

ACAD 2016

2015-16 Annual Report

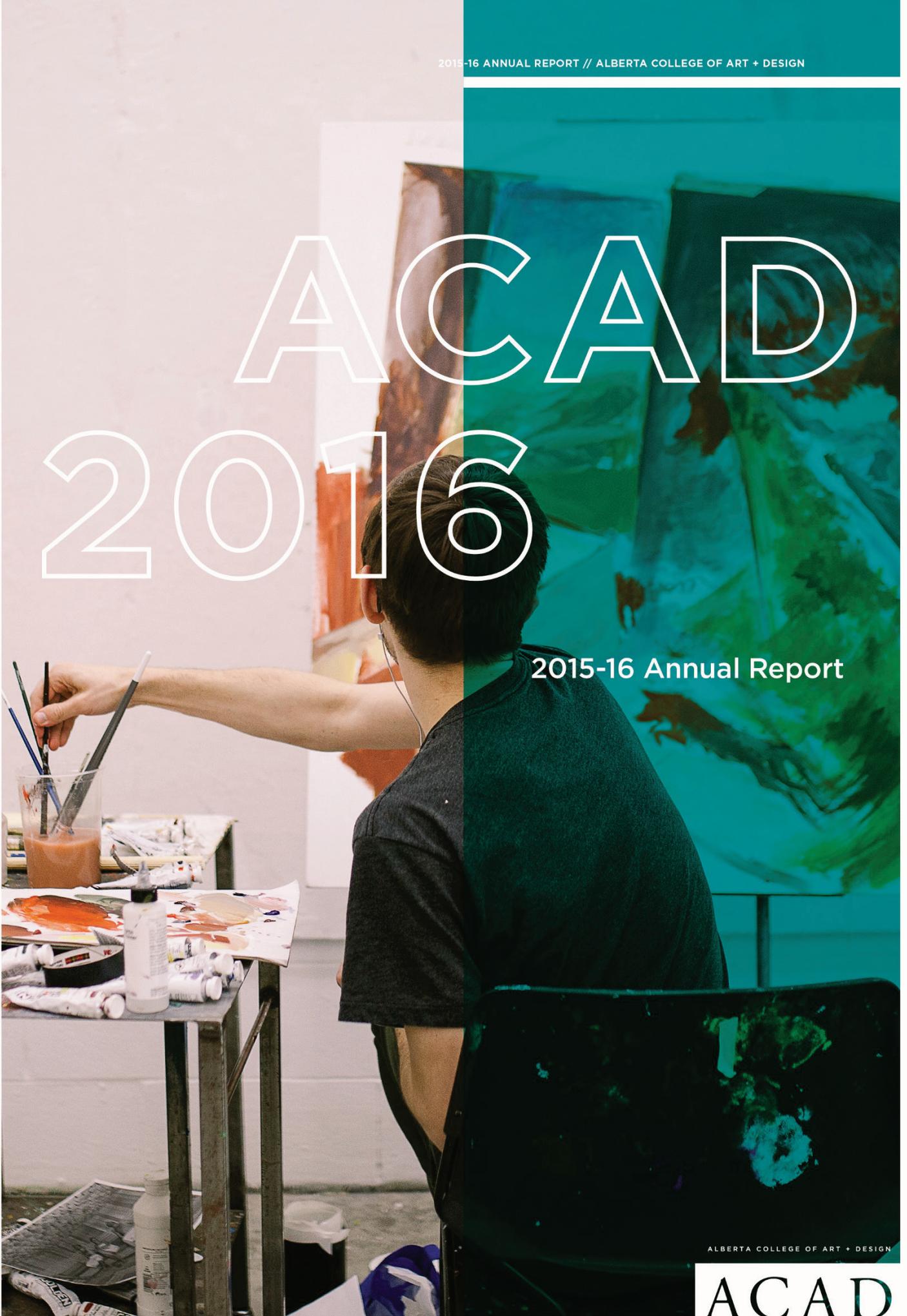


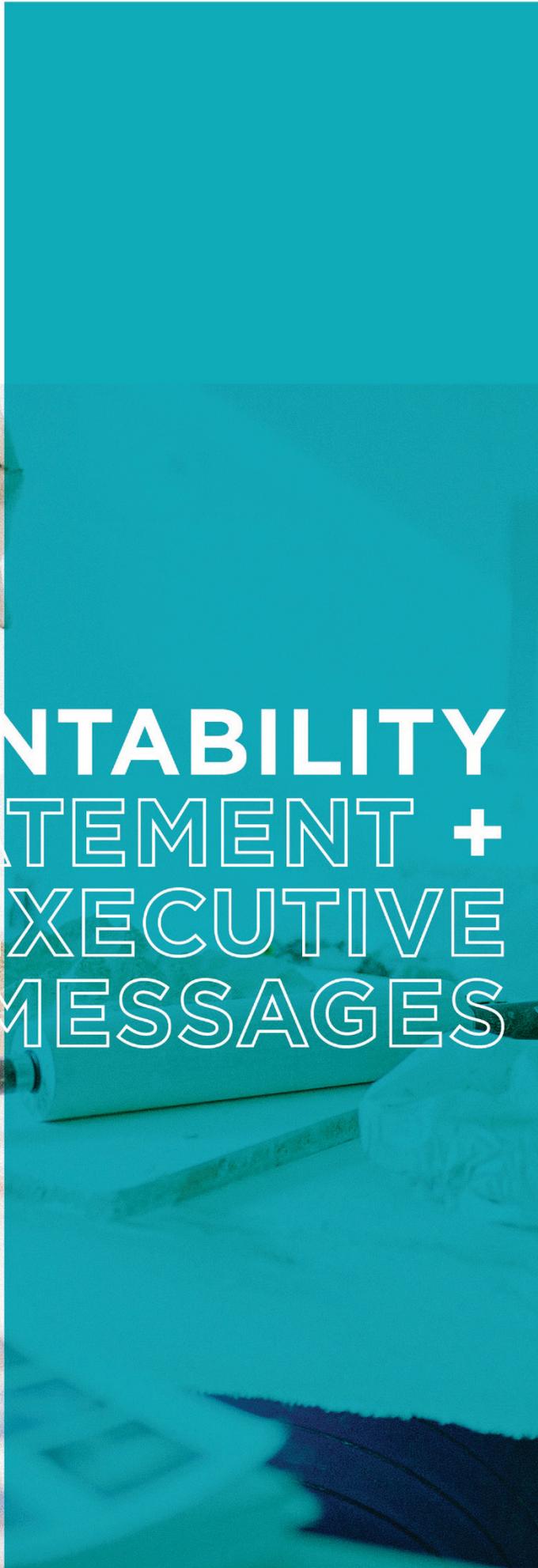


TABLE OF CONTENTS

1	Accountability Statement + Executive Messages	1
	Accountability Statement	2
	Board of Governors	2
	Management Responsibility for Reporting	2
	Message from Acting Chair	3
	Message from President + CEO	4
2	Operational Overview	5
3	Goals, Priority Initiatives, Expected Outcomes + Performance Measures	7
	Mission, Vision + Values	8
	Goals, Priority Initiatives, Expected Outcomes + Performance Measures	9
	Access + Quality	46
	Enrollment Plan	47
	Continuing Education + Professional Development	52
	International Studies	52
	Research, Applied Research + Scholarly Activities	53
	Community	54
4	Financial + Budget Information	55
	Management Discussion + Analysis	56
	Accounting + Reporting Changes	56
	Statement of Financial Position – Highlights	57
	Financial Assets	57
	Liabilities Highlights	58
	Non-financial Assets	59
	Net Asset Highlights	60
	Statement of Operations	61
	Revenue Highlights	62
	Expense Highlights	64
5	Information Technology	67
6	Capital Plan	69
7	Audited Financial Statements	72



ACCOUNTABILITY STATEMENT + EXECUTIVE MESSAGES





BOARD OF GOVERNORS*

CAROL RYDER
CHAIR

DAN BARNFIELD
NON-ACADEMIC
STAFF MEMBER

LORADONNA M. BOTTER
PUBLIC MEMBER

REID CUMMINGS
PUBLIC MEMBER

LARRY CLAUSEN
PUBLIC MEMBER

DR. DANIEL DOZ
PRESIDENT + CEO

IAN FITZGERALD
FACULTY
REPRESENTATIVE

GREGORY FORREST
PUBLIC MEMBER

CHASE KEY
STUDENT MEMBER

MARTIN KRATZ
PUBLIC MEMBER

CYNTHIA MOORE
PUBLIC MEMBER
(Term ended March 18, 2016)

JAMES STANFORD, OC
VICE CHAIR

SUSAN THOMAS
PUBLIC MEMBER

NATASHA PASHAK
PUBLIC MEMBER

*As at June 30, 2016

ACCOUNTABILITY STATEMENT

The Alberta College of Art + Design's Annual Report for the year ended June 30, 2016, was prepared under the Board's direction in accordance with the Fiscal Planning and Transparency Act and ministerial guidelines established pursuant to the Post-secondary Learning Act. All material economic, environmental or fiscal implications of which we are aware have been considered in the preparation of this report.

SUSAN THOMAS
ACTING CHAIR, ACAD BOARD OF GOVERNORS

December 1, 2016

MANAGEMENT RESPONSIBILITY FOR REPORTING

The Alberta College of Art + 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 and executed in accordance with all relevant legislation, regulations and policies; and that 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 Planning and Transparency Act and the Post-secondary Learning Act.

The Auditor General of Alberta, the College's external auditor appointed under the Auditor General Act, performs an annual independent audit of the financial statements, which are prepared in accordance with Canadian public sector accounting standards.

DR. DANIEL DOZ
PRESIDENT + CEO

SCOTT MCFADYEN
VICE PRESIDENT,
FINANCE + ADMINISTRATION

December 17, 2016

A MESSAGE FROM SUSAN THOMAS ACTING CHAIR



ACAD is the only post-secondary institution in Alberta with a provincial mandate to deliver art, craft and design education. And in 2016, ACAD certainly delivered.

This past year, the National Gallery of Canada (NGC) hosted a major retrospective of ACAD alumnus Chris Cran. In the fall of 2016, NGC will host another ACAD alumnus, Alex Janvier, and celebrate a lifetime of creativity. ACAD honours these alumni.

This past year we also celebrated Jane Kidd, a former member of our ACAD faculty for over 30 years, who received the distinguished 2016 Governor General's Award in Visual and Media Arts. ACAD faculty have received more Governor General Awards than any post-secondary institution in Canada.

In 2015-16 we delivered programs into communities across Alberta, providing unique and transferable skills relevant to many sectors of employment, not only to creative industries. Thirty per cent of ACAD alumni create their own businesses.

After 90 successful years, ACAD continues to deliver unique, experiential, hands-on learning opportunities for students. It is a model that well serves all ACAD students, including those in under-represented populations.

The 2015-2016 Annual Report highlights another year of ACAD accomplishments — a year of positive forward movement and a year supporting a revitalized pursuit of an exciting and sustainable future. I invite you to share that future with ACAD.

Susan Thomas.

SUSAN THOMAS
ACTING CHAIR,
BOARD OF GOVERNORS

A MESSAGE
FROM
**DANIEL
DOZ**
PRESIDENT
+ CEO



This past year at ACAD was a time where we continued to build the proper foundations for an exciting and unique future. We saw immense progress made in all areas of our institution, from welcoming the inaugural class of our MFA in Craft Media to taking over the 11-acre Perrenoud Ranche House in Cochrane.

Most of our energy was directed behind the scenes at developing a most thorough business case that will envision and define our second century of existence. As the 21st century offers new promises that are being driven by engaged thinkers, problem solvers and thought leaders, ACAD's mentored, studio-based learning environment continues to graduate individuals who have refined both their artistic talents and their thinking skills. We are extremely well positioned to influence creative expression and pilot positive change.

"My interest is in the future because I am going to spend the rest of my life there."

- Charles F. Kettering, American Inventor

It is ACAD's desire to be a pioneer, inspiring new energy in art, craft and design disciplines. Through our vision, we will entice innovative pursuits, excite entrepreneurial behaviour and encourage Albertans to be global citizens by contributing to social, economic and cultural prosperity – three core keys to the wealth of our communities and our province.

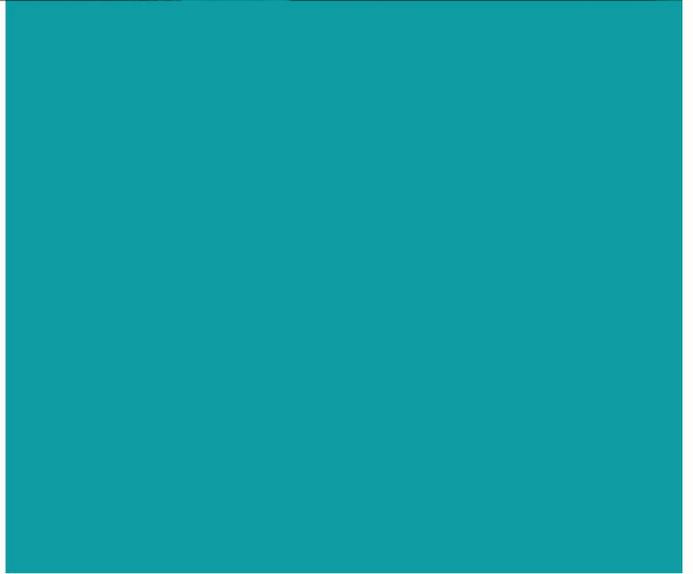
From these foundations, as we celebrate our 90th year, we will see many projects and initiatives coming to fruition, from launching our first Research Centre to opening an Indigenous Resource Centre, to name a very few. These will be important markers as we continue to grow and establish our academic and educational leadership position.

I strongly encourage you to explore our accomplishments and dream our future.

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 \$15 million, an annual budget of \$21 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.

ACAD is one of only four art and design schools in the country, and it is the only college in Alberta with a provincial mandate to deliver art and design education. The College is also one of the only specialized Canadian 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 per cent of our graphic design and advertising graduates find employment within the first year of graduating. It has also been home to some of the most exciting and authoritative voices in Canadian art, with many graduates profoundly shaping the contemporary art movement, not only in Alberta and Canada, but around the world. In fact, ACAD has more Governor General Award-winning faculty than any post-secondary institution in Canada, and our design students win more prestigious awards than students from any other art and design school in Canada.



**GOALS,
PRIORITY
INITIATIVES,
EXPECTED
OUTCOMES
+
PERFORMANCE
MEASURES**



VISION STATEMENT

The Alberta College of Art + Design will be a pre-eminent 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 to only the highest level of excellence in what we endeavour, 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, and in 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 society; we seek innovative paths for participation for the College, our students, alumni and faculty and staff.
- / We value the joy and good humour 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.
- / We value diversity in all respects, including philosophical, cultural and lifestyle, as well as definitions that are more conventional.

GOALS, PRIORITY INITIATIVES, EXPECTED OUTCOMES + PERFORMANCE MEASURES

2015-16 was the third full year of our rolling Comprehensive Institutional Plan (CIP), a plan developed based on the College's Strategic Plan: Inspiring Passionate Learning, approved in late 2012. Much has been accomplished since the approval of the Strategic Plan and during these three years of implementation of the CIP. 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 the 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 not just to navigate constant change, but also to lead and thrive; and with the spirit to find a true sense of social responsibility. Because of the high quality of our student experience, we are the institution of choice for those seeking to pursue a degree leading to a profession in art, craft or design — an institution that is locally diverse and globally connected.

