff
Number of students travelling abroad to study	20 students travelled abroad to study in 2014/15
Digital content delivery and learning management software utilized by faculty and students	In progress
Full integration of technology in teaching and learning environment	In progress

STRATEGIC OBJECTIVE 2.4

Review, develop and implement a new academic administrative structure that supports the evolution and growth potential of academic programming at ACAD around four unique schools and graduate programming.

ACTION ITEMS	2013-14 FIRST YEAR OF ROLLING CIP	2014-15 ACTIONS COMPLETED
Continue to refine and implement academic administrative structure implemented in January 2013	Established Academic Council committee structure Established a quality assurance and standards framework focused on continuous improvement and enhancement Academic Council approved revised Terms of Reference for Academic Executive and Curriculum Standing Committee	Established Terms of Reference for School Meetings Evaluative quality processed and alignment with academic planning ongoing Established the Academic Planning Group as part of the Sustainability Strategic Planning process
Develop academic growth plan in specific program areas to demonstrate need (from goal 4)	2+2 Degree Completion Proposals have been approved and funded for development	Developed BDes Fashion (Olds), BDes Costume (Olds) Develop additional 2+2 BFA/BDes degree completion programs with Alberta PSIs (postponed until funding restored)
Implement graduate curriculum proposed in the MFA in Craft Media program proposal		Development of 500-level courses for graduate program electives and skills upgrading

PERFORMANCE INDICATORS	SCORE
Rigorous academic program review and evaluation	NASAD substantial equivalency in progress
Implementation of a substantive academic framework	Complete and on track
Enhance and diversify curricular offerings:	Academic Planning Group developed Academic Plan and Curriculum Principles, draft growth plan completed

STRATEGIC OBJECTIVE 2.5

STRATEGIC OBJECTIVE 2.6

Promote the transfer of knowledge and creative expression to benefit all layers of society.

ACTION ITEMS	2013-14 FIRST YEAR OF ROLLING CIP	2014-15 ACTIONS COMPLETED
Extended Studies		
Rebrand and launch Extended Studies and build a comprehensive revenue diversification strategy		An initial review of Extended Studies has been completed and a process of remodeling begun. Plans have been made for a relaunch under the name 'Continuing Education and Professional Development' in 2015/2016 and the hire of a new Director. The drafting of a strategic plan with ambitious revenue targets has begun. Specific market research data is required to inform strategic decisions about rebranding and revenue stream development. Funding needs to be secured to enable this to take place.
Implement international travel study abroad program	Laraos, Peru April 28–May 8, 2013 trip was successfully launched	A new study program to Uzbekistan was successfully launched in October 2014
Implement the Toon-Boom Centre of Excellence and expand partnership opportunities	ACAD established as a Centre of Excellence	K-12 teacher and student training for Toon Boom products used in Calgary schools – not initiated (no funding)
Host multi-day workshops in Extended Studies	Pre-College Programming, Community Non-Credit Programming,	ToonBoom Certification, Low Residency Summer Institute Development (not implemented) A number of new program ideas were proposed but they have been put on hold until market data is available and the full strategic review has been completed.
Implement Art Educators Institute	First AEI offered August 19–23, 2013	A second offering of the AEI was run in August 18–22, 2014. The AEI is still in the process of establishing itself and its performance will be fully reviewed in light of the 2014 iteration in early 2015/2016.

ACTION ITEMS	2013-14 FIRST YEAR OF ROLLING CIP	2014-15 ACTIONS COMPLETED
Illingworth Kerr Gallery		
Develop corporate sponsorships in collaboration with Fund Development (IKG)	Enbridge, Suncor, Trinity Oil, Westbank Inc., Esker Foundation, Burnet, Duckworth & Palmer LLP, Consulate of France	Enbridge (established) Bombardier, Encana, RBC (no funding)
Partner with Arts Funding Agencies (IKG)	Canada Council, AFA, US Consulate	Saskatchewan Arts Board, CADA, Alliance Francaise (not established)
Develop and implement relevant and educational programs and exhibitions (IKG)	IKG Review School chairs, a student and staff and an external reviewer from the Morris and Helen Belkin Art Gallery (UBC), took part in the second IKG Review on February 7. The IKG Review Report will be made public at the end of April 2014.	Exhibitions completed Rita McKeough, Richard Brown, Manuel Estrada, Oh, Canada (IKG, Glenbow, Nickle Art Museum, U of C, Esker Foundation) Screen & Décor, large group exhibition of digital art Nuit Blanche Calgary Sept. 20 2014 Fundraising, planning, pre-production work with students, alumni and NBC Society Inc. to present 12 major commissioned performance art installations Calgary Underground Doc Festival/IKG MISC Film Festival November 12, 2014 Not completed: Bjarke Ingels (Gesamtkunstwerk II)
Review and refresh mandate of IKG		Initial review of IKG Search for Visiting Academic Curator complete, offer pending

PERFORMANCE INDICATORS	SCORE
Number of IKG-lead intensive student workshops directed by visiting artists	18
Number of professional practice intensive workshops to facilitate cultural production	13
Number of visiting artist/scholars public talks and student participation	55
Number of students and faculty directly	472



GOAL THREE

INSPIRING CREATIVITY + INNOVATION IN COMMUNITIES WE ENGAGE

STATUS: IN PROGRESS

COMPLETION DATE: JUNE 30, 2016

Through the activities and successes of its students, faculty and staff, ACAD inspires creativity and innovation in the communities it serves. ACAD has a strong reputation and resource base through its work in advocating for the vibrancy, value and the benefits that innovation, creativity and entrepreneurship brings to the city, province and nation. ACAD is well known to internal stakeholders, the general public, contributors and government as an institution at the center of the country's creative industries; an institution that graduates students who contribute to the economic success and the cultural prosperity of the country.

STRATEGIC OBJECTIVE 3.1

Expand the research culture within the College; refine and enhance ACAD's Institutional Research Plan defining ACAD's approach to scholarly research/creative activities; and set milestones and measures for its development, achievement and funding.

ACTION ITEMS	2013-14 FIRST YEAR OF ROLLING CIP	2014-15 ACTIONS COMPLETED
Work with the Board Committee to develop and implement a government relations strategy	Established Committee Development of G.R. Strategy	Implemented G.R. Strategy Developed + Implemented Sustainability Strategic planning process (funded)
Develop a strong case for supporting increased funding to support enrollment growth		Developed and implemented Sustainability planning process (funded)
Review mandate and roles document to ensure it is aligned with new directions	Letter of Expectation and Mandate Update completed	Mandate updated and approved by the Minister

PERFORMANCE INDICATORS	SCORE
Number of government events, meetings, presentations	Increased to 22 from 3
Case statements	In progress
New mandate and roles document	Completed and approved
Percentage of government grant as part of total budget	62.6%
New funding from government: Dual Credit funding received	Access to the Future Funds received and funding for Olds Program approved but not received

STRATEGIC OBJECTIVE 3.2

Develop an Engagement Plan for the College incorporating “Signature” projects, service learning and community support project and community-based research.

ACTION ITEMS	2013-14 FIRST YEAR OF ROLLING CIP	2014-15 ACTIONS COMPLETED
Develop an Engagement Plan and increase outreach activities		Developed and implemented Sustainability planning process (funded) Implementing an Engagement Strategy (funded) Alumni studio artist program in progress (CBE) ArtStream program (BVC)
Build strong relationships with other Campus Alberta institutions through greater engagement	Continuing Integral part of Campus Calgary and greater engagement with rural Colleges Development of discussion paper and piloting in Airdrie community	Implemented portion of pilot project (on hold pending resources) Developed and implemented Engagement Plan
Establish ACAD Inspires: a Signature Centre of Excellence +Alberta Creative Clusters Lab/ Institute for the Creative Process with a focus on Commercialization +Innovation Break Through Lab: B1 Lab with a focus on Applied Research +Applied Ethics Institute with a focus on consultancy	Development of discussion paper for ACAD Inspires (Centre of Excellence) Funding secured for Aboriginal/ Diversity Incubator	Development of business case for support (no capacity or funding)
Develop and implement three new signature projects: +Entrepreneurship Centre for Creatives (CCE) +Aboriginal Contemporary Art Centre of Excellence (ACACE) +Residency programs	Development of Concept for CCE Identification of funding source for ACAI (\$260K)	Developed Business Case for CCE and identified funding strategy
Develop a collaborative space downtown and other space for exhibitions and residencies	Discussion with 2 potential providers. space confirmed	Secured downtown space but declined due to no funding Secured space for residency program – business case under development Secured funding and lease agreement in progress for

PERFORMANCE INDICATORS	SCORE
Number of community events, activities and presentations	11 events
Number of arts events, activities and presentations	15 events
Percentage of students employed after graduation	Ranked as one of the top post-secondary institutions in job placement and career satisfaction particularly in the design degree programs where 96% of our graphic design and advertising graduates find employment within the first year of graduating
Percentage of students starting their own business	30% AGOS 2012
Number of community and arts partnerships and alliances	10 new partnerships
Number of alliances and partnerships with Campus Alberta institutions	Increased by 4
Number of internships	In progress
Financial support for enrichment activities	No funding

STRATEGIC OBJECTIVE 3.3

Review current institutional positioning and make changes as necessary.

ACTION ITEMS	2013-14 FIRST YEAR OF ROLLING CIP	2014-15 ACTIONS COMPLETED
Review and update vision, mission and value statements to better align with strategic plan	Postponed	Initiated process for a new vision, mission and values as part of sustainability planning process
Initiate a campus-wide branding process within the institution	Developed high level key messages and proof points	Internalize messaging Developed new messaging

PERFORMANCE INDICATORS	SCORE
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STRATEGIC OBJECTIVE 3.4**Develop a comprehensive awareness campaign that supports recruitment, fund development and partnerships**

ACTION ITEMS	2013-14 FIRST YEAR OF ROLLING CIP	2014-15 ACTIONS COMPLETED
Develop advertising campaign (e.g., online, billboard and print)	Development of advertising strategy	Implemented strategy Developed high level key messages and proof points Ran ad and billboard campaign in Calgary and Edmonton
Redevelop website including design, usability, optimization, accuracy of content, recruitment tool (e.g., seamless online registrations, integration with degree audit)	Completed content and usability audit Completed RFP for services Hired Web writer hired to complete accuracy of information	In progress website project (soft launch August 2015)
Ensure benchmarking data is available to measure success	NSSE AGOS	NSSE, AGOS Perception study and economic impact (not complete no funding)

PERFORMANCE INDICATORS	SCORE
Proportion of students satisfied or very satisfied with their college experience	89% of graduates would recommend the same program of study to someone else. AGOS 2012. 96% of graduates would recommend ACAD to someone else, tied for 2nd highest recommendation rate in all 6 sectors. AGOS 2012
Proportion of students willing to recommend ACAD experience	See above
Student engagement (NSSE Benchmark)	Didn't participate in NSSE
Percentage of students identifying their education as contributing to their success	Not in current data available (NSSE and SNAAP)
Reflects brand	In progress – website to be launched in summer 2015
Speed and optimization enhanced	New website in progress, along with plans for new hosting service to ensure enhanced speed and optimization
Registration seamless	In progress

STRATEGIC OBJECTIVE 3.5**Build a stronger Alumni Relations program.**

ACTION ITEMS	2013-14 FIRST YEAR OF ROLLING CIP	2014-15 ACTIONS COMPLETED
Update database with accurate alumni information	Ongoing	Ongoing
Develop and implement an alumni survey	Survey developed	Survey distributed (not funded)
Develop a series of events in key markets	Six events held	Three events held (no funding for 10)
Establish Alumni Association and alumni chapters in key market areas		Alumni Association Postponed (no resources)
Develop and host alumni exhibit in IKG	Completed	
Travel alumni exhibit across Canada and abroad		Travel "In the Making" completed
Develop an alumni Aboriginal publication	Interviews completed	
Celebrate the accomplishments of our alumni and students	Developed Strategy	Implemented new electronic Newsletter to alumni Alumni Discovery initiative (funded) New Alumni Awards and ceremony Sponsored alumni initiatives

PERFORMANCE INDICATORS	SCORE
Number of alumni engaged	Over 4,800 contacts made through e-newsletters, LinkedIn + other social media at approximately 1,000 members
Number of events	3 – Alumni Awards celebration; Emerging alumni roundtable and established alumni roundtable; established Alumni Discovery Initiative reaching out to 200 alumni in 2014-15 and continuing into 2015-16
Number of alumni recognized	12 awards given out in 4 categories



GOAL FOUR

ENSURING SUSTAINABILITY AND STEWARDSHIP OF OUR RESOURCES

STATUS: IN PROGRESS

COMPLETION DATE: JUNE 30, 2016

ACAD is an organization known for implementing the people, processes, skills, strategies, knowledge and plans to guide the institution with confidence as it delivers on this Strategic Plan. The College is known for its commitment to maintaining the collegial and supportive culture of the institution in the face of changing demographics. Students, faculty and staff experience state-of-the-art spaces that support exemplary student experience and curriculum development. Through engagement with government, continued stewardship of its current resources and the implementation of new revenue generation and fundraising initiatives, ACAD has developed sustainable funding that has allowed it to pursue its mandate of excellence in art, craft and design.

STRATEGIC OBJECTIVE 4.1

Develop an organizational vision that strengthens and establishes the staff/faculty recruitment and professional development processes necessary to ensure performance excellence.