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 SECOND YEAR OF ROLLING CIP	2015-16 ACTIONS COMPLETED
Set targets for domestic, international and under-represented student populations	Completed short-term targets	Monitored short-term targets	Completed Strategic Enrollment Management Plan
Optimize scheduling timetable and increase access to high-demand programs	Completed Number of sections reduced	Number of sections reduced	New timetable structure implemented Work continuing to optimize scheduling
Evaluate and simplify admission, timetabling and registration processes	Changes made	Continued making changes	Continued review and implementation of changes
Implement recommendation of the curriculum review	Participated in discussions on curriculum review with Academic Office	Implemented changes to curriculum approved by Academic Council	Phase 1 of new Majors Model implemented; Phase 2 of implementation is underway
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	Dual Credit initiative piloted at 3 schools. Training for additional schools undertaken. Continuing with review, assessment and implementation
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	Plan submitted for funding review for Main Mall project

PERFORMANCE INDICATORS	SCORE
Number of international students	Slight increase of 0.3%
Number of Indigenous students	Increase of 1% to 11.2% of student population
Number of partnerships and joint degree programs	1 joint credential approved: ArtStream Certificate - ACAD/BVC partnership. 5 transfer and articulation agreements in place (2 new: Red Deer College and Grand Prairie Regional College)
Percentage increase in admission and enrollment to high-demand programs	Increase in BDes Communication Design of 1 admitted/enrolled cohort in 2013/14 and ongoing
Number of classes fully subscribed	In progress
Number of pathways for rural students (access PSI programming through satellite offerings)	2 confirmed agreements, 1 under review. No satellite offerings

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 SECOND YEAR OF ROLLING CIP	2015-16 ACTIONS COMPLETED
Create new recruitment collateral including a viewbook, online campaign, and other advertising opportunities for the next three years	Completed	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	Completed (Following the SEM Plan implementation timetable)
Continue to explore additional recruitment strategies for international students, particularly from the United States		Enrollment Growth Plan, part of Sustainability Plan, is in progress	Strategic Enrollment Management Plan completed and being implemented
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	Portfolio review continued to be an integral part of recruitment and virtual reviews are currently under consideration due to 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 progress	New recruitment collateral created. Enrollment Growth Plan, part of Sustainability Plan, completed

PERFORMANCE INDICATORS	SCORE
Number of international students	Slight increase of 0.3%
Number of Indigenous students	Increase of 1% to 11.2% of student population
Access to high-demand programs	Increased enrollment of one cohort to BDes Communication Design and continued in 2015/16
Number of partnerships and joint degree programs	1 joint credential developed with BVC - ArtStream Certificate. 5 transfer and articulation agreements in place (2 new: Red Deer College and Grand Prairie Regional College)
Number of applications from rural Alberta	-0.7% change from last year
Number of partnerships with Indigenous communities	4 partnerships under development
Percentage of funding to recruitment activities as part of overall budget	2.4% of overall budget, increase of 2.9% from previous year's allocation

STRATEGIC OBJECTIVE 1.3

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

ACTION ITEMS	2013-14 FIRST YEAR OF ROLLING CIP	2014-15 SECOND YEAR OF ROLLING CIP	2015-16 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	Business process review for student services and registrar's office. Implementation of new process and SIS integration ongoing
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)	Campus Wellness Task Force (formerly Mental Health Task Force) is continuing and recommendations are being reviewed and updated
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	Completed SEM plan, which identified College advising needs for student-to-advisor ratios. SEM plan also includes recommendations for early alert system for identifying and supporting students at risk
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)	Continued work with ACADSA and ACADSA VP Student Life. Partnered with ACADSA on mental health and wellness programming
Continue to provide strong orientation programs for new students	Initiated Organized student committee to help develop orientation for fall 2014	New orientation completed	New orientation developed and launched Further expansion of orientation program in development
Identify additional support programs for all students (e.g., daycare, housing, etc.)	Initiated	Planned Indigenous Career Resource (funded) Continued to work with SAIT re: housing	Delivered programming for Indigenous students. Continued development of an Indigenous Resource Centre. Hired temporary Indigenous Liaison

PERFORMANCE INDICATORS	SCORE
Number of supports for under-represented groups (Indigenous students, students with disabilities)	Creation and hiring of Indigenous Liaison to develop and implement programming for Indigenous students and ACAD community Development of an Indigenous Resource Centre
Number of supports for international students	1 new initiative for international students, focused on orientation. Continued programming for international students including student group, funded field trips, mid-semester check-in
Number of supports for students	3 new initiatives under development: Early Alert program, degree audit implementation, new orientation Implementation of SEM plan recommendations
Number of students retained (1/2/3 years)	74%, 88%, 89% - Retention numbers are comparable to last year. Initiatives regarding first-year retention are underway (SEM Plan Implementation)

PERFORMANCE INDICATORS	SCORE
Number of recognition events/activities	2
Satisfaction scores in student surveys: SNAAP	SNAPP - 88% of respondents rated their experience as excellent/good
Number of students accessing service (advising, learning and disability supports and mental health counselling)	Creation and hiring of Indigenous Liaison to develop and implement programming for Indigenous students and ACAD community Development of an Indigenous Resource Centre
Number of students participating in campus activities	1 new initiative for international students, focused on orientation. Continued programming for international students, including student group, funded field trips, mid-semester check-in

STRATEGIC OBJECTIVE 1.4

Work with other provincial, national and international institutions to ensure that transfer into and out of ACAD, 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 SECOND YEAR OF ROLLING CIP	2015-16 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	ArtStream Certificate approved by Ministry. 2 additional transfer and articulation agreements signed with GPRC and RDC. Discussions underway with BVC and Concordia University of Alberta for new degree completion programs and collaborative degrees
Explore Dual Credit opportunities with other K-12 systems	Grant Application completed (declined) New application submission prepared	New grant application approved	Dual Credit pilot underway. Training for Dual Credit with 2 other school boards
Complete NASAD re-accreditation (see Goal 2—Strategic Objectives 2.2 and 2.4)		Preparation for NASAD Substantial Equivalency Review in progress (funded)	ACAD NASAD Substantial Equivalency granted

PERFORMANCE INDICATORS	SCORE
Number of articulation agreements	5
Number of mobility partners	59
Number of partnerships with other colleges, universities, agencies and organizations	75
Number of Dual Credit agreements	1
AUCC membership	Application in progress
NASAD foreign equivalency	Self-study completed and submitted. Substantial Equivalency granted November 2016

STRATEGIC OBJECTIVE 1.5

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

ACTION ITEMS	2013-14 FIRST YEAR OF ROLLING CIP	2014-15 SECOND YEAR OF ROLLING CIP	2015-16 ACTIONS COMPLETED
Review Awards Program (scholarships and bursaries) at ACAD	Comprehensive review complete	Awards Plan to align with Enrollment Management Plan under development	Implementation underway with recommendations from SEM Plan
Expand the Mobility/Travel Abroad program, including residency programs, and secure new sources of funding		Travel/Residency guidelines developed 6 new exchange agreements signed 10 new agreements under review	8 new exchange agreements signed. 11 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 3 alumni career development scholarships available Communication implemented	Alumni Discovery Initiative still ongoing — to be completed in 2016-2017. Approx. 100 alumni interviews completed

PERFORMANCE INDICATORS	SCORE
Number of awards	145 awards and 270 students awarded
Number of Indigenous and under-represented populations	11.2% - 1% increase over last year
Retention rates for Indigenous and at-risk populations	Data not available
Length of time to complete degree	4.2 years
Number of internships	0
Number of students participating in Mobility/Travel Abroad program	13 ACAD students going out 3 students coming in
Financial support for enrichment activities	Funding support as reported last year is ongoing
Percentage of students employed after graduation	77% within 12 months - SNAAP data
Percentage of students starting their own businesses	30%
Number of students participating in residencies	5



GOAL TWO

DELIVERING PROGRAM EXCELLENCE AND PUSHING 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 ACAD; 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 SECOND YEAR OF ROLLING CIP	2015-16 ACTIONS COMPLETED
Develop a hiring strategy	10-year hiring plan developed This plan achieves and maintains ratio	10 searches were completed 4 permanent faculty were hired Director of Research and Graduate Studies hired Curriculum Coordinator hired	10 searches were completed 8 permanent faculty were hired Chief Teaching and Learning Officer hired. Chief Research Officer and Special Advisor to Graduate Programming and Internationalization hired
Expand Teaching, Leadership, and Research Awards of Excellence	First year of implementation 4 Teaching Awards, 2 Research Awards given	Second year of implementation	Subcommittee developed A revised process for awards is under review for 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	Chief Research Officer and Special Advisor to Graduate Programming and Internationalization hired
Implement Academic Rank	Academic Rank implemented Promotion applications received	Established and implemented promotion (phase II of the implementation, phase III underway) Full review completed	Complete. Rank-promotion procedure under development
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	Formal and interim evaluations for permanent and session 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	No additional partnerships developed Internalized maintenance and support of the Learning Management System
Enhance applied research and commercialization activities to be responsive and align with Alberta Research and Innovation Plan	SEGENS – AACTI /Calgary Herald Project completed (Principal Investigator – K. Lesick)	Research Advisory Committee continued to review Institutional Research Strategy	Institutional Research Strategy is underway
Explore research opportunities for students		Work on strategy is ongoing	Work on strategy is ongoing

PERFORMANCE INDICATORS	SCORE
Number of peer-adjudicated national and international exhibitions by faculty	165
Number of publications by faculty in peer-reviewed journals and exhibition catalogues	36
Number and monetary value of grants and research stipends	\$20,000
Number of refereed papers delivered at national and international conferences	51
Number of symposia developed and organized by ACAD faculty	5
Percentage of institutional budget allocated to the library and learning resources	2.5%
Number of IKG-led intensive student workshops directed by visiting artists	1
Number of visiting artists/scholars, public talks and student participation	107 Student participation included in general gallery attendance figures and course attendance
Number of students and faculty directly engaged in IKG programming and collaborative projects	49 faculty 184 students
Number of symposia developed and organized by IKG	2
Number of IKG publications	N/A
Number of grants and research awards for IKG research and exhibitions	165

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 SECOND YEAR OF ROLLING CIP	2015-16 ACTIONS COMPLETED
Review academic procedures	<p>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</p>	<p>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</p>	<p>500.07.01 Grading and Progression, revised 500.08.01 Grade Appeal procedure, revised 300.13.01 Undergraduate Course Management Procedure, new 550.09.01 Graduate Studies Transfer Credit Procedure, new 550.08.01 Graduate Course Audit Procedure, new 500.18.01 Degree Requirements, revised 500.18.02 Degree Requirements for Majors beginning in 2016, new 300.xx.xx Defining a Major, new (number to be assigned) 550.xx.xx Graduate Studies Degree Requirements, new (number to be assigned) 700.11.01 Code of Conduct, revised</p>
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	<p>300.09.01 Undergraduate program review and cyclical program review template approved Program review schedule established</p>	<p>College-wide review complete Program reviews scheduled for Glass and Ceramics</p>	<p>Completed institutional-wide detailed self-study which examined all program areas in detail against external accreditor (NASAD) standards Established 3-year plans for program opportunities in each specialization Established and published general and essential learning outcomes in each specialization Revised course outline framework to align and respond to CACQ standards of achievement Set target dates for all specialization cyclical reviews along with the provisioning of supportive reporting process and documentation Established staff support for faculty to assist in program reviews, revision, and reporting</p>
Utilize current and develop new opportunities for teaching and learning spaces	<p>Registrar-directed room audit completed High-level discussion on Main Mall Planning Project initiated</p>	<p>Completed curriculum review Completed allocation of graduate student studio space and seminar space</p>	<p>Graduate Studio upgrade completed Reallocation of teaching and learning spaces completed</p>

PERFORMANCE INDICATORS	SCORE
Faculty awards for teaching and research excellence	3 Teaching Awards, 1 Leadership Award, 1 Research Award
Faculty teaching and learning space is developed and utilized	Graduate Studio upgrade completed Reallocation of teaching and learning spaces completed
AUCC membership	Application document in progress
NASAD substantial equivalency	Completed self-study process Awaiting Commission decision November 2016
Implementation of academic rank	Complete. 3 full professors, 22 associate professors, 21 assistant professors, 2 lecturers

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-centred, universal presentation framework.

ACTION ITEMS	2013-14 FIRST YEAR OF ROLLING CIP	2014-15 SECOND YEAR OF ROLLING CIP	2015-16 ACTIONS COMPLETED
Continue to develop the visiting artists/scholars 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	Premier Visiting Speaker Planning Committee is allocating funds from the Premier Visiting Artist Endowment through the proposal adjudication process
Continue to offer public talks	ACAD/ACADFA symposium held April 7, 9 and 10	2 ACAD/ACADFA symposia held (November and March)	5 symposia held
Enhance degree programs to accommodate minors	300.10.01 Minors (approved by Academic Council in April)	2 minors implemented, new under review	2 additional minors implemented, new minors 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	No additional partnerships developed Internalized maintenance and support of the Learning Management System
Develop and use open educational resources to support reduced costs for learners		Initial development has been completed	Have established links through our library web pages to relevant, available open education resources
Continue to implement Moodle as a virtual learning environment	Moodle implemented campus-wide	Strategic review of platform not completed (no funding available)	Moodle LMS has become more widely used by faculty in classroom and studio settings Workshops for faculty to support use of LMS have been provided Online tutorials for faculty have been developed and implemented
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	Numerous video productions regarding art and design topics have been created and posted to YouTube for public consumption and supporting arts education Specific courses (art history, humanities) have been identified as highly adaptable to the online learning environment and have been targeted for content development in the coming year

ACTION ITEMS	2013-14 FIRST YEAR OF ROLLING CIP	2014-15 SECOND YEAR OF ROLLING CIP	2015-16 ACTIONS COMPLETED
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, increasing visibility and accessibility for students	Implement RAA structure completed A Learning and Teaching Committee has been established to help drive the shift towards a more learner-centric approach.	This has been reconceptualized as a "learning commons" project that encompasses multiple teaching and learning-related services A specific space in the facility has been identified in the Sustainability Plan
Explore service-learning, internship, co-op programs for students		External scan not completed	N/A

PERFORMANCE INDICATORS	SCORE
Number of visiting artists/scholars, public talks and student participation	107 Student participation included in general gallery attendance figures and course attendance
Number of public exhibitions by students, staff and faculty	232 faculty exhibitions, 18 student exhibitions
Number of students travelling abroad to study	13
Digital content delivery and learning management software utilized by faculty and students	211 course shells were activated for 60 instructors
Full integration of technology in teaching and learning environment	30% completion, with conceptualization phase (Main Mall) for space development and space usage completed

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 and around four unique schools and graduate programming.

ACTION ITEMS	2013-14 FIRST YEAR OF ROLLING CIP	2014-15 SECOND YEAR OF ROLLING CIP	2015-16 ACTIONS COMPLETED
Continue to refine and implement academic administrative structure implemented in January 2013	<p>Established Academic Council Committee structure</p> <p>Established a quality assurance and standards framework focused on continuous improvement and enhancement</p> <p>Academic Council approved revised Terms of Reference for Academic Executive and Curriculum Standing Committee</p>	<p>Established Terms of Reference for School Meetings</p> <p>Evaluative quality processed and alignment with academic planning ongoing</p> <p>Established the Academic Planning Group as part of the Sustainability Strategic Planning process</p>	<p>School Councils established</p> <p>Evaluative quality processes and alignment with academic planning ongoing</p> <p>Academic Planning Group ongoing</p> <p>Academic Planning Group continued work on Majors Model Implementation for 1st and 2nd year</p> <p>New academic timetable structure developed and implemented</p> <p>Academic Strategic Plan approved</p> <p>Undergraduate Course Management Procedure approved</p>
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	<p>Developed BDes Fashion (Olds), BDes Costume (Olds)</p> <p>Develop additional 2+2 BFA/BDes degree completion programs with Alberta PSIs (postponed until funding restored)</p>	Growth plan completed and included in Sustainability Plan
Implement graduate curriculum proposed in the MFA in Craft Media program proposal		Development of 500-level courses for graduate program electives and skills upgrading	Graduate Studies Course Audit procedure completed. Elective guidelines completed

PERFORMANCE INDICATORS	SCORE
Rigorous academic program review and evaluation	<p>Completed institutional self-study including all program areas based on the criteria for accreditation established by NASAD</p> <p>Produced a cross-institutional response to areas of concern and opportunity for program enhancements</p> <p>Established a time-lined process for the cyclical review of specializations, which is enacted</p> <p>Score: 85% achieved</p>
Implementation of a substantive academic framework	ACAD Academic Strategic Plan 2015-2026 approved. Undergraduate Course Management Procedure approved
Enhance and diversify curricular offerings	<p>Self-study data informed the need for revision of first-year studies (underway)</p> <p>Self-study data revealed inconsistency of assessment practices, particular at fourth year (currently being addressed)</p> <p>Phase 1 of Majors Model implementation to streamline specialization knowledge and skill concentrations to provide opportunities for more diversity within program offers and electives for students</p> <p>ArtStream Certificate given ministerial approval</p> <p>Comics Minor and Animation Minor introduced</p>

STRATEGIC OBJECTIVE 2.5

Define measurements of success to enhance ACAD's academic reputation and standing.

ACTION ITEMS	2013-14 FIRST YEAR OF ROLLING CIP	2014-15 SECOND YEAR OF ROLLING CIP	2015-16 ACTIONS COMPLETED
Work with Academic Executive to develop measures of success	Alignment of CIP Strategic Objectives to Academic Action Plan and all motions being approved by Academic Council	Completed	Completed

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 SECOND YEAR OF ROLLING CIP	2015-16 ACTIONS COMPLETED
Extended Studies			
Rebrand and launch Extended Studies and build a comprehensive revenue-diversification strategy		<p>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</p> <p>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</p>	<p>The rebranding and relaunch of the department have been successfully completed</p> <p>A comprehensive revenue-diversification strategy has been approved with key goals being:</p> <ol style="list-style-type: none"> 1) Revenue generation 2) Community engagement 3) Recruitment support <p>Organizational restructuring has been completed to ensure that we can implement the revenue strategy including the hire of an experienced new director in October 2015, and subsequent realignment of workload responsibilities</p> <p>Strategic investment is now being sought for our operational infrastructure to secure the capacity to deliver on our strategic expansion plans</p>
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	<p>As a part of our strategic review, Travel Studies was put on hold to allow us to reposition it within our overarching plans and maximize our immediate use of resources in more strategic areas</p> <p>Planning is underway to relaunch a broader travel study program that includes cultural tours as well as skill-based experiential trips in different locations in the medium term and 2017/18</p>

ACTION ITEMS	2013-14 FIRST YEAR OF ROLLING CIP	2014-15 SECOND YEAR OF ROLLING CIP	2015-16 ACTIONS COMPLETED
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)	<p>As a part of our strategic review, the Toon Boom Centre of Excellence was put on hold to allow us to build upon bigger demand from younger markets</p> <p>Animation summer camps for children were successfully launched in 2016, and new programming for teens will be added for 2017</p> <p>The development of a Certificate in Animation is underway, with a target launch of fall 2017. This will be a comprehensive certificate with a focus on creative and artistic skills that are transferable to any software. It may include Toon Boom software training and certification, but will need to be responsive to new products and changes within the industry</p>
Host multi-day workshops in Extended Studies	Pre-college programming, community non-credit programming	<p>Toon Boom Certification, Low Residency Summer Institute development (not implemented)</p> <p>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</p>	<p>Pre-college continues to run successfully each year and is integral to our new strategic plans. The focus in 2016-17 will be on marketing with the goal of offering two sections each year</p> <p>The role of professional development workshops and seminars is an important part of ConEd's new strategy. We have begun to roll out workshops such as an Adobe InDesign session to staff at The Banff Centre, and a design thinking workshop to SAIT teaching and learning staff</p> <p>We successfully launched a series of new summer camps for children ages 9-12 in 2016. They were well received and will be open for registration by January 2017</p>
Implement Art Educators Institute	First AEI offered August 19–23, 2013	A second offering of the AEI was run 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	<p>The AEI was reviewed and put on hold to allow for a concept redesign in collaboration with Calgary Board of Education</p> <p>A one-week Dual Credit design training course was delivered in June 2016</p> <p>ConEd will offer training courses such as this again in 2017, designed to meet demand within the sector</p>

ACTION ITEMS	2013-14 FIRST YEAR OF ROLLING CIP	2014-15 SECOND YEAR OF ROLLING CIP	2015-16 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)	Continued with Enbridge Partnership Multiple supporters to the Arctic Adaptations exhibit including TD and Manulife
Partner with arts-funding agencies (IKG)	Canada Council, AFA, U.S. Consulate	Saskatchewan Arts Board, CADA, Alliance Francaise (not established)	CADA Note: no dedicated staff for most of year to undertake this work
Develop and implement relevant 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)	Exhibitions completed Faculty Show, Arctic Adaptations, Dennis Shorty, Levine Flexhaug, IKG Live 1, MFA Show, Grad Show, Show Off Programming for 2016-17 developed
Review and refresh mandate of IKG		Initial review of IKG Search for Visiting Academic Curator complete, offer pending	Visiting Academic Curator hired. IKG mandate refreshed

PERFORMANCE INDICATORS	SCORE
Number of IKG-led intensive student workshops directed by visiting artists	1
Number of professional practice intensive workshops to facilitate cultural production	0
Number of visiting artists/scholars and public talks	107
Number of students and faculty directly engaged in IKG programming and collaborative projects	49 faculty 184 students
Number of symposia developed and organized by the IKG	2
Number of IKG publications	2



GOAL THREE

INSPIRING CREATIVITY AND INNOVATION IN THE COMMUNITIES WE ENGAGE

STATUS: IN PROGRESS

COMPLETION DATE: JUNE 30, 2017

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 benefits that innovation, creativity and entrepreneurship bring 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 ACAD; 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 SECOND YEAR OF ROLLING CIP	2015-16 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 and implemented sustainability strategic planning process (funded)	Strategic planning continued with the Sustainability Plan completed in late 2015-16
Develop a strong case for supporting increased funding to support enrollment growth		Developed and implemented sustainability planning process (funded)	Completed Sustainability Plan in late 2015-2016
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	Completed

PERFORMANCE INDICATORS	SCORE
Number of government events, meetings, presentations	24
Case statements	Sustainability Plan completed in late 2015-16
New mandate and roles document	Completed and approved
Percentage of government grant as part of total budget	59.1%
New funding from government	Dual Credit grant received

STRATEGIC OBJECTIVE 3.2

Develop an Engagement Plan for ACAD incorporating signature projects, service-learning, community-support projects and community-based research.

ACTION ITEMS	2013-14 FIRST YEAR OF ROLLING CIP	2014-15 SECOND YEAR OF ROLLING CIP	2015-16 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)	Continued sustainability planning process
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	On hold (pending further resources)
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 Indigenous/ Diversity Incubator	Development of business case for support (no capacity or funding)	No capacity or funding to further this initiative at this time
Develop and implement three new signature projects: +Entrepreneurship Centre for Creatives (CCE) +Indigenous 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	No capacity or funding to further these initiatives at this time
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 Perrenoud Ranche in Cochrane	Secured a relationship with ATB Financial to exhibit student and alumni work in the new Stephen Ave Location (ArtVault)

PERFORMANCE INDICATORS	SCORE
Number of community events, activities and presentations	9
Number of arts events, activities and presentations	107
Percentage of students employed after graduation	77% within 12 months - SNAAP data
Percentage of students starting their own businesses	30%
Number of community and arts partnerships and alliances	12
Number of alliances and partnerships with Campus Alberta institutions	Ongoing, 1 updated agreement
Number of internships	0
Financial support for enrichment activities	9
Number of community events, activities and presentations	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 SECOND YEAR OF ROLLING CIP	2015-16 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	Process ongoing
Initiate a campus-wide branding process within the institution	Developed high-level key messages and proof points	Internalize messaging Developed new messaging	Completed

PERFORMANCE INDICATORS	SCORE
New positioning of key messages	Completed
Vision, mission and values statement	In progress

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 SECOND YEAR OF ROLLING CIP	2015-16 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	Completed
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 to complete ensuring accuracy of information	Website project in progress (soft launch August 2015)	Launched new website in August 2015
Ensure benchmarking data is available to measure success	NSSE AGOS	NSSE, AGOS Perception study and economic impact (not complete; no funding)	SNAAP survey NSSE survey AGOS survey

PERFORMANCE INDICATORS	SCORE
Proportion of students satisfied or very satisfied with their college experience	88% - SNAAP data 86% - NSSE data
Proportion of students willing to recommend ACAD experience	85% - SNAAP data
Student engagement (NSSE Benchmark)	90% of senior students report engagement with High Impact Practices
Percentage of students identifying their education as contributing to their success	79% - SNAAP data
Reflects brand	Completed. New website launched in August 2015
Speed and optimization enhanced	Completed. Enhancements ongoing
Registration seamless	In progress
Degree audit	In progress

STRATEGIC OBJECTIVE 3.5

Build a stronger Alumni Relations program.

ACTION ITEMS	2013-14 FIRST YEAR OF ROLLING CIP	2014-15 SECOND YEAR OF ROLLING CIP	2015-16 ACTIONS COMPLETED
Update database with accurate alumni information	Ongoing	Ongoing	Ongoing
Develop and implement an alumni survey	Survey developed	Survey distributed (not funded)	Developed Alumni Communications Survey; responses collected fall 2016; will implement in 2017 SNAAP also completed
Develop a series of events in key markets	6 events held	3 events held (no funding for 10)	6 events held
Establish Alumni Association and alumni chapters in key market areas		Alumni Association Postponed (no resources)	Research in progress. Alumni Association creation postponed (no resources)
Develop and host alumni exhibit in IKG	Completed		No resources for specific show. Alumni have participated in a variety of exhibitions
Travel alumni exhibit across Canada and abroad		Travel "In the Making" completed	Completed
Develop an alumni Indigenous publication	Interviews completed		Postponed (no resources). Focused on establishing the Indigenous Resource Centre in 2016-17
Celebrate the accomplishments of our alumni and students	Developed strategy	Implemented new electronic newsletter for alumni Alumni Discovery Initiative (funded) New Alumni Awards and ceremony Sponsored alumni initiatives	All new projects are ongoing from 2014-2015

PERFORMANCE INDICATORS	SCORE
Number of alumni engaged	Alumni Discovery Initiative interviewees: 102 Alumni Awards winners: 12 ACAD Alumni/AGA Speaker Series: 2 ACAD alumni talks: 1 National Gallery of Canada reception: 1 New Craft Coalition/Market Collective/ATB Sponsorships: 24 Recruitment viewbook: 6 Recruitment SEM: 4 Alumni Communications Survey (developed 2015/16, implemented fall 2016): 217 completed the survey SNAAP: 611 completed the survey Alumni newsletter recipients: 761
Number of events	6
Number of alumni recognized	13
Chapters established	0
Benchmark data	Completed



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 its 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 SECOND YEAR OF ROLLING CIP	2015-16 ACTIONS COMPLETED
Ensure opportunities for leadership training for administration	Session implemented	Held a number of leadership training opportunities (i.e., Change Management course)	Held a number of leadership training opportunities (i.e., Dealing with Difficult People, Workplace Civility Workshops, Insights Discovery Workshop, Great Feedback Foundations)
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	Renewed Lynda.com licensing agreement, introduced the MEDAL program (management/exempt development and learning), and changed the funding structure for both sabbaticals and the Faculty Professional Affairs Fund through collective agreement negotiations
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	Automated annual confirmation of understanding (of policies and procedures) within the HRIS system; implemented legislative compliance reporting program

PERFORMANCE INDICATORS	SCORE
Staff turnover rates	0.44%
Climate survey results	N/A

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 SECOND YEAR OF ROLLING CIP	2015-16 ACTIONS COMPLETED
Implement a Human Resources Plan, including succession planning and knowledge management		Initiate	Development continuing. Implemented a new HRIS system, which will increase reporting and metric capability. Completed a 360° review of the academic administrative structure and performance of those functioning within the structure
Enhance human resources practices to be an employer of choice	Completed	Completed	Completed

PERFORMANCE INDICATORS	SCORE
Staff turnover rates	0.44%
Climate survey results	N/A

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 and renovation.