ACTION ITEMS	2013-14 FIRST YEAR OF ROLLING CIP	2014-15 ACTIONS COMPLETED
Ensure opportunities for leadership training for administration	Session Implemented	Held a number of leadership training opportunities (i.e., Change management course)
Formulate a workforce development strategy to enhance credentials of current staff and faculty		ACAD-AUPE Professional Development Fund Revised guidelines for Professional Expense Reimbursement Allowance for faculty Institutional membership with Lynda.com established for staff and faculty use
Develop and implement staff and faculty accountability/ compliance educational programs	Symposium completed Audit education sessions completed	Public symposium held Ongoing audit sessions implemented First performance management evaluation cycle implemented for management and support staff

PERFORMANCE INDICATORS	SCORE
Staff turnover rates	Not measured
Climate survey results	Not conducted this year

STRATEGIC OBJECTIVE 4.2

Attract and retain excellent employees by fostering and maintaining an engaging, collaborative and safe workplace.

ACTION ITEMS	2013-14 FIRST YEAR OF ROLLING CIP	2014-15 ACTIONS COMPLETED
Implement a Human Resources Plan, including succession planning and knowledge management		Initiate
Enhance employee recruitment	Completed	Completed

STRATEGIC OBJECTIVE 4.3

Develop a long-term capital and IT infrastructure plan that provides a rationale and demonstrates the value needed to garner the resources from government for expansion/renovation.

ACTION ITEMS	2013-14 FIRST YEAR OF ROLLING CIP	2014-15 ACTIONS COMPLETED
Review current learning spaces to maximize interaction and flexibility in the Main Mall, studio and classroom spaces		Sustainability Plan in progress
Continue to partner with government and other institutions to establish strategic technology directions (e.g., sharing data centres, cloud service initiatives)		Completed IT Business Continuity / System Recovery Plan –advancing work to implement recommendations including backup data center with SAIT Participating with AHEITT and the Universities to review ShareIT services Discussions with U of A and others in progress (CAUS). Data gathering in progress Elucian Upgrades in progress for Banner with SAIT
Transform existing or new library space to support a new learning environment captured through a teaching and learning centre	Main Mall design complete	Sustainability Plan completed (Academic Planning Process) Teaching and Learning strategy in progress Main Mall project in progress
Conduct utilization study of current facility to demonstrate need		Sustainability Plan in progress (funded)
Develop provincial infrastructure scenarios based on information		Sustainability Plan in progress (funded)

PERFORMANCE INDICATORS	SCORE
Funding for IT preparedness	Identified as part of System Recovery Plan
Utilization study	In progress
Infrastructure scenario	In progress

STRATEGIC OBJECTIVE 4.4

Raise, steward and increase the resources the College will need to deliver on its mission and mandate through new revenue generation models/streams.

ACTION ITEMS	2013-14 FIRST YEAR OF ROLLING CIP	2014-15 ACTIONS COMPLETED
Coordinate and deliver an integrated fund development campaign to enhance community philanthropic investments in the College	Developed and began implementing Plan	Implemented Plan Met 80% of goal
Engage the College to build a comprehensive revenue-diversification and business development strategy designed to enhance operations (e.g., continuing education, workshops, products, facility use, etc.)	Initial Planning completed Sustainability Task Force established	Sustainability planning in progress
Work with government to address operational and other funding for ACAD	Sustainability Task Force established	Completed Sustainability planning process
Recruit 500 new students of diverse backgrounds (over the next eight years) with funding approval from the Province of Alberta (both operational and capital)	Maintained enrollments	Sustainability planning in progress Enrollment Management Plan being developed

PERFORMANCE INDICATORS	SCORE
Donations and sponsorship targets reached	In progress; ¾ met
Revenues are diversified	In progress
Percentage of donors retained	22.5% Retained (goal was 20%; 30% next year)
Percentage of new contributions	30% new donors
Median gift increases	Yes, median gift is \$5,164 compared to last year \$1,250
Number of pledges increases	Yes, increased significantly
Non-ask interactions increase	Yes, increased significantly

STRATEGIC OBJECTIVE 4.5

Continue to implement Auditor General's recommendations.

ACTION ITEMS	2013-14 FIRST YEAR OF ROLLING CIP	2014-15 ACTIONS COMPLETED
Demonstrate effective governance practices that comply with Government Act and Post-Secondary Learning Act	Updated Letter of Expectation	Updated Mandate and approved by Ministry Legislative Compliance Review initiated and in progress
Promote operational efficiencies, including smarter procurement and environmental sustainability measures	Completed	Completed as part of vendor evaluation ongoing review; new vendor evaluation forms implemented
Comply with disclosure policies for code of conduct and conflict of interest	Implemented	
Working with the Finance and Audit Plan, develop audit implementation plan to address outstanding issues with timelines and deliverables	Completed	Completed Received good audit report from the OAG, implemented five of six prior years' recommendations.
Develop a Disaster Recovery Plan for information technologies		Completed. ACAD System Recovery Plan; Management Team established for Crisis response.

PERFORMANCE INDICATORS	SCORE
Auditor reports	Received a good management report; unqualified audit report on financial statements

PRIORITY INITIATIVES

PRIORITY INITIATIVE	DESCRIPTION	STATUS	EXPECTED COMPLETION DATE (FROM CIP)	PROGRESS MADE IN LAST 12 MONTHS
PRIORITY ONE: THE DEVELOPMENT OF A STRONG ACADEMIC PLAN	1.1 Curriculum modernization, renewal and alignment: <ul style="list-style-type: none"> Comprehensive review of degree programs including individual course audits and the mapping of the curriculum for currency and relevancy, internationalization and consistency, as well as new areas for growth by program band. A review of future growth areas related to market need in a variety of industry areas including creative industries, design thinking and creative entrepreneurship and others will be completed. The implementation of minors, 2+2 proposals with Olds College for Costume and Fashion design, as well as the Bachelor of Design degree completion for Design Diploma grads will form a template for growth. The new Masters in Fine Art degree, the first graduate program in the College's 89-year history will continue to be a focus this year and provide a strong foundation for this new Plan. 	In Progress	2015-16	<ul style="list-style-type: none"> Individual course audits underway Mapping of curriculum for currency and relevancy, internationalization and consistency complete Majors model developed and in implementation phase Review of future growth areas in creative industries, design thinking and creative entrepreneurship underway Implementation of minors is underway and two minors have been implemented, additional minors under discussion 2+2 proposals progress was stalled due to funding cuts, but recently reinstated funding and direction from Ministry will allow progress to resume in 2015/16 Preparations for first cohort of MFA candidates completed, MFA cohort admitted September 2015
	1.2 The learning and teaching environment: <ul style="list-style-type: none"> Review current recommendations for new teaching methodologies as related to art, craft and design education. The review will specifically look at the merits and opportunities of the studio environments, class sizes and additional online options for blended programs through greater partnerships. It will answer the question of what is the optimum teaching environment for ACAD in its pursuit of excellence in teaching and learning. 	In Progress	2015-16	<ul style="list-style-type: none"> Recommendations for new teaching methodologies completed, including studio environment, class sizes and blending learning Recommendations are being integrated into Academic Planning An all college Learning and Teaching day was launched at the end of the 2014/2015 academic year under the direction of the newly established L&T committee. The event was very well attended and is planned to be an annual

PRIORITY INITIATIVE	DESCRIPTION	STATUS	EXPECTED COMPLETION DATE (FROM CIP)	PROGRESS MADE IN LAST 12 MONTHS
	<p>1.3 The integration of services to promote student success:¹</p> <p>✓ Review existing and new systems that will be required to better support the College's academic and student services. It will also review existing and new information and technology systems that will be required to better support the College's academic and student services in the future. Costs to implement will be identified including the implementation of a degree audit system to support students.</p>	In Progress	2015-16	<p>✓ Systems to better support academic and student services reviewed, including information and technology systems and degree audit system</p> <p>✓ Implementation plan in progress for Degree Audit system, Banner Business Process Review completed and recommendations for system changes submitted</p>
<p>PRIORITY TWO: THE DEVELOPMENT OF A ROBUST ENROLLMENT GROWTH PLAN THAT ADDRESSES THE FOLLOWING AREAS</p>	<p>2.1 Growth thresholds and new program growth including graduate programming:</p> <p>The review will establish future growth thresholds for sustainability:</p> <p>a) the critical mass in resource generation and system redundancy,</p> <p>b) a level of growth that will enable the College to engage fully and serve the provincial requirements for access and opportunity and</p> <p>c) a level of growth that allows an array and breadth of offerings that enable the College to become international education leaders in art and design. This growth plan will also show evidence of demand and origin of international students that would generate this growth, e.g., how many from Alberta, from elsewhere in Canada, and international students. ACAD has established a demand for its programs. This year, the College will still turn away nearly 700 students.² Specific studies include Economic Return on Investment to the Province (art and design college); Demographic review (North America and other geographic regions around the world); and an Enrollment Growth Plan.</p>	In Progress	2015-16	<p>✓ New courses offered through Spring semester to support students degree completion</p> <p>✓ Information gathered in preparation for the RFP for the completion of a Strategic Enrollment Management Plan</p>
<p>PRIORITY THREE: DEVELOPMENT OF A COMPREHENSIVE COMMUNITY ENGAGEMENT PLAN THAT ADDRESSES THE FOLLOWING</p>	<p>3.1 Community Engagement through community development:</p> <p>✓ Study opportunities to engage the broader community in service learning, community partnerships and signature projects such as ACAD's new Centres of Excellence. The College will continue to develop concepts</p>	In Progress	2015-16	<p>✓ Integrated Engagement Strategy developed and implementation commenced</p> <p>✓ Programming for new Aboriginal Resource Centre identified and commenced</p> <p>✓ Other creative centres concepts</p>

PRIORITY INITIATIVE	DESCRIPTION	STATUS	EXPECTED COMPLETION DATE (FROM CIP)	PROGRESS MADE IN LAST 12 MONTHS
	<p>are a vital connection to the community and industry, and are an important component of external funding and revenue generation. Specific studies include alumni study, Signature Projects and an integrated Engagement Strategy.</p> <p>✓ This priority will critically inform the drafting of a new Extended Studies strategy.</p>			
PRIORITY FOUR: DEVELOPMENT OF A SUSTAINABLE FINANCIAL PLAN THAT ADDRESSES THE FOLLOWING AREAS	<p>4.1 A financial plan to support the sustainable growth of the College:</p> <p>✓ Pursue a comprehensive review of curriculum renewal and delivery. The Plan will focus on the growth required to be sustainable, ACAD's funding model including revenue streams, appropriate tuition and fee levels and ancillary or other revenue generation activities. The Plan will also address the development and implementation of procedures to drive greater compliance with policy, legislation and long-term beneficial fiscal practice across the College. Specific sections may include cost of education at ACAD, tuition and fee review; grant funding review and research on other institutions and recommendations.</p>	In Progress	2015-16	<p>✓ Work commenced on the financial plan scenarios and funding required for the College to be sustainable, including revenue streams, tuition and fee levels, and ancillary and revenue generation activities</p> <p>✓ Comprehensive review of curriculum renewal and delivery completed</p> <p>✓ Identification of necessary procedures completed, planning underway to identify necessary resources and implement procedures to ensure compliance</p>
PRIORITY FIVE: DEVELOPMENT OF A SOLID SHORT AND LONG-TERM FACILITIES PLAN THAT ADDRESSES THE FOLLOWING AREAS	<p>5.1 The long, mid and short-term capital requirements:</p> <p>Investigate the results of the academic planning process. A facilities plan will be developed that</p> <p>i) explores all options including building ownership and addresses deferred maintenance in the current building</p> <p>ii) implements learning space renewal and upgrades that accommodate 21st century technologies and achieve better space utilization in the current facility and</p> <p>iii) develops a long-term scenario to support the sustainable growth of the College through a larger capital expansion.</p> <p>The Facilities Plan will include timelines, phasing and high-level costs. Specific studies will include Site Study (completed); Cost of Ownership (current building completed):</p>	In Progress	2015-16	<p>✓ Site Study (completed); Cost of Ownership (current building completed); Preliminary Space Utilization Study (completed)</p> <p>✓ In progress: Deferred Maintenance Review; Comprehensive Functional Program; Upgrade and Renovation Study (current facility)</p> <p>✓ Not Started: New Building Development/ Conceptual Design; and Phasing Plan including costs and timelines</p>

EXPECTED OUTCOMES

OUTCOME	DESCRIPTION	STATUS	EXPECTED COMPLETION DATE (FROM CIP)	PROGRESS MADE IN LAST 12 MONTHS
LEARNER-ENABLED SYSTEM	Alberta's advanced learning system enables and empowers the learner and where the learning choices and aspirations of individual learners are understood, respected and addressed.	In Progress	2015-16	<ul style="list-style-type: none"> Significant progress is being made, as noted in detail above, through our focus on key priorities, the development of a strong Academic Plan, including curriculum modernization, renewal and alignment; the learning and teaching environment; and integration of services to promote student success and our goal of realizing student potential in art, craft and design
VALUE FOR INVESTMENT	Alberta's advanced learning system maximizes benefits with the resources invested, recognizing that there is a price associated with maintaining high quality education and research.	In Progress	2015-16	<ul style="list-style-type: none"> As noted in detail above, the College continues to make progress through our focus on key priorities, specifically the development of a sustainable Financial Plan that addresses the following areas Financial plan to support the sustainable growth of the College, while also delivering on our goals of delivering program excellence and push the boundaries of research and creativity and also ensuring sustainability and stewardship of our resources
ADVANCING KNOWLEDGE	Alberta's publicly funded post-secondary system plays an important role advancing the knowledge economy and the intellectual fabric of Alberta.	In Progress	2015-16	<ul style="list-style-type: none"> The college is committed to its role in advancing the knowledge economy and intellectual fabric of Alberta, and specifically through its work, as detailed above, towards the development of a strong Academic Plan, including curriculum modernization, renewal and alignment; the learning and teaching environment; and Integration of services to promote student success; a comprehensive Community Engagement Plan