ACTION ITEMS	2013-14 FIRST YEAR OF ROLLING CIP	2014-15 SECOND YEAR OF ROLLING CIP	2015-16 ACTIONS COMPLETED
Review current learning spaces to maximize interaction and flexibility in the Main Mall, studio and classroom spaces		Sustainability Plan in progress	Introduced a revised instructional day timetable to develop greater flexibility in course scheduling of learning spaces to support Sustainability Plan implementation
Continue to partner with government and other institutions to establish strategic technology directions (e.g., sharing data centres, cloud service initiatives)		<p>Completed IT Business Continuity/ System Recovery Plan. Advancing work to implement recommendations including backup data centre with SAIT</p> <p>Participating with AHEITT and the Universities to review ShareIT services</p> <p>Discussions with U of A and others in progress (CAUS). Data gathering in progress</p> <p>Ellucian upgrades in progress for Banner with SAIT</p>	<p>Established an AY2016-17 goal under the Office of Teaching and Learning to develop an action plan for instructional technologies and practices for the next 5 years</p> <p>Implemented eduroam in partnership with AAHEIT, CANARIE, Cybera, Olds College and Burman University</p> <p>Expansion of partnership with SAIT with plans developed for the addition of 3 application services and a backup data centre</p> <p>Continued and active participation in AAHEIT, AICAD, APAS and Cybera</p> <p>Work to establish a shared services framework: ShareIT is ongoing</p> <p>Secured funding to develop business case for Enhanced Enterprise Resource Planning (ERP) System; this includes exploring opportunities for collaboration and sharing</p>
Transform existing or new library space to support a new learning environment captured through a teaching and learning centre	Main Mall design complete	<p>Sustainability Plan completed (Academic Planning Process)</p> <p>Teaching and Learning Strategy in progress</p> <p>Main Mall project in progress</p>	<p>Established Office of Teaching and Learning. Hired Chief Teaching and Learning Officer</p> <p>Engaged in an organizational analysis of what systems, services, and resources could be centralized through a learning commons environment that has been included in the Main Mall Redevelopment Project included in the Sustainability Plan</p>

ACTION ITEMS	2013-14 FIRST YEAR OF ROLLING CIP	2014-15 SECOND YEAR OF ROLLING CIP	2015-16 ACTIONS COMPLETED
Conduct utilization study of current facility to demonstrate need		Sustainability Plan in progress (funded)	ACAD's Sustainability Plan has been completed and will be presented to Advanced Education in fall 2016 for consideration. The Sustainability Plan is ACAD's blueprint for the future. The Plan lays out the critical investment needed to ensure the organization has the capital infrastructure in place to meet the needs of the students and the province in the years to come
Develop provincial infrastructure scenarios based on information		Sustainability Plan in progress (funded)	ACAD's Sustainability Plan has been completed and will be presented to Advanced Education for consideration

PERFORMANCE INDICATORS	SCORE
Funding for IT preparedness	\$85,000 one-time funding allocated to mitigate risks identified in SRMP
Utilization study	Completed (Sustainability Plan)
Infrastructure scenario	Completed (Sustainability Plan)

STRATEGIC OBJECTIVE 4.4

Raise, steward and increase the resources ACAD 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 SECOND YEAR OF ROLLING CIP	2015-16 ACTIONS COMPLETED
Co-ordinate 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	Implemented plan achieved 67% of target due to departmental transition
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	Completed sustainability planning process The new Strategic Plan for Continuing Education has been approved by the Board and is now being implemented
Work with government to address operational and other funding for ACAD	Sustainability Task Force established	Completed sustainability planning process	Completed sustainability planning; anticipate meeting government in 2016-2017
Recruit 500 new students of diverse backgrounds (over the next 8 years) with funding approval from the Province of Alberta (both operational and capital)	Maintained enrollments	Sustainability planning in progress Enrollment Management Plan being developed	Sustainability Plan under review for funding

PERFORMANCE INDICATORS	SCORE
Donations and sponsorship targets reached	\$334,788 raised; 67% of target achieved due to departmental transition
Revenues are diversified	In progress
Percentage of donors retained	22%
Percentage of new contributions	New donors compared to all-time: 2%; new donors compared to the last three years: 77%
Median gift increases	Median gift: \$234 (decrease from last year due to an increase in online donations contributing \$50 or less, bringing the average down)
Number of pledges increased	Pledges have not increased
Non-ask interactions increased	N/A
Government funding increased for operational costs	In progress
Number of students from diverse backgrounds	Data not available
Staff turnover rates	0.44%
Climate survey results	N/A

STRATEGIC OBJECTIVE 4.5

Continue to implement Auditor General's recommendations.

ACTION ITEMS	2013-14 FIRST YEAR OF ROLLING CIP	2014-15 SECOND YEAR OF ROLLING CIP	2015-16 ACTIONS COMPLETED
Demonstrate effective governance practices that comply with Alberta Public Agencies Governance Act and Post-secondary Learning Act	Updated Letter of Expectation	Updated Mandate; approved by Ministry Legislative Compliance Review initiated and in progress	Legislative Compliance Review has been completed and is now part of an ongoing review at ACAD
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 5 of 6 prior years' recommendations	Completed. All recommendations have been successfully implemented
Develop a disaster recovery plan for information technologies		Completed ACAD System Recovery Plan; management team established for crisis response	Completed

PERFORMANCE INDICATORS	SCORE
Auditor reports	Received an unqualified audit report with no recommendations. The last recommendation regarding legislative compliance has been implemented by ACAD and is no longer outstanding

PRIORITY INITIATIVES

PRIORITY INITIATIVE	DESCRIPTION	STATUS	EXPECTED COMPLETION DATE (FROM 2014CIP)	PROGRESS MADE IN LAST 12 MONTHS
<p>PRIORITY ONE: THE DEVELOPMENT OF A STRONG ACADEMIC PLAN</p>	<p>1.1 Curriculum modernization, renewal and alignment:</p> <p>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</p> <p>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</p> <p>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</p> <p>The new Master of Fine Arts degree, the first graduate program in the College's history, will continue to be a focus and will provide a strong foundation for this new plan</p>	<p>Complete</p>	<p>2015-16</p>	<p>Individual course audits continuing</p> <p>Mapping of curriculum for currency and relevancy, internationalization and consistency complete</p> <p>Phase 1 of Majors Model implementation complete. Phase 2 of Majors Model underway</p> <p>Growth plan of future growth areas including creative industries, design thinking and creative entrepreneurship complete</p> <p>4 minors have been implemented. Additional minors are currently in development. A new ArtStream Certificate was approved to provide a pathway to post-secondary education for under-represented learners.</p> <p>Collaborative degree proposal submitted to Ministry. Discussions for future collaborative degrees are underway</p> <p>First MFA cohort to graduate in May 2017. Second MFA cohort admitted in September 2016</p>
	<p>1.2 The learning and teaching environment:</p> <p>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</p>	<p>Complete</p>	<p>2015-16</p>	<p>Extensive revisions have been completed to the course management system, including the implementation of a revised institutional course outline structure that records instructional methodologies and recommended assessment approaches of student learning</p> <p>Over 15 faculty in-service workshops have been hosted, focusing on lesson design, effective course syllabus design, assessment for learning, online learning practices, safe and respectful learning spaces, and developing learning outcomes</p> <p>60 instructors are now utilizing a blended learning approach to some degree in 211 courses to support student learning</p> <p>A goal to develop a strategic plan for instructional technologies was established to produce a 5-year opportunity for enhancing classroom and studio learning spaces through technology, and to introduce new forms of delivery using technology and instructional methodologies in combination</p>

PRIORITY INITIATIVE	DESCRIPTION	STATUS	EXPECTED COMPLETION DATE (FROM 2014CIP)	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. 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>	Complete	2015-16	<p>Institutional system needs have been reviewed and prioritized</p> <p>Initiatives approved to proceed:</p> <ul style="list-style-type: none"> • Student Program Planning and Audit System • Content and Process Delivery for Students on Smart Phones (Mobile Technology) • Recruitment Management System • Student System Renewal for high school transcripts and newly adopted provincial data standards <p>Another important initiative is the online registration and payment system. This system is currently in the implementation phase. The system will meet ACAD's needs for online registration and payment while also integrating with Banner, our student information system</p>
<p>PRIORITY TWO: THE DEVELOPMENT OF A ROBUST <u>ENROLLMENT GROWTH PLAN</u></p>	<p>2.1 Growth thresholds and new program growth including graduate programming:</p> <p>Review to establish future growth thresholds for sustainability:</p> <ul style="list-style-type: none"> • the critical mass in resource generation and system redundancy • a level of growth that will enable the College to engage fully and serve the provincial requirements for access and opportunity • a level of growth that allows an array and breadth of offerings that enable the College to become an international education leader in art and design <p>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>PRIORITY THREE: DEVELOPMENT OF A COMPREHENSIVE <u>COMMUNITY ENGAGEMENT PLAN</u></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</p>	Complete	2015-16	<p>Integrated Engagement Strategy developed and implementation commenced</p> <p>Programming for new Indigenous Resource Centre identified and commenced. Anticipated launch of new Indigenous Resource Centre in fall 2016</p>

¹ The College completed its search for a registrar and an RFP process for a Strategic Enrollment Management Plan. This is a key area for the College as it begins to support the restructure and delivery of curriculum and degree requirements.

² 2014: ACAD received 1045 applications and enrolled only 330 students.

PRIORITY INITIATIVE	DESCRIPTION	STATUS	EXPECTED COMPLETION DATE (FROM 2014CIP)	PROGRESS MADE IN LAST 12 MONTHS
	<p>will continue to develop concepts for new creative centres that will connect the College to industry and industry to the College in more robust ways that will benefit students and alumni, as well as teaching and research. Engagement is critical to reputation enhancement for the College and these Centres of Excellence 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>			<p>Other creative centres concepts identified to connect industry and the College (i.e., Centre for Social Innovation to launch in 2017)</p> <p>Alumni engagement has been increased through Alumni Discovery Initiative and resources dedicated to an alumni relations and communications strategy</p> <p>Extended Studies has been relaunched as the School of Continuing Education and Professional Development. A strategic plan which puts an emphasis on community engagement has been put in place and is now being implemented</p>
<p>PRIORITY FOUR: DEVELOPMENT OF A SUSTAINABLE FINANCIAL PLAN</p>	<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>	<p>In progress</p>	<p>2015-16</p>	<p>Work completed 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. The Plan lays out the critical investment needed to ensure the organization has the capital infrastructure in place to meet the needs of the students and the province in the years to come. Comprehensive Sustainability Plan was completed in 2015-16 and will be presented to government in fall 2016</p> <p>Phase 1 of Majors Model implementation complete. Phase 2 of Majors Model implementation underway</p>
<p>PRIORITY FIVE: DEVELOPMENT OF A SOLID SHORT- AND LONG-TERM FACILITIES PLAN</p>	<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> <ul style="list-style-type: none"> • explores all options, including building ownership, and addresses deferred maintenance in the current building • implements learning space renewal and upgrades that accommodate 21st-century technologies and achieve better space utilization in the current facility • develops a long-term scenario to support the sustainable growth of the College through a larger capital expansion <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), Preliminary Space Utilization Study (completed), Deferred Maintenance Review, Comprehensive Functional Program, Upgrade and Renovation Study (current facility), New Building Development/Conceptual Design, and Phasing Plan including costs and timelines</p>	<p>Complete</p>	<p>2015-16</p>	<p>Completed in 2015-16: Site Study, Cost of Ownership (current building), Preliminary Space Utilization Study</p> <p>Completed in 2015-16: Deferred Maintenance Review, Comprehensive Functional Program, Upgrade and Renovation Study (current facility)</p> <p>Completed in 2015-16: 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; the learning choices and aspirations of individual learners are understood, respected and addressed	Complete	2015-16	<p>Significant progress is being made through our focus on key priorities and the adoption of a strong Academic Plan</p> <p>Phase One of curricular modernization is complete with the implementation of the year-two majors (specializations) revision. This change opens opportunities for student choice, broadens their learning and develops greater integration of knowledge</p> <p>An institutional self-study developed essential learning outcomes by year for all specializations and program areas, allowing for a comprehensive examination of course outcomes, thus improving our ability to target student learning needs</p>
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	Complete	2015-16	ACAD's Sustainability Plan has been completed and will be presented to the Ministry of Advanced Education for consideration. The Sustainability Plan is ACAD's blueprint for the future. The Plan lays out the critical investment needed to ensure the organization has the capital infrastructure in place to meet the needs of the students and the province in the years to come
ADVANCING KNOWLEDGE	Alberta's publicly funded post-secondary system plays an important role advancing the knowledge economy and the intellectual fabric of Alberta	Complete	2015-16	<p>The College is committed to its role in advancing the knowledge economy and intellectual fabric of Alberta, and through its work, a strong Academic Strategic Plan was approved, including curriculum modernization, renewal and alignment; the learning and teaching environment; and new program growth</p> <p>Integration of services to promote student success along with a comprehensive Community Engagement Plan that contributes to the social, economic and cultural prosperity of our province</p> <p>Through community development, delivering program excellence and pushing the boundaries of research and creativity, ACAD is inspiring creativity and innovation in the communities we engage</p>

OUTCOME	DESCRIPTION	STATUS	EXPECTED COMPLETION DATE (FROM CIP)	PROGRESS MADE IN LAST 12 MONTHS
<p>SPECIALIZED ARTS + CULTURE INSTITUTIONS OUTCOMES</p>	<p>Lead excellence in culture, creativity and research, innovation and commercialization of the arts in the province</p> <p>Lead in educational opportunities through delivery and incubation in the performing and visual arts and in emerging media and creative fields</p> <p>Support the economic and cultural diversification of the province</p> <p>Support Alberta's cultural prosperity agenda</p> <p>Connect Alberta's rural and urban communities through art, craft and design educational opportunities and learning experiences</p> <p>Produce an enriching social and cultural experience that assists in retaining skilled labour in Alberta</p> <p>Maximize responsiveness to community and regional cultural, economic and social needs through increased partnerships with art and cultural institutions</p> <p>Disseminate superior scholarly research and creative activities</p>	<p>Complete</p>	<p>2015-16</p>	<p>A key goal of the College is program excellence and pushing the boundaries of research and creativity. 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, and as an institution that excels in 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</p>

ACCESS + QUALITY

ACAD is implementing the recently approved 2016-2026 Academic Strategic Plan, with a focus on sustaining our operating capacity to deliver identified strategic objectives and outcomes over the next three years. 2015-16 has focused on supporting a new school structure and planning is underway to build new sustainable strategies for teaching practice and program delivery. A number of new initiatives for developing an Indigenous Resource Centre (fall 2016), a Design Centre for Social Innovation (spring 2017) and a maker space for our students, staff and the public are in various stages of start-up to support changes in delivering services. As well, a new approach to studio timetabling and a Majors Model has been approved to provide increased flexibility and efficiencies in curriculum delivery.

A recent comprehensive study on strategic enrollment management has been completed for implementation over the next three years. The speed of implementation will be dependent upon the capacity of the staff and resources to deliver on the recommendations made. The result has been some increased capacity within Student Affairs to address gaps in both curriculum support and student support for admission and attraction of students. However, additional investment is still required to begin implementing new enrollment management strategies aimed at improving overall retention and support for students. Furthermore, additional support is required to help effectively assist, sustain and nurture the sizeable vulnerable-student population at ACAD.

Space constraints remain a focus at ACAD. Through a short-term space utilization study currently in the revision and implementation phases, along with the new timetable model, the College is systematically and objectively re-evaluating space in terms of practices and patterns of usage. It is expected that innovative ways to reallocate the space in the current facility will be found through the Main Mall reimagining that will extend its maximum capacity by accommodating approximately 1,200 students.

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 2015-16. These initiatives directly impacted employee engagement and positively impacted 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.

ENROLLMENT PLAN

Sustainability is a key factor for the Alberta College of Art + Design. During the past year, curriculum review and enrollment management have been top ACAD priorities and the development of a comprehensive, long-term strategic enrollment management plan has been completed. 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.

In 2013-14, the enrollment planning review process identified curricular, delivery, and scheduling considerations that challenged optimization of enrollment, student progression and curricular growth. To address these concerns, 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. In 2015-16, ACAD developed a new timetable and completed a strategic enrollment management plan and implementation timeline.

In the year, a series of recommendations, principles to inform curriculum, an accepted curriculum model, and a rubric providing guidelines for credits and contact hours have been accepted and are being implemented. A new curriculum model and timetable have been implemented to better optimize resources, allow for enrollment growth in current and proposed program offerings, and support student interest, progression and experience.