OUTCOME	DESCRIPTION	STATUS	EXPECTED COMPLETION DATE (FROM CIP)	PROGRESS MADE IN LAST 12 MONTHS
In addition to the system outcomes identified, ACAD's Letter of Expectation identified a number of sector outcomes for the Specialized Arts and Culture Institutions (SACI). The College is committed to working with the Banff Centre to realize these outcomes.				
SPECIALIZED ARTS + CULTURE INSTITUTIONS OUTCOMES	<ul style="list-style-type: none"> ✓ Lead excellence in culture, creativity and research, innovation and commercialization of the arts in the province. ✓ Lead in educational opportunities through delivery and incubation in the performing and visual arts and in emerging media and creative fields. ✓ Support the economic and cultural diversification of the province. ✓ Support Alberta's cultural prosperity agenda. ✓ Connect Alberta's rural and urban communities through arts, craft, and design educational opportunities and learning experiences. ✓ Produce an enriching social and cultural experience that assists in retaining skilled labour in Alberta. ✓ Maximize responsiveness to community and regional cultural, economic, and social needs through increased partnerships with art and cultural institutions. ✓ Disseminate superior scholarly research and creative activities. 	In Progress	2015-16	<ul style="list-style-type: none"> ✓ ACAD is playing a leading role, specifically, through the progress we have made on our goal of inspiring creativity + innovation in communities we engage (details and performance indicators noted above). ✓ A key goal of the college is the program excellence and pushing the boundaries of research and creativity, and as our progress above indicates, ACAD is making progress on its goal of offering diverse and cross-disciplinary programs that prepare students personally, professionally and intellectually for life; that lead in addressing diversity at all levels; and that open a network of opportunities around the world, ACAD is recognized as Canada's leading art and design college. ACAD is recognized as an institution that excels at providing both depth of discipline through the values of the studio environment as well as the breadth, flexibility and scholarly achievement that the 21st century demands. The pursuit of knowledge is fundamental to the identity and integrity of post-secondary institutions. ✓ Further, our progress towards these outcomes as indicated above, is that through the activities and successes of its students, faculty and staff, ACAD inspires creativity and innovation in the communities it serves. ACAD has a strong reputation and resource base through its work in advocating for the vibrancy, value and the benefits that innovation, creativity and entrepreneurship bring to the city, province and nation. ACAD is

ACCESS + QUALITY

The 2014-15 Comprehensive Institutional Plan assumed increased student numbers and enhanced retention would lead to increases in the College's tuition revenue. This funding was expected to provide the necessary revenue to cover increased instructional costs. While there was to be no new EPE funding province wide until after a possible funding review of all sector needs, the College began implementing plans for expansion in a number of programs that have received targeted provincial enrollment funding.

Resource needs for expanded recruitment are estimated to include two additional related positions that will be developed and supported through reallocations in the operational budget prioritization process.

Space constraints remain a concern. Through a short-term space utilization study currently in revision and implementation phases, the College is systematically and objectively re-evaluating space in terms of practices and patterns of usage. It is expected that innovative ways to re-allocate the space in the current facility will be found through such projects as the Main Mall Re-Imagining that will extend its maximum capacity by accommodating approximately 1,200 FLEs.

As anticipated in the 2014-15 CIP, employee engagement was and remains a major focus for the College. Planning and developing transformative training and development opportunities for employees continued as a priority in 2014-15. These initiatives directly impact employee engagement and positively impact employee retention. Wise stewardship of previously dedicated one-time dollars and new enhancements to collective agreements in terms of funding for training and development helped to ensure professional growth development on both the personal and the institutional level through management skills training, communication skills training, conflict resolution and change management training. Such transformative skill sets will help the College evolve and grow towards an increasingly global perspective.

During the 2014-15 fiscal year, a major drop in the price of oil, a provincial election and change of government collectively contributed to an increased level of economic uncertainty in the province. While there is some benefit to publicly-funded institutions with regard to recruitment, job security issues are important to employees and these uncertain times lead us to be cautious, acknowledging that job security is paramount for high-performing employees. ACAD continues to seek opportunities to enhance and address employment engagement issues in particular. It also continues to provide opportunities to identify and address engagement issues critical for continuing success and look for those initiatives to translate into high retention rates.

The growth in the undergraduate programs is largely expected to occur in the Bachelor of Design program areas as a result of perceived increases in student demand for studio-based education and will directly increase capacity in Visual Communication Design. Graduates of this program experience few barriers to employment on graduation and will enter the still-expanding marketplace both within Alberta and North America.

The approved graduate program, with the first cohort admitted in September 2015, will enhance the College' reputation as a centre of excellence and attract a wider range of national and international students, particularly in the case of the Masters of Fine Art in Craft Media. Program expansion will be funded through the additional tuition revenue generated and by reallocation of existing resources as necessary.

ENROLLMENT PLAN

Sustainability is a key factor for the Alberta College of Art + Design. During the past year curriculum review and enrolment management have been top ACAD priorities and the development of a comprehensive, long-term enrolment plan has begun. The focus of enrollment management in the past two years has been on student intake and progression through analysis of application, retention and progression data. This work has proceeded in parallel with a focus on the ACAD student experience through examination of services, delivery, support programming, registration procedures, and curriculum and scheduling review.

In 2013-14 the enrollment planning review process identified curricular, delivery, and scheduling considerations that challenged optimization of enrollment, student progression and curricular growth. In 2014-15, ACAD initiated an Academic Planning Group, representative of faculty, students and administration, to review curricular principles, structure, content, and delivery of ACAD programming to address these concerns.

In the last 10 months, a series of recommendations, principles to inform curriculum, a proposed curriculum model, and a rubric providing guidelines for credits and contact hours have been created. Recommendations for improvement of the academic schedule, timely declaration of major, major and minor curriculum model, and an audit of teaching and learning spaces are being implemented to better optimize resources, allow for enrollment growth in current and proposed program offerings, and that support student interest, progression and experience. In addition, the finalization of an Academic Strategic Plan that focuses on the structure of curriculum and identifies growth areas while creating flexibility in current offerings was adopted Fall 2015.

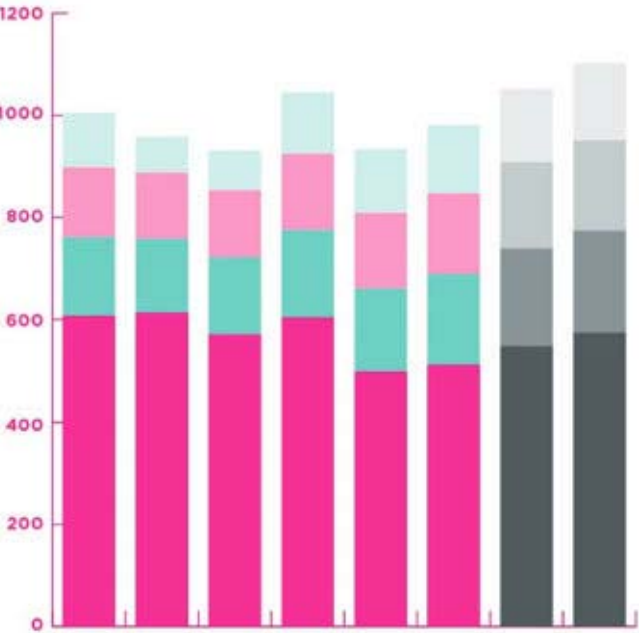
One such area of growth that has been initiated is the new Master of Fine Arts in Craft Media. ACAD received ministerial acceptance of this new degree in 2013-14 and conducted an implementation process in line with the enrollment planning analysis that has been undertaken in the last year. This new graduate program is the first graduate level offering at ACAD and the first cohort of students began studies in September 2015.

PLANNED MFA ENROLMENT	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	ANNUAL
FLE Year 1	5 (actual, 4 projected)	8	12	12	12	12
FLE Year 2	0	4	8	12	12	12
Total Students in Program	5 (actual, 4 projected)	12	20	24	24	24

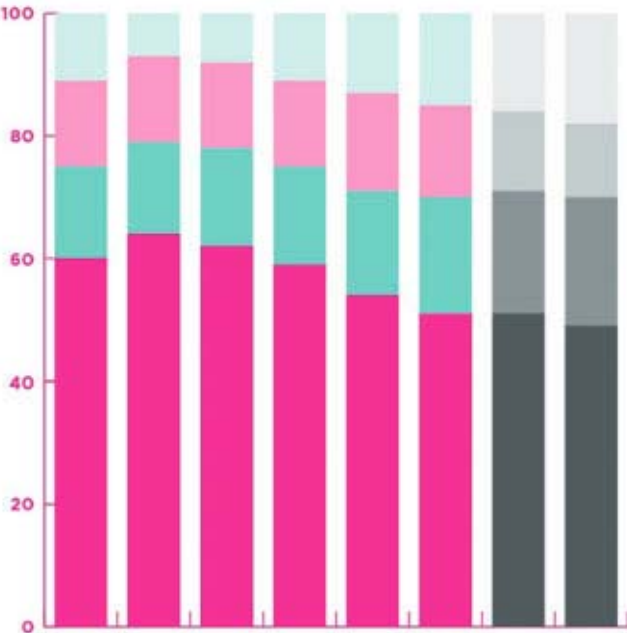
A continuing focus for ACAD has been on monitoring diversification of enrollment and the impacts diversification have on the learning experience for students. Diversification is achieved through balanced enrollment of students from varied backgrounds and populations. The introduction of the new MFA in Craft Media and cohort of graduate students will support this diversification initiative through providing opportunities for undergraduate students to observe and participate in discussion on research and practice at the graduate level. Diversification of student population is an important factor in future teaching and learning, and supports student experience as well as provides long term enrollment sustainability in response to anticipated demographic changes in Alberta.

ACAD's current undergraduate student enrolment is dominated by Alberta students who make up the largest demographic in student population at 83.5% compared to 11% from other Canadian provinces and 5.0% International. Aboriginal student population is 10.2%, a 1% growth from 2013-14. Applications from Albertan students represent 70% of the application pool with 17% originating from rural Alberta in 2014. While enrollment is clearly dominated by Albertan students, ACAD's future must focus on balancing a diversified population which contributes to overall student experience while still supporting our Provincial mandate (Province wide catchment area) to provide Art + Design education in Alberta.

APPLICATION SOURCE - NUMERIC



APPLICATION SOURCE - PERCENTAGE



To achieve optimal enrollment diversification, focus is on strategic recruitment activity to generate increases in international students. For 2013-14, ACAD showed a 1% increase in International enrollment which had a small increase in 2014-15 to 5.8%. The Aboriginal student population target of 10% has been reached one year ahead of schedule. In 2013-14, ACAD demonstrated a 2% increase in Aboriginal enrollment which is a 100% increase over target and this year ACAD demonstrated a 1% increase in Aboriginal enrollment hitting the expected enrollment goal in the 2014-15 academic year.

DEMOGRAPHIC OF ENROLLED STUDENTS -
PERCENTAGE



With a focus on increasing incoming transfer students, our population will stabilize enrolment in upper level courses in spite of expected attrition. The baseline for this increase is informed by current and recently concluded transfer and articulation agreements and collaborative degree programs. In 2012-13, there was 1 current and up to date agreement signed. In 2013-14 transfer and articulation agreements were confirmed with 2 institutions, Keyano College and Halliburton School of the Arts. In addition, there are 4 articulation agreements, 3 collaborative degree programs initiatives and one dual credit opportunity was approved for 2014-15. This represents a substantial increase in collaborative partnerships and these increases will continue to be evaluated by baseline data on application and enrollment.