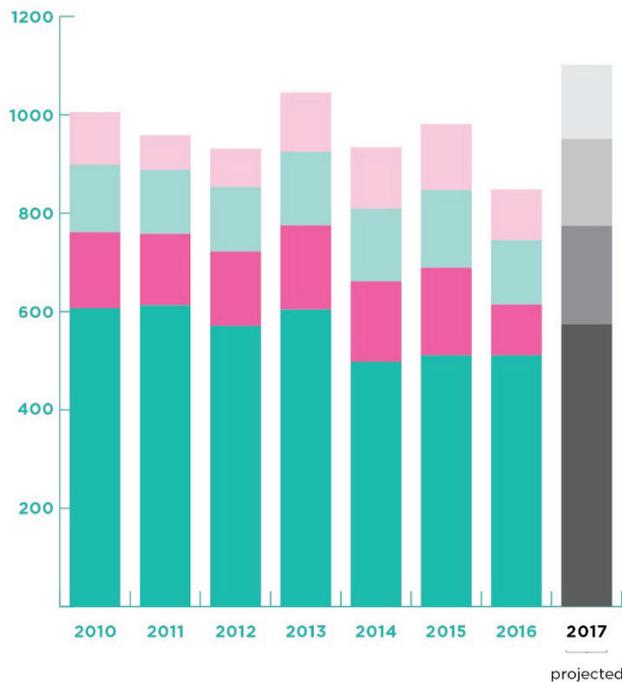
One area of growth that has been initiated is the new Master of Fine Arts in Craft Media. ACAD received ministerial acceptance of this new degree in 2013-14 and conducted an implementation process in line with the enrollment planning analysis that has been undertaken in the last year. This new graduate program is the first graduate-level offering at ACAD; 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	3	4	6	10	12	12
FLE Year 2	0	3	4	6	10	12
Total Students in Program	3	7	10	16	22	24

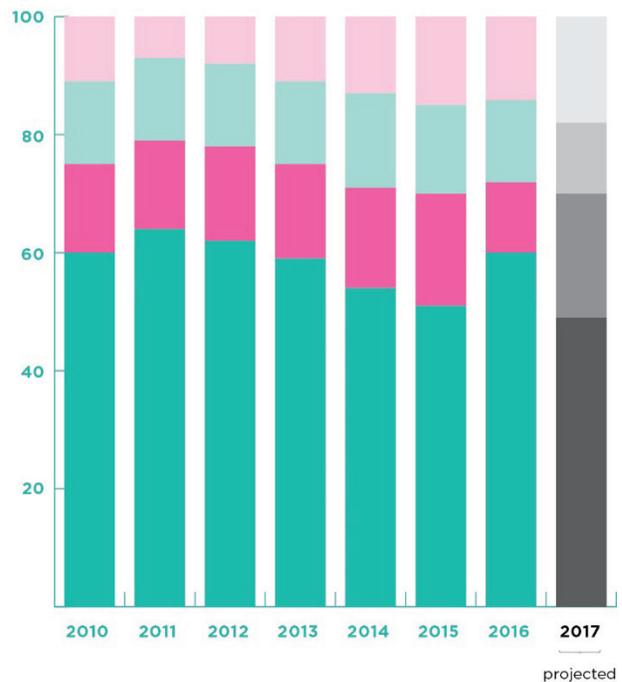
A continuing focus for ACAD has been on monitoring diversification of enrollment and the impacts diversification have on the learning experience for students. Diversification is achieved through balanced enrollment of students from varied backgrounds and populations. The introduction of the new MFA in Craft Media and cohort of graduate students will support this diversification initiative through providing opportunities for undergraduate students to observe and participate in discussions 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 providing long-term enrollment sustainability in response to anticipated demographic changes in Alberta.

ACAD's current undergraduate student enrollment is dominated by Albertan students, who make up the largest demographic in student population at 84.8% (increase of 1.3%). Enrollment from other Canadian provinces is 9.6% (decrease of 1.4%) and international enrollment is 5.5% (increase of 0.5%). The Indigenous student population is 11%, a 1.8% increase over 2014-15. Applications from Albertan students represent 77% of the application pool with 16% originating from rural Alberta in 2015. 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 supporting our provincial mandate (province-wide catchment area) to provide art and design education in Alberta.

APPLICATION SOURCE - NUMERIC



APPLICATION SOURCE - PERCENTAGE



■ Urban Alberta
 ■ Canada (Outside Alberta)
 ■ Rural Alberta
 ■ International

To achieve optimal enrollment diversification, the focus is on strategic recruitment activity to generate increases in international students. For 2014-15, ACAD showed a 0.5% increase in international enrollment, which had a small increase in 2015-16 to 6.4%. Applications in 2016 from international students represented 11% of total applications. In 2016-17, we are focusing on the United States to increase applications internationally. To achieve the growth target of 10% international enrollment, we are leveraging a variety of online tools to help engage with prospective students remotely. The Indigenous student population target of 10% has been achieved, with 2015-16 Indigenous enrollment at 11%.

DEMOGRAPHIC OF ENROLLED STUDENTS - PERCENTAGE



With a focus on increasing incoming transfer students, our population will stabilize enrollment 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 one current and up-to-date agreement signed. In 2013-14, transfer and articulation agreements were confirmed with two institutions, Keyano College and Halliburton School of the Arts. In 2015-16, there are three confirmed agreements, two under renewal and nine under review. This represents a substantial increase in collaborative partnerships and these increases will continue to be evaluated by baseline data on application and enrollment. ACAD is also developing a new process for transfer-credit evaluation to streamline the process for advanced-standing students.

The research, analysis, identification and implementation from the strategic Enrollment Management Plan and Academic Plan that support institutional sustainability planning will continue in the upcoming academic year. Enrollment goals and strategies have been aligned to support the planning process and will continue to be reviewed during the implementation of new initiatives.

Achievement of enrollment management goals would result in an overall student population that meets ACAD's 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.

PERCENTAGE OF TRANSFER/ADVANCED-STANDING APPLICATIONS VS OTHER APPLICANTS



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	250.7	246.9
Bachelor of Fine Arts	765.55	756.8	725.55	687.2	667.55	684.1	673.74
Open Studies	26.1	27.15	19.65	19.8	18.55	16.25	16.0
Total	1003.35	995.95	957.85	923.2	917.8	951.05	936.65

CONTINUING EDUCATION AND PROFESSIONAL DEVELOPMENT

The School of Continuing Education and Professional Development is in the process of completely redefining its role within the institution. It is transforming from its historically modest role with limited impact on recruitment, community engagement and revenue, to one of leadership within all of these areas. Framing this transformation process is a Strategic Plan that was approved by the ACAD Board in 2015-16.

Although still in the early stages of this reinvention, Continuing Education has already made some major changes in its personnel, structure and operational activities. These changes are generating results despite the context of an economic downturn. Market research and development of a marketing plan are underway, and will guide decisions about how we engage our loyal customers and target new audiences and markets.

Along with its own strategic goals, the College has identified Continuing Education as a primary vehicle for achieving ACAD's Strategic Goal #3: Inspiring creativity and innovation in the communities we engage. It is through Continuing Education that ACAD will meet its objective of engaging province-wide industries and communities through its lifelong learning programming.

INTERNATIONAL STUDENTS

International students remain a key component of the enrollment 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 2015-16 and will be further refined under the guidance of the Strategic Enrollment Management Plan completed in fall 2015.



RESEARCH, APPLIED RESEARCH + SCHOLARLY ACTIVITIES

2015-16

The College has identified defining ACAD's scholarly research and creative activities as one of four primary goals and has continued to dedicate resources and effort towards reaching its goal. To that end, in 2015-16, a number of positive steps were taken to further develop and enhance the research culture within the College, including the appointment of a chief research officer. The Research Advisory Committee (RAC) sponsored an information session on research opportunities for the entire community, as well as the first annual Research Soiree in November 2015, at which a dozen faculty members showcased their current research projects. The mandate of the RAC is to enhance applied research and commercialization activities to be responsive and align with the Alberta Research and Innovation Plan, as well as to identify 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 2015-16, faculty participated in 165 peer-adjudicated national and international exhibitions and 36 faculty publications in peer-reviewed journals and exhibition catalogues.

In 2015, ACAD was recognized as an eligible institution by the Social Sciences and Humanities Research Council (SSHRC) and National Science and Engineering Research Council (NSERC), enabling ACAD faculty to apply as principal investigators for national research and research-creation grants.

COMMUNITY

One of the most important goals at ACAD is to bring art, design and craft off campus to the broader community. We partnered with the Calgary Board of Education (CBE) on a number of initiatives, including teacher training, alumni participation in classrooms, and membership in the Fine Arts Standing Committee for Campus Calgary (CBE).

ACAD and CBE developed and implemented the pilot for the Dual Credit initiative, allowing high school art students the opportunity to begin accumulating ACAD credits for their accomplishments in secondary art curriculum. This is bolstered by ACAD SHOW OFF!, the pre-eminent secondary school art competition among high school students in Alberta, Northwest Territories and Nunavut. Each year over 60 finalists have the opportunity to exhibit their work in our professional gallery, Illingworth Kerr Gallery, and compete for cash and tuition prizes along with matching educational grants presented to art classrooms of the winning students.

ACAD continues to expand its relationships with the corporate community through major projects such as the Lodgepole Center, Enbridge Art Exhibition, and ATB ArtVault.

ACAD's Public Design course continues to provide service-learning opportunities for students who worked with the following non-profit organizations to help redefine and develop their brands, websites and promotional materials:

Storybook Theatre	Federation of Calgary Communities
Canadian Institute of Minority Youth Development	Charitable Foundation for the Family
Ducks Unlimited	Calgary Sexual Health
Suzuki Talent Education Association	ALS Society of Alberta
Quest Theatre	Progressive Alternatives Society of Calgary
Taber Special Needs Society	Calgary Horticultural Society
Calgary Public Library Foundation (2015 and 2016)	Health Quality Council of Alberta
Inner Peace Project	Juno Awards
ACAD Green Team	Made by Momma
Bishop O'Byrne Housing Association	Excel Family & Youth Society
Women In Need Society	Calgary Fencing Club
Calgary Rock & Lapidary Club	Alberta Water Polo
EM Media	Ad Rodeo
Dentistry for All	Arch on the Avenue
Canterbury Foundation	Cerebral Palsy Association of Alberta
Alberta Civil Liberties Research Union (2015 and 2016)	Alberta Children's Hospital
Calgary International Blues Festival	Calgary Chamber of Commerce
Springboard Performance	One Voice Chorus
Bragg Creek Chamber of Commerce	Cappuccino Music Theatre
KidSport Calgary	Seeds Connection
Sustainability Alberta Association	Graphic Designers of Canada (2015 and 2016)
National Film Board of Canada	Alberta Golf Association

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 support the development and implementation of relevant educational programs, exhibitions, symposia, visiting artist talks and demonstrations.



FINANCIAL
+ BUDGET
INFORMATION

ALBERTA COLLEGE OF ART + DESIGN MANAGEMENT DISCUSSION + ANALYSIS

Financial Statements for the year ended June 30, 2016

Discussion and Analysis

The June 30, 2016, Annual Report includes the financial statements for the Alberta College of Art + Design (ACAD) prepared in accordance with Canadian public sector accounting standards (PSAS).

The Auditor General of Alberta has audited the financial statements and has provided the accompanying independent Auditors' Report. The financial statements and Annual Report satisfy a legislative requirement as set out in the Post-secondary Learning Act of Alberta. The following financial statements discussion and analysis should be read in conjunction with the financial statements. Both have been prepared by and are the responsibility of management.

This discussion and analysis and the audited financial statements are reviewed and approved by the Board of Governors of ACAD on the recommendation of the Finance and Audit Committee of the Board of Governors.

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

ACCOUNTING AND REPORTING CHANGES

Net Debt Model

The Alberta Controller directed all government organizations to adopt the net debt model presentation of the Statement of Financial Position beginning with the 2015/16 fiscal year. The net debt model includes net financial assets (financial assets – liabilities), which reports ACAD's financial health by indicating ACAD's ability to convert financial assets to cash in order to settle liabilities and to finance future operations.

Change in Accounting Policy

Endowment contributions and associated investment income capitalized are recognized in the statement of operations in the year in which they are received. In prior years, such transactions were recognized as direct increases to endowment net assets in the year they were received.

Comparative Figures

The net debt model with reclassification of comparatives has been adopted for the presentation of the June 30, 2016, financial statements. In addition, certain other 2015 comparative figures have been reclassified to conform to the 2016 presentation.

Significant Trends and Risks

ACAD 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 ACAD from a financial perspective are as follows:

1. Funding from the Province of Alberta

66.0% of ACAD's annual revenues are received from the Government of Alberta and therefore ACAD is vulnerable to any future decreases in the annual Campus Alberta grant.

2. Tuition Fees

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

3. Negotiations with Collective Bargaining Units

69.7% of ACAD's annual operating expenses are payroll-related costs. ACAD's financial viability is dependent on its ability to negotiate reasonable salary and benefit terms with two bargaining units. A three-year collective agreement with the Alberta College of Art + Design Faculty Association expired on June 30, 2016. A new agreement for the period from July 1, 2016, to June 30, 2019, was ratified in September 2016. The current agreement with Alberta Union of Provincial Employees Local 071/006 expires on June 30, 2017.

4. Information Technology

ACAD spends approximately \$1,400 per year on information technology to develop and support systems. Although there is a significant operating contribution towards information technology, the number of cyber risks including malware and ransomware continues to increase. If ACAD were impacted by one of these cyber risks, there could be financial and reputational impacts.

STATEMENT OF FINANCIAL POSITION - HIGHLIGHTS

Overall Results

ACAD's Net Assets (net financial assets – non-financial assets and spent deferred capital contributions) increased by \$1,185 to \$9,537.

Net financial asset balance has improved slightly over the past year from \$7,582 to \$8,248. ACAD's presentation of net financial assets includes \$5,412 of portfolio investments that are restricted for endowments. Endowment-restricted investments represent contributions from donors that are required to be maintained intact in perpetuity, as well as capitalized investment income that is also required to be maintained in perpetuity to protect the economic value of the endowment. Therefore, these investments cannot be used to pay for liabilities or future operating or capital purchases. Other major components of financial assets are cash, cash equivalents and non-endowment investments of \$12,364.

FINANCIAL ASSETS

Total financial assets increased by \$1,150 to \$18,276 at June 30, 2016, an increase of 6.7% from the prior year.

Cash and Cash Equivalents

ACAD's cash position comprises cash and temporary investments. Temporary investments are used to ensure that sufficient cash and liquid assets are available to manage the timing of ACAD's operating and capital expenditures. The cash position has increased \$1,045 to \$7,105, an increase of 17.2% from the prior year. The Statement of Cash Flows summarizes the sources and uses of cash in the fiscal year. During the fiscal year cash raised from operating transactions was \$2,565, and cash decreased spent on capital, investing and financing activities was (\$1,108), (\$380) and (\$32) respectively.

Portfolio Investments

Portfolio investments increased \$162 to \$10,671 at June 30, 2016, an increase of 1.5% from the prior year. The unrealized gain on unrestricted and restricted investments represents the increase in market value of the investment portfolios during the year (see note 5 of the financial statements for additional information relating to investment holdings and financial risk management).

	2016	2015	CHANGE
Net transfer from cash and cash equivalents	\$ 380	\$ 2,291	(\$ 1,911)
Unrealized gain (loss) investments	(218)	683	901
Portfolio investment, beginning of year	10,509	7,535	2,974
Portfolio investment, end of year	\$10,671	\$10,509	\$ 162

LIABILITIES HIGHLIGHTS

Total liabilities increased \$484 to \$10,028 at June 30, 2016, an increase of 5.1% from the prior year.

Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities increased by \$850 to \$2,451 at June 30, 2016, an increase of 53.1% from the prior year. Liabilities outstanding at the end of June 2016 were higher than in the prior year due to a higher level of activity on campus during the months of May and June, and a number of large consulting contracts still in progress for the duration of the fiscal year.

Deferred Revenue

Deferred revenue consists of the following components (see note 11 of the financial statements for additional information):

	2016	2015	CHANGE
Deferred research and special purpose	\$ 6,264	\$ 6,476	(\$ 212)
Unspent deferred revenue	1,240	1,024	216
Student tuition and fees	11	339	(328)
	\$ 7,515	\$ 7,839	(\$ 324)

- Deferred research and special purpose 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 gains/(losses) on restricted investments, which amounted to (\$217) at June 30, 2016.
- Unspent deferred capital contributions represent grants and donations received to fund capital acquisitions. At June 30, 2016, \$1,240 was held for capital purchases that had not yet been made.
- Student and tuition fees represent operating revenues received in the current year relating to services that will be provided in the next fiscal year. Registration for the new fiscal year began in July 2016 rather than June in the prior year.

NON-FINANCIAL ASSETS

Tangible Capital Assets

Tangible capital assets increased \$302 to \$4,851 at June 30, 2016, an increase of 6.6% from the prior year. See note 8 in the financial statements for information on the changes during the year, which are summarized below:

		2016	2015
Acquisition of tangible capital assets		\$ 1,108	\$ 377
Net book value of assets disposed during the year:			
Cost	(161)		(44)
Accumulated amortization	161		44
		-	-
Amortization expense		(806)	(804)
Change in tangible capital assets		302	(427)
Tangible capital assets, beginning of year		4,549	4,976
Tangible capital assets, end of year		\$ 4,851	\$ 4,549

Acquisition of tangible capital assets includes:

- / Furniture and equipment - \$113
- / Computer equipment - \$377
- / Leasehold improvements - \$618 (of which the most significant purchase was a partial replacement of the roof for \$220 and two classroom renovations totaling \$334)

Spent Deferred Capital Contributions

Spent deferred capital contributions is comprised of restricted grants and donations spent on tangible capital acquisitions not yet recognized as revenue (see note 12 of the financial statements for additional details).

NET ASSET HIGHLIGHTS

The net assets for ACAD increased by \$1,185 or 14.2% (see note 13 of the financial statements for additional details). Net assets are comprised of the following:

Endowments

Endowment net assets increased by \$289 or 6.5%.

Accumulated Surplus from Operations

Accumulated operating surplus increased by \$917 from \$2,156 in 2015 to \$3,073 at June 30, 2016. Changes to accumulated surplus from operations are comprised of the following:

	2016	2015
OPERATING SURPLUS (DEFICIT)	\$ 906	(\$ 738)
Add back:		
Amortization of internally funded capital assets	273	287
Operating expenses funded from internally restricted surplus	587	525
	1,766	74
Less:		
Net Board appropriation to internally restricted surplus	(449)	-
	1,317	74
Capital activities		
Internally funded acquisition of tangible capital assets	(400)	(107)
Change in accumulated surplus from operations	917	(33)
Accumulated surplus from operations, beginning of year	2,156	2,189
Accumulated surplus from operations, end of year	\$ 3,073	\$ 2,156

Investment in Tangible Capital Assets

In 2016 capital assets increased, net of depreciation, \$302. Of this increase, \$180 of assets was internally funded.

	2016	2015	CHANGE
Investment in tangible capital assets, opening balance	\$ 320	\$ 474	(\$ 154)
Amortization of internally funded assets	(273)	(287)	14
Asset additions	453	133	320
Investment in tangible capital assets, ending balance	\$ 500	\$ 320	\$ 180

Internally Restricted Surplus

Internally restricted surplus represents amounts set aside by ACAD'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. Currently the use of those funds has been appropriated as follows:

	2016	2015
Appropriation for capital activities:		
Campus renovations and facility upgrades	\$ 258	\$ 230
Equipment, technology and program upgrades	331	221
	589	451
Appropriation for operating activities:		
Operating programs	655	698
Sustainability planning	6	292
Total	\$ 1,250	\$ 1,441

Accumulated Remeasurement Gains and Losses

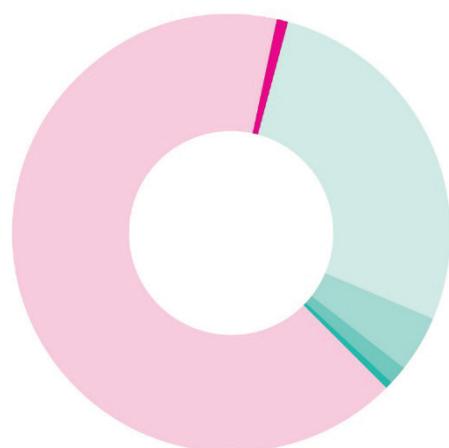
Accumulated remeasurement gains and losses represent the unrealized gain on unrestricted financial instruments as at June 30, 2016. As at June 30, 2016, the College had \$0 (2015 - \$10) accumulated remeasurement gains and losses.

STATEMENT OF OPERATIONS

Overall Results

Fiscal year 2016 ended with a final operating surplus (deficit) of \$906 (2015 – (\$738)). The surplus increased by \$1,644 from the prior year for the following reason: Revenues were 11.8% higher than the prior year primarily due to grant increases, higher earned capital contributions and an increase in ACAD's student enrollment across all programs. This was slightly offset by an increase in expenses of 3.6%, primarily due to increases in payroll costs.

REVENUE HIGHLIGHTS



REVENUES

	2016		2015		CHANGE FROM 2015	
	\$	%	\$	%	\$	%
Government of Alberta Grants	15,187	66.0	12,889	62.6	2,298	17.8
Federal and other government grants	220	1.0	204	1.0	16	7.8
Student tuition and fees	6,229	27.1	6,007	29.2	222	3.7
Sales of services and products	948	4.1	874	4.2	74	8.5
Donations and other contributions	379	1.6	541	2.6	(162)	(29.9)
Investment income	58	0.3	84	0.4	(26)	(31.0)
	23,021	100.0	20,599	100.0	2,422	11.8

Summary of Key Variances

Revenues

Total revenues for the period ending June 30, 2016, were \$23,021 compared to \$20,599 for the previous fiscal year. This represents an increase of 11.8% in overall revenues. Actual revenues exceeded budgeted revenues by 13.0% or \$2,643. The largest changes to ACAD's revenue base year over year were as follows:

In 2016, revenue recognized from the Government of Alberta base grant was \$1,226 higher than in 2015. Also, \$514 of the Targeted Enrollment and \$530 of the Access to the Future Funds grant was recognized in 2016.

Student tuition increased \$222, despite the tuition-rate freeze that was in place. The major factors contributing to this increase include:

- / Enrollment of ACAD's first MFA program students
- / Undergraduate credit program enrollment increased from 1,187 to 1,213 students
- / An increase in enrollment for ACAD's non-credit continuing education programs

This increase was marginally offset by a decrease in donations and other contributions. Scholarships issued remained consistent year over year, but donations received decreased by \$162.

The largest differences between ACAD's revenue budget and its actual results for the year 2016 were as follows:

	2016 BUDGET	2016 ACTUALS	VARIANCE FROM BUDGET
Government of Alberta grants	\$ 12,412	\$ 15,187	\$ 2,775
Federal and other government grants	57	220	163
Student tuition and fees	6,572	6,229	(343)
Sales of services and products	847	948	101
Donations and other contributions	400	379	(21)
Investment income	90	58	(32)
	\$ 20,378	\$ 23,021	\$ 2,643

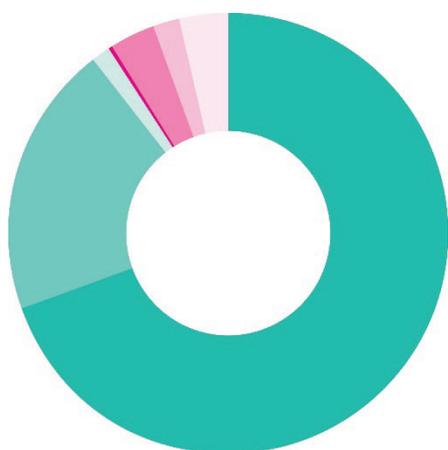
There was an increase to the base grant of \$1,600 to compensate for the tuition freeze implemented by the government. Further, revenues of \$530 pertaining to Access to the Future Funds, \$514 Targeted Enrollment and \$113 AEE Integrated Business Plan were recognized in 2016 in addition to the budget.

A number of significant non-governmental grants were received from private and corporate donors.

The enrollment headcount of full-load equivalents was 31 higher than budget; the negative variance in student tuition and other fees can be attributed to the tuition rate freeze.

EXPENSE HIGHLIGHTS

EXPENSES BY OBJECT



EXPENSES BY OBJECT + COMPARISON TO 2015

	2016		2015		CHANGE FROM 2015	
	\$	%	\$	%	\$	%
Employee salaries and benefits	15,422	69.7	14,879	69.7	543	3.6
Materials, supplies and services	4,371	19.8	4,191	19.6	180	4.3
Scholarships and bursaries	325	1.5	317	1.5	8	2.5
Maintenance and repairs	67	0.3	72	0.3	(5)	(6.9)
Utilities	720	3.3	707	3.3	13	1.8
Cost of goods sold	404	1.8	367	1.7	37	10.1
Amortization of tangible capital assets	806	3.6	804	3.8	2	0.2
	22,115	100.0	21,337	100.0	778	3.6

Comparison to 2015

Total expenses for the period ending June 30, 2016, were \$22,115. This represents an increase of \$778 or 3.6% over total operating expenses for the previous year (2015 - \$21,337). The most significant changes were as follows:

The increase of \$543 in salaries and benefits year over year is due primarily to a 2.5% increase negotiated for faculty, two additional staffing positions in academic and student support, and one new health and safety officer.

Materials, services and supplies have increased year over year due to the availability of additional funding for special projects sourced from both internally and externally restricted funds. The majority of this pertains to the Sustainability Plan and Access to the Future project expenditures.

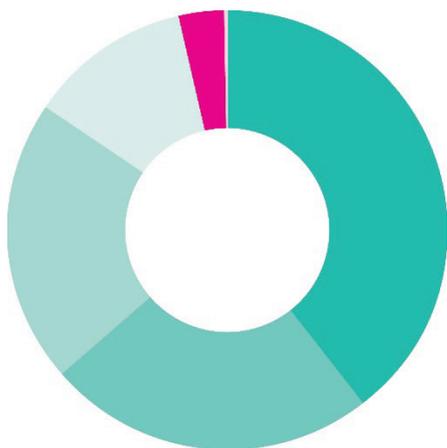
	2016 BUDGET	2016 ACTUALS	VARIANCE FROM BUDGET
Employee salaries and benefits	\$ 14,852	\$15,422	(\$ 570)
Materials, supplies and services	3,416	4,371	(955)
Scholarships and bursaries	304	325	(21)
Maintenance and repairs	80	67	13
Utilities	1,197	720	477
Cost of goods sold	387	404	(17)
Amortization of tangible capital assets	763	806	(43)
	\$ 20,999	\$ 22,115	(\$ 1,116)

Comparison to Approved Operating Budget

The most significant variances to ACAD's operating budget include:

- / \$955 negative variance in materials, supplies and services. Much of this expenditure relates to projects funded from internally and externally restricted funds, which are not included as part of ACAD's operating budget
- / \$570 negative variance in employee salaries and benefits. A majority of this is due to non-budgeted positions, funded with restricted funds
- / \$477 positive variance in utilities due to low commodity prices and an unseasonably warm winter season

EXPENSES BY FUNCTION



EXPENSES BY FUNCTION + COMPARISON TO 2015

	2016		2015		CHANGE FROM 2015	
	\$	%	\$	%	\$	%
Instruction and non-sponsored research	8,736	39.5	8,645	40.5	91	1.1
Academic and student support	5,351	24.2	5,217	24.5	134	2.6
Institutional support	4,652	21.0	4,163	19.5	489	11.7
Facility operations and maintenance	2,588	11.7	2,501	11.7	87	3.5
Ancillary services	771	3.5	776	3.6	(5)	(0.6)
Sponsored research	17	0.1	35	0.2	(18)	(51.4)
	22,115	100.0	21,337	100.0	778	3.6

Comparison to 2015

The total increase in expenses year over year was \$778; \$534 or 68.5% of this increase related to salaries and benefits, which is ACAD’s largest class of expenses. Other increases in costs are attributable to spending on projects such as the development of ACAD’s Sustainability Plan and projects identified in our comprehensive institutional plan to increase revenue generation and sustainability, conduct scholarly research and creative growth as well as academic growth, reputation enhancement and enhancements to student experience and diversity. These initiatives were funded by allocations from internally restricted reserves as well as grants received from government that did not form part of ACAD’s approved operating budget for 2015/16.

Instruction, Academic and Student Support and Institutional Support:

Instruction, academic and student support and institutional support include expenses related to institutional program delivery, support for instructional program delivery and the student body, and institutional-wide administrative services. The majority of ACAD’s faculty and staff work in these three areas. AUPE and Faculty Collective agreements provided for a 2.25% and 2.5% increase in rates for support staff and faculty respectively, as well as the normal annual increase as a result of grid movement. Internally restricted reserves and externally restricted grants also supported expenditures on a number of important projects in these areas that did not form part of ACAD’s annual operating budget.

Facility Operations and Maintenance:

The expenses in this category relate to the maintenance and renewal of facilities that house teaching, administrative and other areas within ACAD. Expenses include utilities, facilities administration, building maintenance, and custodial and security services. The main contributing factors to this increase were the addition of the position of health and safety officer and an 18% increase in caretaking and custodial costs.

Ancillary Services:

Ancillary services relate to services available to students, faculty and staff. They include food services and bookstore operations. The cost of providing these services did not change significantly year over year.