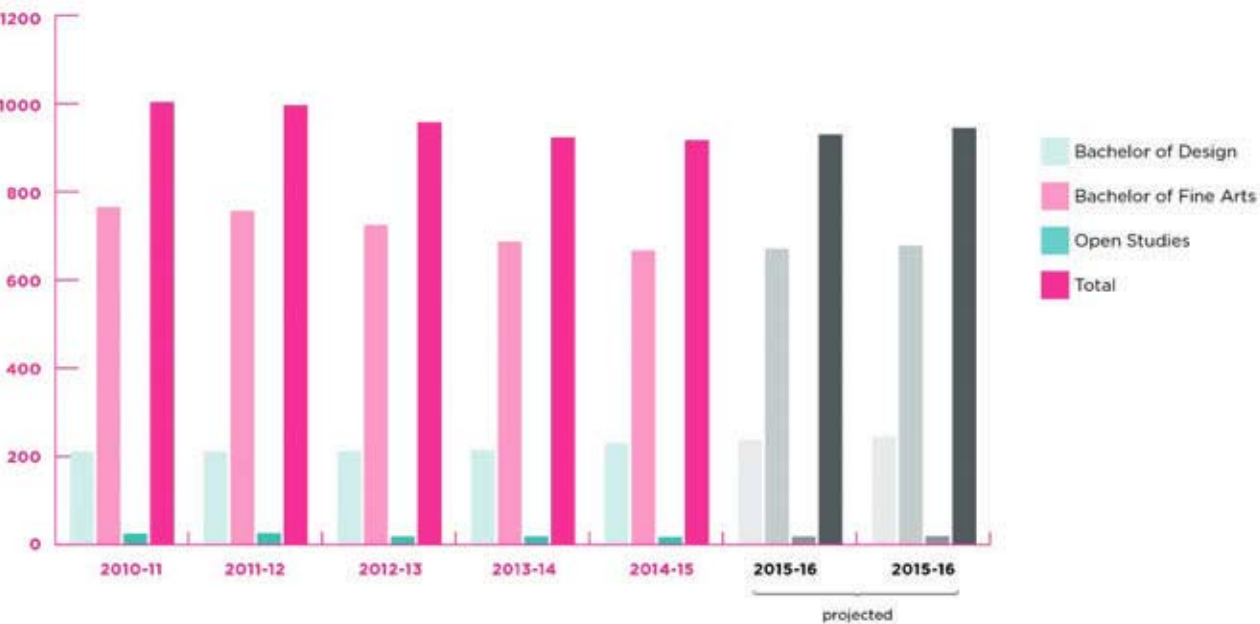
PERCENTAGE OF TRANSFER/ADVANCED STANDING
APPLICATIONS VS OTHER APPLICANTS



The research, analysis, identification and implementation from the enrollment management initiatives and Academic Plan, that support the institutional sustainability planning process, will continue in the upcoming academic year. The above outlined

When achieved, the enrollment management goals would result in an overall student population that meets ACAD plans for both diversification and sustainability. Enrolling more students from diverse sources benefits our practice, dialogue and research. Diversity amongst the students and faculty also supports a globally reflective research practice. This in turn reinforces ACAD's position as a leader in art, design and craft education.

FULL TIME + PART TIME FLE BY DEGREE PROGRAM



FULL TIME + PART TIME FLE BY
DEGREE PROGRAM (*PROJECTION)

	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16*	2016-17*
Bachelor of Design	211.7	212	212.65	216.2	231.7	238.89	245.92
Bachelor of Fine Arts	765.55	756.8	725.55	687.2	667.55	671.46	678.7
Open Studies	26.1	27.15	19.65	19.8	18.55	19.65	20.38
Total	1003.35	995.95	957.85	923.2	917.8	930	945



RESEARCH, APPLIED RESEARCH + SCHOLARLY ACTIVITIES

The College has identified defining ACAD's scholarly research and creative activities as one of four primary goals of the College and has continued to dedicate resources and effort towards reaching its goal. To that end, in 2014-15, a number of positive steps were taken to further develop and enhance the research culture within the College, through the successful recruitment of the Director of Research + Graduate Studies. Following this, the Research Advisory Committee composition was established and the committee embarked upon a review of the Institutional Research Strategy. The mandate of the RAC is to enhance applied research and commercialization activities to be responsive and align with Alberta Research and Innovation Plan, as well as identifying research opportunities for students.

Steps were also taken towards expanding, strengthening and formalizing the evaluative processes that support and acknowledge research and teaching excellence at ACAD. In 2014-15 alone, faculty participated in 160 peer-adjudicated national and international exhibitions and 61 faculty publications in peer-reviewed journals and exhibition catalogues. A number of policies and procedures were developed that support the formalizing of processes in support of research, applied research and scholarly studies at ACAD.

This is celebrated and recognized at the college through the introduction of faculty recognition awards and students are given access to information through public talks and symposia hosted at the college.

COMMUNITY

- / Partnership with the Calgary Board of Education (CBE) on a number of initiatives including teacher training and alumni participation in classrooms. Member of the Fine Arts Standing Committee for Campus Calgary (CBE).
- / ACAD's application to the CBE for a Dual Credit was approved allowing high school art students the opportunity to begin accumulating ACAD credits for their accomplishments in secondary art curriculum.
- / Host of SHOW OFF!, the preeminent secondary school art competition in Alberta. Sponsored by Enbridge in 2015, SHOW OFF! exhibited over 60 pieces of student work from Alberta and Nunavut with cash and tuition prizes along with matching educational grants presented to the art classrooms of the winning students.
- / ACAD continues to expand its relationships with the corporate community through major projects such as the Main Mall Redesign, the Centre for Entrepreneurship and the Aboriginal Centre of Excellence.
- / ACAD's Public Design course provided service learning opportunities for students who worked with the following not for profit organizations to help redefine and develop their brands, websites and promotional materials
 - Alberta Civil Liberties Research Centre
 - One Voice Chorus Society
 - Society of Graphic Designers of Canada
 - Alberta Farm Animal Care
 - Behaviour Therapy Learning Centre
 - Calgary Domestic Violence Collective
 - Calgary Heritage Initiative Society
 - The Children's Wish Foundation
 - The Calgary Public Library Foundation
 - Foothills Fetal Alcohol Society
 - Green Calgary
 - Healthy Families, Healthy Futures
 - Juno Awards
 - Leadership Calgary
 - National Film Board of Canada
 - Sustainable Alberta Association
 - Sunrise Community Link Resource Centre
 - Truck Gallery
 - Take Me Outside
 - YWCA Calgary
- / ACAD's Illingworth Kerr Gallery (IKG) remains a high priority as a way of engaging students, faculty and staff with the local community. Corporate partnerships, philanthropic support and partnerships with arts funding agencies continue to be pursued to develop and implement relevant educational programs and exhibitions, such as the joint Oh, Canada! exhibition between the IKG, Glenbow, Nickle and Escher galleries in January – March 2015, as well as several other IKG exhibitions, symposiums and visiting artist talks and demonstrations.
- / More than 55 visiting artist/scholars public talks provided community and student engagement opportunities in 2014-15, along

EXTENDED STUDIES

Extended Studies is identified as one of the key avenues in which the College may promote the transfer of knowledge and creative expression to benefit all layers of society. This will be accomplished through the remodeling and relaunch of Extended Studies in 2015-16 based upon a more expansive lifelong learning and pan Alberta strategy. In particular, how Extended Studies reaches out and engages its various potential markets needs to be reviewed, especially components such as its on-line presence. Market research intelligence is required to inform this roots up review of this vital department within the institution and a budget will be sought to meet this need in 2015/2016.

As currently formulated, Extended Studies programming features international study abroad programs including a unique cultural adventure to Uzbekistan in October 2014 that was fully subscribed. Multi-day workshops were planned for implementation or expansion (the Toon-Boom Centre of Excellence and the Art Educators Institute) though limited financial resources for design and marketing and low registration have impacted both planned activities.

INTERNATIONAL STUDENTS

International students remain a key component of the enrolment management strategy to increase the number and diversity of qualified applicants. As noted elsewhere, the College has placed a priority on exploring additional recruitment strategies for international students, in particular from the United States. Efforts towards this continued in 2014-15 and will be further refined under the guidance of the enrolment management strategy under development.



ALBERTA COLLEGE OF ART + DESIGN MANAGEMENT DISCUSSION + ANALYSIS

Financial Statements for the year ended June 30, 2015

Discussion and Analysis

This discussion and analysis of the financial statements for the year ended June 30, 2015 should be reviewed in conjunction with the audited financial statements and accompanying notes.

This discussion and analysis and the audited financial statements are reviewed and approved by the Board of Governors of the Alberta College of Art + Design on the recommendation of the Finance and Audit Committee of the Board of Governors.

The financial statements represent the financial results of operations of the Alberta College of Art + Design and are prepared in accordance with Canadian public sector accounting standards.

(All amounts are in thousands of dollars unless otherwise noted).

OPERATIONAL HIGHLIGHTS

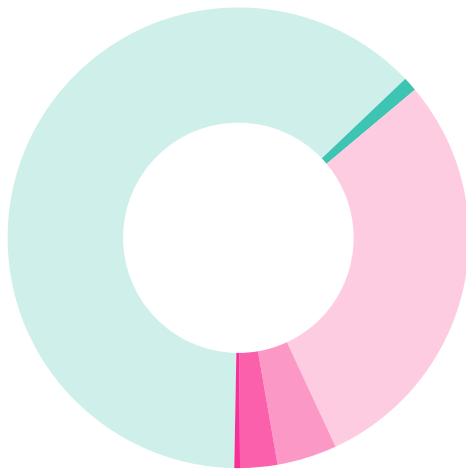
Overall Results

Fiscal Year 2015 ended with a final operating deficit of \$738 (2014 - \$259). The deficit increased by \$479 compared to the prior year for the following reasons:

- / Revenues increased by only 1.4% in total primarily due to student tuition and fee revenue increases and lower fee write offs during the year.
- / Payroll expenses increased significantly:
 - The vacation liability accrual at year end increased by \$200 due to the 45 day paid vacation leave for faculty for the summer starting 10 days later in 2015 than 2014 and an increase in the number of permanent full time faculty and staff year on year;
 - Early retirement and severance packages totaling \$171 were paid in the final quarter of the year; and
 - The annual salary increments across the board along with annual grid movements cost the college an additional \$372 year on year.

The budgeted deficit was \$497 and the college ended the year with an unfavourable variance from actual results for 2015 of \$241. The vacation accrual referred to above was a significant factor here too. Furthermore, \$525 of operating expenses occurring in fiscal 2015 related to non-budgeted activities funded from ACAD's internally restricted net assets. All departments with operating

REVENUE HIGHLIGHTS



REVENUES

	2015		2014		CHANGE FROM 2014	
	\$	%	\$	%	\$	%
Government of Alberta Grants	12,889	62.6%	12,944	63.7%	(55)	(0.4)%
Federal and other government grants	204	1.0%	290	1.4%	(86)	(29.7)%
Student tuition and fees	6,007	29.2%	5,560	27.4%	447	8.0%
Sales of services and products	874	4.2%	871	4.3%	3	0.3%
Donations and other contributions	541	2.6%	528	2.6%	13	2.5%
Investment income	84	0.4%	113	0.6%	(29)	(25.7)%
	20,599	100.0%	20,306	100.0%	293	1.4%

Summary of Key Variances

Revenues

Total revenues for the period ending June 30, 2015 were \$20,599 compared to \$20,306 for the previous fiscal year. This represented an increase of 1.4% in overall revenues. Actual revenues exceeded budgeted revenues by 2.3% or \$460. The largest changes to ACAD's revenue base year on year were as follows:

In 2015, revenue recognized from non-governmental grants was significantly lower than in 2014. A significant component of grant revenues in 2014 was \$76 in one time revenues recognized from the Rawlinson Foundation gift to the college from prior years.

Student tuition and other fees increased by \$447 or 8% in the period to June 30, 2015 over the prior year. Three major factors contributed to this increase:

- Although total FLEs in 2015 were lower than in 2014 (2015 – 917.8; 2014 – 923.2), tuition fees increased by 2.2%. However, a significant accounts receivable write-off at year end 2014 reduced the total tuition revenues for that year by \$173.

The largest differences between ACAD's revenue budget and its actual results for the year 2015 were as follows:

	2015 BUDGET	2015 ACTUALS	INCREASE (DECREASE) FROM BUDGET	
	\$	\$	\$	%
Government of Alberta Grants	12,366	12,889	523	4.1%
Federal and other government grants	37	204	167	81.9%
Student tuition and fees	6,265	6,007	(258)	(4.1)%
Sales of services and products	926	874	(52)	(5.6)%
Donations and other contributions	415	541	126	30.4%
Investment income	130	84	(46)	(35.4)%
	20,139	20,599	460	2.3%

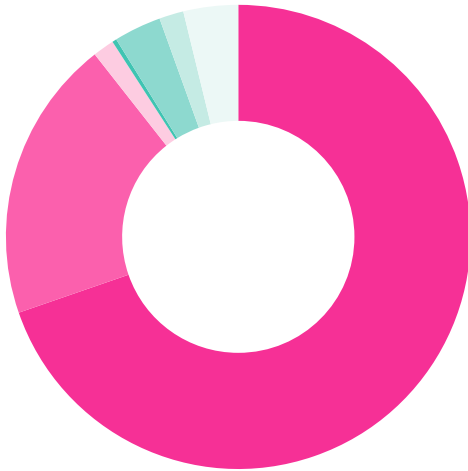
The 2015 budget for government and grant funding assumed that a large number of capital assets were to be disposed of at the end of 2014. This did not occur, with the result that revenues recognized from deferred capital contributions were higher than the budget anticipated. Also, the college received a one- time grant of \$125 from the Alberta Foundation for the Arts.

A number of significant non-governmental grants were received for Illingworth Kerr Gallery exhibits and other related projects.

Student tuition and other fees were lower due to lower than budgeted enrolled full load equivalents (Budget – 930 FLEs; Actuals – 917.8 FLEs).

Unbudgeted donations of \$85 were received towards Illingworth Kerr Gallery projects and gifts in kind (furniture and items for auction) valued at \$76 were received in fiscal 2015.

EXPENSE HIGHLIGHTS

EXPENSES BY OBJECT
+ COMPARISON TO 2014

	2015		2014		CHANGE FROM 2014	
	\$	%	\$	%	\$	%
Employee salaries and benefits	14,879	69.7%	14,046	68.3%	833	5.9%
Materials, supplies and services	4,191	19.7%	3,897	18.9%	294	7.5%
Scholarships and bursaries	317	1.5%	424	2.1%	(107)	(25.2)%
Maintenance and repairs	72	0.3%	55	0.2%	17	30.9%
Utilities	707	3.3%	1,080	5.3%	(373)	(34.5)%
Cost of goods sold	367	1.7%	363	1.8%	4	1.1%
Amortization of tangible capital assets	804	3.8%	700	3.4%	104	14.9%
	21,337	100.0%	20,565	100.0%	772	3.8%

Expenses by Object + Comparison to 2014

Total expenses for the period ending June 30, 2015 were \$21,337. This represents an increase of \$772 or 3.8% over total operating expenses for the previous year (2014 - \$20,566). The most significant changes were as follows:

The increase of approximately \$833 in salaries and benefits year on year is due primarily to higher vacation accrued, severance, early retirements and salary increments including grid movements.

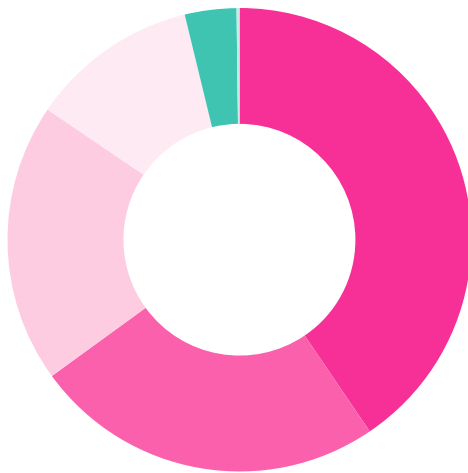
Materials, supplies and services have increased year on year due to the availability of additional funding for special projects sourced from both internally and externally restricted funds. Contracts for services were entered into to provide required IT support, as well as to create and launch the college's new website and to begin sustainability planning. Materials, supply and services costs were significantly higher than budget; the majority of funds from both internal and external restricted sources are applied in this area. Projects funded from internally restricted sources amounted to \$525 and \$393 was released from deferred revenue in support of various projects. These projects were spread across all areas of the institute and included exhibitions and other initiatives developed and hosted by the IKG gallery, development of the new ACAD website and several contracts to further update and enhance pressing technology needs.

Comparison to Approved Operating Budget

	2015 BUDGET	2015 ACTUALS	INCREASE (DECREASE) FROM BUDGET	
	\$	\$	\$	%
Employee salaries and benefits	14,728	14,879	(151)	(1.0)%
Materials, supplies and services	3,219	4,191	(972)	(30.2)%
Scholarships and bursaries	444	317	127	28.6%
Maintenance and repairs	103	72	31	30.0%
Utilities	1,306	707	599	45.9%
Cost of goods sold	344	367	(23)	(6.7)%
Amortization of tangible capital assets	492	804	(312)	(63.4)%
	20,636	<u>21,337</u>	<u>(701)</u>	<u>(3.4)%</u>

The most significant variance from budget is \$972 in materials, supplies and services. Much of this expenditure relates to projects funded from internally and externally restricted funds which were not included in the College's operating budget.

Budgeted amortization was \$312 lower than actual depreciation of capital assets because ACAD did not write off a significant number of capital assets at year end 2014 as anticipated.

EXPENSE BY FUNCTION**EXPENSES BY FUNCTION
+ COMPARISON TO 2014**

	2015		2014		CHANGE FROM 2014	
	\$	%	\$	%	\$	%
Instruction and non-sponsored research	8,645	40.5%	8,173	39.8%	472	5.8%
Academic and student support	5,217	24.5%	4,693	22.8%	524	11.2%
Institutional support	4,163	19.5%	3,991	19.4%	172	4.3%
Facility operations and maintenance	2,501	11.7%	2,738	13.3%	(237)	(8.7)%
Ancillary services	776	3.6%	788	3.8%	(12)	(1.5)%
Sponsored research	35	0.2%	182	0.9%	(147)	(80.8)%
	<u>21,337</u>	<u>100.0%</u>	<u>20,565</u>	<u>100.0%</u>	<u>772</u>	<u>3.8%</u>

Expenses by Function + Comparison to 2014

The most significant variances in function year over year were as follows:

All functional expenses have been affected by the annual salary increment for 2014/15 of 2.25%, grid movements and the increased vacation liability at year end. Increased costs specific to each function are as follows:

Instruction and non-sponsored research costs increases:

- / Funding for special projects in this area increased by \$68;
- / The \$150 of the increase in the vacation liability accrual applies to faculty members directly responsible for instruction; and
- / Two new positions were created to support the new MFA program and a further \$29 was spent establishing the program.

Academic and student support increases:

- / One new position (Director, Enrolment Management) was created during the year;
- / Additional funding received of \$201 for the IKG gallery was spent on a variety of gallery projects and exhibitions;
- / Other special projects funded by externally and internally restricted funds covered an additional \$65 of unbudgeted expenses; and
- / Increases in supplementary awards and scholarships were paid from internally restricted funds (\$62).

ASSET HIGHLIGHTS

Total assets increased by \$534 or 2.5% from \$21,497 at June 30, 2014 to \$22,031 at June 30, 2015.

Cash and cash equivalents

Cash and cash equivalents decreased \$2,082 primarily due to a shift in funds from short term to a longer term fixed income portfolio to target improved investment returns. This was offset in part by a reduction in cash applied to capital acquisitions. This changes from year over year resulted from the following activities:

	2015	2014
Cash provided by operating transactions	\$ 482	\$ (59)
Cash applied to capital transactions	(377)	(745)
Cash applied to investing transactions	(2,206)	(108)
Cash provided by financing transactions	19	54
	(2,082)	(858)

- a) Cash provided by operating transactions adjusts the operating deficit for the accounting impacts of non-cash items included in the operating deficit and for any accruals of past or future operating receipts or payments;
- b) Cash applied to capital transactions includes the acquisition of tangible capital assets required for the current operating of the college;
- c) Cash applied to investing transactions represents the net change between cash and portfolio investments. In the final quarter of the year, \$2,000 was transferred from a short term money market account to a pooled fund account to obtain a better return on funds not required for short term operating purposes; and
- d) Cash provided by financing transactions includes contributions to endowment net assets and the repayment of existing debt.

PORTFOLIO INVESTMENTS

Portfolio investments increased \$2,944 from \$7,858 at June 30, 2014 to \$10,802 at June 30, 2015. Late in the year, the college transferred \$2,000 from cash and cash equivalents to portfolio investments based on anticipated short and medium term cash flow needs and to obtain a better rate of return on excess funds. The unrealized gain on unrestricted and restricted investments represents the increase in market value of the investment portfolios during the year. See Notes 4 and 5 of the financial statements for additional information relating to investment holdings and financial risk management.

	2015	2014	CHANGE
Net transfer from (to) cash and cash equivalents	\$ 2,261	\$ 138	\$ 2,123
Unrealized gain investments	683	1,019	(336)
Change in portfolio investments	2,944	1,157	1,787
Portfolio investment, beginning of year	7,858	6,701	1,157
Portfolio investment, end of year	10,802	7,858	2,944

Accounts receivable

Accounts receivable increased from \$231 in 2014 to \$300 at June 30, 2015.

Inventories and prepaid expenses

Inventories and prepaid expenses increased from \$583 in 2014 to \$612 at June 30, 2015.

Tangible capital assets

Tangible capital assets decreased from \$4,976 at June 30, 2014 to \$4,549 at June 30, 2015, a net decrease of \$427. See Note 7 in the financial statements for information on the changes during the year, which is summarized below:

	2015	2014
Acquisition of tangible capital assets	\$ 377	\$ 745
Net book value of assets disposed during the year:		
Cost	(44)	(3,299)
Accumulated amortization	44	3,085
	-	(214)
Amortization expense	(804)	(700)
Change in tangible capital assets	(427)	(169)
Tangible capital assets, beginning of year	4,976	5,145

LIABILITY HIGHLIGHTS

Total liabilities increased \$1,328 from \$12,351 at June 30, 2014 to \$13,679 at June 30, 2015.

Accounts payable and accrued liabilities

Accounts payable and accrued liabilities decreased by \$418 from \$2,019 at June 30, 2014 to \$1,601 at June 30, 2015. Invoices and liabilities for the 2014/15 academic year were received and paid earlier than in the previous year. Significant accruals for utilities that had been made in the previous year were not required at June 30, 2015.

Employee future benefit liabilities

Note 8 to the financial statements provides information on employee future benefit liabilities. This liability decreased \$77 from \$87 at June 30, 2014 to \$10 at June 30, 2015. The final payment of early retirement commitments approved by the President + CEO in prior years was made by June 30, 2015. There are no outstanding commitments for early retirement assistance or incentives.

Debt

During the year the college repaid \$32 with respect to obligations under capital leases. No new commitments for capital leases were made in the year to June 30, 2015.

Deferred revenue

Deferred revenue consists of the following components:

	2015	2014	CHANGE
Deferred Revenue and Special Purpose Funds	\$ 6,476	\$ 4,593	\$ 1,883
Unspent Capital Contributions	1,024	835	189
Spent Capital Contributions	4,135	4,377	(242)
Student tuition and fees	339	314	25
	<u>11,974</u>	<u>10,119</u>	<u>1,855</u>

- a) Unspent deferred revenue includes a number of one-time and conditional funding supporting program development, research, capital, scholarships and other operating requirements. This category also includes unrealized investment income on restricted investments (endowments) which amounted to \$683 at June 30, 2015. A grant of \$1,200 was received from the Government of Alberta Access to the Future Funds in the final quarter of 2015. These funds are anticipated to be expended and revenue recognized by June 30, 2016.
- b) Expended deferred capital funding represents grants and donations received to fund capital acquisitions. At June 30, 2015 \$1,024 were held for capital purchases that had not yet been made; \$4,135 represents the unamortized portion of grants and donations which have been applied to capital purchases that have been made.

NET ASSET HIGHLIGHTS

The net assets for the college increased by \$534 or 2.5%.

Endowments

Endowment net assets decreased by \$59 or 1.3%. Note 11 of the financial statements provides further information with respect to the College's endowment funds.

Accumulated surplus

Accumulated surplus consists of accumulated operating surplus and accumulated remeasurement gains and losses.

- a) Accumulated operating surplus decreased by \$738 from \$4,655 in 2014 to \$3,917 at June 30, 2015. This is the operating deficit for the year. Changes to each component of accumulated operating surplus are disclosed in Note 12 to the financial statements and summarized as follows:
- i. Accumulated surplus from operations decreased during the year from \$2,189 at June 30, 2014 to \$2,156 at June 30, 2015. See table below for items impacting accumulated operating surplus from operations.

	2015	2014
OPERATING DEFICIT	\$ (738)	\$ (259)
Add back:		
Amortization of internally funded capital assets	287	258
Operating expenses funded from internally restricted surplus	525	(136)
Less:		
Net Board appropriation to internally restricted surplus	74	(137)
Capital activities		
Internally funded acquisition of tangible capital assets	(107)	(223)
Change in accumulated surplus from operations	(33)	(360)
Accumulated surplus from operations, beginning of year	2,189	2,549
Accumulated surplus from operations, end of year	<u>2,156</u>	<u>2,189</u>

- ii. Investment in tangible capital assets is represented by the following:

	2015	2014	CHANGE
Tangible capital assets	\$ 4,549	\$ 4,976	\$ (427)
Debt	(94)	(125)	31
Deferred revenue: expended deferred capital funding	(4,135)	(4,377)	242

- III. Internally restricted surplus decreased from \$1,992 in 2014 to \$1,441 at June 30, 2015. See table below for items impacting accumulated operating surplus from operations.

	2015	2014	CHANGE
Appropriations from unrestricted net assets	\$ -	\$ 600	\$ (600)
Internally funded acquisition of tangible assets	(26)	(28)	2
Operating Expenses funded from internally restricted surplus	(525)	(436)	(89)
Internally Restricted surplus, beginning of year	1,992	1,856	136
Internally Restricted surplus, end of year	1,441	1,992	(551)

- b) Accumulated remeasurement gains and losses represent the unrealized gain on unrestricted financial instruments as at June 30, 2015.

AREAS OF SIGNIFICANT FINANCIAL RISK

The college operates in a complex environment and must deal with a variety of risks which it manages through its integrated enterprise risk management framework. The major risks that can affect the college from a financial perspective are as follows:

Funding from the Province of Alberta

62.6% of the college's annual revenues are received from the Government of Alberta and the College is vulnerable to any future decreases in the annual Campus Alberta grant.

Tuition Fees

Tuition fees are at risk given the new government's decision to freeze tuition fees and rollback recently approved market modifier fees. This puts significant pressure on the college to sustain or grow current levels of enrolment without the necessary funding to provide additional support for recruitment or growth of the student population.

Negotiations with Collective Bargaining Units

69.7% of the college's annual operating expenses are payroll related costs. The college's financial viability is dependent on its ability to negotiate reasonable salary and benefit terms with two bargaining units. The current agreement with the Alberta College of Art and Design Faculty Association expires on June 30, 2016 and the agreement with Alberta Union of Provincial Employees Local 071/006 expires a year later on June 30, 2017.