INFORMATION TECHNOLOGY

INFORMATION TECHNOLOGY

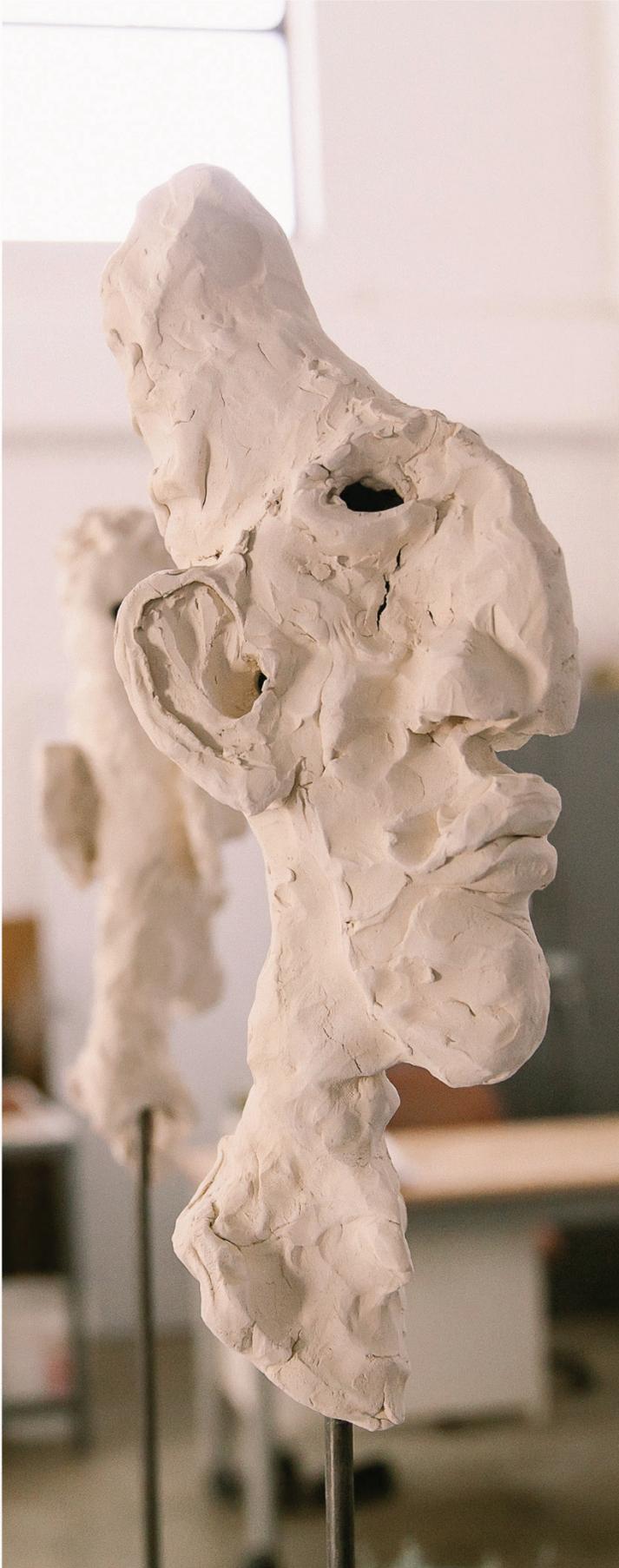
Technology is integral to ACAD's success. To reach ACAD's strategic goals, robust information technology is required. ACAD identifies and prioritizes needs and allocates resources to move key initiatives forward. Unfortunately, funding is not available to meet all the demands for technology infrastructure and software. In 2015/2016, ACAD spent \$1,588 (excluding reserves and grants) of our operating budget on information technology and an additional \$297 on capital costs for information technology. The lack of funding has increased the risk to ACAD as we endeavour to maintain a secure and modern technology infrastructure.

The priorities for investment reflect the following:

- / Ensuring technology tools meet the academic needs of students within the resource constraints of ACAD
- / 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
- / Updating 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

The table below lists a number of the key initiatives at ACAD and the progress that was made in 2015-16.

INITIATIVE	KEY ACTIVITIES IN 2015-16
Student Program Planning and Audit System	Executed vendor agreements for licensing and professional services
Continuing Education Registration System	Vendor selection and execution of agreements for service access and professional services
Content and Process Delivery for Students on Smart Phone (Mobile Technology)	Executed vendor agreement for licensing
Recruitment and Admissions Customer Relationship Management System	Vendor selection and execution of agreements for service access and professional services
Student System Renewal	Engaged vendor for professional services
Enterprise Resource Planning (ERP) System Review	Secured funding to development business case
Infrastructure Maintenance/Evergreen	Acquired and installed important IT and audiovisual infrastructure and equipment
Risk Mitigation and Audit Compliance	Engaged vendors for professional services. Acquired and implemented critical IT equipment and related services
HR/Payroll System Renewal	Completed implementation and transition to new system
Project Portfolio Management	Published prioritized list of active projects for 2016-17
ACAD Website Renewal	Completed and launched new ACAD website
eduroam	Collaborated with several partners to implement secure world-wide roaming access service at ACAD
Operations and Support	Increased budget to accommodate cost increases for existing services and expansion of services
Staff Augmentation Services	Engaged vendor for professional services to back-fill for key personnel



CAPITAL PLAN

CAPITAL PLAN

OVERVIEW

ACAD prepares a capital budget annually 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 research and innovation. When capital requirements are outside the capacity of ACAD to accommodate and fund, application is made to the Province for support. Although needs have been identified, ACAD has no active provincially funded projects in progress at this time.

ACAD's 2015-16 consolidated budgets included \$384 of internally funded capital expenditures funded from internal reserves and cash flows generated each year from amortization of funded assets. The amount was a 6.7% increase over expenditure levels for 2014-15 and provided support for less than 33% of the capital funding priority requests received for the year. With few dedicated sources of funding for capital replacement, the level of expenditure is expected to remain below required levels and will potentially decline in future years as ACAD's reserves continue to be depleted or used in funding equipment and technology renewal. Support for capital replacement needs has been mostly related to life-cycle and technology upgrades and to meet ACAD's need for safe and functional equipment. During the year, ACAD also provided funding support to upgrade its website and student information systems to accommodate improvements in both scheduling and degree audit and support an online payment system for students.

CAPITAL CONCERNS

An ongoing concern is that ACAD 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 life-cycle 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 some 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, ACAD 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.

ACAD 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 an offsite data centre and other shared-service arrangements with a number of institutions. Over the next few years, a new system roadmap will be plotted to fully explore ACAD's priorities for system development and technology enhancement. This work has begun with a current review of the 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 the absence of business analytics, will also continue to challenge ACAD's ability to undertake good research and to improve its overall program effectiveness.

SUSTAINABILITY

ACAD continues to take a strategic look at its capital needs. ACAD has consistently received more student applications than we can accommodate in our current facility. The issue of capacity will need to be addressed, as indicated in the sustainability report ACAD provided to government. The sustainability report is a comprehensive review of ACAD's operational and capital needs for future growth.

With the completion of the new Academic Strategic Plan in 2015, this need for increased capacity will become even more critical over the next five years. ACAD has also just introduced graduate-level programming, which is projected to expand over the next three years. To accommodate future enrollment and program needs for students and the Government of Alberta, it is vital that ACAD have additional capacity. A phased-in capital plan to accommodate enrollment growth will be a key deliverable of the sustainability planning process. ACAD believes that increasing capacity is essential to accommodate growth and access for both local and international students. ACAD believes this approach will be reasonable, cost effective and essential to support both student demand and the Province's 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 ACAD's capital priority.



AUDITED FINANCIAL STATEMENTS

ALBERTA COLLEGE OF ART + DESIGN FINANCIAL STATEMENTS

For the year ended June 30, 2016

Statement of Management Responsibility

Independent Auditor's Report

Statement of Financial Position

Statement of Operations

Statement of Change in Net Financial Assets

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, 2016

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, 2016 and the results of its operations, remeasurement gains and losses, change in net financial assets and cash flows for the year then ended.

In fulfilling its responsibilities and recognizing the limits inherent in all systems, management has developed and maintains a system of internal 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 and the Board 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 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.



DANIEL DOZ
PRESIDENT AND CEO



SCOT MCFADYEN
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, 2016, and the statements of operations, change in net financial assets, 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, 2016, and the results of its operations, its remeasurement gains and losses, its changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

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

Auditor General

October 26, 2016

Edmonton, Alberta

**ALBERTA COLLEGE OF ART AND DESIGN
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2016
(thousands of dollars)**

	<u>2016</u>	<u>2015</u> (note 3)
Financial assets		
Cash and cash equivalents (note 4)	\$ 7,105	\$ 6,060
Portfolio investments – non-endowment (note 5)	5,259	4,965
Portfolio investments – restricted for endowments (note 5)	5,412	5,544
Accounts receivable (note 7)	278	301
Inventories for resale	222	256
	<u>\$ 18,276</u>	<u>\$ 17,126</u>
Liabilities		
Accounts payable and accrued liabilities	\$ 2,451	\$ 1,601
Employee future benefit liabilities (note 9)	-	10
Debt (note 10)	62	94
Deferred revenue (note 11)	7,515	7,839
	<u>10,028</u>	<u>9,544</u>
Net financial assets	<u>\$ 8,248</u>	<u>\$ 7,582</u>
Non-financial assets		
Tangible capital assets (note 8)	\$ 4,851	\$ 4,549
Inventories of supplies	241	281
Prepaid expenses	149	75
	<u>5,241</u>	<u>4,905</u>
Net assets before deferred capital contributions	<u>\$ 13,489</u>	<u>\$ 12,487</u>
Spent deferred capital contributions (note 12)	3,952	4,135
Net Assets	<u>\$ 9,537</u>	<u>\$ 8,352</u>
Net Assets is comprised of:		
Accumulated surplus (note 13)	\$ 9,537	\$ 8,342
Accumulated rereasurement gains and losses	-	10
	<u>\$ 9,537</u>	<u>\$ 8,352</u>

Contingent liability and contractual obligations (note 15 and 16)

Approved by the Board of Governors (note 22):



Chair, Board of Governors



Chair, Finance and Audit Committee

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

ALBERTA COLLEGE OF ART AND DESIGN
STATEMENT OF OPERATIONS
YEAR ENDED JUNE 30, 2016
(thousands of dollars)

	Budget 2016	2016	2015
	(note 20)		(note 3)
Revenues			
Government of Alberta grants (note 19)	\$ 12,412	\$ 15,187	\$ 12,889
Federal and other grants	57	220	204
Sales of services and products	847	948	874
Student tuition and fees	6,572	6,229	6,007
Donations and other contributions	400	379	541
Investment income	90	58	84
	<u>20,378</u>	<u>23,021</u>	<u>20,599</u>
Expenses			
Instruction and non-sponsored research	8,874	8,736	8,645
Academic and student support	4,719	5,351	5,217
Institutional support	3,729	4,652	4,163
Facility operations and maintenance	2,877	2,588	2,501
Ancillary services	800	771	776
Sponsored research	-	17	35
	<u>20,999</u>	<u>22,115</u>	<u>21,337</u>
Annual operating surplus (deficit)	(621)	906	(738)
Endowment contributions and capitalized investment income (note 13)		<u>289</u>	<u>(59)</u>
Annual surplus (deficit)	<u>(621)</u>	<u>1,195</u>	<u>(797)</u>
Accumulated surplus at beginning of year	<u>8,342</u>	<u>8,342</u>	<u>9,139</u>
Accumulated surplus at end of year (note 13)	<u>\$ 7,721</u>	<u>\$ 9,537</u>	<u>\$ 8,342</u>

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

ALBERTA COLLEGE OF ART AND DESIGN
STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
YEAR ENDED JUNE 30, 2016
(thousands of dollars)

	<u>2016</u>	<u>2015</u> (note 3)
Annual surplus (deficit)	\$ 1,195	\$ (797)
Acquisition of tangible capital assets (note 8)	(1,108)	(377)
Amortization of tangible capital assets (note 8)	806	804
Change in inventories of supplies	40	(19)
Change in prepaid expenses	(74)	12
Change in spent deferred capital contributions (note 12)	(183)	(242)
Change in accumulated remeasurement gains (losses)	(10)	3
Increase (decrease) in net financial assets	666	(616)
Net financial assets, beginning of year	<u>7,582</u>	<u>8,198</u>
Net financial assets, end of year	<u>\$ 8,248</u>	<u>\$ 7,582</u>

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

ALBERTA COLLEGE OF ART AND DESIGN
STATEMENT OF REMEASUREMENT GAINS AND LOSSES
YEAR ENDED JUNE 30, 2016
(thousands of dollars)

	<u>2016</u>	<u>2015</u> (note 3)
Accumulated remeasurement gains, beginning of year	\$ 10	\$ 7
Change in unrealized gains (losses) on foreign exchange	<u>(10)</u>	<u>3</u>
Accumulated remeasurement gains, end of year	<u>\$ -</u>	<u>\$ 10</u>

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

ALBERTA COLLEGE OF ART AND DESIGN
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2016
(thousands of dollars)

	<u>2016</u>	<u>2015</u> (note 3)
Operating Transactions		
Annual surplus (deficit)	<u>\$ 1,195</u>	<u>\$ (797)</u>
Add (deduct) non-cash items:		
Amortization of tangible capital assets	806	804
Expended capital recognized as revenue	(501)	(484)
Decrease in employee future benefit liabilities	(10)	(77)
Endowment transfer out	-	(165)
Change in non-cash items	<u>295</u>	<u>78</u>
(Increase) decrease in accounts receivable	23	(70)
(Increase) decrease in inventories for resale	24	(23)
Increase (decrease) in accounts payable and accrued liabilities	850	(418)
Increase (decrease) in deferred revenue, less unrealized gains losses on portfolio investments	(106)	1,579
Additions to spent deferred capital contributions	318	242
(Increase) decrease in inventories of supplies	40	(19)
(Increase) decrease in prepaid expenses	(74)	16
Cash provided by operating transactions	<u>2,565</u>	<u>588</u>
Capital Transactions		
Acquisition of tangible capital assets	<u>(1,108)</u>	<u>(377)</u>
Cash applied to capital transactions	<u>(1,108)</u>	<u>(377)</u>
Investing Transactions		
Purchase of portfolio investments	(1,815)	(2,323)
Proceeds on sale of investments	<u>1,435</u>	<u>32</u>
Cash applied to investing transactions	<u>(380)</u>	<u>(2,291)</u>
Financing Transactions		
Debt repayment	<u>(32)</u>	<u>(32)</u>
Cash applied to financing transactions	<u>(32)</u>	<u>(32)</u>
Increase (decrease) in cash and cash equivalents	1,045	(2,112)
Cash and cash equivalents at beginning of year	<u>6,060</u>	<u>8,172</u>
Cash and cash equivalents at end of year	<u><u>\$ 7,105</u></u>	<u><u>\$ 6,060</u></u>

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

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 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) Valuation of Financial Assets and Liabilities

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

<u>Financial Statement Component</u>	<u>Measurement</u>
Cash and cash equivalents	Amortized cost
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 recorded in the statement of operations. A write-down of a portfolio investment to reflect a loss in value is not reversed for a subsequent increase in value.

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.

c) Revenue Recognition

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

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 2015-2016, 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.

Endowment contributions, matching contributions, and associated investment income allocated for the preservation of endowment capital purchasing power are recognized in the Statement of Operations in the period in which they are received.

Investment Income

Investment income includes dividends, interest income, and realized gains or losses on the sale of non-endowment portfolio investments. Investment income from restricted grants and donations is recognized as deferred revenue when the terms for use create a liability, and is recognized as investment income when terms of the grant or donation are met.

Realized investment income allocated to endowment balances for the preservation of endowment capital purchasing power is recognized in the Statement of Operations as a component of endowment contributions and capitalized investment income.

d) 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 of supplies are valued at cost.

e) 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 (14 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.

f) Foreign Currency Translation

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

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

g) 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.

Administrative leave

A liability is recorded annually equal to the amount of administrative leave accrued to June 30 each year as defined in the employee's terms of employment.

h) Future Accounting Changes

In March 2015, the Public Sector Accounting Board issued PS2200 Related party disclosures and PS3420 Inter-entire transactions. In June 2015, the Public Sector Accounting Board issued PS 3210 Assets, PS 3320 Contingent Assets, PS 3380 Contractual rights, and PS 3430 Restructuring transactions. These accounting standards are effective for fiscal years starting on or after April 1, 2017, with the exception of PS 3430, which is effective for fiscal years starting on or after April 1, 2018.