INFORMATION TECHNOLOGY

INFORMATION TECHNOLOGY

IT initiatives are supported by an underlying technology infrastructure and operational framework that is safe, reliable and sustainable. Unfortunately, the College does not receive dedicated funding from the province for technology and does not have sufficient internal resources to accommodate all of its needs and must review requests for priorities each year. The College did not see any substantial increases in its operating budget for the year, and was under some additional pressures arising from a number of factors including: some unbudgeted or unexpected increases from a few service suppliers including SAIT in providing technical support for our information systems and staff changes that required use of more expensive contract staff during the year. Using some one time funds due to vacancies, and reducing expenditures in a number of other areas within the Department, the College was able to cover cost over runs to address these budget pressures.

In 2014-15 the College allocated \$195,000 to support the continued life cycle replacement of its main inventory: computers, printers, servers and related technical equipment. One time funds of \$235,000 were also set aside for additional and upgraded security cameras, new cabling, infrastructure renewal and an initiative to build a new Degree audit system that will assist staff and students in achieving course tracking towards degree completion. Detailed design and costing for this latter initiative has been completed for implementation in 2016.

In addition to these capital related projects the school completed a \$245,000 to support a new website re-development with new content and redesign templates for refreshing the posted information and improving stakeholder usability. This was an ambitious project that required a complete upgrade of all existing information. It is estimated that an additional \$70,000 will be required to complete the project by December 31st, 2015. Other initiatives included:

- / Completion of a System Recovery IT Management Plan to support the recovery of mission critical systems in the event of a disaster or extended failure leading to system interruption. Testing of the plan has progressed to ensure a state of readiness for plan implementation;
- / Initiation of upgrades to the College's HR system (Silk Road) for improved recruitment through online application. As well a project to expand its outsourced HR pay system (Ceridian/Dayforce) for HR Information management capacity was initiated this year for completion in 2016;
- / A Student Information System (Banner) upgrade was completed with SAIT and final changes were introduced to APAS to enable on-line applications for the College's newly implemented MFA program in Craft Media;
- / Upgrades to the College's Learning management system (Moodle) and help desk system were completed;
- / ACAD joined Cybera in January 2015 and implemented a peering service which offers a direct link to Google, YouTube and other popular sites, improving efficiencies in internet traffic;
- / Review of all third party contracts was undertaken in 2015 to ensure compliance with College procedures for access and change management. This project was substantially completed by year end.

As indicated in our CIP, the College is researching and participating in a preliminary review of shared services with the Campus

In 2008, ACAD had established a road map for project priorities to support student success and satisfaction, student and administrative support, and teaching and learning. This plan is being updated to reflect planning priorities annually as part of Capital Budget requests put forward from all departments.

The priorities of the school continue to change but for the next few years will reflect the following:

- / Ensuring technology tools meet the academic needs of students and are refreshed to match those needs within the ability of the College to do so.
- / Supporting technology solutions that offer the benefit of improved service to students in scheduling and degree completion.
- / Supporting infrastructure that improves on the reliability and sustainability of services including peering services, business continuity and storage capacity.
- / Refreshing administrative applications for new versions that address productivity and maintenance ease.
- / Supporting currency and innovation in the use of technology tools to enhance teaching and learning environments such as digital applications and remote access.
- / Providing a balance of outsourcing and insourcing support for the technology investments required for sustainability
- / Providing collaborative and communication platforms and solutions that are relevant, flexible and usable.



CAPITAL PLAN

The College prepares annually a capital budget using a process that allocates internal resources to established priorities as identified by all departments in the institution. Priorities are based on life cycle replacement needs for technology and equipment, health and safety needs, academic and institutional service support needs essential to maintain ongoing services to students and staff, building improvements and enhancements, and for research and innovation where this be accommodated. When appropriate, and where capital requirements are outside the capacity of the college to accommodate and fund, application is made to the Province for support. As a result of the sluggish economy the Province has not made any formal calls for project applications for the past two years and the College has no active provincially funded projects in progress at this time.

With the suspension of the provincial matching grant program in 2011, the College continues to take a much more strategic look at its capital needs. The College's 2014-15 consolidated budgets included \$360,306 of internally funded capital expenditures funded from internal reserves and cash flows generated each year from amortization of funded assets. This amount was a 21% decrease from expenditure levels of 2013-14 and provided support for less than 35% of the capital funding priority requests received for the year. With few dedicated sources of funding for capital replacement, this level of expenditure is expected to remain below required levels and will potentially decline in future years as the College's reserves continue to be depleted or used in funding equipment and technology renewal. Support for capital replacement needs have been mostly related to lifecycle and technology upgrades and to meet the College's need for safe and functional equipment. During the year, the College also provided funding support for upgrades to its website, student information systems to accommodate improvements in both scheduling and degree audit and to support an online payment system for students.

CAPITAL CONCERNS

Of ongoing concern is that the College does not have sufficient resources to continue to adequately evergreen both the technology infrastructure required for classroom and program delivery support and the ongoing replacement of furniture and studio equipment. Investment in lifecycle maintenance consumes over two thirds of the capital budget and this falls short of the need. As reported through student surveys, a continuing theme of concern is the aging building and general access to better equipment and the related overtaxing of service staff to maintain its functionality. While ongoing upgrades to HR and Finance systems have also been implemented, there is a need for improved integration of systems for managing information and for driving improved efficiencies. To this end the college is currently reviewing the potential to participate in a provincially sponsored Campus Alberta Unified Services (CAUS) project for outsourcing system support for its administrative and student information systems to the University of Alberta. The data compilation phase is currently in progress and completion is pending funding support from CAUS.

The College has been and continues to work with a number of institutions such as SAIT and the University of Alberta to seek other solutions for this problem of underinvestment in technology. We are also investigating the options of offsite data centre and other shared service arrangements with a number of institutions. Over the next few years, a new system roadmap will be mapped out to fully explore the College priorities for system development and technology enhancement. This work has begun with a current review of teaching and learning delivery model which will involve the adoption of new educational technology tools that will improve online course delivery and scheduling for students and staff. Improvements will also be needed to streamline and support the enrollment management needs of the Registrar's Office. For staff, the general lack of systems support in some areas, such as

PRIORITY PRESERVATION AND EXPANSION PROJECTS

The College experienced an increase in student applications in 2014-15 while maintaining student intake to meet its current capacity for enrollment. The issue of capacity will need to be addressed, as indicated in Sections one and four of the CIP. The College is conducting a comprehensive review of its operational and capital needs for future growth and expanding the support for rural areas and other institutions through collaborative initiatives are being explored for incorporation into a business case for discussion with the Province.

With the completion of a new Academic Strategic plan in 2015 this need for increased capacity will become even more critical over the next five years. The college has also just introduced graduate level programming which is projected to expand over the next three years. To accommodate current and future enrolment needs for current and potentially new programs, the College is currently working on a sustainability plan for growth in student enrollment and building capacity to accommodate this growth. In 2015, the College entered into a long-term lease with the Minister of Culture for the Perrenoud Ranch in Cochrane as additional off-site space to accommodate artist residency programs and supplementary teaching and learning. A phased in capital plan to accommodate enrollment growth will be a key deliverable of the sustainability planning process. The College believes that an initial phase of increasing our capacity by 500 students over the next three to five years is essential to accommodate the growth and access of both local and international students. The College believes this approach will be reasonable, cost effective and essential to support both student demand and the Provincial plans to address the Alberta market's need for students with accreditation in the areas of design, craft and the visual arts.

Expansion, and concurrently the need for upgrading our existing campus, continues to be the College's priority expansion project.



AUDITED FINANCIAL STATEMENTS

ALBERTA COLLEGE OF ART + DESIGN FINANCIAL STATEMENTS

For the year ended June 30, 2015

Statement of Management Responsibility

Independent Auditor's Report

Statement of Financial Position

Statement of Operations

Statement of Remeasurement Gains and Losses

Statement of Cash Flows

Notes to the Financial Statements

APPROVED BY
THE BOARD
OF GOVERNORS:



CHAIR, BOARD
OF GOVERNORS



CHAIR, FINANCE
AND AUDIT COMMITTEE

STATEMENT OF MANAGEMENT RESPONSIBILITY

Year Ended June 30, 2015

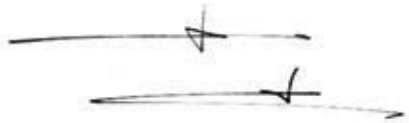
The financial statements of the Alberta College of Art and Design have been prepared by management in accordance with the Canadian public sector accounting standards. The financial statements present fairly the financial position of the college as at June 30, 2015 and the results of its operations for the year then ended.

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

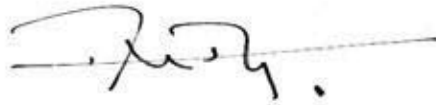
The Board of Governors is responsible for reviewing and approving the financial statements, and overseeing management's performance of its financial reporting responsibilities.

The Board of Governors carries out its responsibility for review of the financial statements principally through its Finance and Audit Committee. With the exception of the President and CEO, the Staff Board Member, and an appointed Faculty Representative, all members of the Finance and Audit Committee are not employees of the college. The Finance and Audit Committee meets with management and the external auditor to discuss the results of audit examinations and financial reporting matters. The external auditor has full access to the Finance and Audit Committee with and without the presence of management.

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

A stylized signature consisting of two horizontal lines with a small crossbar and a vertical stroke.

DANIEL DOZ
PRESIDENT AND CEO

A stylized signature consisting of a horizontal line with a large, looped flourish.

DONALD DART
VICE PRESIDENT,
FINANCE AND CORPORATE SERVICES

Independent Auditor's Report



To the Board of Governors of Alberta College of Art and Design

Report on the Financial Statements

I have audited the accompanying financial statements of Alberta College of Art and Design, which comprise the statement of financial position as at June 30, 2015, and the statements of operations, remeasurement gains and losses, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Alberta College of Art and Design as at June 30, 2015, and the results of its operations, its remeasurement gains and losses, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher FCPA, FCA]

Auditor General

October 21, 2015

ALBERTA COLLEGE OF ART AND DESIGN
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2015
(thousands of dollars)

	2015	2014
Assets		
Cash and cash equivalents (note 3)	\$ 5,767	\$ 7,849
Portfolio investments (note 4)	10,802	7,858
Accounts receivable (note 6)	301	231
Inventories and prepaid expenses	612	583
Tangible capital assets (note 7)	4,549	4,976
	<u>\$ 22,031</u>	<u>\$ 21,497</u>
Liabilities		
Accounts payable and accrued liabilities	\$ 1,601	\$ 2,019
Employee future benefit liabilities (note 8)	10	87
Debt (note 9)	94	126
Deferred revenue (note 10)	11,974	10,119
	<u>13,679</u>	<u>12,351</u>
Net Assets		
Endowments (note 11)	4,425	4,484
Accumulated operating surplus (note 12)	3,917	4,655
Accumulated remeasurement gains and losses	10	7
	<u>\$ 22,031</u>	<u>\$ 21,497</u>

Contingent liability and contractual obligations (note 14 and 15)

Approved by the Board of Governors (note 21):




ALBERTA COLLEGE OF ART AND DESIGN
STATEMENT OF OPERATIONS
YEAR ENDED JUNE 30, 2015
(thousands of dollars)

	Budget 2015 (note 20)	2015	2014
Revenues			
Government of Alberta grants	\$ 12,366	\$ 12,889	\$ 12,944
Federal and other government grants	37	204	290
Student tuition and fees	6,265	6,007	5,560
Sales of services and products	926	874	871
Donations and other contributions	415	541	528
Investment income (note 16)	130	84	113
	<u>20,139</u>	<u>20,599</u>	<u>20,306</u>
Expenses			
Instruction and non-sponsored research	8,965	8,645	8,173
Academic and student support	4,869	5,217	4,693
Institutional support	3,401	4,163	3,991
Facility operations and maintenance	2,638	2,501	2,738
Ancillary services	763	776	788
Sponsored research	-	35	182
	<u>20,636</u>	<u>21,337</u>	<u>20,565</u>
Operating deficit	(497)	(738)	(259)
Accumulated operating surplus at beginning of year	<u>4,655</u>	<u>4,655</u>	<u>4,914</u>
Accumulated operating surplus at end of year	<u>\$ 4,158</u>	<u>\$ 3,917</u>	<u>\$ 4,655</u>

ALBERTA COLLEGE OF ART AND DESIGN
STATEMENT OF REMEASUREMENT GAINS AND LOSSES
YEAR ENDED JUNE 30, 2015
(thousands of dollars)

	2015	2014
Accumulated remeasurement gains at beginning of year	\$ 7	\$ -
Unrealized gains attributable to foreign exchange	3	7
Accumulated remeasurement gains at end of year	<u>\$ 10</u>	<u>\$ 7</u>

ALBERTA COLLEGE OF ART AND DESIGN
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2015
(thousands of dollars)

	<u>2015</u>	<u>2014</u>
Operating Transactions		
Operating deficit	\$ (738)	\$ (259)
Add (deduct) non-cash items:		
Amortization of tangible capital assets	804	700
Loss on disposal of tangible capital assets	-	214
Expended capital recognized as revenue	(484)	(625)
Change in employee future benefit liabilities	(77)	(152)
Endowment derecognition	<u>(165)</u>	<u>-</u>
Total non-cash items	78	137
Increase in accounts receivable	(70)	(17)
Increase in inventories and prepaid expenses	(29)	(35)
Increase (decrease) in accounts payable and accrued liabilities	(418)	32
Increase in deferred revenue	<u>1,659</u>	<u>83</u>
Cash provided by (applied to) operating transactions	<u>482</u>	<u>(59)</u>
Capital Transactions		
Acquisition of tangible capital assets	<u>(377)</u>	<u>(745)</u>
Cash applied to capital transactions	<u>(377)</u>	<u>(745)</u>
Investing Transactions		
Purchases of portfolio investments, net	(2,261)	(138)
Endowment investment earnings capitalized	<u>55</u>	<u>30</u>
Cash applied to investing transactions	<u>(2,206)</u>	<u>(108)</u>
Financing Transactions		
Endowment donations (note 11)	51	85
Debt repayment	<u>(32)</u>	<u>(31)</u>
Cash provided by financing transactions	<u>19</u>	<u>54</u>
Decrease in cash and cash equivalents	(2,082)	(858)
Cash and cash equivalents at beginning of year	<u>7,849</u>	<u>8,707</u>
Cash and cash equivalents at end of year	<u>\$ 5,767</u>	<u>\$ 7,849</u>

1. Authority and Purpose

The Board of Governors of the Alberta College of Art and Design is a corporation which manages and operates the Alberta College of Art and Design ("the College") under the *Post-Secondary Learning Act* (Alberta). All members of the board of governors are appointed by either the Lieutenant Governor in Council or the Minister of Innovation and Advanced Education, with the exception of the President, who is an *ex officio* member. Under the *Post-secondary Learning Act*, *Campus Alberta Sector Regulation*, the College is a specialized arts and culture institution mandated to offer four-year undergraduate and graduate degrees in visual art and design. The College is a registered charity, and under section 149 of the *Income Tax Act* (Canada), is exempt from the payment of income tax.

2. Summary of Significant Accounting Policies and Reporting Practices

a) General – Public Sector Accounting Standards and Use of Estimates

These financial statements have been prepared in accordance with Canadian public sector accounting standards (PSAS). The measurement of certain assets and liabilities is contingent upon future events; therefore, the preparation of these financial statements requires the use of estimates, which may vary from actual results. The College's management uses judgment to determine such estimates. Amortization of tangible capital assets and restricted expended capital recognized as revenue are the most significant items based on estimates. In management's opinion, the resulting estimates are within reasonable limits of materiality and are in accordance with the significant accounting policies summarized below. These significant accounting policies are presented to assist the reader in evaluating these financial statements and, together with the following notes, should be considered an integral part of the financial statements.

b) Net Debt Model Presentation

Canadian public sector accounting standards require a net debt presentation for the statement of financial position in the summary financial statements of governments. Net debt presentation reports the difference between financial assets and financial liabilities as net debt or net financial assets as an indicator of future revenues required to pay for past transactions and events. The College operates within the government reporting entity, and does not finance all its expenditures by independently raising revenues. Accordingly, these financial statements do not report a net debt indicator.

c) Valuation of Financial Assets and Liabilities

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

Financial Statement Component	Measurement
Cash and cash equivalents	Fair value
Portfolio investments	Fair value
Accounts receivable	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Debt	Amortized cost

Unrealized gains and losses from changes in the fair value of unrestricted financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations.

Unrealized gains and losses from changes in the fair value of restricted financial instruments are recognized as a liability under deferred revenue.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are

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

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

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

d) Revenue Recognition

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

Government Grants, Non-government Grants and Donations

Government transfers are referred to as government grants.

Restricted grants and donations are recognized as deferred revenue if the terms for the use, or the terms along with the College's actions and communications as to the use, create a liability. These grants and donations are recognized as revenue as the terms are met. If the grants and donations are used to acquire or construct tangible capital assets revenue will be recognized over the useful life of the tangible capital assets.

Government grants without terms for the use of the grant are recorded as revenue when the College is eligible to receive the funds. Unrestricted non-government grants and donations are recorded as revenue in the year received or in the year the funds are committed to the College if the amount can be reasonably estimated and collection is reasonably assured.

In kind donations of services, materials and tangible capital assets are recorded at fair value when such value can reasonably be determined. Transfers of tangible capital assets from related parties are recorded at the carrying value. While volunteers as well as College staff contribute a significant amount of time each year to assist the College in carrying out its mission, the value of their services is not recognized in the financial statements because fair value cannot be reasonably determined.

Endowments

Donations that must be maintained in perpetuity are recognized as a direct increase in endowment net assets when received or receivable. Realized gains and losses attributable to portfolio investments that also must be maintained in perpetuity are also recognized as a direct increase in endowment net assets when received or receivable. Unrealized gains and losses are recorded as deferred revenue until realized.

Investment Income

Investment income includes dividend and interest income, and realized gains or losses on the sale of portfolio investments. Unrealized gains and losses on portfolio investments that are from unrestricted grants and donations are recognized in the statement of remeasurement gains and losses until settlement. Once realized, these gains or losses are recognized as investment income in the statement of operations.

Investment income from restricted grants and donations is recognized as deferred revenue when the terms for use create a liability, and is recognized as investment income when terms of the grant or donation are met.

e) Inventories

Inventories held for resale are valued at the lower of cost and expected net realizable value and are determined using the FIFO method. Inventories held for consumption are valued at cost.

f) Tangible Capital Assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset.

Work in progress, which includes facilities and improvement projects and development of information systems, is not amortized until after the project is complete and the asset is in service.

Capital lease obligations are recorded at the present value of future minimum lease payments at the inception of the lease. Leased equipment is reflected as an asset and a liability in the statements of financial position. The discount rate used to determine the present value of the lease payments is the interest rate implicit in the lease.

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

Building improvements	remaining life of the building (15 years)
Furnishings and equipment	5 years
Computer hardware and software	3 – 5 years

Tangible capital assets are written down when conditions indicate that they no longer contribute to the College's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the statement of operations.

Assets under capital lease are amortized on a basis that is consistent with the above for purchased assets.

Contributed capital assets are recorded as revenues at their fair market value on the date of donation, except in circumstances where fair value cannot be reasonably determined, which are then recognized at nominal value. Transfers of capital assets from related parties are recorded at the carrying value.

Works of art, historical treasures and collections are expensed when acquired and not recognized as tangible capital assets.

g) Foreign Currency Translation

Financial assets and liabilities recorded in foreign currencies are translated to Canadian dollars at the yearend exchange rate. Foreign currency transactions are translated into Canadian dollars by applying the exchange rate in

h) Employee Future Benefits

Pension

The College participates with other employers in the Local Authorities Pension Plan (LAPP). This pension plan is a multi-employer defined benefit pension plan that provides pensions for the College's participating employees based on years of service and earnings.

The College does not have sufficient plan information on the LAPP to follow the standards for defined benefit accounting, and therefore follows the standards for defined contribution accounting. Accordingly, pension expense recorded for the LAPP is comprised of employer contributions to the plan that are required for its employees during the year; which are calculated based on actuarially pre-determined amounts that are expected to provide the plan's future benefits.

Long-term Disability

The College pays or shares the premiums for certain benefits for employees on long-term disability. The cost of providing non-vesting and non-accumulating employee future benefits for compensated absences under the College's long-term disability plans is charged to expense in full when the event occurs which obligates the College to provide the benefits. The cost of these benefits is determined using the present value of the estimated cost of these premiums and are recorded at the time the College becomes obligated under the plan. Comparative amounts for the liability associated with employees on long term disability continue to be presented in the Statement of Financial Position as Employee future benefit liabilities.

Early Retirement Assistance and Incentive Program

From time to time and at the discretion of the College, the College offers an early retirement assistance program for eligible employees who choose to retire before age 65. Participation in this program is voluntary. Early retirement benefits are approved by the President + CEO and calculated using a percentage of an eligible employee's salary and the number of continuous years of service. These benefits are disclosed as part of the salaries and benefits and are charged to expense in full when approved. The last program offering occurred in May 2012.

Other Employee Benefit Plans

The College also provides employee future benefits in the form of compensated absences for sabbaticals. The cost of providing employee future benefits for compensated absences under the College's sabbatical plan is charged to expense in full when the event occurs which obligates the College to provide the benefits. These benefits are disclosed as part of the salaries and benefits.

i) Future Accounting Changes

In March 2015, the Public Sector Accounting Board issued PS2200 – Related party disclosures and PS3420 Inter-entity transactions. These accounting standards are effective for fiscal years starting on or after April 1, 2017.

- PS2200 – Related party disclosures defines a related party and identifies disclosures for related parties and related party transactions, including key management personnel and close family members.
- PS3240 – Inter-entity transactions, establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective.

Management is currently assessing the impact of these new standards on the financial statements. The College discloses transactions and balances related to the Government of Alberta in note 19.

j) Expense by Function

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

ALBERTA COLLEGE OF ART AND DESIGN
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015
(thousands of dollars)

Academic and student support

Expenses related to the direct support of instructional delivery and the support of the student body.

Institutional support

Expenses related to executive management, corporate insurance premiums, corporate finance, human resources, information technology, communications and fund development, and other institution-wide administrative services.

Facility operations and maintenance

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

Ancillary services

Expenses related to secondary services available to students, faculty and staff. Services include food services and bookstore operations.

k) Funds and Reserves

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

3. Cash and Cash Equivalents

	2015	2014
Cash and cash equivalents, end of year	\$ 5,767	\$ 7,849

4. Portfolio Investments

The composition, and fair value on portfolio investments are as follows:

2015				
	Level 1	Level 2	Level 3	Total
Investments at Fair Value:				
Portfolio managed fixed income	\$ -	\$ 3,609	\$ -	\$ 3,609
Portfolio managed equity	-	7,193	-	7,193
	<u>\$ -</u>	<u>\$ 10,802</u>	<u>\$ -</u>	<u>\$ 10,802</u>
2014				
	Level 1	Level 2	Level 3	Total
Investments at Fair Value:				
Portfolio managed fixed income	\$ -	\$ 2,889	\$ -	\$ 2,889
Portfolio managed equity	-	4,969	-	4,969

ALBERTA COLLEGE OF ART AND DESIGN
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015
(thousands of dollars)

Level 1 – Quoted prices in active markets for identical assets or liabilities.

Level 2 – Market-based inputs other than quoted prices that are observable for the asset or liability either directly or indirectly.

Level 3 – Inputs for the asset or liability that are not based on observable market data; assumptions are based on the best internal and external information available and are most suitable and appropriate based on the type of financial instrument being valued in order to establish what the transaction price would have been on the measurement date in an arm's length transaction.

Unrealized gains attributable to restricted assets:

	2015	2014
Net unrealized gains, beginning of year	\$ 1,731	\$ 712
Unrealized gains attributable to portfolio investments, net	683	1,019
Net unrealized gains, end of year	<u>\$ 2,414</u>	<u>\$ 1,731</u>

The College has policies and procedures in place governing asset mix, diversification, exposure limits, credit quality and performance measurement. The College's Finance and Audit Committee, a subcommittee of the Board of Governors, has delegated authority for oversight of the College's investments under a Policy of the Board. The Finance and Audit Committee monitors investment manager performance, to ensure compliance with the College's investment guidelines, and to evaluate the continued appropriateness of the College's investment guidelines.

Under the investment policy, the prime objectives of the investment fund are to generate income and to preserve the purchasing power of donated capital, and to generate growth in the capital value of the College's investment funds.

The prime constraints that guide the investment practice are risk aversion and liquidity.

5. Financial Risk Management

The College is exposed to a variety of financial risks, including market risks (price risk, currency risk and interest rate risk), credit risk, and liquidity risk. To manage these risks, the College invests in a diversified portfolio of investments that is guided by established investment policies that outline risk and return objectives. The long term objective of the College's investment policies is to achieve a long term real rate of return in excess of fees and expenses and maintain the real value of the fund.

The College is exposed to the following risks:

Market risk

The College is exposed to market risk - the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual security, its issuer or general market factors affecting all securities. To manage this risk, the College has established an investment policy with a target asset mix that is diversified by asset class designed to achieve the optimal returns with an acceptable level of risk.

The following details the College's portfolio sensitivity to a 4.4% increase or decrease in the market prices. The sensitivity rate is determined using the historical standard deviation for the total fund based on a 4 year rolling period as determined by the investment advisor. At June 30, 2015, if market prices had a 4.4% (2014: 3.42%) increase or decrease with all other variables held constant, the increase or decrease in remeasurement gains and losses, deferred revenue, and endowment net assets – externally restricted contributions for the year would have been a total of \$106 (2014: \$59).

ALBERTA COLLEGE OF ART AND DESIGN
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015
(thousands of dollars)

Credit risk

The College is exposed to credit risk on investments arising from the potential failure of a counterparty, debtor or issuer to honor its contractual obligations. To manage this risk the College has established an investment policy with required minimum credit quality standards and issuer limits. The credit risk for accounts receivable is relatively low as the majority of balances are due from government agencies and corporate sponsors.

The credit risks on investments held are as follows:

	2015	2014
Credit rating		
AAA	42.8%	39.6%
AA	24.4%	26.7%
A	23.0%	24.3%
BBB	9.8%	9.4%
	<u>100.0%</u>	<u>100.0%</u>

Interest rate risk

Interest rate risk is the risk to the College's earnings that arise from the fluctuations in interest rates and the degree of volatility of these rates. The risk is managed by various banking arrangements and other internal policies, guidelines and procedures.