- 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.
- PS3420 – Inter-entire 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.
- PS 3210 – Assets provides guidance for applying the definition of assets set out in PS 1000, Financial statement concepts, and establishes general disclosure standards for assets.
- PS 3320 – Contingent assets defines and establishes disclosure standards for contingent assets.
- PS 3380 – Contractual rights defines and establishes disclosure standards on contractual rights.
- PS 3430 – Restructuring transactions defines a restructuring transaction and establishes standards for recognizing and measuring assets and liabilities transferred in a restructuring transaction.

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.

i) Expense by Function

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

Instruction and non-sponsored research

Expenses related to institutional program delivery, both credit and non-credit, and expenses related to scholarly and non-sponsored research activities undertaken by faculty.

Sponsored research

Expenses for all sponsored research activities specifically funded by restricted grants and donations.

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.

j) 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. Changes in Accounting Policies

a) Adoption of the Net Debt Model

The net debt model (with reclassification of comparatives) has been adopted for the presentation of financial statements. Net financial asset or net debt is measured as a difference between the College financial assets and liabilities

The effect of this change results in changing the presentation of the statement of financial position and adding the statement of change in net financial assets (net debt).

b) Endowment contributions and capitalized investment income

Effective April 1, 2015, endowment contributions, matching contributions, and associated investment income allocated for the preservation of endowment capital purchasing power are recognized in the statement of operations in the period in which they are received. In prior years, such transactions were recognized as direct increases to endowments, not through income in the statement of operations, in the period they were received. This change in accounting policy is applied retrospectively with restatement of comparative numbers.

ALBERTA COLLEGE OF ART AND DESIGN
 NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2016
 (thousands of dollars)

The impact on the prior year's financial statements as a result of the change in accounting policy is as follows:

	2015		
	Previously recorded	Adjustment recorded	Restated
Increase (decrease) in:			
Statement of financial position			
Deferred revenue	\$ 11,974	\$ (4,135)	\$ 7,839
Statement of operations			
Endowment contributions and capitalized investment income		(59)	\$ (59)

4. Cash and Cash Equivalents

	2016	2015
Cash	\$ 5,313	\$ 4,748
Portfolio managed money market funds	1,792	1,312
	<u>\$ 7,105</u>	<u>\$ 6,060</u>

Cash equivalents include short term investments with a short maturity within 90 days from the date of acquisition.

5. Portfolio Investments

	2016	2015
Portfolio investments – non-endowment	\$ 5,259	\$ 4,965
Portfolio investments – restricted for endowments	5,412	5,544
	<u>\$ 10,671</u>	<u>\$ 10,509</u>

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

	2016			Total
	Level 1	Level 2	Level 3	
Investments at Fair Value:				
Portfolio managed fixed income	\$ -	\$ 4,358	\$ -	\$ 4,358
Portfolio managed equity	-	6,313	-	6,313
	<u>\$ -</u>	<u>\$ 10,671</u>	<u>\$ -</u>	<u>\$ 10,671</u>

ALBERTA COLLEGE OF ART AND DESIGN
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016
(thousands of dollars)

	2015			
	Level 1	Level 2	Level 3	Total
Investments at Fair Value:				
Portfolio managed fixed income	\$ -	\$ 3,316	\$ -	\$ 3,316
Portfolio managed equity	-	7,193	-	7,193
	<u>\$ -</u>	<u>\$ 10,509</u>	<u>\$ -</u>	<u>\$ 10,509</u>

The fair value measurements are those derived from:

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

Level 2 – Fair value measurements are those derived from inputs other than quoted market prices included with level 1 that are observable for the assets, either directly (i.e as prices) or indirectly (i.e derived from prices).

Level 3 – Fair value measurements are those derived from valuation techniques that include inputs for the assets that are not based on observable market data (unobservable inputs).

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.

6. 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 5.49% 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, 2016, if market prices had a 5.49% (2015: 4.4%) 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 \$121 (2015: \$106).

Liquidity risk

The College maintains investments that may not be immediately liquid. This risk is managed through the College's investment guidelines and other internal policies, guidelines and procedures.

ALBERTA COLLEGE OF ART AND DESIGN
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016
(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:

	<u>2016</u>	<u>2015</u>
Credit rating		
AAA	41.5%	42.8%
AA	25.7%	24.4%
A	21.9%	23.0%
BBB	10.9%	9.8%
	<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 (%)
Portfolio investments, money market funds	1,792	-	-	0.45
Portfolio investments, fixed income	39	1,081	3,238	1.75

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.

7. Accounts Receivable

	<u>2016</u>	<u>2015</u>
Accounts receivable	\$ 291	\$ 301
Less allowance for doubtful accounts	<u>(13)</u>	<u>-</u>
	<u>\$ 278</u>	<u>\$ 301</u>

Accounts receivable are unsecured and non-interest bearing.

ALBERTA COLLEGE OF ART AND DESIGN
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016
(thousands of dollars)

8. Tangible Capital Assets

	2016			2015	
	Building Improvements	Furnishings, Equipment ⁽¹⁾	Computer Hardware, Software	Total	Total
Cost					
Beginning of year	\$ 5,820	\$ 2,738	\$ 2,308	\$ 10,866	\$ 10,533
Acquisitions	618	113	377	1,108	377
Disposals, including write-downs	-	(48)	(113)	(161)	(44)
	<u>\$ 6,438</u>	<u>\$ 2,803</u>	<u>\$ 2,572</u>	<u>\$ 11,813</u>	<u>\$ 10,866</u>
Accumulated Amortization					
Beginning of year	\$ 1,946	\$ 2,278	\$ 2,093	\$ 6,317	\$ 5,557
Amortization expense	411	217	178	806	804
Effects on disposals, including write-downs	-	(48)	(113)	(161)	(44)
	<u>\$ 2,357</u>	<u>\$ 2,447</u>	<u>\$ 2,158</u>	<u>\$ 6,962</u>	<u>\$ 6,317</u>
Net book value at June 30, 2016	<u>\$ 4,081</u>	<u>\$ 356</u>	<u>\$ 414</u>	<u>\$ 4,851</u>	<u>\$ 4,549</u>
Net book value at June 30, 2015	<u>\$ 3,874</u>	<u>\$ 460</u>	<u>\$ 215</u>		<u>\$ 4,549</u>

No interest was capitalized by the College in 2016.

Cost includes work-in-progress at June 30, 2016 totaling \$147 comprised of building improvements \$63 (2015 - \$0), furnishings, equipment \$3 (2015 - \$0) and computer hardware, software \$81 (2015 - \$2). These amounts are not amortized as they are not yet available for use.

(1) Included in furnishings, equipment are assets under capital leases that have a cost of \$160 (2015: \$94) and accumulated amortization of \$99 (2015: \$61).

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 Advanced Education.

The College holds a large number of contemporary works of art including paintings, sculptures, drawings, photographs, prints and other craft media. Due to the subjective nature of the value of these assets, the values are not reported in this note.

ALBERTA COLLEGE OF ART AND DESIGN
 NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2016
 (thousands of dollars)

9. Employee Future Benefit Liabilities

Employee future benefit liabilities are comprised of the following:

	<u>2016</u>	<u>2015</u>
Long-term disability	<u>\$ -</u>	<u>\$ 10</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, 2015, the LAPP reported an actuarial deficiency of \$923,416 (2014: \$2,454,636 deficiency). An actuarial valuation of LAPP was carried out at December 31, 2014 and then extrapolated to December 31, 2015. The pension expense recorded in these financial statements is \$1,089 (2015: \$1,034). Other than the requirement to make additional contributions, the College does not bear any risk related to the LAPP deficiency.

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 \$0 (2015: \$10).

c) Administrative leave

Administrative leave relates to one senior executive. This employee is entitled to accumulate one-fifth of a year of administrative leave for each year served. If it is not practical or feasible for this leave to be taken in any given year, this employee is entitled to a payment in lieu on a pro rata basis up to a maximum of fifty percent of the current base pay to be paid at the conclusion of the term of the contract.

10. 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:

	<u>Interest rate</u>	<u>2016</u>	<u>2015</u>
Obligations under capital leases	5%	<u>\$ 62</u>	<u>\$ 94</u>

Principal repayments in the next two years are as follows:

	<u>Long-term Leases</u>
2017	<u>32</u>
2018	<u>30</u>
	<u>\$ 62</u>

ALBERTA COLLEGE OF ART AND DESIGN
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016
(thousands of dollars)

11. Deferred Revenue

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

	2016			2015	
	Deferred research and special purpose	Unspent deferred capital contributions	Tuition and other fees	Total	Total
Balance, beginning of year	\$ 6,476	\$ 1,024	\$ 339	\$ 7,839	\$ 5,742
Grants, tuition, donations received during the year	1,207	280	5,063	6,550	7,064
Restricted investment income	656	113	-	769	221
Change in unrealized gains	(217)	-	-	(217)	683
Transfers to spent deferred capital contributions	(30)	(288)	-	(318)	(242)
Recognized as revenue	(1,385)	-	(5,391)	(6,776)	(5,532)
Scholarships, bursaries issued	(332)	-	-	(332)	(230)
Other	(111)	111	-	-	133
Balance, end of year	\$ 6,264	\$ 1,240	\$ 11	\$ 7,515	\$ 7,839

12. Spent Deferred Capital Contributions

Spent deferred capital contributions is comprised of restricted grants and donations spent on tangible capital acquisitions (not yet recognized as revenue).

	2016	2015
Spent Deferred Capital Contributions		
Spent deferred capital contributions, beginning of year	\$ 4,135	\$ 4,377
Transfers from unspent deferred capital contributions	288	242
Transfers from deferred research and special purpose	30	-
Expended capital recognized as revenue	(501)	(484)
Net change for the year	(183)	(242)
Spent deferred capital contributions, end of year	\$ 3,952	\$ 4,135

ALBERTA COLLEGE OF ART AND DESIGN
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016
(thousands of dollars)

13. Accumulated Surplus

The composition of accumulated surplus is as follows:

	Accumulated surplus (deficit) from operations	Investment in tangible capital assets	Internally restricted surplus	Endowments	Total accumulated surplus
Balance as at 2014	\$ 2,189	\$ 474	\$ 1,992	\$ 4,484	\$ 9,139
Annual operating (deficit)	(738)	-	-	-	(738)
Endowments:					
Contributions	-	-	-	51	51
Capitalized investment income	-	-	-	55	55
Transfer out	-	-	-	(165)	(165)
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	\$ 2,156	\$ 320	\$ 1,441	\$ 4,425	\$ 8,342
Annual operating surplus	906	-	-	-	906
Endowments:					
Contributions	-	-	-	144	144
Capitalized investment income	-	-	-	145	145
Amortization of internally funded capital assets	273	(273)	-	-	-
Internally funded acquisition of tangible capital assets	(449)	453	(4)	-	-
Net board appropriation to internally restricted surplus	(400)	-	400	-	-
Operating expenses funded from internally restricted surplus	587	-	(587)	-	-
Balance as at 2016	\$ 3,073	\$ 500	\$ 1,250	\$ 4,714	\$ 9,537

ALBERTA COLLEGE OF ART AND DESIGN
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016
(thousands of dollars)

14. 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:

	<u>2016</u>	<u>2015</u> (note 23)
Appropriation for capital activities:		
Campus renovations and facility upgrades	\$ 258	\$ 230
Equipment, technology and program upgrades	<u>331</u>	<u>221</u>
	<u>\$ 589</u>	<u>\$ 451</u>
Appropriation for operating activities:		
Operating programs	\$ 655	\$ 698
Sustainability planning	<u>6</u>	<u>292</u>
Total	<u>\$ 1,250</u>	<u>\$ 1,441</u>

15. Contingent Liability

The College is a defendant in a legal proceeding concerning one student. While the ultimate outcome and liability of this proceeding cannot reasonably be estimated at this time, the College believes that any settlement will not have a materially adverse effect on its financial position or the results of operations. The College administration has concluded that the claim does not meet the criteria for being recorded under PSAS.

16. 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:

	<u>Service contracts</u>	<u>Information systems and technology</u>	<u>Long-term leases</u>	<u>Total</u>
2017	\$ 683	\$ 746	\$ 10	\$ 1,439
2018	44	401	10	455
2019	40	40	5	85
2020	40	40	-	80
2021	2	30	-	32
Thereafter	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 809</u>	<u>\$ 1,257</u>	<u>\$ 25</u>	<u>\$ 2,091</u>

ALBERTA COLLEGE OF ART AND DESIGN
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016
(thousands of dollars)

17. Expense by Object

The following is a summary of expense by object:

	2016		2015
	Budget (note 20)	Actual	Actual
Employee salaries and benefits	\$ 14,852	\$ 15,422	\$ 14,879
Materials, supplies and services	3,416	4,371	4,191
Scholarships and bursaries	304	325	317
Maintenance and repairs	80	67	72
Utilities	1,197	720	707
Cost of goods sold	387	404	367
Amortization of tangible capital assets	763	806	804
	<u>\$ 20,999</u>	<u>\$ 22,115</u>	<u>\$ 21,337</u>

18. Salary and Employee Benefits

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

	2016				2015
	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	252	24	58	334	299
Vice-Presidents:					
Provost and Vice-President Research and Academic ⁽⁵⁾	-	-	-	-	18
Vice-President Finance and Corporate Services	164	25	12	201	189
Vice-President Engagement ⁽⁶⁾	-	-	-	-	177
Associate Vice-Presidents: ⁽⁵⁾					
Associate Vice-President Student Affairs	127	-	28	155	156
Associate Vice-President Instructional Affairs	121	-	27	148	147
Associate Vice-President Research and Academic Affairs	137	-	26	163	157

ALBERTA COLLEGE OF ART AND DESIGN
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016
(thousands of dollars)

- (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, dismemberment, and accumulated administration leave. 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 Provost and Vice-President Research and Academic position departed effective August 2, 2014. Subsequently, the position was eliminated and replaced by a new academic structure of Associate Vice-Presidents.
- (6) The Vice-President Engagement departed effective June 30, 2015. This position was subsequently eliminated.

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>2016</u>	<u>2015</u>
Grants from Government of Alberta		
Advanced Education:		
Campus Alberta grant	\$ 13,543	\$ 12,317
Access to the Future Fund	-	1,120
Other grants	1,132	356
Total Advanced Education	<u>14,675</u>	<u>13,793</u>
Other Government of Alberta departments and agencies	<u>149</u>	<u>126</u>
Total grants received	14,824	13,919
Less: deferred revenue	(56)	(1,448)
Add: restricted expended capital recognized as revenue	419	418
	<u>\$ 15,187</u>	<u>\$ 12,889</u>
Accounts Payable		
Other Post-Secondary Institutions	<u>\$ 118</u>	<u>\$ 114</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.

21. Subsequent Event

On July 7, 2016, the College entered into a long term agreement with the Alberta Minister of Culture and Tourism to lease lands and a series of buildings including the structure known as the Perrenoud Ranch House in the Municipality of Rocky View. The lease expires July 31, 2039 and obligates the College for payment of all operating costs on the premises, estimated at \$35 annually. The property will be an integral part of the College's new residency program.

22. Approval of Financial Statements

The financial statements were approved by the Board of Governors of the Alberta College of Art and Design.

23. Comparative Figures

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