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

	Less than 1 year	1 to 5 years	Greater than 5 years	Average effective market yield (%)
Cash	4,748			
Cash equivalents	1,019			0.61
Portfolio investments, fixed income	293	1,241	2,075	2.01

Commodity price risk

The College is exposed to commodity price risk as a result of electricity and natural gas usage required to operate the College's facilities. The College manages these risks by monitoring prices and responding in accordance with internal policies, guidelines and procedures.

6. Accounts Receivable

	2015	2014
Accounts receivable	<u>\$ 301</u>	<u>\$ 231</u>

ALBERTA COLLEGE OF ART AND DESIGN
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015
(thousands of dollars)

7. Tangible Capital Assets

	2015				2014
	Building improvements	Furnishings, equipment ⁽³⁾	Computer hardware, software ⁽²⁾	Total	Total
Cost					
Beginning of year	\$ 5,612	\$ 2,688	\$ 2,233	\$ 10,533	\$ 25,294
Acquisitions ⁽⁴⁾	208	73	96	377	745
Disposals, including write-downs	-	(23)	(21)	(44)	(3,299)
	<u>\$ 5,820</u>	<u>\$ 2,738</u>	<u>\$ 2,308</u>	<u>\$ 10,866</u>	<u>\$ 22,740</u>
Accumulated Amortization					
Beginning of year	\$ 1,565	\$ 2,043	\$ 1,949	5,557	\$ 20,149
Amortization expense	381	258	165	804	700
Effects on disposals, including write-downs	-	(23)	(21)	(44)	(3,085)
	<u>\$ 1,946</u>	<u>\$ 2,278</u>	<u>\$ 2,093</u>	<u>\$ 6,317</u>	<u>\$ 17,764</u>
Net book value at June 30, 2015	<u>\$ 3,874</u>	<u>\$ 460</u>	<u>\$ 215</u>	<u>\$ 4,549</u>	<u>\$ 4,976</u>
Net book value at June 30, 2014	<u>\$ 4,047</u>	<u>\$ 645</u>	<u>\$ 284</u>		<u>\$ 4,976</u>

No interest is capitalized by the College to capital assets.

- (1) The land and buildings which house the College are owned by SAIT and are occupied by the College under a facility license granted by SAIT. The term of the license is through a renewable contractual agreement between the College and SAIT determined at the pleasure of the Minister of Innovation and Advanced Education. The facility license providing the right to use the building was recorded as an asset at fair value at the time the license was granted. Fair value was estimated as the building's amortized replacement cost based on an independent appraisal as at April 1982 and has been fully amortized as at June 30, 2013.
- (2) Included in computer hardware, software is \$2 (2014: \$2) recorded as work in progress, which is not amortized as the assets are not yet available for use.
- (3) Included in furnishings, equipment are assets under capital leases that have a cost of \$94 (2014: \$125) and accumulated amortization of \$61 (2014: \$35).
- (4) Acquisitions during the year include in-kind contributions in the amount of \$0 (2014: \$4).

The College holds a large number of contemporary works of art including paintings, sculptures, drawings,

8. Employee Future Benefit Liabilities

Employee future benefit liabilities are comprised of the following:

	2015	2014
Early retirement	\$ -	\$ 63
Long-term disability	10	24
	<u>\$ 10</u>	<u>\$ 87</u>

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

Multi-Employer Pension Plan

Local Authorities Pension Plan (LAPP)

The LAPP is a multi-employer contributory defined benefit pension plan for support staff members and is accounted for on a defined contribution basis. At December 31, 2014, the LAPP reported an actuarial deficiency of \$2,454,636 (2013: \$4,861,516 deficiency). The pension expense recorded in these financial statements is \$1,034 (2014: \$978). Other than the requirement to make additional contributions, the College does not bear any risk related to the LAPP deficiency.

Early Retirement Assistance and Incentive Program

Liabilities for future early retirement benefits approved by the President and CEO of the College are recorded by the College in the year the application is approved. The remaining liability recorded in these statements is \$0 (2014: \$63).

b) Long-term disability

The College provides certain extended health benefits to employees leaving the employment of the College under specific conditions. Liabilities for future benefit payments are recorded by the College in the year the application is approved. The remaining liability recorded in these financial statements is \$10 (2014: \$24).

9. Debt

The College has obligations under capital lease agreements for the lease of certain copier and printing equipment. The following outstanding amounts relate to these obligations:

	Interest rate	2015	2014
Obligations under capital leases	5%	<u>\$ 94</u>	<u>\$ 126</u>

Interest expense on these long-term obligations is \$6 (2014: \$10) and is included in the statement of operations.

Principal repayments in the next five years are as follows:

	Long-term Leases
2016	32
2017	32
2018	30
2019	-

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10. Deferred Revenue

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

	2015				
	Restricted			Unrestricted	Total
	Deferred research and special purpose	Unspent capital contributions	Spent capital contributions	Tuition and other fees	
Balance, beginning of year	\$ 4,593	\$ 835	\$ 4,377	\$ 314	\$ 10,119
Grants, tuition, donations received	1,500	400	-	5,164	7,064
Investment income (note 16)	215	6	-	-	221
Unearned capital acquisition transfers	-	(242)	242	-	-
Recognized as revenue	(393)	-	(484)	(5,139)	(6,016)
Unrealized gains on investments	683	-	-	-	683
Scholarships, bursaries issued	(230)	-	-	-	(230)
Other	108	25	-	-	133
Balance, end of year	<u>\$ 6,476</u>	<u>\$ 1,024</u>	<u>\$ 4,135</u>	<u>\$ 339</u>	<u>\$ 11,974</u>

	2014				
	Restricted			Unrestricted	Total
	Deferred research and special purpose	Unspent capital contributions	Spent capital contributions	Tuition and other fees	
Balance, beginning of year	\$ 3,968	\$ 1,165	\$ 4,480	\$ 36	\$ 9,649
Grants, tuition, donations received	172	365	-	5,162	5,699
Investment income (note 16)	109	3	-	-	112
Unearned capital acquisition transfers	-	(522)	522	-	-
Recognized as revenue	(536)	-	(625)	(4,884)	(6,045)

11. Endowments

Endowments consist of externally restricted donations received by the College and internal allocations by the College's Board of Governors, the principal of which is required to be maintained intact in perpetuity.

Investment income earned on endowments must be used in accordance with the various purposes established by the donors or the Board of Governors. Benefactors as well as College policy stipulates that the economic value of the endowments must be protected by limiting the amount of income that may be expended and the reinvesting of unexpended income.

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

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

Twenty five percent (25%) of the investment income earned on endowments is re-invested along with the principal donation ("Principal"). The remaining seventy five percent (75%) is held to fund scholarship awards ("Expendable"). During 2014-2015, a small number of individual expendable funds were insufficient to cover the scholarship award. In these cases the College allocated funds from the General Scholarship Endowment Fund for Scholarships to fund the shortfall. The College does not draw against the principal of the endowment to fund student awards.

The composition of endowments is as follows:

	2015	2014
Balance, beginning of year	\$ 4,484	\$ 4,369
Endowment donations	51	85
Endowment derecognition	(165)	-
Capitalized interest (note 16)	55	30
Balance, end of year	<u>\$ 4,425</u>	<u>\$ 4,484</u>
Cumulative contributions	\$ 3,546	\$ 3,660
Cumulative capitalized income	879	824
	<u>\$ 4,425</u>	<u>\$ 4,484</u>

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12. Accumulated Operating Surplus

	Accumulated surplus (deficit) from operations	Investment in tangible capital assets	Internally restricted surplus	Total accumulated operating surplus
Balance as at 2013	\$ 2,549	\$ 509	\$ 1,856	\$ 4,914
Operating deficit	(259)	-	-	(259)
Amortization of internally funded capital assets	258	(258)	-	-
Internally funded acquisition of tangible capital assets	(223)	223	-	-
Operating expenses funded from internally restricted surplus	(136)	-	136	-
Balance as at 2014	\$ 2,189	\$ 474	\$ 1,992	\$ 4,655
Operating deficit	(738)	-	-	(738)
Amortization of internally funded capital assets	287	(287)	-	-
Internally funded acquisition of tangible capital assets	(107)	133	(26)	-
Operating expenses funded from internally restricted surplus	525	-	(525)	-
Balance as at 2015	<u>\$ 2,156</u>	<u>\$ 320</u>	<u>\$ 1,441</u>	<u>\$ 3,917</u>

13. Internally Restricted Surplus

Internally restricted surplus represent amounts set aside by the College's Board of Governors for specific purposes. Those amounts are not available for other purposes without the approval of the Board and do not have interest allocated to them. Internally restricted net assets with significant balances include:

	2015	2014
Appropriation for capital activities:		
Campus renovations and facility upgrades	\$ 230	\$ 326
Equipment, technology and program upgrades	221	333
	<u>\$ 451</u>	<u>\$ 659</u>
Appropriation for operating activities:		
Operating programs	\$ 698	\$ 1,033
Sustainability planning	292	300
Total	<u>\$ 1,441</u>	<u>\$ 1,992</u>

14. Contingent Liability

The College is a defendant in a legal proceeding concerning one student. While the ultimate outcome and liability of this proceeding is uncertain, the College's Board of Governors has determined that the College will not incur a liability.

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15. Contractual Obligations

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

	Service contracts	Information systems and technology	Long-term leases	Total
2016	\$ 489	\$ 663	\$ 5	\$ 1,157
2017	334	19	5	358
2018	-	-	5	5
2019	-	-	5	5
2020	-	-	4	4
	<u>\$ 823</u>	<u>\$ 682</u>	<u>\$ 24</u>	<u>\$ 1,529</u>

16. Investment Income

	2015	2014
Income on investments held for endowments	\$ 276	\$ 142
Income on other investments	<u>84</u>	<u>113</u>
	360	255
Transferred to endowments (note 11)	(55)	(30)
Transferred to deferred revenue (note 10)	<u>(221)</u>	<u>(112)</u>
Investment income	<u>\$ 84</u>	<u>\$ 113</u>

17. Expense by Object

The following is a summary of expense by object:

	2015		2014
	Budget (note 20)	Actual	Actual
Employee salaries and benefits	\$ 14,728	\$ 14,879	\$ 14,046
Materials, supplies and services	3,219	4,191	3,897
Scholarships and bursaries	444	317	424
Maintenance and repairs	103	72	55
Utilities	1,306	707	1,080
Cost of goods sold	344	367	363

18. Salary and Employee Benefits

Under the authority of the *Fiscal Management Act*, the President of Treasury Board and Minister of Finance requires the disclosure of certain salary and employee benefits information.

	2015				2014
	Base salary ⁽¹⁾	Other cash benefits ⁽²⁾	Other non-cash benefits ⁽³⁾	Total	Total
Governance ⁽⁴⁾					
Members of the Board of Governors	\$ 1	\$ -	\$ -	\$ 1	\$ 1
Executive					
President and CEO	250	17	32	299	287
Vice-Presidents:					
Provost and Vice-President Research and Academic ⁽⁵⁾	15	-	3	18	208
Vice-President Finance and Corporate Services	155	24	10	189	176
Vice-President Engagement	153	15	9	177	159
Associate Vice-Presidents: ⁽⁶⁾					
Associate Vice-President Student Affairs	124	10	22	156	144
Associate Vice-President Instructional Affairs	117	4	26	147	-
Associate Vice-President Research and Academic Affairs	117	17	23	157	-

(1) Base salary includes pensionable base pay.

(2) Other cash benefits include earnings such as vacation payouts, bonuses, vehicle allowances, and cash payments in lieu of pension contributions.

(3) Other non-cash benefits include the College's share of all employee benefits and contributions or payments made on behalf of employees including pension, group life insurance, employee family assistance program, critical illness, supplementary health care, short and long-term disability plans, dental plan, accidental disability, and dismemberment. Benefits for some of the executive also include professional memberships.

(4) The Chair and Members of the Board of Governors, other than the student representative, receive no remuneration for participation on the Board.

(5) The position was occupied for one month during the year. The Provost and Vice-President Research and Academic departed effective August 2, 2014.

(6) During the year, the positions of Provost and Vice-President Research and Academic Affairs and Vice-President, Student Experience and Admissions were eliminated and replaced by a new academic structure of Associate Vice-Presidents.

19. Government of Alberta Transactions and Balances

The College operates under the authority and statutes of the Province of Alberta. Transactions and balances between the College and the Government of Alberta (GOA) are measured at the exchange amount and summarized below.

	<u>2015</u>	<u>2014</u>
Grants from Government of Alberta		
Innovation and Advanced Education – Campus Alberta grant	\$ 12,317	\$ 11,925
Innovation and Advanced Education – Access to the Future Fund	1,120	113
Innovation and Advanced Education – other grants	<u>356</u>	<u>356</u>
Total Innovation and Advanced Education	<u>13,793</u>	<u>12,394</u>
Other Government of Alberta departments and agencies	126	35
Total grants received	13,919	12,429
Less: deferred revenue	(1,448)	(52)
Add: restricted expended capital recognized as revenue	<u>418</u>	<u>567</u>
	<u>\$ 12,889</u>	<u>\$ 12,944</u>
Accounts Payable		
Other GOA departments and agencies	<u>\$ 114</u>	<u>\$ 272</u>

20. Budget Figures

Budgeted figures have been provided for comparison purposes and have been derived from the College's Comprehensive Institutional Plan as approved by the Board of Governors on May 21, 2014.

21. Approval of Financial Statements

The financial statements were approved by the Board of Governors of the Alberta College of Art and Design at their meeting on October 21, 2015.

